

**CERTIFIED TRUE COPY OF THE PROCEEDINGS OF THE TWENTY SECOND ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF MPHASIS LIMITED HELD ON WEDNESDAY, THE 5 FEBRUARY 2014 AT 3.30 PM AT THE CHANCERY PAVILION HOTEL, NO. 135, RESIDENCY ROAD, BENGALURU – 560025.**

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**Directors Present:**

Dr. Friedrich Froeschl - Chairman  
Mr. Balu Ganesh Ayyar - Chief Executive Officer  
Mr. Narayanan Kumar - Director  
Mr. Shankar Maitra - Director  
Mr. V Ravichandran - Director

In attendance - Mr. A. Sivaram Nair  
SVP, Company Secretary, General Counsel & Ethics Officer

As per the attendance slips registered at the meeting, 308 members were personally present. There were 12 proxies present at the meeting.

Dr. Friedrich Froeschl, Chairman of the Board of Directors, presided over the meeting.

The Chairman called the meeting to order at 3.30 p.m. after ascertaining the quorum. The Notice convening the meeting was taken as read with the permission of the members present. The Register of Directors' Shareholding and the certificate received from the Auditors of the Company under Clause 14.1 of SEBI (Employee Stock Options and Employee Stock Purchase) Guidelines, 2000, were placed before the members and kept open for inspection throughout the meeting.

The Chairman introduced the other directors present on the dais. Thereafter, the Chairman proceeded with his address to the shareholders. In his speech, he briefed the members on the highlights of the performance during the year ended 31 October 2013, Corporate Social Responsibility initiatives, the strategic direction adopted, accolades won, focus areas for FY 2014 and the branding launch.

Thereafter, at the request of the Chairman, Mr. A Sivaram Nair, Company Secretary & General Counsel, read the Auditors' Report.

The Chairman took up the first item on the agenda relating to adoption of accounts.

**1. ADOPTION OF DIRECTORS' & AUDITORS' REPORT, AUDITED BALANCE SHEET, THE STATEMENT OF PROFIT & LOSS AND CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 OCTOBER 2013**

The Chairman read the following ordinary resolution and requested the members to raise questions that they may have on the audited accounts.

**RESOLVED THAT** the audited Balance Sheet as at 31 October 2013 and the Statement of Profit and Loss, Cash Flow Statement for the year ended on that date, together with the Reports of the Directors' and Auditors' thereon be and are hereby received, considered and adopted.

The members appreciated the Board for maintaining the percentage of dividend despite decline in the profits of the Company. The shareholders also appreciated the Board for considering their request to shift the AGM Venue to a centrally located place and for the early receipt of the Annual Reports. The shareholders expressed their appreciation for the Corporate Social Responsibility (CSR) initiatives pursued by the Company and accolades won during the year.

The members raised queries on the following:

*Reasons for absence of some directors in the AGM.*



*Clarification on the unclaimed shares in the suspense account.*

*Steps taken by the Company to reduce the unclaimed dividend.*

*Reasons for increase in the provision for doubtful debts and miscellaneous expenses and the action taken to recover these doubtful debts.*

*Reason for increase in rent expenses.*

*Reason for decline in EPS despite increase in revenues.*

*Reasons for less growth in top 10 clients.*

*Cash Strategy.*

The queries of the members were responded by Dr. Friedrich Froeschl, Chairman and Mr. Balu Ganesh Ayyar, CEO.

In response to the query regarding absence of directors from the Annual General Meeting, the Chairman explained to the members that the few of the directors could not attend the meeting due to unforeseen pre-occupation.

In response to the clarification sought on unclaimed shares in the suspense account, it was explained that such shares represented the unclaimed shares issued in previous public issues and bonus issues, the share certificates in respect of which had been returned undelivered. Also, during the year, 2600 shares were claimed and debited from this account.

On the query in relation to the steps taken to reduce the unclaimed dividend, it was stated that reminders were sent to such unclaimed shareholders, due to which the unclaimed dividend amount had come down.

In response to the query regarding the provision for doubtful debts, it was clarified the provisions for doubtful debts was made in accordance with the Company's accounting policy which reflected fair accounting practices. Mr. Ayyar further clarified that the doubtful debts were followed up for collection even after the provision was made in the books.

Mr. Ayyar further explained that consolidation of maintenance expenses of Digital Risk, increase in cash discounts and increase in ATM assets taken on lease had led to the increase in miscellaneous expenses.

As regards the query about increase in rent expense, Mr. Ayyar mentioned that such increase was on account of consolidation of Digital Risk and equipment and site rental charges related to Payment Management Solutions business.

In reply to the query concerning decline in EPS, it was mentioned that increase in the effective tax rates had led to the decline in the net revenues and adversely affected EPS.

Mr. Ayyar explained the cash strategy to the members and also briefed to the members about the named account approach being followed for the top clients.

Thereafter, the Chairman moved the resolution further :

Mr. S Saravanan proposed the ordinary resolution.

Mr. D Prabhu seconded the resolution.

The Chairman put the resolution to vote and the resolution was passed nem con by show of hands.



## 2. DECLARATION OF DIVIDEND

The Chairman informed the members that the directors had recommended a dividend of Rs.17 per equity share of Rs.10 each (at the rate of 170%) for the year ended 31 October 2013.

