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| BSE Code: 507685 | NSE Code: WIPRO | ISIN: INE075A01022 |
| Sector: IT - Software | Meeting Type: Annual General Meeting |
| e-Voting Platform: [Karvy](https://evoting.karvy.com/) |
| e-Voting Period: From 18th July, 2015 to 21st July, 2015 |
| Meeting Date: 22nd July, 2015 at 4:00 PM |
| Meeting Venue: Wipro's Campus, Cafeteria Hall EC-3, Ground Floor, Opp. Tower 8, No. 72, Keonics Electronic City, Hosur Road, Bangalore - 561 229 |
| Notice: [Click here](http://corporates.bseindia.com/xml-data/corpfiling/AttachLive/39A91D26_A2AF_4478_A0EC_CC3199E26C80_120626.pdf) | Annual Report: [FY 2014-15](http://www.wipro.com/documents/investors/pdf-files/Wipro-annual-report-2014-15.pdf) |
| Company Email: [info@wipro.com](mailto:info@wipro.com) |
| Company Phone: +91 80 2844 0011 | Company Fax: +91 80 2844 0054 |
| Company Registered Office: Doddakannelli Sarjapur Road, Bangalore, Karnataka - 560035 |

Proxy Advisory

Corporate Governance Research

Corporate Governance Scores

Stakeholders’ Education

Proxy Advisory Report

Wipro Ltd

SES RECOMMENDATIONS

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **TABLE 1 - AGENDA ITEMS AND RECOMMENDATIONS** | | | | | | | |
|  | | | | | | | |
| **S. No.** | **Resolution** | **Type** | **Recommendation** | **Focus** |
| 1 | Adoption of Accounts | O | FOR |  |
| 2 | Confirmation of Interim dividend & approval for final dividend for FY 14/15 | O | FOR |  |
| 3 | Re-appointment of Mr. T K Kurien as a director | O | FOR |  |
| 4 | Appointment of Auditors | O | AGAINST |  |
| 5 | Re-appointment of Mr. Azim H Premji as Executive Chairman and Managing Director of the Company | S | FOR |  |
| 6 | Appointment of Mr. Rishad Azim Premji as whole time director of the Company | O | FOR |  |
| *O - Ordinary Resolution; S - Special Resolution* | | | | |
| RESEARCH ANALYST: | | | | |

***C - Compliance:*** *The Company has not met statutory compliance requirements*

***F - Fairness:*** *The Company has proposed steps which may lead to undue advantage of a particular class of shareholders and can have adverse impact on non-controlling shareholders including minority shareholders*

***G - Governance:*** *SES questions the governance practices of the Company. The Company may have complied with the statutory requirements in letter. However, SES finds governance issues as per its standards.*

***T - Disclosures & Transparency:*** *The Company has not made adequate disclosures necessary for shareholders to make an informed decision. The Company has intentionally or unintentionally kept the shareholders in dark.*

