

## MEDIA CONFERENCE CALL

August 18, 2017

### CORPORATE PARTICIPANTS

**Ravi Venkatesan**  
Co-Chairman, Board

**R Seshasayee**

**Vishal Sikka**  
Executive Vice Chairman

### ANALYSTS

**Shilpa Phadnis**  
Times of India

**Anirban Sen**  
Mint

**Sangeetha Chengappa**  
Hindu Business Line  
Zee Business

**Rukmini Rao**  
CNBC TV18

**Ravi Venkatesan**

Good Afternoon and thank you all for being here in person. So at a Board meeting that we held this morning we considered and with incredible sadness and regret the Board accepted the decision of Vishal Sikka to resign as the Managing Director and CEO effective immediately. Now, obviously, Vishal is very shortly going to speak directly about the reasons that led to his decision. But the Board fully understands and appreciates the reasons for his coming to this decision. I want to on behalf of the full Board place on record appreciation to Vishal for these three years of his leadership. I am also in my personal capacity an occasional writer and have written about how Vishal has been such a thought leader for the industry as well as for Infosys and in many ways how he made sure that Infosys is strategically relevant again and has sown the seeds for the transformation of the company. So in addition to the operational and financial performance of the company, I want to thank Vishal for leading this transformation.

In order to deal with this, the Board today made certain decisions. We are very grateful to Vishal that he has kindly agreed to not just stay on for the customary 90-days but to stay on in the capacity of Executive Vice Chairman effective immediately and help the Board and the management ensure continuity and stability and to be with us until either a suitable successor is found and named or until 31<sup>st</sup> March 2018. During this period, Vishal will focus on a few things in particular – He is going to focus on helping the strategic initiatives, ensuring the technology direction of the company continues to strengthen and he will focus on ensuring continuity in terms of important client relationships.

We are also very appreciative of the fact that Pravin Rao has also agreed to step up into the role of the Interim Chief Executive Officer and Managing Director. He will be reporting to Vishal in that capacity and so we should have a fairly seamless transition in terms of execution and leadership of the company.

The Board has tasked the Chairman of the Nominations and Remuneration Committee and the Committee to start immediately on the search for appropriate successor to Vishal and obviously they will consider candidates both internally and externally. The thing I wanted to affirm is that regardless for all these changes, there is going to be no change to the strategic direction of the company. This is a path that we have been on for three years. It has got traction, it has become institutionalized, which is no longer fragile, the management has bought into it, the Board fully is committed to this. So the message I wanted to leave behind is one of continuity and stability. So let me pause here because I am sure there is going to be lots of questions and turn it over to Vishal.

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**Vishal Sikka**

Thanks, Ravi and good day everyone, good afternoon. Sesh and I are here in California. It is the day has been like a blur, it is very in many ways a sad day but I think also in many ways a day that I hope will help clarify and improve things.

As you know, I started a little bit more than three years ago on this journey. Infosys is more than a company, it is an iconic institution, it is an institution that I grew up, looking up to and it was a dream to be the CEO of Infosys. So when I started at the time the IT industry and Infosys in particular both were in quite a challenging situation. In this climate, I think with the strategy that we laid out and especially with the execution that our team delivered, I am really proud of the results that we have achieved... we already achieved market leading growth in fiscal '16 13.3% in constant currency and if you look at our performance in fiscal '17 with the exception of Cognizant, we are again industry-leading and if you remove the inorganic component of Cognizant's revenue growth then we will also again industry-leading.

I am really proud that because of the work that Pravin and Ranga and Ravi and Mohit and the team did. Our margin performance of this has been extraordinary, last quarter we did 24.1% margin which is the first time in five years that we have beaten our largest competitor on margins. Similarly on other metrics like revenue per employee, we have improved six quarters in a row especially because of the efforts of Ranga and our finance team, our cash generation has been extraordinary. When I started the liquid assets of the company were 4.9 bn and now they are approaching 6.1 bn and this is despite the Rs.20,000 crores in dividends that we have done in the last three years. So I am really proud of the achievements, whether it is new services and new software or the innovation and the grass-roots efforts that we put together.

