ExlService Holdings, Inc.
Form DEF 14A
April 27, 2018

United States

Securities and Exchange Commission

Washington, D.C. 20548

SCHEDULE 14A

(Rule 14a-101)

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement
Confidential, for Use of the Commission Only (as Permitted by Rule 14a-6(e)(2))
Definitive Proxy Statement
Definitive Additional Materials
Soliciting Material Pursuant to § 240.14a-12

ExlService Holdings, Inc.

(Name of Registrant as Specified in Its Charter)

N/A

(Name of Person(s) Filing Proxy Statement, If Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(1) Amount previously paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

280 Park Avenue, 38th Floor

New York, New York 10017

(212) 277-7100

April 27, 2018

Dear Stockholder:

On behalf of the board of directors of ExlService Holdings, Inc., we are pleased to invite you to the 2018 Annual Meeting of Stockholders, which will be held on June 15, 2018 in New York, New York.

The Annual Meeting will begin with discussion and voting on the matters set forth on the accompanying Notice of the Annual Meeting and Proxy Statement, followed by discussion of other business matters properly brought before the Annual Meeting.

Pursuant to rules promulgated by the Securities and Exchange Commission, we are providing access to our proxy materials over the Internet. On or about April 27, 2018, we will mail a Notice of Internet Availability of Proxy Materials (the “Internet Notice”) to each of our stockholders of record and beneficial owners at the close of business on April 23, 2018, the record date for the Annual Meeting. On the date of mailing of the Internet Notice, all stockholders and beneficial owners will have the ability to access all of the proxy materials on a website referred to in the Internet Notice. These proxy materials will be available free of charge.

Even if you choose to attend the Annual Meeting in person, you are encouraged to review the proxy materials and vote your shares in advance of the meeting by Internet or phone. The Internet Notice will contain instructions to allow you to request copies of the proxy materials to be sent to you by mail. Any proxy materials sent to you will include a proxy card that you may use to cast your vote by completing, signing and returning the proxy card by mail (or voting instruction form, if you hold shares through a broker). Your vote is extremely important, and we appreciate you taking the time to vote promptly. If you attend the Annual Meeting, you may withdraw your proxy should you wish to vote in person.

The board of directors and management look forward to seeing you at the Annual Meeting.

Sincerely,

Garen K. Staglin	Rohit Kapoor
Chairman	Vice Chairman and CEO

NOTICE OF 2018 ANNUAL MEETING OF STOCKHOLDERS

Dear Stockholder:

You are cordially invited to the 2018 Annual Meeting of Stockholders of ExlService Holdings, Inc., a Delaware corporation (the "Company"). The Annual Meeting will be held at the New York offices of the Company, 280 Park Avenue, 38th Floor, New York, New York 10017 on June 15, 2018 at 8:30 AM, Eastern Time, for the purposes of voting on the following matters:

1.the election of three Class III members of the board of directors of the Company for a term of three years each;

2.the ratification of the selection of Deloitte & Touche LLP as the independent registered public accounting firm of the Company for fiscal year 2018;

3.the approval, on a non-binding advisory basis, of the compensation of the named executive officers of the Company;

4.the approval of the 2018 Omnibus Incentive Plan; and

5.the transaction of such other business as may properly come before the Annual Meeting or any adjournment or postponement thereof.

If you are a stockholder of record at the close of business on April 23, 2018, you are entitled to vote at the Annual Meeting. A list of stockholders as of the record date will be available for examination for any purpose germane to the Annual Meeting, during ordinary business hours, at the Company's executive offices at 280 Park Avenue, 38th Floor, New York, New York 10017, for a period of 10 days prior to the date of the Annual Meeting and at the Annual Meeting itself.

Whether or not you expect to attend the Annual Meeting in person, the Company encourages you to promptly vote and submit your proxy by (i) Internet (by following the instructions provided in the Internet Notice), (ii) by phone (by following the instructions provided in the Internet Notice) or (iii) by requesting that proxy materials be sent to you by mail that will include a proxy card that you can use to vote by completing, signing, dating and returning the proxy card in the prepaid postage envelope provided. Voting by proxy will not deprive you of the right to attend the Annual Meeting or to vote your shares in person. You can revoke a proxy at any time before it is exercised by voting in person at the Annual Meeting, by delivering a subsequent proxy or by notifying the inspector of elections in writing of such revocation prior to the Annual Meeting. YOUR SHARES CANNOT BE VOTED UNLESS YOU EITHER (I) VOTE BY USING THE INTERNET, (II) VOTE BY PHONE, (III) REQUEST PROXY MATERIALS BE SENT TO YOU BY MAIL AND THEN USE THE PROXY CARD PROVIDED BY MAIL TO CAST YOUR VOTE BY COMPLETING, SIGNING AND RETURNING THE PROXY CARD BY MAIL OR (IV) ATTEND THE ANNUAL MEETING AND VOTE IN PERSON.

By Order of the Board of Directors

Nancy Saltzman

Executive Vice President,

General Counsel and Secretary

New York, New York

April 27, 2018

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PROXY STATEMENT

2018 PROXY STATEMENT SUMMARY

Summary

Below is a summary of selected key components of this proxy statement, including information regarding this year's stockholder meeting, nominees for our board of directors, summary of our business, performance highlights and selective executive compensation information. This summary does not contain all of the information that you should consider prior to submitting your proxy, and you should review the entire proxy statement and our Annual Report on Form 10-K for the fiscal year ended December 31, 2017 (the "2017 Form 10-K").

Annual Meeting Information

Time and Date:

8:30 AM (Eastern Time)

June 15, 2018

Record Date:

April 23, 2018

Place:

ExlService Holdings, Inc.

280 Park Avenue, 38th Floor

New York, New York 10017

Voting:

Stockholders as of the record date are entitled to vote

Meeting Agenda, Voting Matters and Recommendations

The Board of Directors recommends a vote FOR the following proposals:

1. the election of three Class III members of the board of directors of the Company for a term of three years each (page 70);

2. the ratification of the selection of Deloitte & Touche LLP as the independent registered public accounting firm of the Company for fiscal year 2018 (page 71);

3. the approval, on a non-binding advisory basis, of the compensation of the named executive officers of the Company (page 74);

4. the approval of the 2018 Omnibus Incentive Plan (page 75); and

5. the transaction of such other business as may properly come before the Annual Meeting or any adjournment or postponement thereof.

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Board and Corporate Governance Highlights

(Based on current board profile and practices)

Board of Directors Composition

>Eight directors, all of whom are independent except for our Vice Chairman & CEO

>Independent board chairman

>Standing board committees composed solely of independent chairs and members

>Seasoned board of directors, with diverse experience, including in insurance, healthcare, utilities, banking and financial services, finance/accounting, global business and technology

>Diversity in age, gender and other important characteristics

Board Accountability

>Majority voting standard for uncontested elections

>Annual board- and committee-level evaluations

>Regularly-held executive session of non-management directors

>Robust executive and director equity ownership guidelines

>Independent board of directors evaluation of CEO performance and compensation

Director Qualifications

Our board of directors reflects an effective and diverse mix of skills and experience appropriate for our Company and industry. Our directors have the following attributes:

Executive Leadership	**Board Experience**
Finance and Accounting	**Client and Industry Expertise**
Global Experience	**Risk Oversight / Management**

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Class III Board Nominations

Name (Year Joined Board)	Principal Occupation*	Committee Membership
Deborah Kerr (January 2015)	Independent Director; senior advisor to Warburg Pincus; former Executive Vice President, Chief Product and Technology Officer at Sabre Corporation (NASDAQ:SABR)	Audit Committee Compensation Committee
Nitin Sahney (January 2016)	Independent Director; Member-Manager and Chief Executive Officer, PharmaCord, LLC; former President and CEO of Omnicare, Inc.	Audit Committee Nominating and Corporate Governance Committee
Garen Staglin (June 2005)	Independent Director and Chairman of the Board; former Chief Executive Officer of eONE Global LP and former Chief Executive Officer of Safelite Auto Glass	Compensation Committee Nominating and Corporate Governance Committee

*A complete list of each nominee's business experience and directorships is listed below beginning on page 14.

Our Business

We are an operations management and analytics company that helps businesses enhance revenue growth and improve profitability. Using our proprietary platforms, methodologies and our full range of digital capabilities, we look deeper to help companies transform their businesses, functions and operations, to help them deliver better customer experience and business outcomes, while managing risk and compliance. We serve our customers in the insurance, healthcare, travel, transportation and logistics, banking and financial services and utilities industries, among others. Headquartered in New York, we have approximately 27,800 employees in locations throughout the United States, Europe, Asia (primarily India and the Philippines), Latin America, Australia and South Africa.

Performance Highlights for 2017

Company 3 Year Performance

Revenue and Segment Information ($ in millions)

	Revenue (Year-over-year growth %)					
	2015	**YOY%**	**2016**	**YOY%**	**2017**	**YOY%**
Insurance Segment	$199.9	32.1%	$206.3	3.2%	$234.8	13.8%
Healthcare Segment	55.2	28.7%	68.7	24.4%	77.0	12.2%
Travel, Transportation and Logistics Segment	62.2	30.9%	69.4	11.4%	71.0	2.3%
Finance and Accounting Segment	78.5	-14.7%	79.4	1.2%	86.5	9.0%
All Other	110.5	10.5%	96.5	-12.7%	83.1	-13.9%
Analytics	122.2	86.3%	165.7	35.7%	209.9	26.7%
Consolidated	**$628.5**	**25.9%**	**$686.0**	**9.1%**	**$762.3**	**11.1%**

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We improved our annual revenues to $762.3 million in fiscal year 2017 from $686.0 million in fiscal year 2016, an increase of 11.1%. We also achieved the following:

>We completed the acquisition of substantially all the assets of Health Integrated, Inc., a healthcare company that specializes in providing care management on behalf of health plans.

>We acquired a minority stake in Corridor Platforms, Inc., a proprietary big data risk management platform in analytics.

>We opened a state-of-the-art Digital Experience Center in Jersey City, N.J., which is an experiential laboratory where clients and partners can actively work with technologies such as advance automation, robotics, analytics, machine learning and natural language processing.

>We opened new delivery centers in Chennai and Hyderabad in India and in Richmond, VA, Dallas TX, Kansas City, MO, and Tampa, FL.

>We won 42 new clients across all of our industry verticals.

>We received numerous awards and industry recognition.

>We launched LifePRO® Version 19, our administration platform for life, health and annuity insurers with enhanced management of complex annuities.

For more information regarding these and other business highlights, please see page 30 below and the 2017 Form 10-K.

The graphs below compare our 1-year, 3-year and 5-year total stockholder return ("TSR") with that of the companies comprising Nasdaq, S&P 500 and our peer group. As shown in the table, our TSR outperformed all but one of our market benchmarks.

(1)Cumulative growth rate as of December 31, 2017.

(2)Peer group TSR data excludes Solera Holdings, which was taken private in March 2016, and Ciber Inc., which filed for bankruptcy in April 2017.