COMPANY BACKGROUND

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| TABLE 2 - MARKET DATA (*As on []*) | | | | | | | |
| Price (`) | 552.35 | M Cap (` Cr.) | 1,36,390 | Shares\* | 2,46,90,43,038 | PE Ratio" | 16.55 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| *Standalone Data ; Source: Capitaline* | | | |  | \* As on [date] | "Based on EPS for FY [] | |
| TABLE 3: FINANCIAL INDICATORS (STANDALONE) | | | |  | TABLE 4: PEER COMPARISON (2015) | |
| **(In ` Crores)** | **2015** | **2014** | **2013** |  | **Infosys Ltd** | **Tata Consultancy Services Ltd** |
| Revenue | 41,635.00 | 39,133.30 | 33,517.30 |  | 47,300.00 | 73,578.06 |
| Other Income | 2,073.80 | 1,235.10 | 1,034.50 |  | 3,337.00 | 4,466.73 |
| Total Income | 43,708.80 | 40,368.40 | 34,551.80 |  | 3,337.00 | 4,466.73 |
| PBDT | 11,335.40 | 10,344.90 | 7,906.40 |  | 17,711.00 | 25,943.74 |
| Net Profit | 8,193.10 | 7,387.40 | 5,650.20 |  | 12,164.00 | 19,256.96 |
| EPS (`) | 33.38 | 30.09 | 23.03 |  | 105.91 | 98.31 |
| Dividend per share (`) | 12 | 8 | 7 |  | 59.5 | 79 |
| Dividend Pay-Out (%) | 41.78 | 30.90 | 35.33 |  | 65.30 | 93.40 |
| OPM (%) | 28.10 | 27.39 | 24.64 |  | 37.44 | 35.37 |
| NPM (%) | 19.68 | 19.68 | 19.68 |  | 25.72 | 26.17 |
| *Dividend pay-out includes Dividend Distribution Tax. Source: Capitaline* | | | |  |  | |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| TABLE 5: MAJOR PUBLIC SHAREOLDERS (MAR'15) | |  | TABLE 6: MAJOR PROMOTERS (MAR'15) | |
| Life Insurance Corporation of India | 1.64% |  | Azim Hasham Premji Partner Represen | 18.34% |
|  |  |  | Azim Hasham Premji Partner Represen | 18.29% |
|  |  |  | Azim Premji Trust | 17.4% |
|  |  |  | Azim Hasham Premji Partner Represen | 15.02% |
|  |  |  | Azim Hasham Premji | 3.78% |
|  |  |  | Azim Premji Foundation (I) Pvt Ltd | 0.44% |
|  |  |  | Yasmeen A Premji | 0.04% |
|  | |  |  | |
| SHAREHOLDING PATTERN (%) (MARCH) | |  | DISCUSSION | |

|  |  |  |
| --- | --- | --- |
|  |  | Discussion |

BOARD OF DIRECTORS

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| TABLE 7 - BOARD PROFILE | | | | | | | | |
| **Director** |  | **Classification** | | **Expertise/Specialization** | **Tenure (Year)** | **[1]Directorship** | **[2]Committee Membership** | **Pay(` Lakh)** |
| **Company** | **SES** |
| Azim H. Premji |  | EDP | EDP | Industrialist | 47 | () | 1(1) | 476.83 |
| Azim H. Premji |  | EDP | EDP | Industrialist | 47 | () | 1(1) | 476.83 |
| Rishad Premji |  | EDP(R) | EDP(R) | Industrialist | 0 | () | 1(0) | 166.68 |
| T K Kurien |  | ED(R) | ED(R) | IT | 4 | () | () | 894.16 |
| Ashok S. Ganguly |  | ID | NID | GM | 16 | () | () | 33.2 |
| Ireena Vittal |  | ID | ID | CO | 2 | () | () | 29.1 |
| William Arthur Owens |  | ID | ID | IT | 9 | () | () | 4.62 |
| Narayanan Vaghul |  | ID | NID | Finanace | 18 | () | () | 44.46 |
| Jagdish N. Sheth |  | ID | NID | Management | 16 | () | () | 20.8 |
| M. K. Sharma |  | ID | ID | GM | 4 | () | () | 30.56 |
| Vyomesh Joshi |  | ID | ID | GM | 3 | () | () | 20.2 |
| *Reference: ED - Executive Director, NED- Non-Executive Director, ID - Independent Director, NID- Non-Independent Director, P- Promoter, W - Woman Director, R- Liable to retire by Rotation, U- Up for Re-appointment, N- New Appointment, MD- Managing Director, C- Chairman, CMD- Chairman and Managing Director*  ***[1]*** *Directorships show Directorships in Public Companies (Total Directorships which include Directorships in both Public and Private Companies)*  ***[2]*** *Committee memberships include committee chairmanships Note: Directorships, committee membership and committee chairmanship includes such positions in Wipro Ltd* | | | | | | | | |
| GRAPH 2 - BOARD PROFILE | | | | | | | | |

|  |  |
| --- | --- |
|  |  |
| As per provisions of Section 149 and 152 of the Companies Act, 2013 Independent Directors shall not be liable to retire by rotation and unless provided by the Articles of the Company at least 2/3rd of the Non-Independent Directors should be liable to retire by rotation. | As per Clause 49(ii)(A) of the Listing Agreement, the Company should have at least 33% Independent Directors if the Chairman of the Board is a Non-Executive Director and should have at least 50% independent directors if the Board Chairman is a promoter or an executive director. |

