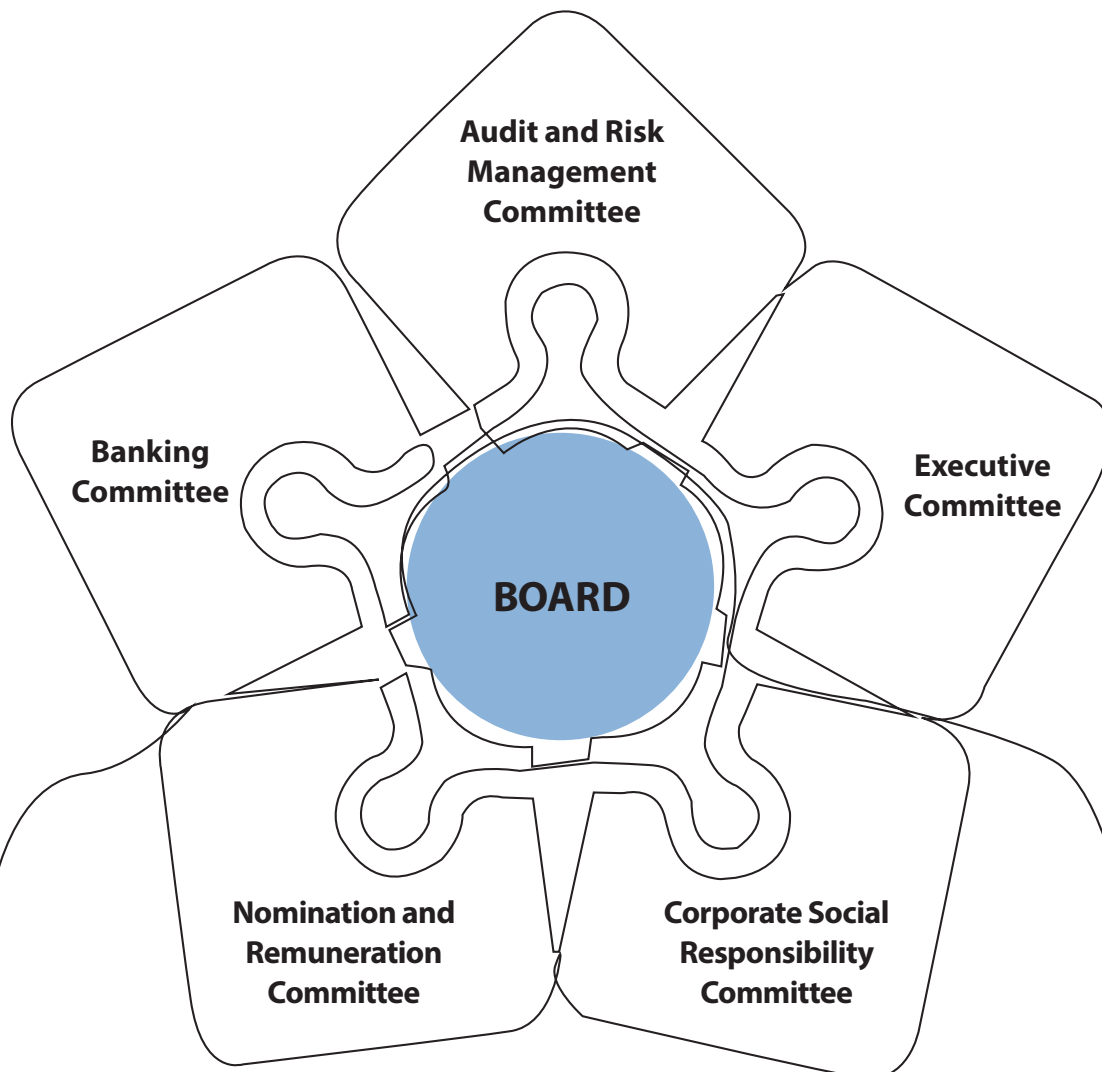


# Corporate Governance

Tata Consulting Engineers Limited (hereinafter referred to as 'TCE' or 'Company') has a strong legacy of following fair, transparent and ethical governance practices. Our Board of Directors and Management Committee comprising enlightened leaders work together to drive the core values that form TCE's guiding philosophy that good governance is an essential element of business, which helps the Company fulfil its responsibilities to all its stakeholders. Ethical business conduct, commitment to values and integrity, which enhance and retain stakeholders' trust, are TCE's Corporate Governance traits. The Management Committee takes business decisions in consultation with the Board.

