PROXY PAPER

TATA CONSULTANCY SERVICES LTD.

GLASS LEWIS

Bombay Stock Exchange: **TCS**

ISIN: **INE467B01029**

MEETING DATE: 16 JUNE 2017

RECORD DATE: 09 JUNE 2017

PUBLISH DATE: 29 MAY 2017

COMPANY DESCRIPTION

Tata Consultancy Services Limited provides information technology (IT) and IT-enabled services worldwide.

INDEX MEMBERSHIP: A / S&P BSE SENSEX; NSE NIFTY 50; NSE NIFTY 200

SECTOR: INFORMATION TECHNOLOGY

INDUSTRY: IT SERVICES

COUNTRY OF TRADE: INDIA

COUNTRY OF INCORPORATION: INDIA

VOTING IMPEDIMENT: NONE

DISCLOSURES: NONE

OWNERSHIP	ESG PROFILE	VOTE RESULTS	APPENDIX

2017 ANNUAL MEETING

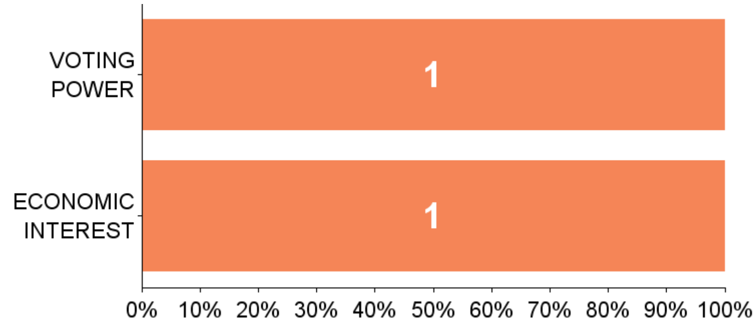
PROPOSAL	ISSUE	BOARD	GLASS LEWIS	CONCERNS
1.00	Accounts and Reports	FOR	**FOR**	
2.00	Allocation of Profits/Dividends	FOR	**FOR**	
3.00	Elect Aarthi Subramanian	FOR	**AGAINST**	• **Board independence**
4.00	Appointment of Auditor and Authority to Set Fees	FOR	**FOR**	
5.00	Elect Natarajan Chandrasekaran	FOR	**AGAINST**	• **Insufficient committee independence** • **Board independence**
6.00	Elect Rajesh Gopinathan	FOR	**AGAINST**	• **Non-retiring director** • **Board independence**
7.00	Appointment of Rajesh Gopinathan (CEO and Managing Director); Approval of Remuneration	FOR	**AGAINST**	• **Not in shareholders' interest**
8.00	Elect N. Ganapathy Subramaniam	FOR	**AGAINST**	• **Board independence**
9.00	Appointment of N. Ganapathy Subramaniam (COO); Approval of Remuneration	FOR	**FOR**	
10.00	Appointment of Branch Auditor	FOR	**FOR**	

SHARE OWNERSHIP PROFILE

SHARE BREAKDOWN

	1
SHARE CLASS	Equity Shares
SHARES OUTSTANDING	1,970.4 M
VOTES PER SHARE	1
INSIDE OWNERSHIP	0.20%
STRATEGIC OWNERS**	74.10%
FREE FLOAT	25.90%

SOURCE CAPITAL IQ AND GLASS LEWIS. AS OF 24-MAY-2017



TOP 20 SHAREHOLDERS

	HOLDER	OWNED*	COUNTRY	INVESTOR TYPE
1.	Tata Sons Limited	73.26%	India	Private Company
2.	Life Insurance Corporation of India, Asset Management Arm	3.44%	India	Traditional Investment Manager
3.	BlackRock, Inc.	0.88%	United States	Traditional Investment Manager
4.	Aberdeen Asset Management PLC	0.82%	United Kingdom	Traditional Investment Manager
5.	Abu Dhabi Investment Authority	0.72%	United Arab Emirates	Sovereign Wealth Fund
6.	J.P. Morgan Asset Management, Inc.	0.62%	United States	Traditional Investment Manager
7.	Singapore (Republic of)	0.57%	Singapore	Government Institution
8.	Genesis Asset Managers, LLP	0.43%	Channel Islands	Traditional Investment Manager
9.	OppenheimerFunds, Inc.	0.42%	United States	Traditional Investment Manager
10.	First State Investment Management (UK) Limited	0.42%	United Kingdom	Traditional Investment Manager
11.	Capital Research and Management Company	0.40%	United States	Traditional Investment Manager
12.	Lazard Asset Management LLC	0.39%	United States	Traditional Investment Manager
13.	Copthall Mauritius Investment Limited	0.37%	Mauritius	Traditional Investment Manager
14.	The Vanguard Group, Inc.	0.37%	United States	Traditional Investment Manager
15.	Vontobel Asset Management, Inc.	0.33%	United States	Traditional Investment Manager
16.	Colonial First State Asset Management (Australia) Limited	0.23%	Australia	Traditional Investment Manager
17.	T. Rowe Price Group, Inc.	0.23%	United States	Traditional Investment Manager
18.	SBI Funds Management Private Limited	0.23%	India	Traditional Investment Manager
19.	HDFC Asset Management Company Ltd.	0.23%	India	Traditional Investment Manager
20.	FIL Limited	0.22%	Bermuda	Traditional Investment Manager

**COMMON STOCK EQUIVALENTS (AGGREGATE ECONOMIC INTEREST) SOURCE: CAPITAL IQ. AS OF 24-MAY-2017*
***CAPITAL IQ DEFINES STRATEGIC SHAREHOLDER AS A PUBLIC OR PRIVATE CORPORATION, INDIVIDUAL/INSIDER, COMPANY CONTROLLED FOUNDATION, ESOP OR STATE OWNED SHARES OR ANY HEDGE FUND MANAGERS, VC/PE FIRMS OR SOVEREIGN WEALTH FUNDS WITH A STAKE GREATER THAN 5%.*

SHAREHOLDER RIGHTS

	MARKET THRESHOLD	COMPANY THRESHOLD[1]
VOTING POWER REQUIRED TO CALL A SPECIAL MEETING	10.0%	10.0%
VOTING POWER REQUIRED TO ADD AGENDA ITEM	N/A	N/A

[1] N/A INDICATES THAT THE COMPANY DOES NOT PROVIDE THE CORRESPONDING SHAREHOLDER RIGHT.