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| --- | --- | --- | --- | --- | --- | --- | --- |
| TABLE 8 - BOARD COMMITTEE PERFORMANCE | | | | | | | |
| **Committees** | **#** | **Chairman's Classification** | | **Overall Independence** | | **Number of Meetings** | **Attendance < 75%** |
| **Company** | **SES** | **Company** | **SES** |
| Audit | 3 | ID | NID | 100% | 66.67% | 7 | 0 |
| Investors' Grievance | 3 | ID | ID | 66.67% | 66.67% | 4 | M. K. Sharma(50) |
| Nomination & Remuneration | 3 | ID | NID | 100% | 33.33% | 4 | 0 |
| CSR | 3 |  |  | 100% | 33.33% | 0 | 0 |
| Risk Committee | 3 | ID | NID | 100% | 66.67% | 7 | 0 |
| *Reference: ED - Executive Director, NED- Non-Executive Director, ID - Independent Director, NID- Non-Independent Director, P- Promoter, C- Chairman, #- Number of Members* | | | | | | | |
|  | | | | | | | | |

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| --- | --- | --- | --- | --- | --- | --- | --- |
| TABLE 9 - BOARD GOVERNANCE SCORE | | | | | | | |
| **Criteria** | **Response** | **Score** | **Maximum** |
| What is the percentage of Independent Directors on the Board? | 40% | 0 | 10 |
| How many Independent Directors have tenure greater than 10 years? | 3 | 6 | 10 |
| How many Independent Directors have Shareholdings > ` 1 Cr? | 2 | 4 | 5 |
| Is the Chairman Independent? | No | 0 | 10 |
| Is there a Lead Independent Director? | Yes | 10 | 10 |
| How many Independent Directors are ex-executive of the Company? | 2 | 7 | 10 |
| Have all directors been elected by the Company's shareholders? | Yes | 10 | 10 |
| Are any directors on the Board related to each other? | No | 10 | 10 |
| How many promoter directors are on the Board? | 2 | 12 | 15 |
| Did Independent Directors meet atleast once without management? | Yes | 10 | 10 |
| **Score** | | **69** | **100** |

REMUNERATION ANALYSIS

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| TABLE 10 - EXECUTIVE DIRECTORS' REMUNERATION | | | | | | | | |
| **In ` Crore** | | **2015** | | **2014** | | **2013** | | **Ratio** |
|  | | **Fixed Pay** | **Total Pay** | **Fixed Pay** | **Total Pay** | **Fixed Pay** | **Total Pay** |  |
| T K Kurien | NP | 6.96 | 8.94 | 4.2 | 6.57 | 4.28 | 6.12 | 169.63 |
| Azim H. Premji | P | 1.57 | 4.77 | 3.22 | 10.24 | 1.17 | 3.99 | 89.01 |
| Azim H. Premji | P | 1.57 | 4.77 | 3.22 | 10.24 | 1.17 | 3.99 | 89.01 |
| Rishad Premji | P | 1.67 | 1.67 | 0 | 0 | 0 | 0 |  |
| *Note: Fixed pay includes basic pay, perquisites & allowances. P- Promoter, NP- Non- Promoter, Ratio- Ratio of ED's remuneration to Median Remuneration of Employees, ND- Not Disclosed* | | | | | | | | |
|  | | | | | | | | |
| DISCUSSION - INDEXED TSR vs. EXECUTIVE REMUNERATION | | | | | | | | |

|  |  |
| --- | --- |
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*Note: Indexed TSR (Total Shareholders Return) represents the value of ` 100 invested in the Company at beginning of a 5-year period starting 1st April, 2011. One period return is calculated as (Final Price - Initial Price + Dividend) / Initial Price.*

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| TABLE 11- EXECUTIVE REMUNERATION - PEER COMPARISON | | | | | | | |
|  | **Wipro Ltd** | **Infosys Ltd** | **Tata Consultancy Services Ltd** |
| Director Name | Azim H Premji | Vishal Sikka | N Chadrasekaran |
| Promoter Group | No | No | No |
| Remuneration (` Crore) (A) | 4.77 | 4.56 | 21.28 |
| Net Profits (` Crore) (B) | 8193 | 12164 | 19256.96 |
| Rem. Percentage (A/B \* 100) | 0.06% | 0.04% | 0.11% |