So why are we here? Because I signed up the disruption, I signed up for the technological change that needs to be done, the cultural transformation in getting the company back to growth and to profitable growth. These are the things that in this climate to transform the company. This is what I came here for, in fact it was something that I felt was incredibly challenging but exciting. And then over the last year, some of the headwinds that we saw from the geopolitical situation and the Brexit and visa situation and so forth, they further add to the headwinds but they also add to the challenge and doing substances to the excitement. Ravi Kumar and I were joking the other day shortly after we opened the second of the centers in the US in North Carolina that "Look, this is something that we have done, it is a challenging step, but it is a great new step to deal with the bank." So, that kind of a headwind that shows up. Everybody has to deal with that. That is also something that we can deal with. But I got to the point was that it was difficult to deal with was for continuous allegations and continuous noise around the same things the Rajiv Bansal separation and the Panaya this and David Kennedy, over and over and over again repeating the same things, getting them investigated multiple times from different organizations. At some point you realize that this is taking a heavy toll on the organization, it is taking a heavy toll personally. So I just felt that it is an untenable situation and I do not want to do this anymore. It is also in the company's interest that this kind of a change we can make a fresh beginning and start all over again. So I got to that point a few days ago. Sesh has been here in California on some personal matters. So Sesh and I spent a few times talking about this and I spoke to Ravi and to several of our Board members and finally earlier today we came to this conclusion and the Board propose that I stay on as Executive Vice Chair to help with the transition and help ensure that the team is well established, that the continuity and the succession that the business does not suffer and so forth. So I am really honored to do that. So effective today, Pravin is the Managing Director and CEO on interim basis and I am going to become Executive Vice Chair and I am still here, I am still an executive of the company, I will particularly focus on strategy and key client relationships like Ravi said and help Pravin and Ranga and Ravi and Mohit, Rajesh and the team in any way that I can and we will take it from there. So I have no plans, I have not thought about what I am going to do next. So I just do not want to before even I get there, I do not want to address anything there, I am here until the 31<sup>st</sup> of March of next year or sooner if we manage to get a great team put together by then. So that is where we are. Otherwise, business continues as usual. Our team did an extraordinary job in Q1 and we are continuing that intense operational focus, the execution focus on Q2... this quarter that is currently underway and we are going to keep that and continue that. As you heard yesterday or day before, I do not know when it was in India, Ranga and the team have announced that we have got the approvals for the buyback as a part of the capital allocation policies that we had laid out earlier, we are really excited about that, the Board is going to get together on Saturday which is tomorrow India time but day after tomorrow for us and going to work on that. So, Ranga has particularly been personally working extremely hard to get that done and I am really proud of the effort that the team have put together. So business and the execution of our work continue as usual and we are going to have a very smooth transition here. Thank you very much.

## Moderator

Would Seshasayee like to say something?

**R. Seshasayee**

Yes, I think Ravi has already said all that we from the Board have to say. Let me also add my word of thanks to Vishal for all that he has done to this company for bringing new level of energy to this company, setting a new direction and a purpose, all are egging to add to all that Ravi has said. The Board, we are fully committed to ensure that not only the transition is smooth but we will do what it takes to get the right kind of leadership on a durable basis and to also create an environment which is stable and will provide the right kind of atmosphere for new leadership to move forward in the direction that the company has already chosen under Vishal for the new age. I must once again thank Vishal. Here I have an extraordinary relationship, we have enjoyed every moment of our association in the last three years that he has been with us, and the individual learnings have been very high. So we will continue to depend on him to lead the company in the months that he is going to be with us and I have no doubt given the fact that he so passionately believes in what he does that the mere fact that he is going to move from CEO to EVC, his commitment will make no difference to all the initiatives that he has started and I am particularly glad that therefore we have the comfort that our commitment to the customers is not going to get disrupted, our commitment to employees are not going to get disrupted. Both with Vishal and the fact that we have in Pravin, extraordinary person with such strong values and long years of association, there is nothing about this company that Pravin does not know and does not have a view. His sagacity all of this will help us great thing going through this very challenging times. I have no hesitation in saying that this is about the most challenging time perhaps in the history of the company from what little I know of the past. But then in history in one's life there are moments when changes become unavoidable, sometimes these changes are very painful at the time they occur, but then there is always a new path that emerges and we do hope that such a path will emerge and we will work towards that. I want to take this opportunity to commit ourselves doubly not in terms and rather defer, but also in ensuring that we find a way to provide stability to the company.