ENVIRONMENTAL, SOCIAL & GOVERNANCE PROFILE

OVERALL ESG SCORE

Leader

Comparative Industry: **Software & Services**

Board oversight for ESG Issues: **N/A**

All data and ratings provided by:

SUSTAINALYTICS

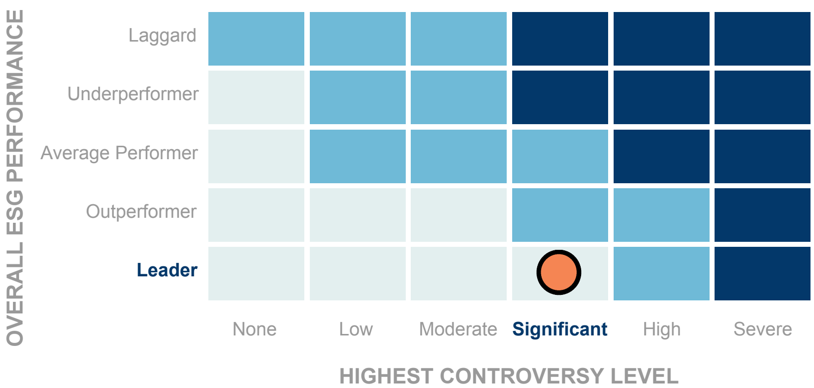
Last Update: **May 01, 2017**

ANALYST COMMENTARY

Tata Consultancy Services Limited (TCS) offers IT services as well as digital business solutions for its clients globally, including: application development and maintenance; engineering and industrial services; IT infrastructure services; and big data analytics and cloud services. The company derives the majority of its revenues from the following industry verticals: banking, financial services and insurance (40.6%); retail and consumer packaged goods (14.1%); telecom, and media and entertainment (10.9%). TCS employs approximately 353,000 consultants in 45 countries and reported revenues of USD 16.5 billion in FY2016. With the company highlighting cloud-based services and big data analytics as some of its key opportunities, TCS is expected to handle a large volume of sensitive data for its clients' businesses, making Data Privacy a key ESG issue. In addition, as TCS's business relies on a specialized work force with relevant domain expertise, Human Capital is also identified as a vital ESG issue. Finally, Energy Use and GHG Emissions is a material ESG issue for TCS, as the company has a large number of data centres and office buildings. Overall, TCS discloses strong policies and management systems to manage its ESG risks and opportunities, giving us a positive view of the company.

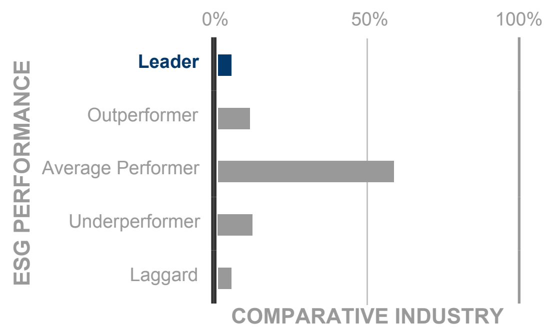
ESG RISK PROFILE

The graph below compares the Company's ESG performance to its involvement in controversies in order to provide an assessment of the Company's ESG risk profile.



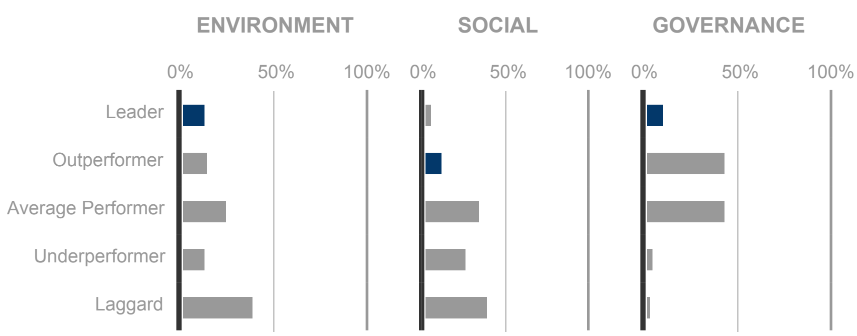
OVERALL ESG PERFORMANCE

The graph below indicates the percentage of companies in the comparative industry that fall within each ESG performance category.



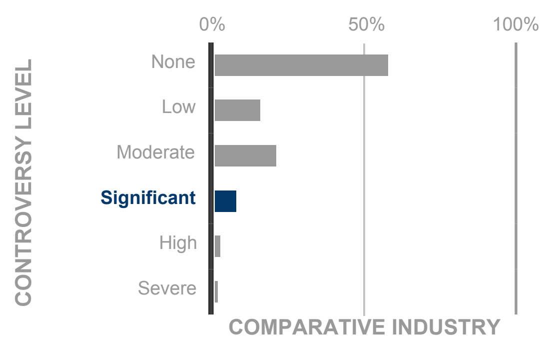
ESG PILLAR PERFORMANCE

For each pillar, the graph below indicates the percentage of companies in the comparative industry that fall within each ESG performance category. The governance pillar shown below is measured by Sustainalytics based on the Company's governance of sustainability issues.



HIGHEST CONTROVERSY LEVEL

The graph below indicates the percentage of companies in the comparative industry that fall within each controversy level.



Rows and categories shown in dark blue or bold represent the Company's category for the relevant assessment.

NOTEWORTHY CONTROVERSIES

SEVERE

Severe controversies are the most serious controversy level. They have the greatest negative impact on stakeholders and generate the greatest risk to a company's financial performance. Such controversies are highly exceptional. They indicate egregious practices and generally reflect a pattern of gross negligence, with the Company refusing to address the issue and/or concealing its involvement.