## Our Governance Framework



## COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Good Governance practices stem from our culture and the mindset of the organisation. Your Company considers fair and transparent Corporate Governance as one of its core management tenets.

*TCE follows the best governance practices with the highest integrity, transparency and accountability. Strong leadership and effective corporate governance practices have been the Company's hallmark inherited from the Tata culture and ethos.*

The Company has a strong legacy of fair, transparent and ethical governance practices. The Company has adopted a Code of Conduct for its employees, including the Managing Director. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors.

As per Section 149 of the Companies Act 2013, the Company doesn't fall under the requirement of having an Independent Director on Board or the Committees like Audit & Risk Management Committee and Nomination & Remuneration Committee. Hence, the Code of Conduct for Independent Directors does not apply to the Company. However, the Company follows the Tata Board and Committee/s Governance Charter 2015. The Committees, i.e. Audit & Risk Management Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee are functional in TCE as a good corporate governance practice. The Company's corporate governance philosophy has been further strengthened through the Tata Business Excellence Model.

## BOARD OF DIRECTORS

As of March 31, 2021, the Company has 4 Directors. Of the 4 Directors, 3 (i.e. 75%) are Non-Executive Directors. The profile of the Directors is available on the Company's website (<https://www.tce.co.in/our-leadership/>). The Composition of the Board conforms with Section 149 of the Act. None of the Directors on the Board hold Directorship in more than ten public companies.

8 Board Meetings were held during the year, and the gap between the two meetings did not exceed one hundred and twenty days. The dates on which the said meetings were held are given below:

Date of Board Meetings	Number of Directors present at the Board Meeting	Total Number of Directors	Attendance (%)
April 27, 2020	4	4	100
May 15, 2020	4	4	100
July 03, 2020	4	4	100
August 21, 2020	4	4	100
September 01, 2020	4	4	100
November 10, 2020	4	4	100
January 28, 2021	4	4	100
March 31, 2021	4	4	100

The necessary quorum was present for all the meetings.

- The Directors have made necessary disclosures regarding Committee positions in other public companies as of March 31, 2021. None of the Directors are related to each other.
- The names and categories of the Directors on the Board, their attendance at the Board Meetings held during the year under review and at the last Annual General Meeting ("AGM"), name of other listed entities/ public companies in which the Director is a Director and the number of Directorships and Committee Chairmanships / Memberships held by them in other Public Limited Companies as of March 31, 2021, are given hereinbelow. Other Directorships do not include Directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act. Further, none of them is a member of more than ten committees or Chairman of more than five committees across all the Public Companies in which he/she is a Director.

Name of the Director (DIN)	Category	Number of Board Meetings attended during FY 2020-2021	Whether attended last AGM held on 24th Sept. 2020 (Yes/No)	Number of Directorships in other Public Companies		Number of Committee positions held in other Public Companies		Directorship in other Listed Entity (Category of Directorship)
				Chairman	Member	Chairman	Member	
Mr Ashok Sethi (Chairman) (DIN 01741911)	Non-Independent, Non- Executive	8	Yes	0	1	-	5	-
Mr Amit Sharma (Managing Director) (DIN 03212568)	Non-Independent, Executive	8	Yes	1	1	-	-	-
Mr Anjali Kulkarni (DIN 06993867)	Non-Independent, Non- Executive	8	Yes	-	7	-	7	-
Mr Sriram Kadiyala (DIN 08449772)	Non-Independent, Non- Executive	8	Yes	-	-	-	-	-

- iii. The Board periodically reviews the compliance reports of all laws applicable to the Company.
- iv. Details of equity shares of the Company held by the Directors as of March 31, 2021, are given below: **Not Applicable**
- v. The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board:

<b>Global Business</b>	Understanding global business dynamics across various geographical markets, industry verticals and regulatory jurisdictions.
<b>Strategy and Planning</b>	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
<b>Governance</b>	Experience in developing governance practices, serving the best interests of all Stakeholders, maintaining Board and Management Accountability, building long-term effective Stakeholder engagements and driving Corporate Ethics and Values.