So Ravi, Vishal, I will now be happy to take on questions...I know there must be a plenty of them today but we are quite happy to do what we can. Thank you

**Moderator**

Thank you. We will take the first question from Shilpa from Times of India.

**Shilpa**

The Board has publicly supported Sikka. But we get a sense that there is some sort of diffidence among certain Board members that made them say that "Vishal is non-CEO material." So why are the cracks in the Board? Secondly, was that statement misconstrued? Ravi Venkatesan also pointed out that it is difficult to get an external candidate to run Infosys at this change. Can you talk about the search and will you be in contention for the top job?

**Ravi Venkatesan**

I think you are referring to some comments in a letter that made its way to the media yesterday. First of all, for the last year or so, the Board has been in a dialogue with the founder, with the promoters to try and find some feasible solutions to differ in points of view within the boundaries of the law and without compromising our independence. We were making reasonable progress until quite recently. These are privileged conversations. If you take a remark without out of context without the full context of the discussion, they can appear to be quite problematic. So there is no question that Vishal is a phenomenal, technical guy, mean, I do not have to say it; I think the world understands that. What is evident is that he has also blossomed into a high performing CEO. If you look at the results that he talked about which we have stated not once but repeatedly, it is evident that he and the leadership team have done a fine job delivering operating and financial results. When things do not go right, we tend to blame a leader. When things go right, it is equally important that the recognition for that must

also go up to the leader. So in last week I have gone on record not once but multiple times affirming the Board's complete support to Vishal as the CEO and the strategic direction that he has set. In fact, I was asked point blank on camera, "Does Vishal have the support of the Board?" I said, "The confidence in a CEO is a binary thing... it is either one or zero, there is no such thing as 0.5. And I said, yes, we support Vishal." I also went on in multiple interviews to place on record. So those are the facts. You specifically asked, Shilpa, whether I am in contention for that job. I stopped being an active CEO in 2011. It was a conscious decision to never again at to be in the hot seat. I was not in contention for this role in 2014. I am absolutely on the record... I have no interest and certainly in contention for the job now. So let me just emphatically clear these things. Vishal and I have spent after I became Co-Chair an extraordinary amount of time together first in June, several times in July and the days leading after this. Much of our focus had been on essentially putting the organization in place that can accomplish the transformation that we all really need. See, everything else is a slide show. The main issue out here is will Infosys transform itself ahead of everybody else and position itself for leadership in the next wave. Our focus has been intensely around that. Vishal, would you like to add anything to this question because it is a very pointed question.

### **Vishal Sikka**

Absolutely. Sesh has been an incredible mentor and a friend to me over the last 3.25-years and we first met in London when I went to see the Board and Sesh was at that time the head of the audit committee, he is a doyen of corporate governance and integrity. Before Prahlad came on the Board, Ravi was the only Board member with a deep understanding of the software industry and the hi-tech industry. So we used to talk a lot and especially after Ravi became a Co-Chair in early June we spent a whole day together just talking about strategy and the direction forward and so forth and then as he said several times in the weeks since then. I have been very fortunate to have an absolutely unequivocal and emphatic support from the Board. We had a lot set of strategy discussions in July in the wake of the Board meeting and I got a very-very strong support from the Board at the time as well and it is demonstrated on today in the commitment in the path going forward. So I have absolutely no hesitation in saying that with Sesh and Ravi, with Kiran, John of course has been a great teacher of my life for close to three decades now, Jeff and Roopa, Vinita, it has really been an extraordinary experience and also recently with Mr. Sundaram coming on Board.

### **Moderator**

We get the next question from Mint.

### **Anirban**

Hi, this is Anirban. Question for Ravi. Ravi, how does Vishal's exit now impact succession planning and stability in the top ranks? Secondly, a week ago in an interview you had mentioned that the Board would consider formally reaching out to Murthy for a potential role for governance. But today you have said the exact opposite thing. So what really has changed in the past week?