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2017 Compensation Highlights

Named Executive Officers	
Name	**Title**
Rohit Kapoor	Vice Chairman and CEO
Vishal Chhibbar	Executive Vice President and CFO
Pavan Bagai	President and Chief Operating Officer
Nagaraja Srivatsan	Executive Vice President and Chief Growth Officer
Nalin Miglani	Executive Vice President and Chief Human Resources Officer

2017 Standard Annual Compensation

Compensation Component	**Rohit Kapoor**	**Vishal Chhibbar**	**Pavan Bagai**	**Nagaraja Srivatsan**	**Nalin Miglani**
Salary	$620,000	$400,000	$296,139	$415,000	$410,000
Non-Equity Incentive Plan Compensation	$591,028	$252,608	$265,561	$302,701	$249,083
Equity Awards	$3,145,687	$717,639	$1,134,418	$651,057	$705,312
Other Compensation[(1)]	$41,413	$8,990	$72,266	$8,490	$8,490
Total	**$4,398,128**	**$1,379,237**	**$1,768,384**	**$1,377,248**	**$1,372,885**

(1)For each named executive officer, this category includes, if applicable, his perquisites and personal benefits, changes in pension value, Company-paid life insurance premiums and Company contributions to our 401(k) plan. A detailed discussion of the compensation components for each named executive officer for fiscal year 2017 is provided in the “Summary Compensation Table for Fiscal Year 2017” beginning on page 47.

On an annual basis, we submit to our stockholders a vote to approve, on a non-binding advisory basis, the compensation of our named executive officers as described in this proxy statement. We refer to this vote as “say-on-pay”. Please refer to our Compensation Discussion and Analysis, starting on page 30 for a complete description of our 2017 compensation program.

Below are a few highlights of our executive compensation:

>98.4% Say-on-Pay Approval of 2016 Compensation: At our 2017 Annual Meeting of Stockholders, our stockholders approved, on a non-binding advisory basis, the compensation paid to our named executive officers for fiscal year 2016. Approximately 98.4% of the votes present in person or by proxy voted in favor of fiscal year 2016 compensation.

>Annual Bonus Program Based Upon Financial Performance Criteria: Our Compensation Committee approved the continued use of our annual bonus program, which was based upon the following performance criteria:

–Company Wide Metrics – Adjusted earnings per share (EPS) and revenue

–Business Line Metrics – Revenues, new client revenues and margin achievement

–Individual Metrics – Linked to areas of performance that are specific to each executive

>**Long-Term Equity Incentive Program**: We also continued our equity incentive program, which includes granting a mix of time-vested restricted stock units and performance-based restricted stock units. The performance-based restricted stock units were comprised of:

–Relative total stockholder return-linked restricted stock units, and

–Revenue-linked restricted stock units.

>**2017 Performance**: We delivered solid revenue and Adjusted EPS performance in 2017.

–**Annual Incentive Program:** As measured under our annual incentive plan, we delivered 101.7% of our Adjusted EPS target and fell just short of our revenue performance target achieving 98.1% of target.

–**Equity Incentive Program:** This was the third and final performance year for the 2015 performance-based restricted stock units. We achieved 98.3% of the revenue target for the revenue-linked restricted stock units resulting in 82.9% of target funding of those grants. The Company’s TSR performance was at the 93rd percentile amongst its peer group, resulting in the executives earning 200% of the 2015 relative TSR-linked restricted stock units pursuant to the terms of the original grant.

Compensation Mix:

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Auditor Matters

As a matter of good corporate practice, we are seeking your ratification of Deloitte & Touche LLP as our independent registered public accounting firm for fiscal year 2018. The following sets forth fees of Ernst & Young LLP, who served as our independent registered public accounting firm for fiscal year 2017.

		2017
		(in thousands)
Audit Fees	$	1,479
Audit-Related Fees		475
Tax Fees		71
All Other Fees		—
Total	**$**	**2,025**

For more information on our auditors, including individual components of 2017 audit fees and our change in auditors, see page 71.

INFORMATION CONCERNING VOTING AND SOLICITATION

This Proxy Statement is being furnished to you in connection with the solicitation by the board of directors of ExlService Holdings, Inc., a Delaware corporation ("us," "we," "our" or the "Company"), of proxies to be used at our 2018 Annual Meeting of Stockholders (the "Annual Meeting") to be held at the New York offices of the Company, 280 Park Avenue, 38th Floor, New York, New York, 10017 on June 15, 2018, at 8:30 AM, Eastern Time, and any adjournments or postponements thereof.

In accordance with rules and regulations adopted by the Securities and Exchange Commission (the "SEC"), instead of mailing a printed copy of our proxy materials to each stockholder of record, the Company furnishes proxy materials via the Internet. If you received a Notice of Internet Availability of Proxy Materials (the "Internet Notice") by mail, you will not receive a printed copy of our proxy materials other than as described herein. Instead, the Internet Notice will instruct you as to how you may access and review all of the important information contained in the proxy materials. The Internet Notice also instructs you as to how you may submit your proxy over the Internet or by phone. If you received an Internet Notice by mail and would like to receive a printed copy of our proxy materials, you should follow the instructions for requesting proxy materials included in the Internet Notice.

It is anticipated that the Internet Notice will be sent to stockholders on or about April 27, 2018. This proxy statement and the form of proxy relating to the Annual Meeting will be made available via the Internet to stockholders on or prior to the date that the Internet Notice is first sent.

Who Can Vote

Only stockholders who own shares of our common stock at the close of business on April 23, 2018, the record date for the Annual Meeting, can vote at the Annual Meeting. As of the close of business on April 23, 2018, the record date, we had 34,550,878 shares of common stock outstanding and entitled to vote. Each holder of common stock is entitled to one vote for each share held as of the record date for the Annual Meeting. There is no cumulative voting in the election of directors.

How You Can Vote

If your shares are registered directly in your name with Computershare Trust Company, N.A., our transfer agent (which means you are a "stockholder of record"), you can vote your proxy by (i) Internet, (ii) by phone or (iii) by requesting that proxy materials be sent to you by mail that will include a proxy card that you can use to vote by completing, signing, dating and returning the proxy card in the prepaid postage envelope provided. Please refer to the specific instructions set forth in the Internet Notice. You will not be able to vote your shares unless you use one of the methods above to designate a proxy or by attending the Annual Meeting.

If you are the beneficial owner of shares held in the name of a brokerage, bank, trust or other nominee as a custodian (also referred to as shares held in "street name"), your broker, bank, trustee or nominee will provide you with materials and instructions for voting your shares. In addition to voting by mail, a number of banks and brokerage firms participate in a program provided through Broadridge Financial Solutions, Inc. ("Broadridge") that offers telephone and Internet voting options. Votes submitted by telephone or by using the Internet through Broadridge's program must be received by 11:59 p.m. Eastern Time, on June 14, 2018.

Voting at the Annual Meeting

Voting by Internet, phone or mail will not limit your right to vote at the Annual Meeting if you decide to attend in person. Our board of directors recommends that you vote by Internet, phone or mail as it is not practical for most stockholders to attend the Annual Meeting. If you are a “stockholder of record,” you may vote your shares in person at the Annual Meeting. If you hold your shares in “street name,” you must obtain a proxy from your broker, bank, trustee or nominee giving you the right to vote the shares at the Annual Meeting or your vote at the Annual Meeting will not be counted.

Revocation of Proxies

You can revoke your proxy at any time before it is exercised in any of the following ways:

>by voting in person at the Annual Meeting;

>by submitting written notice of revocation to the inspector of elections prior to the Annual Meeting; or

>by submitting another properly executed proxy of a later date to the inspector of elections prior to the Annual Meeting.

Required Vote; Effect of Abstentions and Broker Non-Votes

Quorum

A quorum, which is a majority of the issued and outstanding shares of our common stock as of April 23, 2018, must be present, in person or by proxy, to conduct business at the Annual Meeting. A quorum is calculated based on the number of shares represented by the stockholders attending the Annual Meeting in person and by their proxy holders. If you indicate an abstention as your voting preference for all matters to be acted upon at the Annual Meeting, your shares will be counted toward a quorum but they will not be voted on any matter.

Proposal 1: Election of Directors

Under our Fourth Amended and Restated By-Laws (our “by-laws”), directors who are standing for election at the Annual Meeting will be elected by the affirmative vote of a majority of votes cast (meaning the number of shares voted “for” a nominee must exceed the number of shares voted “against” such nominee) by stockholders in person or represented by proxy and entitled to vote at the Annual Meeting. If any incumbent nominee for director receives a greater number of votes “against” his or her election than votes “for” such election, our by-laws provide that such person shall tender to the board of directors his or her resignation as

a director. You may cast your vote in favor of electing all of the nominees as directors, against one or more nominees, or abstain from voting your shares. For purposes of the vote on Proposal 1, abstentions and broker non-votes (as described below) will have no effect on the results of the vote.

Other Proposals

The ratification of the appointment of our independent registered public accounting firm, the advisory (non-binding) approval of the compensation of our named executive officers, the approval of the 2018 Omnibus Incentive Plan and each other item to be acted upon at the Annual Meeting will require the affirmative vote of a majority of shares present in person or represented by proxy and entitled to vote at the Annual Meeting. You may cast your vote in favor of or against these proposals or you may abstain from voting your shares. For purposes of the vote on Proposals 2 (ratification of the appointment of our independent registered public accounting firm), 3 (advisory (non-binding) vote on executive compensation), 4 (approval of the 2018 Omnibus Incentive Plan), or such other items properly presented and to be acted upon at the Annual Meeting, abstentions will have the effect of a vote against these proposals. Broker non-votes will have the effect of a vote against Proposals 3 and 4, but because Proposal 2 is a “routine” proposal where brokers have discretionary authority to vote in the absence of instruction, there will be no broker non-votes.

If you submit your proxy, but do not mark your voting preference, the proxy holders will vote your shares (i) FOR the election of the nominees for director, (ii) FOR the ratification of the appointment of our independent registered public accounting firm, (iii) FOR the approval on an advisory (non-binding) basis of the compensation of our named executive officers, (iv) FOR the approval of the 2018 Omnibus Incentive Plan, and (v) as described below, in the judgment of the proxy holder on any other matters properly presented at the Annual Meeting.

Shares Held in “Street Name” by a Broker

If you are the beneficial owner of shares held in “street name” by a broker, then your broker, as the record holder of the shares, must

vote those shares in accordance with your instructions. If you fail to provide instructions to your broker, under the New York Stock Exchange rules (which apply to brokers even though our shares are listed on the NASDAQ Stock Market), your broker will not be authorized to exercise its discretion and vote your shares on “non-routine” proposals, including the election of directors, approval on an advisory (non-binding) basis of the compensation of our named executive officers and approval of the 2018 Omnibus Incentive Plan. As a result, a “broker non-vote” occurs. However, without your instructions, your broker would have discretionary authority to vote your shares only with respect to “routine” proposals, which at the Annual Meeting is the ratification of the appointment of our independent registered public accounting firm.