No severe controversies

HIGH

High-impact controversies are those that have major negative sustainability impacts and typically generate significant business risk to the Company. Such controversies are generally exceptions within an industry. They typically involve a pattern of negative events or impacts and indicate a lack of company preparedness to properly manage key sustainability issues.

No high controversies

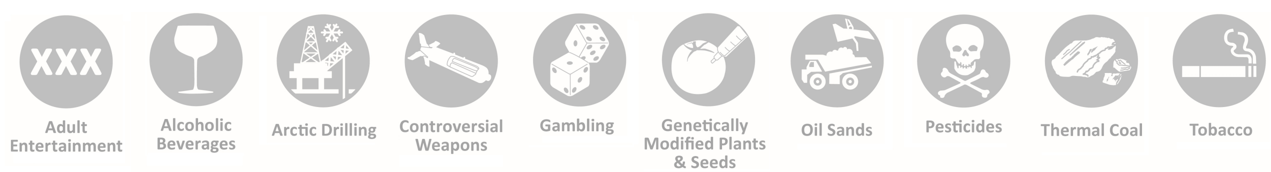
SIGNIFICANT

Significant controversies have notable negative sustainability impacts and may generate business risk to the Company. Such controversies may be isolated or they may suggest a pattern, but they are generally not exceptional within an industry. However, they raise questions about whether a company's management systems are being implemented effectively and are able to address the issue in a satisfactory manner.

Business Ethics Incidents:

- **Intellectual Property**

NO PRODUCT INVOLVEMENT



DISCLAIMER

Copyright ©2017 Sustainalytics. All rights reserved.

The intellectual property rights to the environmental, social and governance ("ESG") profile and the information contained in the ESG profile are vested exclusively in Sustainalytics and/or its suppliers. Sustainalytics' role is limited to providing research and analysis in order to facilitate well-informed decision-making. Sustainalytics makes no representation or warranty, express or implied, regarding the advisability to invest in or include companies in investable universes and/or portfolios. The information on which the ESG profile is based has - fully or partially - been derived from third parties and is therefore subject to continuous modification.

Sustainalytics observes the greatest possible care in using information but cannot guarantee that information contained herein is accurate and/or complete and no rights can be derived from it. The information is provided "as is" and, therefore Sustainalytics assumes no responsibility for errors or omissions. Sustainalytics and/or its suppliers accept no liability for damage arising from the use of the ESG profile or this Proxy Advisory Paper or information contained herein in any manner whatsoever.

Please refer to the FAQ for further details about this page.

All data and ratings provided by:

SUSTAINALYTICS

1.00: ACCOUNTS AND REPORTS

FOR

PROPOSAL REQUEST:	Receipt of the Company's financial statements, directors' report and auditor's report for the last fiscal year	**RECOMMENDATIONS & CONCERNS:**
PRIOR YEAR VOTE RESULT (FOR):	N/A	**FOR-** No material concerns
BINDING/ADVISORY:	Binding	
REQUIRED TO APPROVE:	Majority	
AUDITOR OPINION:	Unqualified	

PROPOSAL SUMMARY

As a routine matter, Indian company law requires that shareholders approve the financial statements in order for them to be valid.

GLASS LEWIS ANALYSIS

We believe that all of the necessary financial statements and reports are present in the Company's annual report. We note that in the opinion of Deloitte Haskins & Sells, the Company's independent auditor, the financial statements have been properly prepared in accordance with the generally accepted accounting principles in India.

We recommend that shareholders vote **FOR** this proposal.

2.00: ALLOCATION OF PROFITS/DIVIDENDS

FOR

PROPOSAL REQUEST:	Approve allocation of profits for the past fiscal year	**RECOMMENDATIONS & CONCERNS:**	
PRIOR YEAR VOTE RESULT (FOR):	N/A	**FOR-** No material concerns	
BINDING/ADVISORY:	Binding		
REQUIRED TO APPROVE:	Majority		

PROPOSAL SUMMARY

(INR)	FY 2017	FY 2016
Interim Dividend	19.50	16.50
Final Dividend	27.50	27.00
TOTAL DIVIDENDS FOR THE YEAR	47.00	43.50
Basic Earnings Per Share (Loss)	133.41	123.18
DIVIDEND PAYOUT RATIO	**35.2%**	**35.3%**

GLASS LEWIS ANALYSIS

With limited exceptions, Glass Lewis will generally support the dividend policy proposed by a company. Here, we find that the dividend payout is reasonable and we do not see any cause for concern in terms of the board's process in making this determination.

We recommend that shareholders vote **FOR** this proposal.

3.00: ELECT AARTHI SUBRAMANIAN

AGAINST

PROPOSAL REQUEST: Election of four directors

ELECTION METHOD: Plurality

RECOMMENDATIONS & CONCERNS:

AGAINST-	**Natarajan Chandrasekaran**	Insufficient nomination and remuneration committee independence requirement, Board is not sufficiently independent
	Rajesh Gopinathan	Board is not sufficiently independent, Director not liable to retire by rotation
	N. Ganapathy Subramaniam	Board is not sufficiently independent
	Aarthi Subramanian	Board is not sufficiently independent
NOT UP-	**Om Prakesh Bhatt**	
	Clayton M. Christensen	Less than 75% Attendance
	Ishaat R. Hussain	Beneficial owner on audit committee, Insufficient audit committee independence, Insufficient nomination and remuneration committee independence requirement
	Aman S. Mehta	Audit committee chair not independent, Audit fees or breakdown not disclosed, Insufficient audit committee independence, Insufficient nomination and remuneration committee independence requirement, Nomination and remuneration committee chair not independent, Serves on too many boards, Responsible for lack of board independence
	Ron Sommer	
	Venkatraman S. Thyagarajan	Insufficient audit committee independence