Mr. M R Ravindranath proposed the following ordinary resolution:

**RESOLVED THAT** pursuant to the recommendations made by the Board of Directors of the Company, a dividend at the rate of Rs.17.00 per equity share of Rs.10 each be and is hereby declared for the year ended 31 October 2013, to the equity shareholders of the Company whose names appear in the Register of Members as on 23 January 2014.

Mr. Guru Prasad seconded the resolution.

The Chairman put the resolution to vote and the resolution was passed nem con by show of hands.

The Chairman informed the members that the next item in the notice convening the meeting related to an item of business in which he is interested and by way of good convention and practice, he requested Mr. Narayanan Kumar to preside over the meeting for that item of business.

## 3. RE-ELECTION OF DR. FRIEDRICH FROESCHL

Mr. Narayanan Kumar took the Chair and informed the shareholders that the next item of business related to re-election of Dr. Friedrich Froeschl, Director of the Company.

Mr. Guru Prasad proposed the following ordinary resolution:

**RESOLVED THAT** Dr. Friedrich Froeschl, director of the Company, who retires by rotation at this meeting, being eligible for re-appointment, be and is hereby re-elected as the Director of the Company whose period of office shall be liable for retirement by rotation.

Mr. B L Kamath seconded the resolution.

Mr. Kumar put the resolution to vote and the resolution was passed nem con by show of hands.

Mr. Narayanan Kumar requested Dr. Friedrich Froeschl to preside over the meeting for the rest of the business. Dr. Friedrich Froeschl thanked Mr. Kumar and took the Chair.

## 4. RE-ELECTION OF MR. V RAVICHANDRAN

Mr. M R Ravindranath proposed the following ordinary resolution:

**RESOLVED THAT** Mr. V Ravichandran, director of the Company, who retires by rotation at this meeting, being eligible for re-appointment, be and is hereby re-elected as the Director of the Company whose period of office shall be liable for retirement by rotation.

Mr. Guru Prasad seconded the resolution.

The Chairman put the resolution to vote and the resolution was passed nem con by show of hands.

## 5. RE-ELECTION OF MR. CHANDRAKANT D PATEL



Mr. S Saravanan proposed the following ordinary resolution:

**RESOLVED THAT** Mr. Chandrakant D Patel, director of the Company, who retires by rotation at this meeting, being eligible for re-appointment, be and is hereby re-elected as the Director of the Company whose period of office shall be liable for retirement by rotation.

Mr. T V Gururaja seconded the resolution.

The Chairman put the resolution to vote and the resolution was passed *nem con* by show of hands.

**6. RE-APPOINTMENT OF AUDITORS**

Mr. D Prabhu proposed the following ordinary resolution:

**RESOLVED THAT** S.R. Batliboi & Associates LLP, Chartered Accountants (Registration No. 101049W), who retire at the conclusion of this Annual General Meeting, be and are hereby re-appointed as the Statutory Auditors of the Company till the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Board of Directors of the Company and billed progressively.

Mr. S Saravanan seconded the resolution.

The Chairman put the resolution to vote and the resolution was passed *nem con* by show of hands.

**7. APPOINTMENT OF MR. NARAYANAN KUMAR AS DIRECTOR**

Mr. M R Ravindranath proposed the following ordinary resolution:

**RESOLVED THAT** subject to the applicable provisions of the Companies Act, including the applicable rules made thereunder, Mr. Narayanan Kumar, be and is hereby appointed as a Director of the Company, whose period of office shall be liable for retirement by rotation.

Mr. G Sagare seconded the resolution.

The Chairman put the resolution to vote and the resolution was passed *nem con* by show of hands.

**8. APPOINTMENT OF MR. JAMES MARK MERRITT AS DIRECTOR**

Mr. S Saravanan proposed the following ordinary resolution:

**RESOLVED THAT** subject to the applicable provisions of the Companies Act, including the applicable Rules made thereunder, Mr. James Mark Merritt, be and is hereby appointed as a Director of the Company, whose period of office shall be liable for retirement by rotation.

Mr. G Sagare seconded the resolution.

The Chairman put the resolution to vote and the resolution was passed *nem con* by show of hands.



**9. APPOINTMENT OF MR. LAKSHMIKANTH K ANANTH AS DIRECTOR**

Mr. S Saravanan proposed the following ordinary resolution:

**RESOLVED THAT** subject to the applicable provisions of the Companies Act, including the applicable Rules made thereunder, Mr. Lakshmikanth K Ananth, be and is hereby appointed as a Director of the Company, whose period of office shall be liable for retirement by rotation.

Mr. D Prabhu seconded the resolution.

The Chairman put the resolution to vote and the resolution was passed *nem con* by show of hands.

**10. APPOINTMENT OF MR. SHANKAR MAITRA AS DIRECTOR**

Mr. D Prabhu proposed the following ordinary resolution:

**RESOLVED THAT** subject to the applicable provisions of the Companies Act, including the applicable rules made thereunder, Mr. Shankar Maitra, be and is hereby appointed as a Director of the Company, whose period of office shall be liable for retirement by rotation.

Mr. R Manjunatha seconded the resolution.

The Chairman put the resolution to vote and the resolution was passed *nem con* by show of hands.

**There being no other matter, the Chairman declared the meeting as closed.**

**As per the request of the Chairman, the shareholders watched an audio visual on Mphasis branding refresh launch made by the Company earlier that day.**

For Mphasis Limited

  
A Sivaram Nair

Sr.VP, Company Secretary,  
General Counsel & Ethics Officer