## COMMITTEES OF THE BOARD

The details about various Board Committees as of March 31, 2021, which comprises of the Statutory Committees as well are as follows:

Name of the Committee	Extract of Terms of Reference	Category and Composition	Other Details
Corporate Social Responsibility Committee	<p>The Committee is constituted in line with the provisions of Section 135 of the Act.</p> <ul style="list-style-type: none"> <li>Formulate and recommend to the Board a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act.</li> <li>Recommend the amount of the expenditure to be incurred on the activities mentioned in the CSR Policy.</li> </ul>	<p>Ms Anjali Kulkarni, Member Chairman</p> <p>Mr Ashok Sethi, Member Director</p> <p>Mr Amit Sharma, Member Director</p>	During the year, the Company held 2 Corporate Social Responsibility Committee Meetings.
Nomination & Remuneration Committee	<p>The Committee is constituted in line with the provisions of Section 178 of the Act.</p> <ul style="list-style-type: none"> <li>Recommend to the Board the setup and composition of the Board and its committees.</li> <li>Recommend to the Board the appointment/re-appointment of Directors and Key Managerial Personnel.</li> <li>Support the Board and Independent Directors in evaluating the performance of the Board, its Committees and Individual Directors.</li> <li>Recommend to the Board the Remuneration Policy for Directors, Executive Team or Key Managerial Personnel, and the rest of employees.</li> <li>Oversee familiarisation programs for the Directors.</li> </ul>	<p>Mr Ashok Sethi Member Chairman</p> <p>Ms Anjali Kulkarni Member Director</p> <p>Mr Sriram Kadiyala Member Director</p>	During the year, the Company has held 4 Nomination and Remuneration Committee meetings as a good Corporate Governance practice
Audit & Risk Management Committee	<p>The Committee is constituted in line with the provisions of Section 177 of the Act.</p> <ul style="list-style-type: none"> <li>Oversight of financial reporting process.</li> <li>Reviewing with the management the Annual Financial Statements and Auditors' Report thereon before submission to the Board for approval.</li> <li>Evaluation of internal financial controls and Risk Management systems</li> <li>Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.</li> <li>Approve policies in relation to the implementation of the Related Party Transactions.</li> <li>To consider matters with respect to the Tata Code of Conduct, Anti-Bribery and Anti-Corruption Policy and Gifts Policy.</li> </ul>	<p>Mr Sriram Kadiyala, Member Chairman</p> <p>Mr Ashok Sethi, Member Director</p>	During the year, the Company held 4 Audit & Risk Management Committee Meetings as a Good Corporate Governance Practice
Executive Committee	<p>The Executive Committee oversees the operational review, strategic planning implementation review at the Business &amp; Cluster Level.</p> <p>Review and Achievements of Annual Business Plan.</p> <p>Review of Key Commercial Bidding Strategy.</p>	<p>Mr Ashok Sethi Member Chairman</p> <p>Mr Amit Sharma, Member Director</p>	During the year, the Company held 4 Executive Committee Meetings as a Good Corporate Governance Practice.

## NOMINATION AND REMUNERATION COMMITTEE - OTHER DETAILS

- Performance Evaluation Criteria for Independent Directors:**

An indicative list of factors on which evaluation is carried out includes participation and contribution, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behaviour and judgment by a Director.

- Remuneration Policy**

The Remuneration Policy of the Company is designed to create a high-performance culture. It enables the Company to attract, retain and motivate employees to achieve results. Our business model promotes customer centricity and requires employee mobility to address project needs. The Remuneration Policy supports such mobility through pay models that are compliant with local regulations. In each country where the Company operates, the Remuneration structure is tailored to the regulations, practices and benchmarks prevalent in the industry.

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and commission (variable component) to its Managing Director and employees at large. Annual increments are recommended by the Nomination and Remuneration

Committee within the salary scale approved by the Board and Members and are effective from April 1, each year.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, decides the commission payable to the Managing Director and the Non-Executive Directors out of the profits for the financial year and within the ceilings prescribed under the Act, based on the Board evaluation process considering the criteria such as the performance of the Company as well as that of the Managing Director and each Non- Executive Director.