BOARD OF DIRECTORS

	UP	NAME	AGE	GENDER	GLASS LEWIS CLASSIFICATION	COMPANY CLASSIFICATION	OWNERSHIP**	COMMITTEES AUDIT	COMMITTEES REM	COMMITTEES NOM	TERM START	YEARS ON BOARD
⊖	✔	Rajesh Gopinathan* ·*CEO*	45	M	Insider 1	Not Independent	Yes				2017	0
⊖	✔	N. Ganapathy Subramaniam*	57	M	Insider 2	Not Independent	Yes				2017	0
⊖	✔	Aarthi Subramanian*	49	F	Insider 3	Not Independent	Yes				2015	2
⊖	✔	Natarajan Chandrasekaran ·*Chair*	53	M	Affiliated 4	Not Independent	73%		✔	✔	2007	10
		Clayton M. Christensen	65	M	Affiliated 5	Independent	No				2006	11
		Ishaat R. Hussain	69	M	Affiliated 6	Not Independent	73%	✔	✔	✔	2010	7
		Aman S. Mehta	70	M	Affiliated 7	Independent	No	C	C	C	2004	13
		Ron Sommer	67	M	Affiliated 8	Independent	No	✔			2006	11
		Venkatraman S. Thyagarajan	71	M	Affiliated 9	Independent	No	✔	✔	✔	2005	12
		Om Prakesh Bhatt	66	M	Independent	Independent	No	✔			2012	5

C = Chair, * = Public Company Executive, ⊖ = Withhold or Against Recommendation

1. Managing director and CEO.
2. COO. Chairman of an affiliated entity. Brother of Natarajan Chandrasekaran.
3. Executive director.
4. Non-executive chairman. Former managing director and CEO (until February 2017). Executive chairman of Tata Sons Limited, which is a member of the Company's promoter group, which beneficially owns approximately 73.3% of the Company's issued share capital. Brother of N. Ganapathy Submaniam.
5. Has served on the board for more than ten years.
6. Finance director of Tata Sons Limited. Non-executive director of Tata Steel Limited, a member of the Company's promoter group.

7. Has served on the board for more than ten years.
8. Has served on the board for more than ten years.
9. Has served on the board for more than ten years.

***Direct, indirect or representational ownership of voting rights. Below 2% displays as Yes.*

NAME	ATTENDED AT LEAST 75% OF MEETINGS	PUBLIC COMPANY EXECUTIVE	ADDITIONAL PUBLIC COMPANY DIRECTORSHIPS
Rajesh Gopinathan	No	Yes	None
N. Ganapathy Subramaniam	No	Yes	None
Aarthi Subramanian	Yes	Yes	None
Natarajan Chandrasekaran	Yes	No	(4) Indian Hotels Company Limited; Tata Motors Limited; The Tata Power Company; Tata Steel Limited
Clayton M. Christensen	No	No	(2) Franklin Covey Co.; Amdocs Limited
Ishaat R. Hussain	Yes	No	(3) Bombay Dyeing & Manufacturing Company; Voltas Limited; Tata Steel Limited
Aman S. Mehta	Yes	No	(10) Cairn India Limited; Jet Airways (India) Limited; Wockhardt Limited; Godrej Consumer Products Ltd; Max Financial Services Ltd; PCCW Limited; Vedanta Limited; Vedanta Resources plc; Tata Steel Limited; HKT Trust and HKT Limited
Ron Sommer	Yes	No	None
Venkatraman S. Thyagarajan	Yes	No	None
Om Prakesh Bhatt	Yes	No	(4) Hindustan Unilever Limited (fka Hindustan Lever Ltd); Tata Steel Limited; Standard Chartered plc; Tata Motors Limited

MARKET PRACTICE

INDEPENDENCE AND COMPOSITION	TCS*	REQUIREMENT	BEST PRACTICE
Independent Chair	No	None[1]	None[1]
Board Independence	10%	50% if chairman is executive or affiliated with promoter; otherwise, 33% (if lack of independence is solely due to independent director tenure, 33%) [2]	Same[6]
Audit Committee Independence	20%	Two-thirds independent; independent chairman[3]	Two-thirds independent; independent chairman[7]
Remuneration Committee Independence	0%	Majority independent[4]	Entirely non-executive; independent chairman[8]
Nominating Committee Independence	0%	Majority independent[4]	Majority independent; independent chairman [9]
Percentage of women on board	10%	At least one female director[5]	None[1]
Directors' biographies	Biographical information for the nominees can be found on page 9 though 15 of the Notice of Meeting		

** Based on Glass Lewis Classification*

1. *N/A*
2. *Section 1(A)(i)(ii), Clause 49 of the Listing Agreement*
3. *Section II(A)(i)(iii), Clause 49 of the Listing Agreement*
4. *Section 178, the Companies Act, 2013*
5. *Section 159, the Companies Act, 2013*
6. *Clause 49 of the Listing Agreement*
7. *Section III(A), Corporate Governance Voluntary Guidelines, 2009*
8. *Annexure 1 D, Clause 49 of the Listing Agreement*
9. *Section A.3(i), Corporate Governance Voluntary Guidelines, 2009*

Concentrated ownership structures, whereby large holding entities or group of individuals (also known as promoter groups/promoters) constitute a company's largest direct shareholder, are common in India. As such, a vast majority of companies listed on the Indian stock exchanges are ultimately controlled by promoter groups.

Indian companies are governed by a one-tier board structure. While directors are usually nominated by the incumbent board, shareholders can submit nominees up to 14 days prior to the meeting. Directors appointed to the board since the last annual meeting of shareholders must stand for election at this year's annual meeting.

The Companies Act, 2013 (the "Act"), requires that at least one-third of the board membership comprise independent directors. The Clause 49 of the Listing Agreement set forth by the Securities Exchange Board of India recommends that in companies where the board chairperson is either an executive or affiliated with the promoter group, at least one-half of the board should be independent. Glass Lewis believes that in general, a board of an Indian company should be at least one-third independent. However, if the board chairperson is affiliated with the promoter group or an executive, we review the average tenure of directors and the affiliations of directors. If the average tenure of directors is over 10 years and also if we classify directors as affiliated based on other reasons besides board tenure, we believe that the board should be at least one-half independent.