### **Ravi Venkatesan**

In terms of succession planning, clearly, that is high on the mind of the Board and we are fortunate that Vishal has agreed to give us a little bit of runway until 31st of March immediately the NRC will apply itself in thinking through the kind of a person we would like to continue on this journey. It is incredibly important that whoever is the next CEO of Infosys buys into the vision and the strategy. We do not want to go back to the future, we want to continue on the path, and where we are already tasting success and seeing some momentum pick up. So that is important. The second thing that is obviously very important which I am sure the NRC will put a lot of weightage on is somebody who has extraordinary skills with people. This is a large complex organization of 200,000 people, they are dispersed around the world and you need a very people-oriented person at the top. That is where

Vishal excelled in terms of his connect with the front line of developers, sales guys and so forth. The third thing that is quite important here is culture. Infy like all successful companies, has an extraordinarily strong culture. It is important that whoever the next CEO is, understands the culture, integrates into it and then changes and molds it in the ways that are necessary. So I think the NRC and the Board will have to look at whether these requirements are best served by one of our strong leaders inside or whether the next part of the race will be better served by a leader from outside. Then there is no preconceived ideas at this point. In terms of your second question, yes, the question again was posed to me last week, saying that, "Would you consider a formal role to Murthy?" I said, "Of course, yes, because if a shareholder comes with a proposal, it is the duty of the Board to consider it. Yes, we would." Unfortunately, the event in the last 48-hours have made it quite difficult at this point in time to really consider that actively. Let me turn it over to Sesh. Just because of the fact that I am in the room I am taking the lead on some of these questions, but please...

### **R Seshasayee**

I must also rephrase my statement by saying that Ravi and I work so closely together that he finishes sentence which I start and vice versa, you would realize that there is no division in the Board. In the last few months, we have established the clear possibility that there could be two people working completely in alignment at the top. A lot of people had asked me this question, "Why a co-chair is that going to be division of power and so on?" We do not look at this as a division of power, we look at it as a division of responsibilities and we work together. So therefore, all that Ravi has said is exactly what I would have said in answer to that. I think the key issue is that from a succession point of view, we need someone who does not bring about another major strategic change. Because an organization has to keep a path and progression that path that could be different drivers to a truck and there must be a direction to the truck. I think once we have set that I think it is important that we will grow for somebody who is aligned not nearly to the views and the direction that is set by the Board and Vishal collectively. But also to reflect the values of this institution and to reflect the aspirations of the people, which is very important, there are 200,000 Infosysians, their aspiration is important, to a very large extent, I think the strategy endorsement does not come so much from the Board but it has come from the 200,000 Infosysians and it has come from the customers. Therefore it is important that we pick somebody who is completely aligned to this and we will make sure that we are responsible in that choice. As regards the other question about the role for Murthy, there is no question in our mind that the promoters are an extraordinary bunch of people who have created this iconic institution and it is completely in order for all of us to be respectful and do what is right by the Board. But at the same time, we have to keep in mind that there is a certain energy that enforces certain direction that the company has taken and any deflection of that for any reason has the tendency to bring down the total energy and we do not want that kind of situation to happen. Therefore, the statement has been made out today. But at the end of the day I want to say that it is the shareholders wish that we have to adhere to. There has been continuous dialogue with various investor groups and we believe that what we are doing and what we are saying is a reflection of what our understandings of the larger body of shareholders and the larger body of stakeholders but at any point of time, we believe that this is not so, then of course, there would be a role for the founders and that is what the shareholders want.

### **Moderator**

The next question is from the Hindu Businessline.

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### **Participant**

With these latest developments, will the decision to buy back shares be deferred? That is the first question. The second one is the credibility of Infosys as an organization and employer of choice for global talent will definitely take a beating with these developments. How do you plan to salvage that?

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**R. Seshasayee**

There will be no change to our buyback plan, we have made a commitment in terms of how much and when we will return cash to the shareholders and we are progressing on that, and therefore, there will be no change to that at all. As I said, none of the things that have been set in motion are going to be stopped or changed. We will continue with the same direction. Yes, I will not pretend that we will have the same kind of facility in attracting overseas talent or global talent to the organization as we have had while ago, but it is that very task that we have to address even more vigorously. I am sure that the iconic status of this company, I am sure that the kind of things that the company has done in the last few years under Vishal's leadership and the fact that we are giving this clear message that those will continue. I am sure we will attract global talent because they are excited by the business idea by what they can do to innovate and create new products and services, and I think that idea is a very powerful thing, we just have to provide the environment for people to come and pursue that idea and therefore, I do not think that it is desperate, but I will not pretend that it will be all that easy, but we will make our full efforts to develop on that.