DISCLOSURES

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **DISCLOSURE REQUIRED IN DIRECTOR'S REPORT** | | | | |
| The Companies Act, 2013 requires the listed companies to make certain disclosures in Board's Report. The table below shows the status of compliance of such some important requirements, by the Company | | | | |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| checked.png | Content of Corporate Social Responsibility Policy in prescribed format (if applicable) |  | checked.png | Statement on performance evaluation of Board, Committees and Directors |
| checked.png | Extract of the Annual Return as per Form No. MGT 9 |  | checked.png | Related Party Transactions as per Form No. AOC.2 |
| checked.png | Company's policy on appointment of directors and criteria for determining qualifications, positive attributes, director’s independence |  | checked.png | Ratio of the remuneration of executive director to the median employees remuneration |
| checked.png | Policy on remuneration of Directors, KMP and other employees |  | checked.png | Secretarial Audit Report |
| checked.png | Statement on declaration by Independent Directors |  | checked.png | Directors’ Responsibility Statement |
| checked.png | Particulars of loans, guarantees or investments |  | checked.png | Details of establishment of Vigil Mechanism |
| checked.png | Statement indicating development and implementation of a risk management policy |  | na.png | Comments on qualifications made by Statutory Auditors/ CS |

*\* Not applicable*

No Qualification was made by the Auditors

RESOLUTION ANALYSIS

**RESOLUTION []: ADOPTION OF ACCOUNTS**

Adoption of audited Financial Statements (including consolidated Financial Statements) for the Financial Year ended 31st March, 2015 and reports of the Board of Directors and the Audiotrs thereon

**SES RECOMMENDATION**

No concern has been identified. The Auditors have not made any qualification. SES recommends that shareholders vote **FOR** the resolution.

**SES ANALYSIS**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| *Note: Detailed analysis of the accounts is not within the scope of SES' activities. SES accepts the Report of the Directors and the Auditors to be true and fair representation of the company's financial position. The analysis below is aimed at enabling shareholders engage in discussions with the Board/ Management during the AGM.* | | | | | | | |

**AUDIT QUALIFICATIONS**

The Auditors have not made any qualification.

**AUDITORS' COMMENTS ON STANDALONE ACCOUNTS**

No concern has been raised by the Audiotors.

**AUDITORS' COMMENTS ON CONSOLIDATED ACCOUNTS**

Without qualifying thier opinion, the Auditors have drawn attention to note 28 to consolidated Accounts.

**ACCOUNTING POLICIES**

Without qualifying their opinion, the Auditors have drawn attention to note 28 to the consolidated financial statements that describes the principles of Accounting Standard (AS) 30, Financial Instruments: Recognition and Measurements, applied by the Group on certain foreign currency borrowing designated as a hedging instrument to hedge its net investment in a non-integral foreign operations, These principles of AS 30, are yet to be notified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. Had the Group not applied the principles of AS 30, the profit after taxation for the year ended March 31, 2015 would have been lower by ` 390 million.

**FINANCIAL INDICATORS**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Mar' 15** | **Mar' 14** | **Shift** | **Company's Discussion** |
| Debtors Turnover | 5.06 | 4.53 | 11.70% | - |
| Inventory Turnover | 85.96 | 169.80 | -49.38% | No discussion by the Company |
| Interest Coverage Ratio | 222.83 | 142.83 | 56.01% | Ratio increased due to decrease in interest expense by `100 million during the year ended March 31, 2015 |
| Current Ratio | 2.30 | 2.19 | 5.02% | - |
| Debt Equity Ratio | 0.17 | 0.15 | 13.33% | - |
| Operating Profit Margin(%) | 27.63 | 26.87 | 2.83% | - |
| Net Profit Margin(%) | 19.68 | 19.06 | 3.25% | - |
| *Source: Company's Annual Reports / Capitaline/ Moneycontrol* | | | | |

SES is of the opinion that board should take note of structural shift (positive and negative both) in various financial parameters which have a bearing on company's future performance and positioning in market place and disclose an analysis of the same to shareholders. SES believes that 25% change either way should be the threshold for triggering analysis and disclosure requirements.