Under the Act, independent directors may serve up to two consecutive terms of five years. Where we find an independent director's tenure of service exceeds 10 consecutive years from the date of appointment or date of re-designation to become an independent director, we will classify such directors as being affiliated. However, where board independence is less than one-half strictly because of independent directors serving in excess of 10 years, we may evaluate board independence at one-third.

GLASS LEWIS ANALYSIS

We believe that shareholders should be mindful of the following:

TURMOIL WITHIN THE TATA GROUP

On October 24, 2016, Cyrus Mistry was removed as the executive chairman of Tata Sons Limited ("Tata Sons"), though he remained on the board as a director. This was a significant development, given that Mr. Mistry also served as the non-executive chairman of other publicly-traded Tata companies including: Tata Consultancy Services Ltd. ("TCS"), Indian Hotels, Co. Ltd., Tata Motors Ltd., Tata Chemicals Ltd., Tata Steel Ltd., Tata Power Company Ltd., and Tata Global Beverages ltd. Tata Sons holds significant ownership in these related companies, ranging from 19.35% of Tata Chemicals to 73.33% of TCS (Nachiket Kelkar and Ramsurya Mamidenna. "Now TCS Votes out Mistry, but Shareholders are not Amused." *Hindustan Times*. December 14, 2016). Tata Sons itself is controlled 66% by certain Tata family trusts, which are largely headed by Ratan Tata, while Mr. Mistry's family controls approximately 18% of Tata Sons' share capital ("George Smith Alexander, Siddharth Vikram Philip and P R Sanjai. "Tata Said to Tap Sovereign Funds on Buying Out Ousted Head." *Bloomberg*. October 28, 2016).

The removal of Mr. Mistry as Tata Sons' executive chairman began a period of uncertainty with the Tata Group as Mr. Mistry would not voluntarily step down from his positions at the affiliate companies. Additionally, the dispute between Mr. Mistry and Tata Sons spilled into the public domain, with Mr. Mistry being accused ofleaking an inflammatory email about governance failures and poor decisions at Tata Sons. Tata Sons responded with a statement rebutting Mr. Mistry's allegations and explaining the basis for Mr. Mistry's removal. Tata Sons later lodged proposals to remove Mr. Mistry from the board of each of the related companies in December 2016. At a TCS EGM held on December 13, 2016, approximately 93% of total votes cast (including all shares held by Tata Sons as promoter of TCS) were to remove Mr. Mistry as the chairman and a director of TCS. On December 19, 2016, Mr. Mistry resigned as chairman and as a director of the other Tata boards. On February 7, 2017, shareholders of Tata Sons removed Mr. Mistry as a director, ending his last formal role within the Tata Group.

Despite the departure of Mr. Mistry, there are lingering concerns about the governance practices of the Tata Group. Specifically, Tata Sons not only sought to remove Mr. Mistry, but also to remove independent director Nusli Wadia from the boards of Tata Motors, Tata Steel and Tata Chemicals. Although shareholders voted to remove Mr. Wadia from those boards, there was notable opposition to Tata Sons' requisition as shareholders other than Tata Sons were either split or opposed to his removal from Tata Motors and Tata Chemicals. For Mr. Wadia, his view of Tat Sons' actions to remove Mr. Mistry were "not in keeping with the corporate governance standards set by JRD Tata", while Mr. Wadia decided to oppose Tata Sons' approach stating that he is "not Ratan Tata's 'yes man'" but instead had to fulfill his fiduciary duties as an independent director. In addition to fighting Tata Sons at the EGMs, he filed lawsuits against Tata Sons and its directors for defamation and other reasons, which seek $445 million damages (Naazneen Karnmali. " Amid Typhoon Tata Nusli Wadia Backs Cyrus Mistry." *Forbes*. January 16, 2017).

Further, the impact of the Cyrus Mistry affair with Tata Sons brought forward the issue of the control of promoter groups over companies, especially when a promoter itself is controlled by a specific family. As noted in *The Economist*, the role of the Tata family trusts, which comprise the controlling shareholder of Tata Sons, is important for understanding how the Tata Sons board functions. In this case, the trusts and the trustees, which are often former Tata executives, may exude influence at a higher level than the Tata Sons board, while minority shareholders ultimately are unable to counter the influence of such individuals (" Tata's Governance is Still Faulty." *The Economist*. February 9, 2017).

Additionally, through the recriminations that originated from Mr. Mistry, some have attracted the attention of entities such as the Securities and Exchange Board of India SEBI and Institute of Chartered Accounts of India ("ICAI"). In particular, the ICAI's Financial Reporting Review Board is looking at certain accounting matters within Tata Group companies to determine whether there indeed are accounting irregularities (" Tata Vs Mistry: ICAI Lens on Alleged Irregularities in Tata Group." *Hindustan Times*. February 14, 2017). Moreover, the head of SEBI has held meetings with Mr. Mistry, Ratan Tata and Mr. Wadia in relation to the events that transpired from October to December 2016. In this instance, Mr. Mistry submitted a letter to SEBI alleging violations of corporate governance norms and rules in the Tata Group, while SEBI sought explanations from the seven Tata company boards where Mr. Mistry served for additional information pertaining to Mr. Mistry's allegations (Reeba Zachariah. "Cyrus Mistry Meets Sebi Chief Sinha for an Hour." *The Times of India*. February 3, 2017).

The actions of Tata Sons in 2016 represent a *fait accompli* for non-affiliated shareholders in the Tata Group of companies. While the actions were undesirable and may have tarnished the image of the Tata Group's image as a standard bearer of Indian corporate governance, there are at this time, no additional matters that otherwise elicit shareholder concern. Nevertheless, should members of management or the board are implicated in any such legal proceedings, we may consider recommending that shareholders withhold votes from certain directors on that basis. However, we do not feel that any such action is necessary at this time. We will continue to monitor these issues going forward.