**Vishal Sikka**

Maybe I can add that we are constantly hiring new talent, earlier today I was here in our office here in Palo Alto, bunch of new kids were getting training here. We hired Scott Sorokin and a large team of digital experienced experts Ken Toombs who runs our consulting practice here in the United States just came on board, Inderpreet who is based in Texas and our General Council. We are hiring over the next few years thousands of people here locally in the United States, so I am not so worried about the ability to hire international talent for the company.

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**Participant**

My first question is to Mr. Sikka, do you regret not convincing the founders otherwise in connection to all the allegations against you, and the second question is with Mr. Ravi did mention about all the factors that will be taken into consideration while looking for a new CEO, but will there be steps taken to insulate this new CEO from such criticisms in the future or is there a possibility or is there any guarantee that this will not happen again?

**R. Seshasayee**

I think perhaps I should take that question, so long as we keep doing what is right for the company, so long as we keep to the standards of governance, we are doing our job. There are certainly external factors we have seen this in the last several months we being the target of that consistently for several months. As Ravi said, we have put in a great deal of effort to see how we can find some solution to that some way by which these can be addressed. We have done our best in the best of the company, but there comes a time when we say that this is not going to be possible for to go beyond. It is not that we cannot and still the noise does not get stopped, so at any point of time we have to take a turn, but the turn does not mean that they give up, the commitment to the values and the governance standards. It does not mean that we will do anything which will cause disturbance and perturbation within the company for employees to function. On the other hand, we think it is important that we stand up and then give the comfort to the employees that they can do their job and we will figure out a way by which we can address the noise outside. Hopefully, that message that we are standing up to the values that we believe in, that we will do the right things and we will stand by people, I think hopefully that will encourage people to perform and I do not think therefore it will be a distraction for leadership.

**Rukimini Rao**

Rukmini Rao from CNBC TV18, in fact my question is to the chairman and also Ravi, Mr. Narayana Murthy has just in fact released a statement and I will read it out to you, and in his statement of course he has gone on to say that, "I am extremely anguished by the allegation's tone and tenor of the statement, I voluntarily left the board in 2014 and I am not seeking any money, position for children, or power, my concern finally was the deteriorating standard of corporate governance, which I have repeatedly brought to the notice of the Infosys' board. It is below my dignity to respond to such baseless insinuation; however, several shareholders who have read the whistleblower report had told me that it is hard to believe a report produced by a set of lawyers, hired by a set of accused, giving a clean chit to the accused and the accused refusing to disclose why they have got clean chit, they say that this is not the way an impartial and objective investigation should be held, I will reply to these allegations in the right manner and in the right forum and at the appropriate time", so it does not look like whatever has been put forth to the founders has gone by really well or the board for that matter has been able to convince the founders, so is there any effort that will be made by the board going forward as well to kind of make the founders understand what is going on?

**R. Seshasayee**

Let us start with, the origin of this is the allegations surrounding the acquisition of Panaya and therefore that dot connected with the severance of Rajiv Bansal and then there was this story built up that it was hush money. I have no problem if that was the way that perception happened, it is very legitimate that somebody thinks that there is perhaps something which is seriously wrong, there has been some misdeed and which is why the money has been promised to be paid to Rajiv Bansal, and therefore, it is very likely to be hush money, I have no problem. The Board does not have a problem, in fact, it is the job of the board to enquire and make sure that there is indeed no such misdeed and that is precisely what the board did, and the board has done this three times.

Every time that we have a new whistleblower complaint and each of this has been an anonymous complaint, it is not being signed, nobody has identified, and nobody has said that we have evidence that has been overlooked and therefore we have gone through to see this evidence and come to the conclusion, none of them. We simply had one after another anonymous complaints, and it has gone one after another investigations. After all the investigations have been completed and they found nothing, no shred of evidence to any of the allegations. We have to now at this point say that we must stop that, two questions have been raised. Now, have we done the right thing in terms of those who have been accused selecting people and getting them to do the investigation. Firstly, when you have charge against the CEO and also the charge against the board that the board has overlooked the misdeed of the CEO and this is an anonymous complaint. Now, there is no way that you are going to go to the shareholders and say, shareholders will you take up this anonymous complaint which is coming for the third time making these allegations and then will you appoint a committee, now that is the best way to destroy an organization.

