Mindtree
*Welcome to possible*

**Ref: MT/STAT/RSN/13-14/220**

**January 29, 2014**

**The Bombay Stock Exchange Limited,**
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001
BSE : fax : 022 2272 3121/2041/ 61
Phone 022-22721233/4
email: corp.relations@bseindia.com

**National Stock Exchange of India Limited,**
Exchange Plaza, Bandra Kurla Complex,
Bandra East, Mumbai 400 051
NSE : Fax: 022 2659 8237 / 38
Phone: 022 2659 8235 / 36
email : cmlist@nse.co.in

**Dear Sirs,**

**Kind Attention - Mr. Gopala Krishna and Mr. Hari**

**Subject: Abstract and Memorandum under Section 302 of the Companies Act, 1956 in respect of the terms of re-appointment of Mr. Krishnakumar Natarajan as CEO & Managing Director of Mindtree Limited**

**Ref: Intimation pursuant to Clause 30 of the Listing Agreement - notifying change in the Company's Directorship vide our Letter MT/STAT/RSN/13-14/203 dated January 17, 2014**

With reference to the above-mentioned subject, we are herewith enclosing the copy of the Abstract and Memorandum under Section 302 of the Companies Act, 1956 in respect of the terms of re-appointment of Mr. Krishnakumar Natarajan as CEO & Managing Director of Mindtree Limited with effect from April 1, 2014, which has been sent to the shareholders/members of the Company.

Kindly take the above intimation on records and should you require any additional/further information or have any question(s), please do let us know and we shall be happy to provide any other information or clarification as may be required by you.

This is for your information, records and necessary action. Kindly acknowledge receipt.

Thanking you.
Yours truly,

*for* **Mindtree Limited**

Rajesh S Narang
**Vice President - Legal & Company Secretary**

MINDTREE LIMITED * BANGALORE *

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**Dear Member,**

**Sub: Abstract and Memorandum under Section 302 of the Companies Act, 1956.**

The Board of Directors at its meeting held on January 16, 2014 had re-appointed Mr. Krishnakumar Natarajan as the CEO & Managing Director of the Company for a period commencing from April 1, 2014 to June 30, 2017 as per Section 269 of the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956 and the Companies Act, 2013. This re-appointment is subject to the approval of the Members at the next General Meeting of the Company and any other regulatory approvals, if applicable.

An abstract of Mr. Krishnakumar Natarajan's re-appointment and remuneration is given below pursuant to Section 302 of the Companies Act, 1956.

**Brief Profile of Mr. Krishnakumar Natarajan (KK)**

KK, aged about 56 years, has over 30 years of IT industry expertise and is a respected authority in the global IT sector. KK has played key roles in Mindtree, including setting up the US operations, driving expansion in Europe, Asia Pacific and transforming Mindtree's IT services business. Today, KK's mission as CEO is to lead the Company to be an expertise-led organization.

KK is the Chairman & active participant in many activities of NASSCOM. In this role, KK is working towards strengthening the Indian IT industry to be a globally competitive ecosystem. KK is an active member of other professional industry organizations, such as Confederation of Indian Industry (CII). He is a regular speaker at reputed conferences and is a faculty member at management schools worldwide.

As a member of the Mindtree Board, KK is actively engaged in ensuring a high quality of governance. He has been involved in recruiting and bringing diversity to the Mindtree Board, resulting in a highly valuable group of Independent Directors.

Prior to co-founding Mindtree, KK was the Chief Executive of the e-commerce and financial solutions division at Wipro and held several key positions from 1982 until 1999. During this time, KK started and grew the e-commerce division of Wipro, served as Group Vice President of human resources and was also Chief Marketing Officer for Wipro's IT business.

The industry has honored KK with several awards, including the Business Today-PWC Top 100 CEOs in India for 2013, the AIMA award for India's best young manager; Bloomberg UTV's award as the CEO of the year 2010 in the emerging company category; and Chief Executive Magazine's recognition as one of the twelve global leaders of tomorrow.

KK has a bachelor's degree in mechanical engineering from the College of Engineering, Chennai, India and a Master's in Business Administration majoring in marketing and systems from the Xavier Institute, Jamshedpur, India.

KK was appointed as the CEO & Managing Director of the Company for a period 5 (five) years with effect from April 1, 2009 to March 31, 2014 vide Board Resolution dated April 1, 2009 and approved by the Members at the tenth Annual General Meeting of the Company held on July 3, 2009.

**I - Brief Terms of Re-appointment of KK as CEO & Managing Director:**

The re-appointment of KK as CEO & MD is for a period commencing from April 1, 2014 to June 30, 2017 (unless earlier terminated in accordance with the employment agreement). Upon expiry of the term, the agreement may be renewed, subject to the Company and KK executing another employment agreement and obtaining necessary corporate and regulatory approvals under the applicable laws as per Section 269 of the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956 and the Companies Act, 2013. KK will be a member of the Board of Directors of the Company entrusted with substantial powers of management having total control on general conduct and management of the business affairs of the Company.