Other Matters to Be Acted Upon at the Meeting

Our board of directors presently is not aware of any matters, other than those specifically stated in the Notice of Annual Meeting, which are to be presented for action at the Annual Meeting. If any matter other than those described in this proxy statement is presented at the Annual Meeting on which a vote may properly be taken, the shares represented by proxies will be voted in accordance with the judgment of the person or persons voting those shares.

Adjournments and Postponements

Any action on the items of business described above may be considered at the Annual Meeting at the time and on the date specified above or at any time and date to which the Annual Meeting may be properly adjourned or postponed.

Solicitation of Proxies

We will pay the cost of printing and mailing proxy materials and posting them on the Internet. Upon request, we will reimburse brokers, dealers, banks and trustees, or their nominees, for reasonable expenses incurred by them in forwarding proxy materials to beneficial owners of shares of our common stock.

Internet Availability of Proxy Materials

Our Notice of Annual Meeting, proxy statement and form of proxy card are each available at www.proxyvote.com. You may access these materials and provide your proxy by following the instructions provided in the Internet Notice.

Important

Please promptly vote and submit your proxy by (i) Internet (by following the instructions provided in the Internet Notice), (ii) by phone (by following the instructions provided in the Internet Notice) or (iii) by requesting that proxy materials be sent to you by mail that will include a proxy card that you can use to vote by completing, signing, dating and returning the proxy card in the prepaid postage envelope provided. This will not limit your right to attend or vote at the Annual Meeting. All Annual Meeting attendees may be asked to present valid, government-issued photo identification (federal, state or local), such as a driver's license or passport, and proof of beneficial ownership if you hold your shares through a broker, bank, trust or other nominee, before entering the Annual Meeting. Attendees may be subject to security inspections. Video and audio recording devices and other electronic devices will not be permitted at the Annual Meeting.

If you have any further questions about voting your shares or attending the Annual Meeting, please call our Investor Relations Department at (212) 624-5913.

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OUR BOARD OF DIRECTORS

Our board of directors currently consists of eight directors divided into three classes, with each director serving a three-year term and one class being elected at each year's annual meeting of stockholders. The current composition of our board of directors is as follows:

Class I	**Class II**	**Class III**
(Term expires 2019)	**(Term expires 2020)**	**(Term expires 2018)**
Rohit Kapoor	David Kelso	Deborah Kerr
Anne Minto	Som Mittal	Nitin Sahney
	Clyde Ostler	Garen Staglin

2018 Nominees

Class III Nominees

Deborah Kerr

Independent Director

Nitin Sahney

Independent Director

Garen Staglin

Independent Director

and Chairman of the

Board

Upon the recommendation of our Nominating and Governance Committee, we are pleased to propose our three (3) existing Class III directors as nominees for re-election as directors at the Annual Meeting.

If elected, each of the Class III director nominees will serve on our board of directors until our 2021 Annual Meeting of Stockholders or until their successors are duly elected and qualified in accordance with our by-laws.

We believe that our director nominees and continuing directors, individually and together as a whole, possess the requisite skills, experience and qualifications necessary to maintain an effective board to serve the best interests of the Company and its stockholders.

Director Qualifications

Key Skills and Attributes We Look for in Board Nominees

> Strategic sense

> Critical and innovative thinking

> High ethical standards and integrity

> Mutual respect for other Board members

> Ability to debate constructively

> Candid, assertive, open minded

> Availability and commitment to serve

The board of directors considers it paramount to achieving excellence in corporate governance to assemble a board of directors that, taken together, has the skills, qualifications, experience and attributes appropriate for functioning as the board of directors of our Company and working productively with management. The Nominating and Governance Committee of the Board is responsible for recommending nominees that are qualified and that bring a diverse set of skills and qualifications to oversee the Company effectively.

The Nominating and Governance Committee has not formally established any minimum qualifications for director candidates. However, in light of our business, the primary areas of experience, qualifications and attributes typically sought by the Nominating and Governance Committee in director candidates include, but are not limited to, the following primary areas:

Executive Leadership

Experience holding significant leadership positions, including as a CEO or head of a significant business, to help us drive business strategy, growth and performance.

Finance and Accounting

Experience with finance, accounting or financial reporting processes, to help drive financial performance.

Global Experience

Experience working outside of the United States or with multinational companies, to help facilitate our global expansion.

Board Experience

Understanding of public company board of director and fiduciary duties, to help provide perspective on corporate governance best practices and related matters.

Client and Industry Expertise

Experience with our key client industries, including insurance, healthcare, banking and financial services, finance/accounting, and our other capabilities, to help deepen our knowledge of our key industry verticals and markets in which we do business.

Risk Oversight / Management

Experience assessing and overseeing the overall risk profile of multinational public companies.

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Board of Directors

The names, ages and principal occupations (which have continued for at least the past five years unless otherwise indicated) and other information, including the specific experience, qualifications, attributes or skills that led to the conclusion that such person should serve as a director of the Company, with respect to each of the nominees and continuing directors are set forth below. There are no family relationships among any of our directors or executive officers.

Class III Directors (Terms Expiring at the Annual Meeting)

Deborah Kerr
|
Director since January 2015
Independent: Yes

Deborah Kerr—Age: 46—is a proven technology leader in the software industry with more than 25 years of diverse management experience. Ms. Kerr's business experience and directorships are detailed below. The Company has concluded, based in part on Ms. Kerr's experience driving business through innovative technology solutions and more than 25 years of diverse management experience, that Ms. Kerr should serve as a director.

Committees: Audit, Compensation

Business Experience

- Senior Advisor, Warburg Pincus, a private equity firm (2017 – present)

- Executive Vice President and Chief Product and Technology Officer, Sabre Corporation (NASDAQ: SABR), a global technology company (2013 – 2017)

- Executive Vice President, Chief Product and Technology Officer, Fair Isaac Corporation (FICO), an analytics software company (2009 – 2012)

- Prior senior leadership roles with Hewlett Packard, Peregrine Systems and NASA's Jet Propulsion Laboratory

Public Directorships during Past Five Years

- Director and member of the audit committee, NetApp (NASDAQ: NTAP), a hybrid cloud and data services company (2017 – present)

•Director and member of the corporate governance and nominating committee, Chico's FAS, Inc., a specialty retailer of women's apparel (NYSE: CHS) (2017 – present)

•Director, D+H Corporation (TSX: DH), a provider of technology solutions and products to the financial industry (2013 – 2017)

Other Directorships

•Director and chair of the technology committee, Mitchell International Inc., a provider of technology solutions and services to the property and casualty industry (2010 – 2013)

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Nitin Sahney | Director since January 2016	**Independent: Yes**

Nitin Sahney—Age: 55—is a leader in the healthcare industry with over 25 years of experience across all areas of healthcare. Mr. Sahney's business experience and directorships are detailed below. The Company has concluded, based in part on Mr. Sahney's experience as CEO of Omnicare, Inc. and his expertise in the healthcare industry garnered from more than two decades of experience, that Mr. Sahney should serve as a director.

Committees:
Audit,
Compensation

Business Experience

•Founder, Member-Manager and Chief Executive Officer, Pharmacord, LLC, a company that helps biopharma manufacturers address product access hurdles (2016 – present)

•Operating Advisor, Clayton Dubilier & Rice Funds, a private equity firm (2016 – 2017)

•President and CEO (2014 – 2015) and President and COO (2012 – 2014) of Omnicare Inc., a former New York Stock Exchange-listed Fortune 500 company in the long-term care and specialty care industries

•Manager of a healthcare investment fund (2008 – 2010)

•Founder and CEO of RxCrossroads, a specialty pharmaceutical company (2001 – 2007)

•Prior leadership positions with Cardinal Healthcare, a global healthcare services and products company

Other Relevant Experience

•Member of the Board of Trustees, University of Louisville (2017 – present)

Garen K. Staglin | Director since June 2005, Chairman of the Board since February 2014

Independent: Yes

Garen K. Staglin—Age: 73—has over 40 years of experience in the financial services and technology industries. Mr. Staglin's business experience and directorships are detailed below. The Company has concluded, based in part on Mr. Staglin's experience in the financial services and technology industries and his past experience as a member of public company boards of directors, that Mr. Staglin should serve as a director.

Committees: Compensation, Nominating and Corporate Governance

Business Experience

•Chief Executive Officer of eONE Global LP, an emerging payments company (2001-2004)

•Chief Executive Officer of Safelite Auto Glass, a provider of glass claim solutions (1993-1999)

Public Directorships during Past Five Years

•Director and member of the compensation and governance committee, SVB Financial Group (NASDAQ:SIVB), a financial services provider (2011 – present)

Other Directorships

•Senior Advisor and Advisory Director, FTV Capital, a private global investment company (2004 – present)

•Vice Chairman, Profit Velocity Solutions, a manufacturing analytics firm (2007 – present)

•Chairman, Nvoice Payments, an electronic payment service provider (2010 – present)

•Advisory Director, Specialized Bicycle, a manufacturer of cycling equipment (1995-2014)

•Other directorships completed prior to 2014 include: Bottomline Technologies, a provider of payment and invoice automation software and services (2007 – 2012); Solera Holdings, a public automotive insurance software service provider (2005 – 2011); First Data Corporation, a payments solutions provider (1992-2003); and Global Document Solutions, a private document processing outsourcing company (2005-2010).

Other Relevant Experience

•Co-Founder and Co-Chairman, One Mind (1995 – present)

•Founder and President, BringChange2Mind (2009 – 2014)

•Co-Chairman, UCLA Centennial Capital Campaign (2014 – present)

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Class I Directors (Terms Expiring in 2019)

Rohit Kapoor | Director since November 2002, Vice Chairman and CEO since April 2012

Independent: No

Rohit Kapoor—Age: 53—co-founded EXL Inc. in April 1999 and has served as our Vice Chairman and CEO since April 2012 and as a director since November 2002. He previously served as our President and CEO from May 2008 to March 2012. Mr. Kapoor's business experience and directorships are detailed below. The Company has concluded that, in connection with Mr. Kapoor's experience as a founder and current role as CEO of the Company, Mr. Kapoor should serve as a director.

Committees:
N/A

Business Experience at the Company

•Vice Chairman and CEO (2012 – present)

•President and CEO (2008 – 2012)

•Various senior leadership roles, including CFO and COO (2000 – 2008)

Other Business Experience

•Business head, Deutsche Bank, a financial services provider (1999-2000)

•Various capacities at Bank of America in the United States and Asia, including India (1991-1999)

Public Directorships during Past Five Years

•Director and member of the audit committee, CA Technologies, Inc., a software services company (NASDAQ: CA) (2002 – present)

Other Relevant Experience

•Chairman, National Association of Software and Services Companies (“NASSCOM”) BPM Council.

•Member, Board of Directors, America India Foundation (AIF)

Anne E. Minto | Director since March 2013

Independent: Yes

Anne E. Minto—Age: 64—is a qualified lawyer and member of the Law Society of Scotland. Ms. Minto's business experience and directorships are detailed below. The Company has concluded, based in part on Ms. Minto's extensive experience as a member of international company boards and of management in the human resources field, together with her knowledge and experience of the European business and regulatory environment, that Ms. Minto should serve as a director.