**CONTINGENT LIABILITIES**

|  |  |  |
| --- | --- | --- |
| **(All figures in ` Crore)** | **Mar' 15** | **Mar' 14** |
| Total contingent liabilities | 2935.90 | 2732.00 |
| Net worth of the Company | 34621.60 | 29355.90 |
| Contingent liabilities as a percentage of net worth | 8.48 | 9.31 |
| *Source: Company's Annual Reports/ Capitaline* | | | | |

**RELATED PARTY TRANSACTIONS**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Outstanding (` Crore)** | **Mar' 15** | **Mar' 14** | **Shift** | **Comments** |
| Loans and Advances |  |  | 0 |  |
| Bad & Doubtful Advances |  |  | 0 |  |
| Receivables | 1090.40 | 1780.80 | -38.77 | Includes loans given to subsidiaries of the Company including interest accrued, where applicable and inter-corporate deposits with subsidiary |
| Payables | 2220.90 | 2030.00 | 9.40 | - |
| Royalty payments |  |  | 0 |  |
| *Source: Company's Annual Reports* | | | | |

**STANDALONE VS CONSOLIDATED ACCOUNTS**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **(In ` Crore)** | **Standalone Accounts** | | | **Consolidated Accounts** | | |
| **Mar'** | **Mar'** | **Mar'** | **Mar'** | **Mar'** | **Mar'** |
| Revenue |  |  |  |  |  |  |
| Net Profit |  |  |  |  |  |  |
| Total Assets |  |  |  |  |  |  |
| Net Worth |  |  |  |  |  |  |

**RESOLUTION []: DECLARATION OF DIVIDEND**

Confirmation of interim Dividend paid during the year 2014-15 and declaration of final Dividend for 2014-15 on equity shares.

**SES RECOMMENDATION**

No concern has been identified. The Company has sufficient cash to pay the dividend. SES recommends that shareholders vote **FOR** the resolution.

**SES ANALYSIS**

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Current ratio of the Company is less than 1.00. In light of such disclosures, SES is of the opinion that the board has a duty to explain to the shareholders the reasons behind deterioration in liquidity position as reflected by current ratio, the efforts made to correct the situation and the impact on liquidity position due to payment of dividends. RBI guidelines on wilful defaulters defines 'Wilful default' in case the unit has defaulted in meeting its payment/ repayment obligations to the lender and has siphoned off the funds so that the funds have not been utilised for the specific purpose for which finance was availed of, nor are the funds available with the unit in the form of other assets. And siphoning off funds means utilisation of short-term working capital funds for long-term purposes not in conformity with the terms of sanction.

Text if yes

Analysis text if yes

The Company [has/does not have] sufficient cash and cash equivalents including short-term liquid investments/ operating cash flow to pay the dividends. The Company [has/has not] made losses in the previous financial year. The Company [has/has not] defaulted in any of its debt obligations.

Look at extraordinary items.

Text if yes

The Board has proposed a final cash dividend of ` 7.00 per equity share and ADR. If approved, it would result in a cash outflow of approximately ` 2,073.90 crore, including corporate dividend tax thereon. This is in addition to the interim dividend of ` 5.00 per equity share and ADR declared in January 2015. After maintaining a steady dividend payout ratio of 31%, 35% and 36% for the years 2013-14, 2012-13 and 2011-12, the Board has considered the need of liquidity and strategic requirements, enhanced the dividend payout ratio in 2014-15 to 41.78%. The Company has sufficient cash to pay the dividend.

**RESOLUTION []: APPOINTMENT OF AUDITORS**

Re-appointment of M/s BSR & Co. LLP (Registration No. 101248W/W-100022 with the ICAI), Chartered Accountants, as Auditors of the Company

* for a term of one year

**SES RECOMMENDATION**

The current auditors, M/s BSR & Co. LLP, have been associated with the Company for 10 years. Provisions of the Companies Act, 2013 states that Auditors should not have tenure of over 10 years. Although the Companies Act, 2013 and the Rules thereunder provide a transition period of 3 years, SES believes that the Company should rotate its Auditors in ensuing AGM. The Company has already utilized the transition period available under the Act by appointing the Auditors for one year in last AGM concluded on 23rd July, 2014. Therefore, SES recommends that shareholders vote AGAINST the Resolution. Further, if the Auditors is rotated in the AGM, the new Auditors should be appointed for a period of 5 years (in accordance with the Companies Act, 2013).