DIRECTOR ATTENDANCE - FIRST YEAR

Directors Rajesh Gopinathan and N. Ganapathy Subramaniam attended less than 75% of the meetings held by the board and/or the committees last fiscal year. We view this as a failure to fulfill a fundamental responsibility to represent shareholders at such meetings. While we typically recommend voting against directors who attend fewer than 75% of the relevant board and committee meetings, we will exempt directors from this requirement during their first year on the board with the understanding that they may have prior commitments that coincide with such meetings.

ATTENDANCE

Director Clayton M. Christensen attended fewer than 75% of the meetings held by the board during the past fiscal year. We view this as a failure to fulfill a fundamental responsibility to represent shareholders at such meetings.

DIRECTORSHIP

Director Aman S. Mehta serves on a total of more than seven boards. We believe that the time commitment required by this number of board memberships may preclude this director from fulfilling his responsibilities to this Company's shareholders.

AUDIT COMMITTEE INDEPENDENCE

Directors Aman S. Mehta, Ishaat R. Hussain and Venkatraman S. Thyagarajan serve as the chairman and as members, respectively, of the audit committee, which we believe should consist solely of non-executive directors, at least two-thirds of whom, including the committee chairman, are independent in accordance with the requirements of Clause 49 of the Listing Agreement.

AUDIT COMMITTEE INDEPENDENCE - SIGNIFICANT SHAREHOLDER

Director Ishaat R. Hussain is affiliated with the promoter group, beneficially owns 73.31% of the Company's issued share capital and serves as a member of the audit committee. In our view, holders/representatives of more than 20% of a company's shares are not independent because their interests and financial needs may differ from other shareholders. We believe that the area of financial disclosure is critical to shareholders. Any potential conflict between a director's own interests and those of shareholders should be strictly monitored for board members who oversee accounting and disclosure issues. Therefore, we believe that shareholders are best served by not having significant shareholders or their representatives serve on the audit committee.

AUDITOR REMUNERATION

Director Aman S. Mehta serves as chairman of the audit committee. As noted in Proposal 4, the Company has failed to disclose in the consolidated financial statements the audit and non-audit fees paid to the Company's independent auditor last year. We believe that companies should disclose remuneration paid to auditors for both audit and non-audit services and that the non-audit services provided by the independent auditor not impair the auditor's independence and objectivity. In our opinion, the failure to disclose non-audit fees prevents shareholders from conducting a meaningful review of the Company's audit practices. We, therefore, believe that the chair of the audit committee should be held accountable for failing to disclose auditor remuneration details.

NOMINATION AND REMUNERATION COMMITTEE INDEPENDENCE

Directors Aman S. Mehta and Ishaat R. Hussain serves as chairman and as a member of the nomination and remuneration committee, which we believe should consist entirely of non-executive directors, a majority of whom are independent, including the chairman, in accordance with the requirements of Clause 49 of the Listing Agreement.

NOMINATION COMMITTEE CHAIRMAN RESPONSIBLE FOR INDEPENDENCE

Director Aman S. Mehta serves as the chairman of the nominating committee, who we believe should be held accountable for the insufficient independence of the board.

However, since the above-mentioned directors are not up for election this year, we refrain from recommending to vote against any particular nominee on these bases at this time. We will monitor these issues going forward.

RECOMMENDATIONS

We recommend voting against nominees up for election as follows:

NOMINATION AND REMUNERATION COMMITTEE INDEPENDENCE

Nominee **Natarajan Chandrasekaran** serves as a member of the nomination and remuneration committee, which we believe should consist entirely of non-executive directors, a majority of whom are independent, including the chairman, in accordance with the requirements of Clause 49 of the Listing Agreement.

NOT LIABLE TO RETIRE BY ROTATION

Nominee **Rajesh Gopinathan** is standing for election as an executive director with a term of service that will not be liable to retirement by rotation. As the Companies Act, 2013, establishes that independent directors are the main class of directors who should have fixed terms and therefore not be subject to retirement by rotation, we believe that all other non-independent directors should stand for periodic retirement by rotation.

BOARD INDEPENDENCE

Given the lack of a sufficiently independent board, we recommend voting against nominees **Rajesh Gopinathan**, **Aarthi Subramanian, Natarajan Chandrasekaran** and **N. Ganapathy Subramaniam.**

We recommend that shareholders vote **AGAINST** all nominees.

The Company discloses the following biographical information for directors Rajesh Gopinathan and N. Ganapathy Subramaniam, new nominees to the board:

Rajesh Gopinathan was appointed as an additional director on January 12, 2017, then as managing director and CEO on January 12, 2017. Prior to his elevation to the position as the CEO & MD, he held the office of the Chief Financial Officer of the Company from February 10, 2013. He has held several key positions within the Company and has played a key role in helping the Company become a US$ 17.6 billion global company. Mr. Gopinathan joined Tata Consultancy Services in 2001 from Tata Industries, and worked to drive TCS' newly established e-business unit in the United States. He was also involved in the design, structure and implementation of the new organizational structure and operating model of the Company. He has worked on multiple assignments with Tata companies as part of the Tata Strategic Management Group since 1996.

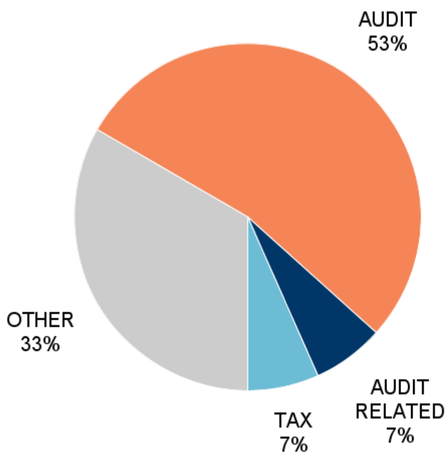
N. Ganapathy Subramaniam was appointed as COO and executive director on February 21, 2017. Prior to taking over the COO's role, he served as the President, Financial Services, a strategic business unit of the Company. In that role, he was responsible for steering the non-linear growth strategies, Products and Platform business of the Company for over five years. In steering TCS Financial Solutions, he led the Company's efforts in launching a suite of products for Banking, Capital Markets and Insurance domains - TCS BaNCS, many of which have become world class solutions used by major financial institutions globally. He has held many key leadership positions in the Company across Client Delivery, Business Development, integration of businesses and Product Development. He has been a part of the Company and the Indian IT Industry for the past 35 years and has in-depth knowledge on technology trends and systems policies of leading corporations. Mr. Subramaniam holds Master's in Mathematics from University of Madras and has attended various programs including the Executive program for Growing Companies at Stanford University.