You are going to have an everyday new complaint, anonymous complaint, no evidence, making allegations, and every time we would run to the shareholders and say shareholders will you do this, this is not practical, this is not what is meant to become, so within the board, we ensure that people who have not been a part of the board and they were given the responsibility to oversee and independently appointed investigating agency and that was then received by the audit committee, so the independence of the investigating agency is the crucial part of this. Now, these are world-renowned firms, to suggest that world-renowned firms, law firms, forensic audit firms will connive with the board not maybe once, but twice. They will connive with the board and overlook some misdeed and then present report, which is a clean report putting on this under the carpet to our mind is completely untenable, then that means that we trust nobody, we do not trust the board, we do not trust the world-renowned independent auditors, we think that they are in connivance, there must have been

some deal done with them, not one firm, another firm and they continuously keep saying that we have had no problem of independence and we have gone through it and there is nothing that has come out of it. When nothing has come out of the investigation and they give a clean report, then if there is continuous demand saying, we want to know whether the summary report is in variance with the detailed report, if there is a variance in the detailed report, sometimes the detailed report contained something of the suggestions of misdeed, you do not believe that some renowned law and audit firm are going to say that we will just put that aside and then we will give you a clean chit.

When you have a statutory auditors certifying, you do not say that I am not sure that this certificate, I would go through the worksheets so there is so much that you can do and we have done that, and having done that, if we are unable to convince the people, then we have no other means then to say that is the end, we cannot do any more than that, let us do what is right for the company in terms of the focus and the business and the strategy which is getting clearly impacted. There is no doubt that all this as is being expressed by Vishal and Vishal himself has been impacted despite his passion, this is bound to impact others also and it has impacted, it is not easy to go through and sit in the room when you investigate the stuff and ask you questions which you know are based on allegations which are false period after period, and it comes out of it, and therefore I think the company has currently taken a position that we are done with this, we have closed the investigation, we have done all that we can.

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**Rukmini Rao**

Sesh, why not really make the forensic report public, we should put an end to everything?

**R. Seshasayee**

This is again a noise which has really become very, very naïve, let me ask you a simple question, suppose you were an employee of an organization and there was an investigation being done about something which has gone wrong in your organization and you go into that room thinking that whatever I say is going to get published and everybody would get to know, do you ever believe that you will say the truth, no. In the context of an investigation or legal investigation, there is an privilege between the client and the lawyer, now the lawyer having got all the information all inputs, having gone through it and having investigated and has found that there is no such thing, there is no issue of misdeed at all has cleared, then the detailed report is only going to say who said what about whom and is that in the interest of the company, and also let me also say that in a litigant society, there are litigant constituencies, litigant jurisdictions that we operate and that there are laws which will force you to give every document, there is a million document which has been gone through, all the million documents will be discoverable so to speak, so anybody who wants to have an access in that, now is that in the interest of the organization, and this is the reason why we have not given.

Let me also make one more point. There have been several whistleblower complaints which have been received by Infosys in the past, all of which have been duly been investigated and dully closed. And where there has been no evidence of any wrong doing and there are some cases where it might be a small matter but where there has been some wrongdoing none of these things have really been put out in terms of the full report. I have not come across, in fact I have searched, I have not come across any company that has put out anonymous complaint, a whistleblower complaint, anonymous, which has been investigated and then you put out the whole report in the public domain. I have not come across any circumstances. So, therefore I am not clear what is it that is being doubted, are we doubting the integrity of the board, are you doubting the integrity of the investors and you are doubting the integrity of all the other firms, forensic audit firms so on and so forth, all of these are being doubted. And that is not an acceptable situation.