**SES ANALYSIS**

**DISCLOSURES**

|  |  |
| --- | --- |
| Name of the auditor up for appointment | Disclosed in both Notice and Annual Report |
| Auditors' eligibility for appointment | Disclosed |
| Auditors' independence certificate | Not Disclosed |

**AUDITORS' INDEPENDENCE**

|  |  |  |  |
| --- | --- | --- | --- |
| **Auditors** | | **Audit Partners** | |
| BSR & Co LLP | 10 years | Supreet Sachdev | 3 years |
| Auditor's Network | |  | |

**AUDITORS' REMUNERATION**

|  |  |
| --- | --- |
|  |  |

**TERM OF APPOINTMENT**

**RESOLUTION []: APPOINTMENT/REAPPOINTMENT OF EXECUTIVE DIRECTORS**

#3: Re-appointment of Mr. T K Kurien (DIN 03009368), director who retires by rotation

**SES RECOMMENDATION**

No concern has been identified with respect to the profile, time commitments and performance of Mr. T K Kurien. SES recommends that shareholders vote **FOR** the resolution.

No limits have been placed on perquisites and variable pay to Mr. Azim Premji. However since, the remuneration paid to him in the previous years is uniform and not excessive, SES is not raising any concern.

Mr. Azim Premji, who was appointed Chairman and Managing Director by the members to hold office upto July 30, 2015 will attain the age of 70 years on July 24, 2015 and hence continuation of his employment as Executive Chairman and Managing Director requires the approval of members by way of a special resolution.

Section 196(3) of the Companies Act, 2013 provides that no company shall continue the employment of a person who has attained the age of 70 years, as Managing Director, Whole time director or Manager unless it is approved by the members by passing a special resolution.

The Company has stated that keeping in view that Mr. Azim H Premji has rich and varied experience in the Industry and has been involved in the operations of the Company over a long period of time, it would be in the interest of the Company to continue the employment of Mr. Azim H Premji as Executive Chairman and Managing Director designated as Executive Chairman. Therefore, no concern has been identified in this regard.

No concern has been identified regarding the profile and appointment of Mr. Rashi Premji. SES recommends that shareholders vote **FOR** the resolution.

**SES ANALYSIS**

**DIRECTOR'S PROFILE**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **T K Kurien** | **Azim H. Premji** | **Rishad Premji** |
| Current full time position | Whole Time Director, Wipro Ltd. | Managing Director, Wipro Ltd. | Whole Time Director, Wipro Ltd. |
| Functional Area | IT | Industrialist | Industrialist |
| Education | B COM, CA | B.E(Electrical Engg) | B.A, MBA |
| Part of promoter group? | Yes | No | Yes |
| Past Experience | Finance, Sales and Management experience | More than four decades of managerial experience | Economics, Finance & Business Administration experience |
| Committee positions in the Company | SR(M) | - | None |
| Retirement by rotation | Retiring | Non Retiring | Retiring |
| **SES Recommendation** | **FOR** | **&NBSP;** | **&NBSP;** |

*A - Audit Committee, SR - Stakeholders' Relationship Committee, NR - Nomination & Remuneration Committee, CSR - Corporate Social Responsibility Committee, M - Member, C - Chairman*

**PAST REMUNERATION OF THE DIRECTOR**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **In ` Crore** | **FY 14/15** | | **FY 13/14** | | **FY 12/13** | |
| **Executive Director** | **Fixed Pay** | **Total Pay** | **Fixed Pay** | **Total Pay** | **Fixed Pay** | **Total Pay** |
| T K Kurien | 6.965 | 8.94 | 4.2009 | 6.57 | 4.28 | 6.12 |
| Azim H. Premji | 1.57 | 4.77 | 3.2175 | 10.24 | 1.17 | 3.99 |
| Rishad Premji | 1.6668 | 1.67 | 0 | 0 | 0 | 0 |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| |  |  |  | | --- | --- | --- | | **Executive Remuneration - Peer Comparison** | | | | Director | T K Kurien | Vishal Sikka | | Company | Wipro Ltd | Infosys Ltd | | Promoter | no | no | | Remuneration (` Cr) (A) | 8.9416 | 4.56 | | Net Profits (` Cr) (B) | 8193 | 12164 | | Ratio (A/B) | 0.11 | 0.04 | |  |