Committees: Compensation (Chair), Nominating and Governance

Business Experience

•Lawyer and member of Law Society of Scotland

•Former Group Director, Human Resources and member of the executive committee, Centrica plc, an energy and services company (2002 – 2011)

•Prior senior management roles at Shell UK and Smiths Group plc

Public Directorships During the Past Five Years

•Director, chairman of the remuneration committee and member of the nomination and governance committee, Shire plc, a global biopharmaceutical company (NASDAQ: SHPG, LSE: SHP) (2010 – present)

•Director, chairman of the remuneration committee and member of the audit and nomination committees, Tate & Lyle plc, a global provider of specialty foods (LSE: TATE) (2012 – present)

Other Relevant

Experience

•Non-executive director, Court of the University of Aberdeen

•Chairman, University of Aberdeen Development Trust

•Fellow, Chartered Institute of Personnel & Development and the City and Guilds of London Institute

•Fellow, Chartered Institute of Management

Class II Directors (Terms Expiring in 2020)

David Kelso
Director since July 2006

Independent: Yes

David B. Kelso—Age: 65—is a financial advisor for Kelso Advisory Services, a company he started in 2003. Mr. Kelso's business experience and directorships are detailed below. The Company has concluded, based in part on Mr. Kelso's business experience with Inductis, his management and operating experience at major public companies, his expertise in finance, strategy and investments, and his board and committee service at other global companies, that Mr. Kelso should serve as a director.

Committees: Audit*, Nominating and Corporate Governance (Chair)

Business Experience

•Financial Advisor, Kelso Advisory Services (2003 – present)

•Senior Advisor, Inductis, Inc., a strategy and analytics company, until its acquisition by the Company (June 2004 – June 2006)

•Chairman, Aetna Life Insurance Co., Executive Vice President, Strategy and Finance and member of the Office of the Chairman for Aetna, Inc., a managed healthcare company (2001 – 2003)

•Executive Vice President, Chief Financial Officer and Managing Director, Chubb Corporation, a property and casualty insurer (1996-2001)

Public Directorships During Past Five Years

•Director and member of audit committee and finance & investment committee, Assurant, Inc., a global provider of risk management products and services (NYSE: AIZ) (2007 –

2015)

Other Directorships

•Lead independent director and chair of the audit, nominating and valuation committees, Sound Shore Fund, an equity mutual fund (2006 – present)

•Director, Aspen Holdings Limited, a property and casualty reinsurance company (2005 – 2011)

Other Relevant Experience

•Board of Trustees, Darden School Foundation of the University of Virginia Darden School of Business

*Audit committee financial expert under applicable SEC rules and regulations.

Som Mittal | Director since December 2013

Independent: Yes

Som Mittal—Age: 66—has held various corporate leadership roles in the IT industry since 1989 and extensive experience in the engineering and automotive sectors. His business experience and directorships are detailed below. The Company has concluded, based in part on Mr. Mittal's business experience as President of NASSCOM and his knowledge of the outsourcing industry, that Mr. Mittal should serve as a director.

Committees: Compensation, Nominating and Corporate Governance

Business Experience

•Chairman and President, NASSCOM, a trade body for the IT and business process management industries in India (2008 – 2014)

•Prior leadership roles at Wipro, and at Digital, Compaq and HP

•Prior executive roles at Larsen & Toubro, Escorts and Denso

Public Directorships During Past Five Years

•Director and chairman of customer service committee, member of nomination and remuneration committee and other committees, Axis Bank, Ltd., a financial services company (NSE:Axis) (2011 – present)

•Director and member of audit and risk management committee, Cyient Ltd., an engineering design services company (NSE:CYIENT) (2014 – present)

•Director and chairman of nomination and remuneration committee, Sheela Foam Ltd., a manufacturing company (NSE: SFL) (2016 – present)

Other Directorships

•Tata SIA Airlines, Ltd., an Indian domestic airline (2015 – present)

Other Relevant Experience

•Prior member, Board of Governors, Indian Institute of Corporate Affairs

•Prior Committee Member, Indian Prime Minister's National e-Governance Program

•Member/trustee of educational institutions and non-governmental organizations

Clyde Ostler | Director since December 2007

Independent: Yes

Clyde W. Ostler—Age: 71—is a retired executive of Wells Fargo and during his 40-year tenure held numerous senior leadership positions within that organization. The Company has concluded, based in part on Mr. Ostler's business experience through his positions at Wells Fargo & Company, that Mr. Ostler should serve as a director.

Committees: Audit (Chair)*, Compensation

Business Experience

•Leadership positions within Wells Fargo including: Group Executive Vice President, Wells Fargo & Co., Vice Chairman, Wells Fargo Bank California NA, President, Wells Fargo Family

Wealth, Vice Chairman in the Office of the President, Chief Financial Officer, Chief Auditor, Head of Retail Branch Banking, Head of Information Technology, Head of Institutional and Personal Investments and Head of Internet Services

•Served on the Senior Management Committee of Wells Fargo for over 25 years

Public Directorships During the Past Five Years

•Director, member of the audit committee and compensation committee, McClatchy Company, a publishing company (NYSE: MNI) (2013 – present)

Other Directorships

•Advisory Director Emeritus, FTV Capital, a private global investment company

*Audit committee financial expert

under applicable
SEC rules and
regulations.

CORPORATE GOVERNANCE

Director Independence

In determining director independence, the board of directors considered the transactions and relationships set forth below under “Certain Relationships and Related Person Transactions—Related Party Transactions.” Based on its review of all applicable relationships, our board of directors has determined that all of the members on our board of directors, other than Mr. Kapoor, meet the independence requirements of the Nasdaq Stock Market and federal securities laws.

Meeting Attendance

Our directors are expected to attend all board of directors meetings and meetings of committees on which they serve. Directors are also expected to spend sufficient time and meet as frequently as necessary to discharge their responsibilities properly. Each member of our board of directors attended at least 75% of the aggregate meetings of our board of directors and the committees on which they served during 2017. It is our policy that all of our directors should attend our Annual Meetings of Stockholders absent exceptional cause. All of the persons who were members of the board of directors at the time of our 2017 Annual Meeting of Stockholders attended such meeting.

	2017 Meetings
Board	6
Audit	9
Compensation	7
Nominating and Governance	6

28 Total Board and Committee Meetings in 2017

Board Leadership Structure

Our board of directors is currently led by Garen K. Staglin, our Chairman, and Rohit Kapoor, our Vice Chairman and CEO.

Independent Chairman	Garen K. Stalin
Vice Chairman & CEO	Rohit Kapoor

Our by-laws provide that our Chairman or, in the absence of our Chairman, our Lead Director (if there is a Lead Director serving at such time), or in the absence of both our Chairman and Lead Director, our CEO, shall call meetings of our board of directors to order and shall act as the chairman thereof. In the absence of our Chairman, our Lead Director (if there is a Lead Director serving at such time), and our CEO, a majority of our directors present may elect as chairman of the meeting any director present. Independent directors meet at least quarterly in executive session without any management directors or members of the Company’s management present. The Lead Director or, in the absence of the Lead Director, a director chosen by the directors meeting in executive session, presides at all executive sessions.

Consolidating the Vice Chairman and CEO positions allows our CEO to contribute his experience and perspective regarding management and leadership of the Company towards the goals of improved corporate governance and greater management accountability. In addition, the presence of our Chairman ensures that the board can retain sufficient delineation of responsibilities, such that our Chairman and our Vice Chairman and CEO may each successfully and effectively perform and discharge their respective duties and, as a corollary, enhance our prospects for success. The Company will thus benefit from the ability to integrate the collective leadership and corporate governance experience of our Chairman and our Vice Chairman and CEO, while retaining the ability to facilitate the functioning of the board of directors independently of our management and to focus on our commitment to corporate governance. For the foregoing reasons, our board of directors has determined that its leadership structure is appropriate and in the best interests of our stockholders at this time.

Majority Voting in Director Elections

Under our by-laws, directors who are standing for election in an uncontested election are elected by the affirmative vote of a majority of votes cast (meaning the number of shares voted “for” a nominee must exceed the number of shares voted “against” such nominee) in person or represented by proxy and entitled to vote at the meeting. If any incumbent nominee for director in an uncontested election receives a greater number of votes “against” his or her election than votes “for” such election, our by-laws provide that such person shall tender to the board of directors his or her resignation as a director. (In contested elections, directors will be elected by the affirmative vote of a plurality of votes cast in person or represented by proxy and entitled to vote at the Annual Meeting.) An uncontested election means an election in which the number of nominees for director is not greater than the number to be elected.

Committees

Our board of directors currently has three standing committees: the Audit Committee, the Nominating and Governance Committee and the Compensation Committee.

Audit Committee.

Audit Committee Profile

	Oversight Responsibilities
Clyde Ostler, Chair*	>Accounting and financial reporting processes.
	>Our independent registered public accounting firm’s appointment and independence.
David Kelso*	
	>The audit of our financial statements and internal audit function.
Deborah Kerr	
Nitin Sahney	>Other key areas including cybersecurity, litigation, compliance and regulatory enforcement matters.

*Audit committee financial expert under applicable SEC rules and regulations.

9 Committee Meetings in 2017

Our Audit Committee oversees and assists our board of directors in fulfilling its oversight responsibilities with respect to our accounting and financial reporting processes, including the integrity of the financial statements and other financial information provided by us to our stockholders, the public, stock exchanges and others; our compliance with legal and regulatory requirements; our independent registered public accounting firm’s qualifications and independence; the audit of our financial statements; the performance of our internal audit function and independent registered public accounting firm; and the Company’s cyber security program and cyber strategy-related risks.

Our Audit Committee has direct responsibility for the appointment, compensation, retention (including termination) and oversight of our independent registered public accounting firm, and our independent registered public accounting firm reports directly to our Audit Committee. Our Audit Committee also reviews and approves specified related-party transactions as required by the rules of the Nasdaq Stock Market, and oversees the Company’s cyber security program and cyber strategy-related risks. The Audit Committee was established in accordance with Section 3(a)(58)(A) of the

Securities Exchange Act of 1934 (the

“Exchange Act”). Our Audit Committee annually reviews and assesses the adequacy of the Audit Committee charter and its own performance. A copy of our Audit Committee charter can be found on our website at www.exlservice.com. Information on our website referred to in this proxy statement does not constitute a part of this proxy statement.

The members of our Audit Committee are appointed by our board of directors. All members of our Audit Committee must also be recommended by our Nominating and Governance Committee. Our board of directors has determined that all of the members of the Audit Committee meet the independence and experience requirements of the Nasdaq Stock Market and the federal securities laws for audit committee membership.

Nominating and Governance Committee.