4.00: APPOINTMENT OF AUDITOR AND AUTHORITY TO SET FEES

FOR

PROPOSAL REQUEST:	Approval of B S R & Co.	**RECOMMENDATIONS & CONCERNS:**
PRIOR YEAR VOTE RESULT (FOR):	N/A	**FOR-** No material concerns
BINDING/ADVISORY:	Binding	
REQUIRED TO APPROVE:	Majority	
AUDITOR OPINION:	Unqualified	

SUMMARY



AUDITOR FEES

	2017	2016	2015
Audit Fees:	Rs80,000,000	Rs75,000,000	Rs37,500,000
Audit-Related Fees:	Rs10,000,000	Rs6,300,000	Rs20,000,000
Tax Fees:	Rs10,000,000	Rs8,500,000	Rs18,300,000
All Other Fees:	Rs50,000,000	Rs49,000,000	Rs1,600,000
Total Fees:	Rs150,000,000	Rs138,800,000	Rs77,400,000
Auditor:	Deloitte Haskins & Sells	Deloitte Haskins & Sells	Deloitte Haskins & Sells

Years Serving Company:	N/D
Restatement in Past 12 Months:	No

The board notes that Deloitte Haskins & Sells, will not be reappointed as the Company's independent auditor as it has reached the statutory limit for the number of years an independent auditor may serve as a company's auditor. The board states that it has nominated B S R & Co., to serve as the Company's independent auditor.

GLASS LEWIS ANALYSIS

The Company has not, to our knowledge, disclosed in the consolidated financial statements a breakdown of the fees paid to its auditor for the most recently completed fiscal year. Given that the Company has not disclosed this information, shareholders cannot determine whether the fees paid for non-audit-related services relative to those paid for audit-related services in the last fiscal year are reasonable. In our view, excessive non-audit fees can raise concerns about the objectivity of the accountants conducting the audit.

In addition, we believe the chair of the audit committee should be held accountable for failing to disclose the details regarding fees paid to the auditor. We believe the Company should fully disclose the auditor’s compensation so as to allow for meaningful shareholder review.

However, we note that the Company is rotating auditors, which is an important safeguard against the relationship between the auditor and the Company becoming too close, resulting in a lack of oversight due to complacency or conflicts of interest. Further, since Indian companies are required by law to have an independent auditor, we believe that despite our concerns regarding the presentation of the auditor's fees, we believe shareholders should support this proposal at this time.

We recommend that shareholders vote **FOR** this proposal.

7.00: APPOINTMENT OF RAJESH GOPINATHAN (CEO AND MANAGING DIRECTOR); APPROVAL OF REMUNERATION

AGAINST

PROPOSAL REQUEST:	Appoint Rajesh Gopinathan as CEO and Managing Director; Approve remuneration	**RECOMMENDATIONS & CONCERNS:**	
PRIOR YEAR VOTE RESULT (FOR):	N/A	**AGAINST-**	Not in shareholders' best interests
BINDING/ADVISORY:	Binding		
REQUIRED TO APPROVE:	Majority		

PROPOSAL SUMMARY

Shareholders are asked to appoint Rajesh Gopinathan as CEO and Managing Director for a five-year term, effective February 21, 2017. Shareholders will also be asked to approve the remuneration to be paid to this executive.

Remuneration Summary	
Base Salary	INR 750,000 per month; up to INR 1,500,000 per month, with increases in salary to be determined on April 1 of each year, with reference to the Company's performance, as determined by the nomination and remuneration committee and the audit committee.
Perquisites & Benefits	• Rent-fee residential accommodation (partly furnished or otherwise), with the Company bearing the costs of repairs, maintenance, society charges and utilities; or residential accommodation allowance of up to an aggregate 85% of the base salary if residential accommodation is not provided by the Company; • Reimbursement of medical expenses; • Car, telecommunication and housing loan facilities; • Contributions to provident and superannuation funds; • Leave encashment; and • Other perquisites and allowances, including leave travel allowance, personal accident insurance and club membership fees, of not more than 55% of the base salary.
Bonus and Incentives	Commission based on the net profits of the Company, as may be determined by the board of directors and the nomination and remuneration committee based on his performance.
Notes	In the absence, or inadequacy, of profits, remuneration shall be as above, not exceeding such sum as may be prescribed under Schedule V of the Companies Act, 2013. The executive will not be liable to retire by rotation during the term of his appointment.

GLASS LEWIS ANALYSIS

Glass Lewis believes firms should fully disclose and explain all aspects of their executives' compensation in such a way that shareholders can comprehend and analyze the company's policies and procedures. As part of our assessment, we will consider, the appropriateness of base salaries, perquisites and benefits, and incentive-based remuneration and whether it is linked to performance and abides by market best practices.

As to the proposed remuneration, we find the elements of the remuneration package are reasonable. In this case, the executive will be eligible to receive a competitive salary and commission, being a percentage of the Company’s net profits. As such, this executive's incentive-based remuneration will typically rise or fall in line with the Company's performance. Additionally, the nominee is not eligible to receive severance payments. Lastly, the remuneration would be paid within the limits of the Companies Act, 2013, in the event of loss or inadequate profit.

However, the Company is seeking to make Mr. Gopinathan not liable to retire by rotation. We believe that periodic rotation of directors or executives is essential to bring fresh ideas and ensure long-term accountability in board or company oversight. In addition, we believe that shareholders should be entitled to review the service of executives periodically and provide their consent for the continued service. Therefore, we do not believe shareholders should support this proposal at this time.