**DIRECTORS' TIME COMMITMENTS**

|  |  |  |  |
| --- | --- | --- | --- |
| **Criteria** | **T K Kurien** | **Azim H. Premji** | **Rishad Premji** |
| Total Directorships | 1 | @12 | 3 |
| Total Committee memberships | 1 | 1 | 1 |
| Total Committee Chairmanship | 0 | 1 | 0 |
| Full time role/ executive position | 1 |  | 1 |

Note: Committee memberships include Committee chairmanships, Total Directorships include Directorships in Public as well Private Companies

@All directorships and full-time positions held by Mr. Premji are at private limited related party companies. Therefore, SES is not raising any concern.

**DIRECTORS’ PERFORMANCE**

|  |  |  |  |
| --- | --- | --- | --- |
| **Attendance record** | **T K Kurien** | **Azim H. Premji** | **Rishad Premji** |
| Last 3 AGMs | 2/2 | 2/2 | 0/0 |
| Board meetings held last year | 100% | 100% | 0% |
| Board meetings in last 3 years (avg.) | 100% | 100% | 0% |
| Audit Committee meetings | na% | na% | na% |
| Nomination & Remuneration Committee meetings | na% | na% | na% |
| CSR Committee meetings | na% | na% | na% |
| Stakeholders' Relationship Committee meetings | 100% | na% | na% |

**REMUNERATION PACKAGE OF T K KURIEN**

|  |  |  |
| --- | --- | --- |
| **Component** | **Proposed Remuneration** | **Comments** |
| Basic Pay | Proposed Salary: ` | Increase in remuneration: |
| Annual increment: |
| Perquisites/ Allowances | All perquisites clearly defined: | Cap placed on perquisites: |
| Total allowances: ` |
| Variable Pay |  | Performance criteria disclosed: |
| Cap placed on variable pay: |
| Notice Period | months |  |
| Severance Pay | months |
| Minimum Remuneration |  | Within limits prescribed: |
| Includes variable pay: |

**REMUNERATION PACKAGE OF AZIM H. PREMJI**

|  |  |  |
| --- | --- | --- |
| **Component** | **Proposed Remuneration** | **Comments** |
| Basic Pay | Proposed Salary: `2.50 lacs per month | Increase in remuneration: |
| Annual increment: None |
| Perquisites/ Allowances | All perquisites clearly defined: yes | Cap placed on perquisites: no |
| Total allowances: `Special Allowance: 1.10 lacs per month |
| Variable Pay | Yes | Performance criteria disclosed: Yes |
| Cap placed on variable pay: Yes |
| Notice Period | 6 months months |  |
| Severance Pay | None months |
| Minimum Remuneration | In the event of absence or inadequacy of profits in any financial year during the tenure of the Chai | Within limits prescribed: yes |
| Includes variable pay: no |

**REMUNERATION PACKAGE OF RISHAD PREMJI**

|  |  |  |
| --- | --- | --- |
| **Component** | **Proposed Remuneration** | **Comments** |
| Basic Pay | Proposed Salary: `4,16,600 per month | Increase in remuneration: |
| Annual increment: Contribution to retirals: 1,22,195 per month |
| Perquisites/ Allowances | All perquisites clearly defined: yes | Cap placed on perquisites: no |
| Total allowances: `3,01,336 per month |
| Variable Pay | Yes | Performance criteria disclosed: No |
| Cap placed on variable pay: Yes |
| Notice Period | Not Disclosed months | Not Disclosed |
| Severance Pay | Not Disclosed months |
| Minimum Remuneration |  | Within limits prescribed: |
| Includes variable pay: |

SES is not raising any concern has been identified regading the profile of Mr. T K Kurien.