Nominating and Corporate Governance Committee Profile

	Responsibilities
David Kelso, Chair	
	>Identifying and recommending board candidates.
Anne Minto	
Som Mittal	>Developing and recommending governance practices, including our Corporate Governance Guidelines.
Nitin Sahney	>Overseeing board and management evaluations.
Garen Staglin	

6 Committee Meetings in 2017

Our Nominating and Governance Committee is responsible for: (i) identifying and recommending candidates for election to our board of directors using selection criteria approved by our board of directors, (ii) developing and recommending to our board of directors Corporate Governance Guidelines that are applicable to us, and (iii) overseeing our board of director and management evaluations. A copy of our Nominating and Governance Committee charter can be found on our website at www.exlservice.com.

Our Nominating and Governance Committee has a policy, reflected in such committee’s charter, of considering director candidates recommended by our stockholders. Candidate recommendations should be sent to our Nominating and Governance Committee, c/o ExlService Holdings, Inc., 280 Park Avenue, 38th Floor, New York, New York 10017, Attention: Corporate Secretary. Our Nominating and Governance Committee evaluates all candidates in the same manner regardless of the source of the recommendation. Our Nominating and Governance Committee, in making its selection of director candidates, considers the appropriate skills and personal characteristics required in the light of the then-current makeup of our board of directors and in the context of our perceived needs at the time. The Nominating and Governance Committee considers a number of factors in selecting director candidates, including, among others, ethical standards and integrity; independence; diversity of professional and personal backgrounds; skills and experience; other public company directorships; and financial literacy and expertise; communication skills; and ability and willingness to comply with Company policies and procedures.

Our Nominating and Governance Committee reviews written and oral information provided by and about candidates and considers any additional criteria it feels is appropriate to ensure that all director nominees possess appropriate skills and experience to serve as a member of our board of directors.

Although our Nominating and Governance Committee does not have a formal policy with regard to diversity of board members, pursuant to our Corporate Governance Guidelines, our board of directors seeks members from diverse professional and personal backgrounds who combine a broad spectrum of experience and expertise with a reputation for integrity. This assessment includes an individual's independence, as well as consideration of diversity, age, skills and experience in the context of the needs of the board of directors. Our Nominating and Governance Committee reviews and makes recommendations regarding the composition of our board of directors in order to ensure that the board has an appropriate breadth of expertise and its membership consists of persons with sufficiently diverse and independent skill sets and backgrounds. The Nominating and Governance Committee also oversees our director onboarding and training program, which provides new directors with training regarding the Company’s policies and procedures and specific requirements that may be needed based on the director’s committee memberships. Our Nominating and Governance Committee annually reviews and assesses the adequacy of the Nominating and Governance Committee charter and its own performance.

The members of our Nominating and Governance Committee are appointed by our board of directors. Our board of directors has determined that all of the members of the Nominating and Governance Committee meet the independence requirements of the Nasdaq Stock Market and federal securities laws.

Compensation Committee.

Compensation Committee Profile	
	Responsibilities
Anne Minto, Chair	
Deborah Kerr	>Reviewing and recommending compensation and benefits of directors, officers and employees.
Som Mittal	>Overall compensation risk management, including recommending incentive compensation plans.
Clyde Ostler	>Retention of advisors or other compensation consultants.
Garen Staglin	
7 Committee Meetings in 2017	

Our Compensation Committee reviews and recommends policies relating to compensation and benefits of our directors, officers and employees and is responsible for approving the compensation of our Vice Chairman and CEO and other executive officers. Our Compensation Committee also reviews, evaluates and makes recommendations to our board of directors with respect to our incentive compensation plans and equity-based plans and administers the issuance of awards under our equity incentive plans. Our Compensation Committee charter permits the committee to form and delegate authority to subcommittees when appropriate, provided that the subcommittees are composed entirely of directors who satisfy the applicable independence requirements of the Nasdaq Stock Market. Any such subcommittee must have a published committee charter.

Our Compensation Committee charter also permits the committee to retain advisors, consultants or other professionals to assist the Compensation Committee to evaluate director, Vice Chairman and CEO or other senior executive compensation and to carry out its duties. For 2017, our Compensation Committee retained the services of Frederick W. Cook & Co., Inc. (“FW Cook”), a qualified and independent compensation consultant, to aid the Compensation Committee in performing its review of executive compensation including executive compensation benchmarking and peer group analysis. Our Compensation Committee annually reviews and assesses the adequacy of the Compensation Committee charter and its own performance. Additional information regarding our Compensation Committee’s processes and procedures for considering executive compensation are addressed in the Compensation Discussion and Analysis below. A copy of our Compensation Committee charter can be found on our website at www.exlservice.com.

The members of our Compensation Committee are appointed by our board of directors. All new members of our Compensation Committee must be recommended by our Nominating and Governance Committee. Our board of directors has determined that all members of the Compensation Committee meet the independence requirements of the

Nasdaq Stock Market and federal securities laws for compensation committee membership.

Risk Oversight

Our board of directors provides risk oversight. Our management assists the board in identifying strategic and operating risks that could affect the achievement of our business goals and objectives, assessing the likelihood and potential impact of these risks and proposing courses of action to mitigate and/or respond to these risks. These risks are reviewed and discussed periodically with the full board of directors as part of the business and operating review.

Key Risk Oversight Framework

>Board provides risk oversight.

>Management is responsible for day-to-day risks.

>Audit Committee oversees risk management and cyber security risks.

>We have implemented Risk Appetite Guidelines with qualitative and quantitative thresholds.

Our management is responsible for management of our day-to-day risks, and, because we are exposed to financial risks in multiple areas of our business, day-to-day risk management activities and processes are performed by multiple members of our senior and other management. Our board of directors primarily relies on the Audit Committee for oversight of our risk management and cyber security risk. The Audit Committee regularly reviews and discusses with management our major financial risk and cyber security exposures and the steps management has taken to monitor, control and manage such exposures, including our risk assessment and risk management guidelines and policies. In addition, our management maintains, as part of our disclosure controls and procedures, a separate disclosure committee that, as part of its review of our quarterly and annual reports, helps facilitate understanding by the Audit Committee and our full board of directors of new or changing risks affecting us. Once a year, the full board receives a report from management on the Company's readiness and capability to prevent, detect and respond to a cyber-attack.

In addition, we have implemented our Risk Appetite Guidelines that describe certain categories of risk and qualitative and quantitative thresholds considered by the Company to be consistent with its strategic objectives. These guidelines are designed to serve as a reference in assessing and implementing strategy, and to be actionable by management such that they are meaningful from an operational perspective.

Compensation Committee Interlocks and Insider Participation

Ms. Kerr, Ms. Minto, Mr. Mittal, Mr. Ostler and Mr. Staglin are the members of our Compensation Committee.

During 2017, none of our executive officers served as a member of the board of directors or compensation committee of any entity that has one or more executive officers who serve on our board of directors or Compensation Committee.

Other Directorships

The Board maintains a practice whereby our directors disclose to the Board any offers to be a director of any other organization, which is then evaluated by the Board for potential business and other conflicts.

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Code of Conduct and Ethics; Corporate Governance Guidelines

Our board of directors has adopted a Code of Conduct and Ethics that is applicable to our directors, officers and employees and which outlines the high ethical standards that we support and details how our directors, officers and employees should conduct themselves when dealing with fellow employees, clients, suppliers, competitors and the general public. Our Code of Conduct and Ethics is reviewed annually by the Audit Committee. A copy of our Code of Conduct and Ethics can be found on our website at www.exlservice.com.

Our board of directors has also adopted a set of Corporate Governance Guidelines to assist our board of directors in the exercise of its responsibilities. The Corporate Governance Guidelines reflect the commitment of our board of directors to monitor the effectiveness of policy and decision-making, both at the board and senior management levels, and to enhance stockholder value over the long term. A copy of our Corporate Governance Guidelines can be found on our website at www.exlservice.com.

Communications with the Board

Stockholders interested in contacting our board of directors, our Chairman or any individual director are invited to do so by writing to:

Board of Directors of ExlService Holdings, Inc.

c/o Corporate Secretary

ExlService Holdings, Inc.

280 Park Avenue, 38th Floor

New York, New York 10017

All other stockholder communications addressed to our board of directors will be referred to our Chairman and tracked by our Corporate Secretary. Stockholder communications specifically addressed to a particular director will be referred to that director.

Complaints and concerns relating to our accounting, internal accounting controls or auditing matters should be communicated to our Audit Committee, which consists solely of non-employee directors. Any such communication may be anonymous and may be reported to our Audit Committee through our General Counsel by writing to:

Audit Committee of the Board of Directors

ExlService Holdings, Inc.

280 Park Avenue, 38th Floor

New York, New York 10017

Attn: General Counsel

All such concerns will be reviewed under Audit Committee direction and oversight by our General Counsel, our Head of Internal Audit or such other persons as our Audit Committee determines to be appropriate. Confidentiality will be maintained to the fullest extent possible, consistent with the need to conduct an adequate review. Prompt and appropriate corrective action will be taken when and as warranted in the judgment of our Audit Committee. We prepare periodic summary reports of all such communications for our Audit Committee.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires our executive officers and directors, and persons who own more than 10% of a registered class of our equity securities, to file reports of ownership on Forms 3, 4 and 5 with the SEC. Officers and directors are required to furnish us with copies of all Forms 3, 4 and 5 they file. Based solely on a review of the reports furnished to us, or written representations from reporting persons that all reportable transaction were reported, the Company's officers, directors and greater than ten percent owners timely filed all reports they were required to file under Section 16(a) with respect to transactions during fiscal year 2017.

OUR EXECUTIVE OFFICERS

Name	Position	Biographical Information
Rohit Kapoor (age 53)	Vice Chairman and CEO	See section entitled "Our Board of Directors" above.
Pavan Bagai (age 56)	President and Chief Operating Officer	Mr. Bagai has served as our President and Chief Operating Officer since April 2012, as our Chief Operating Officer from May 2008 to March 2012 and as Vice President, Head of Outsourcing Services of EXL India from June 2006 until April 2008. He previously served as Vice President, Research and Analytics of EXL India from December 2004 to May 2006, as Vice President, Operations of EXL India from November 2003 to November 2004 and as Vice President, Strategic Businesses of EXL India from July 2002 to November 2003. Prior to joining us, Mr. Bagai served in various capacities in several business areas across markets in Europe and Asia, including India, at Bank of America beginning in 1985.
Vikas Bhalla (age 46)	Executive Vice President and Head of Insurance	Mr. Bhalla has served as our Executive Vice President and Head of Insurance since January 2014, and as our Head of Outsourcing since November 2009. He previously served as Vice President, Operations of EXL India from June 2006 to October 2009 and as Vice President, Migrations, Quality and Process Excellence of EXL India from April 2002 to June 2006 and as Director, Quality Initiatives of EXL India from May 2001 to March 2002. From May 1998 to May 2001, Mr. Bhalla served in various capacities at General Electric, including as the Quality Leader and E-Business Leader for GE Plastics India.
Vishal Chhibbar (age 50)	Executive Vice President and CFO	Mr. Chhibbar has served as our Executive Vice President and CFO since April 2012 and as our CFO since June 2009. He has over 25 years of professional experience in finance. Prior to joining us, Mr. Chhibbar was with GE Capital in various leadership roles. Since 2005, Mr. Chhibbar has served as the Regional Head, Group Financial Planning for Strategy and Treasury for GE Capital, Australia and New Zealand. In 2004 and 2005, Mr. Chhibbar was Chief Financial Officer for GE Capital, South Korea. From 1998 to 2004, Mr. Chhibbar was the Chief Financial Officer for GE Capital, Indonesia and Malaysia. Mr. Chhibbar is a Chartered Accountant and an Associate Member of CPA, Australia.
Rembert de Villa (age 61)	Executive Vice President, Head of Healthcare	Mr. de Villa has served as our Executive Vice President, Head of Healthcare since January 2014 and also as our Chief Strategy Officer from April 2012 to January 2014. He previously served as our Global Head of Client Management and Chief Strategy Officer from September 2010 to April 2012 and as our Managing Principal and Head of Transformation Services from April 2008 to August 2010. Prior to joining us, Mr. de Villa served as Global Practice Leader, Strategic Services at MasterCard Advisors from December 2005 through April 2008 and as Vice President and Financial Services Practice Leader for North America at Capgemini Ernst & Young from March 2003 to December 2005. Prior to his time at Capgemini Ernst & Young, Mr. de Villa was a Partner at A.T. Kearney's Global Financial Institutions Group.