We recommend that shareholders vote **AGAINST** this proposal.

9.00: APPOINTMENT OF N. GANAPATHY SUBRAMANIAM (COO); APPROVAL OF REMUNERATION

FOR

PROPOSAL REQUEST:	Appoint N. Ganapathy Subramaniam as COO and executive director; Approve remuneration	**RECOMMENDATIONS & CONCERNS:**
PRIOR YEAR VOTE RESULT (FOR):	N/A	**FOR-** No material concerns
BINDING/ADVISORY:	Binding	
REQUIRED TO APPROVE:	Majority	

PROPOSAL SUMMARY

Shareholders are asked to appoint N. Ganapathy Subramaniam as COO and executive director for a five-year term, effective February 21, 2017. Shareholders will also be asked to approve the remuneration to be paid to this executive.

Remuneration Summary	
Base Salary	INR 700,000 per month; up to INR 1,200,000 per month, with increases in salary to be determined on April 1 of each year, with reference to the Company's performance, as determined by the nomination and remuneration committee.
Perquisites & Benefits	• Rent-fee residential accommodation (partly furnished or otherwise), with the Company bearing the costs of repairs, maintenance, society charges and utilities; or residential accommodation allowance of up to an aggregate 85% of the base salary if residential accommodation is not provided by the Company; • Reimbursement of medical expenses; • Car, telecommunication and housing loan facilities; • Contributions to provident and superannuation funds; • Leave encashment; and • Other perquisites and allowances, including leave travel allowance, personal accident insurance and club membership fees, of not more than 55% of the base salary.
Bonus and Incentives	Commission based on the net profits of the Company, as may be determined by the board of directors and the nomination and remuneration committee based on his performance.
Notes	In the absence, or inadequacy, of profits, remuneration shall be as above, not exceeding such sum as may be prescribed under Schedule V of the Companies Act, 2013.

GLASS LEWIS ANALYSIS

Glass Lewis believes firms should fully disclose and explain all aspects of their executives' compensation in such a way that shareholders can comprehend and analyze the company's policies and procedures. As part of our assessment, we will consider, the appropriateness of base salaries, perquisites and benefits, and incentive-based remuneration and whether it is linked to performance and abides by market best practices.

As to the proposed remuneration, we find the elements of the remuneration package are reasonable. In this case, the executive will be eligible to receive a competitive salary and commission, being a percentage of the Company’s net profits. As such, this executive's incentive-based remuneration will typically rise or fall in line with the Company's performance. Additionally, the nominee is not eligible to receive severance payments. Lastly, the remuneration would be paid within the limits of the Companies Act, 2013, in the event of loss or inadequate profit.

We recommend that shareholders vote **FOR** this proposal.

10.00: APPOINTMENT OF BRANCH AUDITOR

FOR

PROPOSAL REQUEST:	Appointment of branch auditors	**RECOMMENDATIONS & CONCERNS:**
PRIOR YEAR VOTE RESULT (FOR):	N/A	**FOR-** No material concerns
BINDING/ADVISORY:	Binding	
REQUIRED TO APPROVE:	Majority	

PROPOSAL SUMMARY

This proposal seeks shareholder approval to authorize the board to appoint the Company's branch auditors and to set the auditor's fees for the next fiscal year. The board will appoint the auditor if required by Indian law, after consultation with the statutory auditor. The branch auditors will audit the financial statements of the Company's branches outside of India.

GLASS LEWIS ANALYSIS

We will generally support management's recommendation regarding the selection of the Company's branch auditor, except in cases where we believe the integrity of the audit is compromised. We have found no evidence that this has been compromised.

We recommend that shareholders vote **FOR** this proposal.

APPENDIX

Questions or comments about this report, GL policies, methodologies or data? Contact your client service representative or go to www.glasslewis.com/issuer/ for information and contact directions.

DISCLOSURES

© 2017 Glass, Lewis & Co., Glass Lewis Europe, Ltd., and CGI Glass Lewis Pty Ltd. (collectively, “Glass Lewis”). All Rights Reserved.

This report is intended to provide research, data and analysis of proxy voting issues and, therefore, should not be relied upon as investment advice. Glass Lewis analyzes the issues presented for shareholder vote and makes recommendations as to how Glass Lewis believes institutional shareholders should vote their proxies, without commenting on the investment merits of the securities issued by the subject companies. Therefore, none of Glass Lewis’ proxy vote recommendations should be construed as a recommendation to invest in, purchase, or sell any securities or other property. Moreover, Glass Lewis’ proxy vote recommendations must be construed solely as statements of opinion, and not as statements of fact, and may be revised based on additional information or any other reason at any time.

The information contained in this report is based on publicly available information. While Glass Lewis exercises reasonable care to ensure that all information included in this report is accurate and is obtained from sources believed to be reliable, no representations or warranties express or implied, are made as to the accuracy or completeness of any information included herein. In addition, Glass Lewis shall not be liable for any losses or damages arising from or in connection with the information contained herein or the use or inability to use any such information.

Glass Lewis expects its subscribers possess sufficient experience and knowledge to make their own decisions entirely independent of any information contained in this report. Subscribers are ultimately and solely responsible for making their own voting decisions. This Glass Lewis report is intended to serve as a complementary source of information and analysis for subscribers in making their own voting decisions and therefore should not be relied on by subscribers as the sole determinant in making voting decisions.

All information contained in this report is protected by law, including but not limited to, copyright law, and none of such information may be copied or otherwise reproduced, repackaged, further transmitted, transferred, disseminated, redistributed or resold, or stored for subsequent use for any such purpose, in whole or in part, in any form or manner or by any means whatsoever, by any person without Glass Lewis’ express prior written consent.

Glass Lewis recommends all clients carefully and periodically evaluate, among other things, Glass Lewis' research philosophy, approach, methodologies and conflict management, avoidance and disclosure policies and procedures. For information on Glass Lewis’ policies and procedures including treatment of conflicts of interest, please visit: http://www.glasslewis.com/.

LEAD ANALYSTS

Governance:

Jeff Jackson