1. KK will be based at Bangalore and will undertake such travel in and outside India as may be necessary from time to time in relation to the business of the Company.
2. KK shall perform such duties and responsibilities as may be entrusted to him from time to time subject to the superintendence and control of the Board of Directors of the Company.
3. No sitting fee shall be paid to KK as Director/Managing Director for attending the meetings of the Board of Directors or any Committee/s thereof.
4. The employment agreement entered into with KK can be terminated for convenience by either Mindtree or KK by way of notice of twelve months to the other party.
5. Shareholding & stock options- KK holds 1,994,703 equity shares of Rs. 10/- each, amounting to 4.79% of shareholding of the Company as on December 31, 2013. No Stock options have been given to KK as on date.

**II - Brief Terms of Remuneration payable to KK as CEO & Managing Director:**

1. **Financial Year 2013-14**

   Subject to the applicable provisions of the Companies Act(s), Income Tax Act and any other applicable regulations, the remuneration payable to KK will be as follows:

   The fixed compensation for KK effective from October 1, 2013 will be Rs. 7,022,855/- per annum, subject to all appropriate and/or authorized deductions. In addition, KK will be entitled to the following:

   a) Variable incentive payment linked to achievement of annual performance objectives, and/or Commission determined as a percentage of net profits of the Company as determined by the Compensation Committee from year to year. The scheme shall provide for under/over achievement based on the actual performance against the financial objectives;

MINDTREE LIMITED * BANGALORE *

b) Variable incentive payment, linked to long term financial objectives of the Company, as determined by the Compensation Committee, either as a general scheme for senior management team members or specifically for KK;

c) The performance evaluation payment/Commission/variable incentive payments will be paid monthly/quarterly/annually as per the scheme approved by the Compensation Committee;

d) Grant of Phantom Stock Options –108, 333 units have been granted and further may be approved from time to time by the Compensation Committee;

e) Leave on full pay and allowances, as per Company's rules with encashment of leave facility;

f) Provision of car with chauffeur, telephone, fax and internet and other facilities as per Company's rules;

g) Medical, personal accident and other policies as per rules of the Company;

h) Gratuity and other deferred benefits payable as per rules of the Company;

i) Other benefits and allowances including but not limited to, rent free furnished accommodation, reimbursement of gas, electricity, water charges and medical expenses for self and Family members, furnishings, payment of premiums on personal accident and health insurance, club fees, use of car with chauffeur, telephones, house maintenance allowance, leave travel allowance, contributions to provident fund, superannuation fund, gratuity, leave entitlement, encashment of leave and housing, grant of phantom stock option rights, etc., and such other perquisites, benefits and allowances as per rules of the Company; and

j) Such other benefits, amenities, facilities and perquisites as per rules of the Company as applicable to Senior Executives and as may be permitted by the Board of Directors to the Managing Director (collectively, Managerial Remuneration)

Explanation: Family shall mean, spouse, dependent children and dependent parents.

The Managerial Remuneration is subject to all appropriate and/or authorized deductions.

2. **Financial Years 2014-18 (April 1, 2014 to June 30, 2017)**

Subject to applicable provisions of the Companies Act(s), Income Tax Act and any other applicable regulations, the remuneration payable to KK for FY 2014-15 and thereafter will be as follows:

a) Remuneration in such heads as stated above for FY 2013-14 or as amended from time to time by the Compensation Committee;

b) An annual salary increase of the fixed salary compensation from the financial year 2014-15 onwards as approved by the Compensation Committee;

c) Variable incentive payment, linked to annual or long term financial objectives of the Company, as approved by the Compensation Committee, and subject to the limits set by the Compensation Committee; and

d) Grant of Phantom Stock Options –as per the numbers & scheme approved by the Compensation Committee.

The above payments for all the financial years are subject to all appropriate and/or authorized deductions as per prevailing law.

The aggregate amounts of Managerial Remuneration for all the financial years to KK individually, shall always be within the overall ceiling laid down in Sections 198, 269, 309, 310, 311, and Schedule XIII of the Companies Act, 1956 and Section 202 of the Companies Act, 2013 and other applicable provisions (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force) which currently is 5% of net profits of the Company and is commensurate with the responsibility in a Company of this size and extent of business operations.

Where if in any financial year the Company has no profits or its profits are inadequate, KK shall be entitled to receive the same enhanced Managerial Remuneration subject to compliance with applicable provisions of the Companies Act, 1956, Companies Act, 2013 and to the extent necessary, with the approval of the Central Government. For any increase in the remuneration of KK, the Company would seek approval of Shareholders or Compensation Committee of the Board as may be applicable.

KK does not suffer any of the disqualification(s) prescribed under law and hence, qualifies for re-appointment as CEO & Managing Director of the Company.

**Memorandum of Concern or Interest**

No Director other than KK may be deemed to be concerned or interested in the said re-appointment.

The appointment letter dated January 2, 2014 of KK is kept open for inspection of the Members at the Registered Office situated at, Global Village, RVCE Post, Mysore Road, Bangalore-560059, on any working day of the Company between 10.00 a.m. to 12.00 noon. The terms and conditions of re-appointment will be placed before the Members for their confirmation at the next General Meeting of the Shareholders.

By Order of the Board of Directors

**For Mindtree Limited**

Sd/-

Rajesh S Narang
Vice-President-Legal & Company Secretary

Place : Bangalore
Date : January 16, 2014

CERTIFIED TRUE COPY

For Mindtree Limited

Rajesh. S

Vice President Legal & Company Secretary

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