Name	Position	Biographical Information
Nalin Miglani (age 57)	Executive Vice President and Chief Human Resource Officer	Mr. Miglani has served as our Executive Vice President, Chief Human Resource Officer since December 2014. Mr. Miglani is responsible for the global human resources function at the Company. Prior to joining the Company, he was the Chief HR and Corporate Development Officer for Nutreco, based in Amsterdam, Netherlands, from March 2013 to November 2014. Mr. Miglani also served as the Chief HR and Communications Officer for Tata Global Beverages Company, London, UK, from June 2008 to February 2013. In addition, Mr. Miglani held various global and regional HR leadership roles around the world during his career at The Coca-Cola Company and British American Tobacco.
Nancy Saltzman (age 52)	Executive Vice President, General Counsel, Chief Compliance Officer and Corporate Secretary	Ms. Saltzman has served as our Executive Vice President and General Counsel since April 2014. Ms. Saltzman also serves as Corporate Secretary of the Company. In July 2016, Ms. Saltzman was appointed as the Company's Chief Compliance Officer. Prior to joining us, Ms. Saltzman was Senior Vice President, General Counsel and Corporate Secretary for Westcon Group, Inc. from January 2005 to April 2014. Prior to joining Westcon Group, Inc., Ms. Saltzman was a Senior Associate with the law firm of Dewey Ballantine LLP from October 1998 to April 2000, the Associate General Counsel and Vice President Investor Relations at Chartwell Re Corporation from October 1995 to October 1998 and prior to that an Associate with the law firm of Dewey Ballantine LLP from September 1992 to October 1995.
Nagaraja Srivatsan (age 51)	Executive Vice President and Chief Growth Officer	Mr. Srivatsan joined the Company as Executive Vice President and Chief Growth Officer in December 2016. Mr. Srivatsan is responsible for overseeing our sales and marketing, consulting, and strategy functions. Previously, he worked at Cognizant Technology Services beginning in 2002, where he served as Senior Vice President and Venture Partner, working with emerging businesses and ventures in the healthcare and life science industry. Mr. Srivatsan was Senior Vice President of Client Solutions at Silverline Technologies from 2001 to 2002, Chief technology Officer and Executive Vice President of Global Delivery at SeraNova from 1998 to 2001, and a Director at SEI Information Technology from 1992 to 1998.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Named Executive Officers

As determined in accordance with SEC rules, our “named executive officers” for 2017 are:

>Rohit Kapoor, our Vice Chairman and CEO;

>Vishal Chhibbar, our Executive Vice President and CFO;

>Pavan Bagai, our President and Chief Operating Officer;

>Nagaraja Srivatsan, our Executive Vice President and Chief Growth Officer; and

>Nalin Miglani, our Executive Vice President and Chief Human Resources Officer.

Executive Summary

2017 Financial Highlights

We improved our annual revenues to $762.3 million in fiscal year 2017 from $686.0 million in fiscal year 2016 (an increase of over 11%) and improved our Adjusted EPS to $2.65 in fiscal year 2017 from $2.33 in fiscal year 2016 (an increase of over 13%).

Our Compensation Committee paid bonuses as a result of our achievement of 98.1% of our revenue target and 101.7% of our Adjusted EPS target as described below.

Total Stockholder Return

The graphs below compare our 1-year, 3-year and 5-year total stockholder return (“TSR”) with that of the companies comprising Nasdaq, S&P 500 and our peer group. As shown in the table, our TSR outperformed all but one of our market benchmarks.

(1)Cumulative growth rate as of December 31, 2017.

(2)Peer group TSR data excludes Solera Holdings, which was taken private in March 2016, and Ciber Inc., which filed for bankruptcy in April 2017.

Acquisitions, Finance and Equity Transactions

>We completed the acquisition of substantially all the assets of Health Integrated, Inc., a healthcare company that specializes in providing care management on behalf of health plans.

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>We acquired a minority stake in Corridor Platform Inc., a proprietary big data risk management platform in analytics.

>We entered into a Credit Agreement with Citibank, N.A., PNC Bank, N.A., JPMorgan Chase Bank, N.A., Bank of America, N.A. and the lenders party thereto providing for a $200.0 million revolving credit facility with an option to increase the commitments under the Credit Agreement by up to $100.0 million.

Awards and Industry Recognition

>We continued to receive numerous industry recognitions and awards, pointing to our commitment to innovation and excellence.

Clients and Operations

>In 2017 we won 42 new clients compared to the 40 new clients we won in 2016.

>We opened a state-of-the-art Digital Experience Center in Jersey City, N.J., which is an experiential laboratory where clients and partners can actively work with technologies such as advance automation, robotics, analytics, machine learning and natural language processing.

>We opened new delivery centers in Chennai and Hyderabad in India and in Richmond, VA, Dallas, TX, Kansas City, MO and Tampa, FL.

>We launched LifePRO® Version 19, our administration platform for life, health and annuity insurers with enhanced management of complex annuities.

Summary of Key Compensation Considerations & Decisions in 2017

The following highlights the Compensation Committee's key considerations and compensation decisions in 2017 and with respect to performance for 2017.

Considerations and Decisions

>Say on Pay Approval: 98.4% of our stockholders approved, on a non-binding basis (excluding broker non-votes), of our compensation of our named executive officers.

>Base Salaries: We decided to hold base salaries constant in 2017.

>Annual Bonuses: We continued to base annual bonuses on achievement of company (Adjusted EPS & revenue), business unit (total revenues, new client revenues & margin achievement) and personal performance goals.

>Equity Incentives: We continued to grant a mix of time-based and performance-based restricted stock units (revenue & TSR linked performance goals).

>Vice Chairman & CEO's Continued Services: We secured the services of Mr. Kapoor for 3 additional years by entering into a new employment agreement with him.

Key Corporate Governance Features

Our compensation programs, practices and policies are reviewed and re-evaluated periodically and are subject to change from time to time. Our executive compensation philosophy is focused on pay for performance and is designed to reflect appropriate governance practices aligned with the needs of our business. Listed below are some of the Company's more significant practices and policies that were in effect during fiscal 2017, which were adopted to drive performance and to align our executives' interests with those of our stockholders.

What We Do

Align Our Executive Pay with Performance	Link a significant portion of each NEO's total compensation to the achievement of specific performance goals, as described below. Variable compensation is "at-risk" and rewards performance and contributions to both short- and long-term financial performance.
Use Appropriate Peer Groups When Establishing Compensation	Established a peer group to help us review market practices and design a competitive compensation program. The criteria for peer group selection include similar market capitalization, scope of operations, potential mobility of talent and industry alignment. Set compensation of our executive officers at levels we believe are appropriate relative to the compensation paid to similarly situated officers of our peers, giving consideration to market and other factors.
Ensure Equity Compensation Best Practices	Design equity incentives to encourage our executives to maintain a long-term view of stockholder value creation, to encourage retention & to ensure a portion of the award is based on our performance. Hold dividends accrued under our equity awards until the recipient vests in the underlying shares or units.
Maintain an Independent Compensation Committee	Compensation decisions for our NEOs are approved by an independent Compensation Committee. Compensation Committee is advised by an independent consultant who reports directly to the Compensation Committee & provides no other services to the Company or management.
Mitigate Risks	Mix and design of our compensation programs serves to mitigate operational, financial, legal, regulatory, strategic & reputational risks.
Maintain a Clawback Policy	Maintain a compensation recovery policy that allows the Company to recover compensation (including both cash and/or equity awards) previously paid to one or more officers in the event of a financial restatement caused by noncompliance with reporting requirements that impacts the applicable performance metric if, in the opinion of our Board or Compensation Committee, the identified executive's misconduct was a material factor causing the restatement.
Maintain a Robust Stock Ownership Policy	Maintain a stock ownership policy that requires our CEO to maintain stock ownership equal to at least six times his base salary and that requires the other members of our executive committee to maintain stock ownership of at least two times their respective base salaries. Covered executives have five years from Dec. 2014 (or, if later, their hire date) to attain the required stock ownership levels.

We maintain a similar stock ownership policy for our non-employee directors that requires directors to maintain stock ownership of at least five times their respective annual retainers.

As of December 31, 2017, all covered executives and directors were in compliance with the stock ownership policy.

What We Don't Do

No Option Repricing	We prohibit option repricing without stockholder approval.
No Excessive Overhang or Dilution	We do not have excessive overhang or dilution from equity grants.
No Excessive Perquisites	We provide our named executive officers with only limited perquisites and personal benefits that serve an important business purpose in addition to the regular benefits offered to all employees. We consider the perquisites and personal benefits that we offer to our executives in India to be customary benefits which allow us to remain competitive for top talent.
No Tax Gross-Ups	We do not provide "gross-ups" to any of our named executive officers, including gross-ups for any excise taxes imposed with respect to Section 280G (change-in-control payments) or Section 409A (nonqualified deferred compensation) of the U.S. Internal Revenue Code of 1986, as amended (which we refer to as the "Code").
No Hedging or Pledging	We maintain a policy that prohibits our officers and directors subject to the requirements of Section 16 of the Exchange Act, which includes our executive officers, from engaging in any hedging transactions with respect to Company stock directly or indirectly owned by any of them. In addition, under this policy, Reporting Persons are only permitted to pledge shares of our stock that exceed those required to be owned under our Stock Ownership Policy described above.

Overview of Compensation Policies and Philosophies

We believe that the long-term success of companies that provide outsourcing, transformation and analytics services globally is linked to their ability to recruit, train, motivate and retain employees at every level. There is significant competitive pressure in our industry for qualified managers with a track record of achievement. It is critical that we recruit, train, motivate and retain highly talented individuals at all levels of the organization who are committed to our core values of innovation, collaboration, excellence, integrity and mutual respect. We believe that our executive compensation programs are integral to achieving this end.