The Company pays sitting fees of Rs. 20,000 per meeting to its Non-Executive Directors for attending meetings of the Board and meetings of committees of the Board. The Company also determines to pay commission to the Non-Executive Directors within the ceiling of 1 per cent of the Company's net profits as computed under the Act's applicable provisions, with the members' approval. The said commission is decided each year by the Board of Directors, on the recommendation of the Nomination and Remuneration Committee and distributed amongst the Non-Executive Directors based on the Board evaluation process, considering criteria such as their attendance and contribution at the Board and Committee meetings, as well as the time spent on operational matters other than at meetings.

## NUMBER OF BOARD & COMMITTEE MEETINGS HELD AND ATTENDANCE RECORD

Name of the Committee	Audit & Risk Management Committee	Nomination and Remuneration Committee	Board	Corporate Social Responsibility Committee	Executive Committee
No. of Meetings held	4	4	8	2	4
Date of Meetings	May 15, 2020 June 24, 2020 November 09, 2020 January 28, 2021	June 24, 2020 September 01, 2020 January 27, 2021 March 19, 2021	April 27, 2020 May 15, 2020 July 03, 2020 August 21, 2020 September 01, 2020 November 10, 2020 January 28, 2021 March 31, 2021	June 24, 2020 January 27, 2021	August 18, 2020 October 27, 2020 December 23, 2020 December 29, 2020
<b>No. of Meetings Attended</b>					
Mr Ashok Sethi	4	4	8	2	4
Mr Sriram Kadiyala	4	4	8	-	-
Ms Anjali Kulkarni	-	4	8	2	-
Mr Amit Sharma	-	-	8	2	4
Whether quorum was present for all the Meetings			The necessary quorum was present for all the above Board & Committee Meetings		

## GENERAL BODY MEETINGS

- i. General Meeting
  - a. Annual General Meeting (AGM)

Financial Year	Date	Time	Venue
2017-2018	July 02, 2018	3.30 P.M	Tata Sons Limited. Meeting Room No 67, 6th Floor, Dr Dadabhai Naoroji Road, Fort, Mumbai 400001
2018-2019	July 08, 2019	11.30 A.M	Tata Sons Limited. Meeting Room No 301, 3rd Floor, Bombay House, 24 Homi Mody Street, Fort, Mumbai 400001
2019-2020	September 24, 2020	11.00 A.M.	Through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"). Deemed Venue: - Bombay House, 24 Homi Mody Street, Fort, Mumbai 400 001

- b. Extraordinary General Meeting:  
No Extraordinary General Meeting of the members was held during FY 2020-21.
- c. Special Resolution(s) for FY 2019-20:  
Re-Appointment of Mr Amit Sharma as Managing Director w.e.f 27th September 2020

A certificate has been received from M/s Robert Pavrey & Associates, Practicing Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of companies by the Ministry of Corporate Affairs or any such statutory authority and Compliance of the relevant laws under the Companies Act 2013.

M/s B S R & Co. LLP Chartered Accountants (Firm Registration No. 101248W/W-100022) have been appointed as the Company's Statutory Auditors. The particulars of payment of Statutory Auditors' fees, on a consolidated basis, is given in the Statutory Section of the Annual Report.

## OTHER DISCLOSURES

Particulars	Regulations	Details	Website Link for details/policy
Related Party Transactions	As defined under the Act	The details of the Related Party Transactions are provided in the Boards' Report forming part of the Statutory Section. Transactions entered into with related parties during the financial year were in the ordinary course of business and at arms' length basis and were approved by the Audit and Risk Management Committee. The Board's approved policy for Related Party Transactions is uploaded on the website of the Company.	<a href="https://www.tce.co.in/ethics-and-compliance/">https://www.tce.co.in/ethics-and-compliance/</a>
Whistle Blower Policy and Vigil Mechanism	As per the Act	The Company has a Whistle Blower Policy and has established the necessary Vigil Mechanism for Directors and employees to report unethical behaviour concerns. No person has been denied access to the Chairman of the Audit & Risk Management Committee. The said policy has been uploaded on the website of the Company.	
Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2018	As per the Act	The details have been disclosed in the Board's Report forming part of the Statutory Section of Annual Report.	