## Participant

Chandra here from ET Now. Granted, I take whatever you say. But if you look at Mr. Murthy's statement event today, he is very clearly saying that his primary concern is on deteriorating standard of corporate governance and there is a reference to the whistleblower report which had Panaya and Bansal. So, he has not raised any questions about Vishal or his strategy or his performance. So, my question is why a Vishal Sikka is being made the fall guy, why doesn't the Chairman or the Co-Chairman of the Board resign, because this is clearly a governance issue that he has raised? And even in the past whenever he has interacted in the last six months, he has always said that I do not have a problem with the CEO or the strategy, my problem is with the governance and thus the Chairman should step down and make way for a better Board. So, I am just wondering if Vishal Sikka is collateral damage here, is this the Board's responsibility? And Vishal, as CEO do you feel the Board has failed you today?

## Vishal Sikka

Absolutely not, this is absolutely wrong. Chandra, it is very unfair to say that. The Board, certainly for the last 15 months or so has worked harder and more than full time employees do. And I have seen this first hand every month, Shesh, Ravi, Roopa, Kiran, Punita, John, Jeff, everybody on the Board absolutely are doing a phenomenal job with diligence, with passion, with a deep sense of devotion far beyond what board members do. The time I sat down with Ravi back in June, he was in a middle of a time period where for six days in a row he had worked for 15 hours a day on Infosys. And it is not right, at some point we have to say that this is enough. So, I absolutely do not agree to this idea that the Board has let me down or the company down, the Board has done a phenomenal job far beyond their limit to do the right thing for the company to uphold the institution for this company. I think that when I see the deliberations happen in the Board on matters small and large, I feel proud with the sense of seriousness that the Board takes, led by Shesh, how seriously we take the matters of governance and integrity. It is something that on a personal level I want to say that I left India when I was still basically a teenager and I went to do my undergraduate studies in New York. And I came back 28 years later to be the CEO of a large Indian company. And basically having come of age in the US you wonder about integrity and corruption and things like this, and you hear these stories. The reason I came to Infosys is Infosys, it is because of the reputation, because of the integrity, because of the governance that Infosys has stood for. This is why I came back. I remember I was talking to a close friend of mine who is a CEO of a very large company here in the US, also of Indian origin. I was standing outside Mr. Murthy's office in the city in June of 2014, just before I signed my contract. I asked him and he said what are you worried about and I said I am coming back to India, I do not know the atmosphere anymore, how do I know that I am not walking into some kind of a bizarre situation. And he said, Vishal this is Infosys. And to me to have this sort of cloud hanging over our head that we have somehow botched the governance, this is wrong, it is unfair, this is absolutely not true.

## R. Seshasayee

Chandra, I think when you ask such questions, would it have made better that the Chairman and the Co-Chairman step down? Let me tell you that if that is going to solve the problem I will be the first unhesitatingly step down. In fact, I can make this public that I have asked myself this question, I have asked my colleagues this question, not once, not twice, three times during the last 18 months. And we came to the same conclusion that my stepping down or Ravi stepping down is not going to solve the problem. It is unfortunate that despite the strong support that we had given to Vishal, unfortunate and despite the fact that we stood by Vishal that it is hurting. We feel bad about it, we certainly feel bad about it that could we have done something more. And I do not think I am going to ever find comfort in answering that question. But I said that by our stepping away the problem is not going to go away because the hover of this is not about whether the investigation report has been made public or not, the core of the problem is this question mark was there a misdeed versus all. The **0:52:20.5** company

these kinds of questions and then going through repeatedly, that is what it is. And that is the core of this issue and that is what is hurting.

### **Participant**

I just have one follow-up question. Based on Mr. Murthy's statement, he says that he will respond in detail at the right time and the right forum? So, should investors or should shareholders be vary of some kind of battle here that perhaps goes to the Company Law Tribunal, something that we saw happening between Tata and Mistry? And have you started talking to institutional shareholders, because at the end of the day they are the majority shareholders of Infosys. So, do you have institutional shareholders support at this point, are they supporting the Board 100%? Thank you.