Our Compensation Committee bases its executive compensation programs on the following objectives, which guide us in establishing all of our compensation programs:

Compensation based on responsibility and performance

>Compensation should be based on the level of job responsibility, individual performance and our performance. As employees progress to higher levels in the organization, they are able to more directly affect our results and strategic initiatives, and therefore an increasing proportion of their pay should be linked to our performance and tied to creation of stockholder value. Our programs should deliver top-tier compensation in return for top-tier individual and company performance; conversely, where individual performance and/or our performance falls short of expectations, the programs should deliver lower-tier compensation. In addition, the objectives of pay-for-performance and retention must be balanced. Even in periods of temporary downturns in our performance, the programs should continue to ensure that successful, high-achieving employees remain motivated and committed.

Compensation should balance long-term and short-term objectives

>Compensation should balance long-term focus that is linked to stockholder value as well as short-term financial objectives. Consistent with this philosophy, equity-based compensation should be higher for persons with higher levels of responsibility and greater influence on long-term results, thereby making a significant portion of their total compensation dependent on long-term stock price appreciation. In addition, compensation should focus management on achieving short-term performance goals in a manner that supports and ensures long-term success and profitability.

>Compensation should reflect the value of the job in the marketplace. We compete for talent globally. In order to attract and retain a highly skilled workforce, we must remain competitive with the pay of other employers who compete with us for talent in the relevant markets.

Compensation programs should be easy to understand

>Compensation programs should be easy to understand. We believe that all aspects of executive compensation should be clearly, comprehensibly and promptly disclosed to employees in order to effectively motivate them. Employees need to easily understand how their efforts can affect their pay, both directly through individual performance accomplishments, and indirectly through contributing to our achievement of strategic, financial and operational goals. We also believe that compensation for our employees should be administered uniformly across the company and should be administered with clear-cut objectives and performance metrics.

Our Compensation Committee’s Processes

Our Compensation Committee has established a number of processes to assist it in ensuring that our executive compensation programs are achieving their objectives. Among those are the following:

>**Assessment of Company Performance.** Our Compensation Committee uses financial performance measures to determine a significant portion of the payouts under our annual incentive bonus program and equity incentive program. The financial performance measures with respect to our named executive officers’ incentive bonuses and equity incentive awards are largely based on the achievement of Company-wide goals. In addition, the incentive bonuses payable under our annual incentive bonus program to our senior executives who have responsibility for business lines are tied to such business lines’ financial or other performance. These Company-wide and business-line performance measures are established by our Compensation Committee annually at the end of the prior year or the beginning of the year. At the end of the year or performance period, in the case of our equity incentive program, our Compensation Committee reviews and certifies our performance achievement, and considers the appropriateness of adjustments to the performance criteria and calculations of performance achievement.

–We generally pay bonuses at target when we achieve the established financial measures that are set forth in our annual operating plan and personal performance goals, as described below. These measures reflect targets that are intended to encourage stretch performance.

>**Assessment of Individual Performance.** Individual performance has a strong impact on the compensation of our employees, including our executive officers. The evaluation of an individual's performance determines a portion of the payouts for each of our named executive officers made under our incentive bonus program and also influences any changes in base salary.

–For Messrs. Chhibbar, Bagai, Srivatsan and Miglani, our Compensation Committee receives a performance assessment and compensation recommendation from our Vice Chairman and CEO. The performance assessments are based on each of our named executive officer's respective self-evaluations and subsequent performance appraisals conducted by our Vice Chairman and CEO. Our Compensation Committee reviews the performance assessments of these executive officers with our Vice Chairman and CEO, and evaluates the achievement of established objectives by each executive officer and his or her business line (if applicable), as well as the executive officer's contribution to our performance, leadership accomplishments and overall competence. In determining the numerical performance rating that translates into specific payouts under our incentive bonus program and also influences any changes in base salary, our Compensation Committee may exercise its judgment based on our board of directors' interactions with such executive officers.

–For Mr. Kapoor, our board of directors receives a self-evaluation prepared by Mr. Kapoor and provides feedback to our Chairman. Our Chairman then discusses the consolidated feedback from the board of directors with our Compensation Committee. Our board of directors and Compensation Committee evaluates the self-evaluation and feedback as well as Mr. Kapoor's performance, leadership accomplishments and overall competence and evaluates the achievement of established objectives.

>**Review of Peer Company Market Data.** At the time compensation decisions were made for our U.S.-based and other senior executive officers in 2017, our Compensation Committee reviewed publicly available compensation data for companies that are engaged in business and technology services like us. The Compensation Committee took into account whether the companies had market capitalizations or annual revenues similar to ours, as well as the relevance of their geographic areas. The companies that composed our peer group for 2017 were as follows:

Peer Group Companies	
Altisource Portfolio Solutions S.A.	HMS Holdings Corp.
Ciber, Inc.[(1)]	Solera Holdings, Inc.[(2)]
Computer Task Group, Incorporated	Sykes Enterprises, Incorporated
Convergys Corporation	Syntel Inc.
CSG Systems International, Inc.	TeleTech Holdings, Inc.
EPAM Systems, Inc.	Virtusa Corporation
Genpact Limited	WNS (Holdings) Limited

(1)Ciber Inc. filed for bankruptcy in April 2017.

(2)Solera Holdings was taken private in March 2016.

The compensation data for our peer group is compiled directly by FW Cook, the independent consultant to the Compensation Committee. The peer group compensation data was supplemented by global general industry and technology industry survey data. The data from the surveys was scaled to our size by FW Cook based on revenues or corresponding revenue ranges as provided by the surveys. While the Compensation Committee reviewed and considered the data provided by these surveys, it did not consider or review the compensation paid to executives at the component companies included within such surveys and did not use this information or any other data as a benchmark to set executive compensation for fiscal year 2017.

Our Compensation Committee uses the compensation data to obtain a general understanding of current market practices, so it can design our executive compensation program to be competitive. Market data is not used exclusively, but rather as a point of reference to draw comparisons and distinctions. The Compensation Committee also takes into account an executive officer’s job responsibilities, performance, qualifications and skills in determining individual compensation levels.

>**Total Compensation Review.** Our Compensation Committee reviews compensation information provided by FW Cook in order to evaluate each executive’s base pay, incentive bonus and equity incentives when changes in compensation are considered. Compensation decisions are designed to promote our fundamental business objectives and strategy. Our Compensation Committee periodically reviews related matters such as succession planning and management, evaluation of management performance, changes in the scope of managerial responsibilities, and consideration of the business environment, and considers such matters in making compensation decisions.

>**Role of the Compensation Committee’s Independent Compensation Consultant.** For 2017, the Compensation Committee retained the services of FW Cook, a qualified and independent compensation consultant, to aid the Compensation Committee in performing its duties. The Compensation Committee’s compensation consultant assists in collecting and evaluating external market data regarding executive compensation and performance, selecting peer group companies, reviewing the proxy statement and advising the Compensation Committee on developing trends and best practices in executive compensation, director compensation and equity and incentive plan design. Other than performing these consulting services, FW Cook does not provide other services to us or our executive officers. We have affirmatively determined that no conflict of interest has arisen in connection with the work of FW Cook as compensation consultant for the Compensation Committee.

Components of Executive Compensation for 2017

For 2017, the compensation of executive officers consisted of the following five primary components:

Compensation Component	Description	Objectives
Base Salary	>Fixed compensation that is reviewed annually and is based on performance, experience, responsibilities, skill set and market value.	>Provide a base level of compensation that corresponds to the job function performed. >Attract, retain, reward and motivate qualified and experienced executives.
Annual Incentives	>"At-risk" compensation earned based on performance measured against pre-established annual goals. >Goals are tailored to each executive's position.	>Incentivize executives to achieve annual goals that ultimately contribute to long-term company growth and stockholder return.
Long-Term Incentives	>"At-risk" compensation in the form of restricted stock unit awards whose value fluctuates according to stockholder value. >50% of the award vests based on continued service. >50% vests based on achievement of revenue and total stockholder return goals.	>Align executive interests with those of stockholders. >Reward continuous service with the company. >Incentivize executives to achieve goals that drive company performance over the long-term.
Other Benefits	>Broad-based benefits provided to company employees (e.g., health and group insurance), a retirement savings plan and other personal benefits where appropriate.	>Provide a total compensation package that is competitive with the marketplace and addresses unique needs, especially for overseas executives.
Severance and Change in Control Protections	>Protect executives during potentially tumultuous corporate transaction. >Provide reduced post-employment compensation upon other involuntary terminations.	>Allow executives to focus on generating stockholder value during a change in control transaction. >Provide market-competitive post-employment compensation recognizing executives likely require more time to find subsequent employment.

Compensation Mix

Consistent with our compensation philosophy, our compensation program balances base salary, short-term incentive and long-term incentive opportunities provided to our executive officers. The following charts illustrate the mix of target compensation components for the Vice Chairman and CEO and the other named executive officers during the 2017 fiscal year.

As illustrated by the charts below, the majority of compensation that may be earned by our named executive officers is tied to the achievement of financial performance metrics (annual performance bonuses and PRSUs) or fluctuates with the underlying value of our common stock (RSUs).

Detailed Review of Compensation Components

Base Salary

As discussed above, we provide our executive officers fixed compensation commensurate with their performance, experience, responsibilities, skill set and market value. This attracts and retains an appropriate caliber of talent for the position and provides a base wage that is not subject to our performance risk. In setting base salaries for 2017, our Compensation Committee considered:

Individual Performance	>The degree to which the executive met and exceeded expectations.
Market Data	>Geographical and market data to test reasonableness of compensation.
Overall Compensation Mix	>Senior employees should have a greater portion of their compensation tied to increasing stockholder value.

Upon completing its review and as shown in the table below, the Compensation Committee determined that it was appropriate to hold base salary levels unchanged for 2017. The fixed compensation paid to Mr. Bagai is paid in Indian Rupees and we have included the percentage increase with respect to his fixed compensation in his home currency (INR). Further, this amount covers not only base salary for Mr. Bagai, but also amounts available as a travel allowance, an automobile allowance, a housing allowance, a medical allowance and a cash supplementary allowance, consistent with compensation practices in India. We note that the year-over-year difference in Mr. Bagai's base salary is solely based on exchange rate fluctuations.

Name	**2016 Base Salary / Annual Fixed Compensation (Effective April 1, 2016)**		**2017 Base Salary / Annual Fixed Compensation (Effective April 1, 2017)**		**% Increase / Decrease**
Rohit Kapoor	$ 620,000		$ 620,000		—
Vishal Chhibbar	$ 400,000	(1)	$ 400,000		—
Pavan Bagai	$ 358,646	(2)	$ 360,106	(4)	nm(5)
Nagaraja Srivatsan	$ 415,000	(3)	$ 415,000		—
Nalin Miglani	$ 410,000		$ 410,000		—

(1)Mr. Chhibbar's base salary, along with his employment agreement, became effective January 1, 2016 as a result of his relocation to the United States.