### **R. Seshasayee**

I said this earlier and I repeat now, I do not consider still this as a battle. A battle would mean that we are looking for winning something. We are all professionals here, we do not have any reason for fighting in order to have the job of being here, working 15 hours, as Vishal is saying. No, we have a job to do, we are doing that. And therefore, don't still think it is a battle. What Mr. Murthy will do and what he has implied in his response, I do not know. But what I can tell you is we will continue to do our job which is being entrusted by the shareholders, we will continue to be engaged with the shareholders large and small and figure out what is it that they want from us, if they believe at any time that this is not the board that they want, this is independent board is not what they want but it has to be a promoter lead board or another translate, we are completely open and we will do that. Because at the end of the day it is the shareholder who will decide

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### **Participant**

This is Menu Shekhar from Business India. The question is for Sesh, Ravi and for Vishal. Are you as a company and also individually contemplating to take any legal action against Mr. Murthy? Because the all the allegations the Board, the company, allegations against you as individuals, Ravi even you said your statement has been misinterpreted about Vishal not being the CEO material and that is probably one of the triggers for Vishal resigning, right. So, any of you contemplating any legal action against Mr. Murthy collectively as a company and as individuals?

### **R. Seshasayee**

We want to make it clear that our focus is to run the business, our focus is to make sure that what is right by our customers, by our employees. We have no interest whatsoever in engaging in battle. In fact, if you have noticed and gone through the history of the last 18 months, we never went and said anything in public or picking up a battle, we have been responding, we have been reacting. Perhaps, one of the charges against us is that we have been reacting for too far too long, and you have been frank for far too long. Now, because our focus was on running the business and it continues to be running the business. We have just done what we think is the statement of truth, the statements which we believe are necessary from the point of view of strengthening the Air cover for our employees, our management, our leadership to function, that is all that we have done.

### **Management**

I would only add, this is my passionate belief that an eye for an eye will only make the whole world blind. And so the answer from our side is empathically nothing.

**Participant**

Sir, I have two questions. In the letter, the Board responded to the letter that was published earlier today. You said that one of the things is that the founders, Mr. Murthy, may have been reaching out to other stakeholders in an attempt to further his criticism. Could you give us some clarity on, one, what exactly you meant by that? And secondly, how does Mr. Sikka's elevation now to executive Vice Chairman and his then resigning from the company, how will you administer the severance of this contract, he is supposed to seek two years severance in case his resignation is without cause. Could you give us some clarity how that would be administered?

**R. Seshasayee**

Okay. The first thing, yes, we have evidence that Mr. Murthy is contemplating to talk to investors, which is fine, which is his right, we have to respect that right. We also know that he wants to talk about the alleged governance lapses, in particular about the Panaya investigation, which again is his right. We are not going to stop anybody from doing that, we are not going to add any injunction on this, these are rights, these are shareholder rights. What we have just now said is that that is not something that the Board authorizes, this is going to create confusion and we will have to face that confusion. It is our job to point out that this is likely to create unnecessarily avoidable confusion, but if it happens we have to face that we will have to what it takes to clarify matters.

The second part I think is another very interesting part. We have had this debate on the severance for so long. Unfortunately, some people read into the contract more than the contract ever said. There was this huge story about the fact that Vishal could walk away with several million dollars if one particular clause in this contract is invoked by him. The company put out saying that that is completely a wrong interpretation of the clause, when the company puts it out it means that Vishal is a part of that, Vishal who is a party to that agreement and the company which is the other party to the agreement are both saying that this is a wrong interpretation, this is not what we meant. And yes, there was a story that he is going to walk away with this. Vishal, when he is now moving from the CEO position to AVC, as you would have noticed, and we have his confiscation in the last few days, I said shall we look at what you want to be doing for AVC and what is the compensation, he said \$1. I said from now, he said yes from now. We shook hands. I said, because I know that Vishal is not a guy who is motivated by this phenomenal sum of money, he is motivated by what technology can do to amplify our living. That is what how I have known him and I know that this is that motivates him. Well, it just happened that this has become an issue and that has obviously weigh into his mind where he said that I don't want any severance there is no question of severance because he is going on his own, he is not entitled to a severance somebody can go through agreement you can do that, he is not entitled a severance, it is his own resignation. And in any case, he is entitled to get some money if he is going to be working for the company, which he will work, I can assure that he will work the same number of hours as BBC, I have known him. But he has clearly said that it is \$1 and we shook hands in two seconds.

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**Management**

I think that we are out of time. So, thank you everyone for joining us. Thank you Sesh, Dr. Sikka, thank you for joining us. Thank you.