(2)The exchange rate used for the annual fixed compensation conversion from Indian rupees to U.S. dollars for Mr. Bagai was 64.13 INR to 1 USD, which was the exchange rate on January 1, 2016.

(3)Mr. Srivatsan's base salary became effective when he commenced employment on December 9, 2016.

(4)The exchange rate used for the annual fixed compensation conversion from Indian rupees to U.S. dollars for Mr. Bagai was 63.87 INR to 1 USD, which was the exchange rate on December 31, 2017.

(5)Not meaningful. Mr. Bagai's base salary was not increased; however, the total USD amount fluctuated solely as a result of a change in the exchange rate.

Incentive Bonus

We have established an annual incentive bonus program in order to align our executive officers' goals with our performance targets for the current year and to encourage meaningful contributions to our future financial performance. Our Compensation Committee approved the framework of our incentive bonus program in December 2016 for the year 2017 for bonuses payable in respect of 2017 performance. Under the program, bonus target amounts, expressed as a percentage of base salary or annual fixed compensation, are established for participants at the beginning of each year unless their employment agreements contain different terms. Funding of potential bonus payouts for the year are determined by our financial results for the year relative to pre-established financial performance measures as well as a moderate component determined based on the executive's individual performance against pre-established performance goals. If our performance falls short of target, our aggregate funding of the annual cash bonus incentive pool declines. If we do not achieve a minimum threshold for the established financial performance objectives, then the bonus pool is not funded for that particular objective. At the end of the performance period, our Compensation Committee has discretion to adjust an award payout from the amount yielded by the formula; however, there were no such adjustments for the 2017 fiscal year.

Our Compensation Committee considered the following when establishing the awards for 2017:

>**Bonus Targets.** Bonus targets were established based on job responsibilities and comparable market data. Our objective was to set bonus targets such that total annual cash compensation was within the broad middle range of market data and a substantial portion of that compensation was linked to our performance. Consistent with our executive compensation policy, individuals with greater job responsibilities had a greater proportion of their total compensation tied to our performance. During 2017, our Compensation Committee established the following bonus targets (expressed as a percentage of base salary or annual fixed compensation) as well as maximum bonus targets for each named executive officer.

Name	Bonus Target	Bonus Maximum
Rohit Kapoor	100% of base salary	200% of base salary
Vishal Chhibbar	60% of base salary	120% of base salary
Pavan Bagai	75% of annual fixed compensation	150% of annual fixed compensation
Nagaraja Srivatsan	75% of base salary	150% of base salary
Nalin Miglani	60% of base salary	120% of base salary

>**Performance Measures.** Our executives were eligible to earn annual bonuses based on their achievement of company-wide performance metrics, business line or other company performance metrics and individual performance, as described in the tables below.

Name	Company-Wide Performance(1)	Individual Performance	Business Line or Other Company Performance
Rohit Kapoor	65%	15%	20%
Vishal Chhibbar	60%	20%	20%
Pavan Bagai	65%	15%	20%
Nagaraja Srivatsan	60%	20%	20%
Nalin Miglani	60%	20%	20%

(1)Based 50% on the Company's Adjusted EPS goal and 50% on the Company's revenue goal, for all employees whose incentive bonus is linked to Company-wide financial performance, including our named executive officers.

Following the Committee's 2016 adjustments to the annual bonus program to include personal performance goals for each of our named executive officers, the Committee continued in 2017 to set the business line and other Company performance goals as well as the individual performance goals described above for all named executive officers to ensure the executives were properly focused on both the Company's Adjusted EPS and revenue goals, aggregate of business units performance on revenue and Adjusted EPS goals and other areas of performance that are unique to their positions within the organization. The Compensation Committee believes achievement of these performance metrics are monitored by our investors, will drive our business and will lead to increased stockholder value. In addition, the moderate individual performance component allows the Committee to consider each executive officer's accomplishments in the context of their specific roles and responsibilities.

>**Determination of Financial Performance Achievement.** In 2017, the portion of incentive bonus payments that were subject to financial performance measures could have ranged from zero to 200% of target depending on the achievement of performance goals, as follows:

Adjusted EPS Goals		Revenue Goals	
% of Adjusted EPS Achieved Compared to Target Goal	**% of Target Portion Funded**	**% of Revenues Achieved Compared to Target Goal**	**% of Target Portion Funded**
Less than 90%	0%	Less than 90%	0%
At 90%	25%	At 90%	25%
From 90% to 100%	Linear interpolation from 25% to 100%	From 90% to 100%	Linear interpolation from 25% to 100%
At 100%	100%	At 100%	100%
From 100% to 110%	Linear interpolation from 100% to 200%	From 100% to 110%	Linear interpolation from 100% to 200%

Above 110%	200%	Above 110%	200%

In 2017, our Compensation Committee established an Adjusted EPS target of $2.62 and a revenue target of $770 million. These targets were greater than the 2016 fiscal year targets as well as actual 2016 performance levels as disclosed in our 2017 proxy statement. Based on our performance during the 2017 fiscal year, we achieved 101.7% of our Adjusted EPS target (Adjusted EPS achievement of $2.65), and 98.1% of our revenue target (revenue achievement of $762.3 million).

The bonus pool funding for employees whose bonuses are tied to the performance of specific business lines is determined by targets established for such businesses by our Compensation Committee.

>**Individual Performance Measures.** As discussed above, each of our named executive officers earns a portion of his respective annual incentive bonuses based on the achievement of individual performance measures. These goals are designed to balance the attention of our named executive officers between the achievement of near-term objectives that improve specific processes or performance metrics and long-term objectives for us. While some of the goals are subjective, other goals, such as client and employee satisfaction metrics, are capable of objective measurement. The individual performance measures are generally based on strategic performance indicators such as improving sales productivity, strengthening our sales effectiveness, supporting inorganic growth through mergers and acquisitions, improving recruitment capabilities, enhancing market recognition, advancing our technological and automation capabilities and achieving revenue growth targets within specific areas.

>**Determination of Individual Performance Achievement.** Mr. Kapoor made performance assessments and compensation recommendations for Messrs. Chhibbar, Bagai, Srivatsan and Miglani and our Compensation Committee approved the recommendations after reviewing similar considerations for such named executive officers. For Mr. Chhibbar, our Compensation Committee noted his role in aligning business metrics with an effective sales cadence, developing investor relations, and growing the finance and accounting business. For Mr. Bagai, our Compensation Committee noted his contribution in leading the operations of the Company and driving significant cost efficiencies as well as his role in growing margins of operational geographies. For Mr. Srivatsan, our Compensation Committee noted his success in establishing effective sales cadence, building the consulting business, and driving more impactful marketing. For Mr. Miglani, our Compensation Committee noted his contribution in streamlining the organization, enabling the Company with digital capabilities, and enabling leadership development. For Mr. Kapoor, the Compensation Committee noted his contribution in significantly enhancing the leadership capacity, meeting business metric targets, streamlining the organization and, in particular, laying a strong foundation for a digital strategy.

>**Actual Bonus Payments.** The table below sets out the 2017 incentive bonuses paid to our named executive officers in March 2018.

Name	Earned 2017 Incentive Bonus ($)
Rohit Kapoor	591,028
Vishal Chhibbar	252,608
Pavan Bagai(1)	265,561
Nagaraja Srivatsan	302,701
Nalin Miglani	249,083

(1)The exchange rate used for the bonus conversion from Indian rupees to U.S. dollars for Mr. Bagai was 63.87 INR to 1 USD, which was the exchange rate on December 31, 2017.

Long-Term Equity Incentives

The Committee continues to believe that long-term equity awards provide employees with the incentive to stay with us for longer periods of time, which in turn, provides us with greater stability as we grow. These incentives foster the long-term perspective necessary for continued success in our business because the value of the awards is directly linked to long-term stock price performance, and they ensure that our executive officers are properly focused on stockholder value.

Moreover, the Committee favors restricted stock unit awards as these awards offer executives the opportunity to receive shares of our common stock on or shortly following the date that the restrictions lapse. Such awards serve both to reward and retain executives because value is linked to the price of our stock on the date that the restriction lapses, and the executive must generally remain in employment through the date that the restrictions lapse. Restricted stock unit awards provide a significant degree of alignment of interests between our executives and stockholders.

The Committee also believes that the mix between Time-Vested RSUs and Performance-Vested RSUs provides an appropriate balance between incentivizing our executives to continue their employment with the Company and to ensure they are focused on long-term financial performance and generating stockholder value, which will enable them to realize additional compensation.

Finally, restricted stock units are potentially less dilutive to stockholders' equity than stock options because restricted stock awards are full value awards, and our Compensation Committee can award fewer shares than an equivalent value of stock options.

Fiscal Year 2017 Awards

Under our equity compensation program, our executive officers received restricted stock units under the 2015 Amendment and Restatement of the 2006 Omnibus Award Plan (the "2015 Plan"). We awarded restricted stock units to all of our named executive officers in the portions shown below.

>The Time-Vested RSUs will vest in increments of 25% on each of the first four anniversaries of the grant date, subject to continuous service with the Company through the applicable vesting date.

>The Committee believes these Time-Vested RSUs provide an important role in promoting retention of our executive officers.

>The "Performance-Vested" portion of the 2017 RSUs ("PRSUs") are split into two types that each vest based on separate performance measures as follows:

–Revenue-Linked PRSUs: 50% of these performance-based restricted stock unit awards will cliff-vest on December 31 of the third fiscal year in the performance period, subject to achievement of threshold Company revenues against an aggregate revenue target over the grant's three year performance period of January 1, 2017 to December 31, 2019 and continuous employment through December 31, 2019 — we call these awards "Revenue-Linked PRSUs." The Committee selected revenue as the PRSU goal because it is pivotal to achieving our growth objectives, enables a longer term assessment of our performance than the one year calculation in the annual incentive bonus program, and is an important metric for our investors. The ultimate amount of Revenue-Linked PRSUs that a recipient earns may be up to 200% of the target award of Revenue-Linked RSUs. To the extent the Company's revenue falls in between 90% and 98%, the percentage of Revenue-Based RSUS earned will be determined based on straight line interpolation calculated using a revenue target range between 90% and 100% and a funding range between 0% and 100%. Likewise, if performance is between 102% and 110%, the percentage of Revenue-Based RSUS earned will be determined based on straight line interpolation calculated using a revenue target range between 100% and 110% and a funding range between 100% and 200%. The chart below sets forth the revenue target achievement thresholds and corresponding funding percentage:

Revenue Target Achievement	Funding Percentage
110% or more	200%
98% to 102%	100%
90% or less	0%

–Relative TSR-Linked PRSUs: The remaining 50% of the performance-based restricted stock unit awards cliff-vest on December 31 of the third fiscal year in the performance period, based on the achievement of relative total stockholder return performance of the Company against a peer group over the grant's three-year performance period of January 1, 2017 to December 31, 2019 and continuous employment through December 31, 2019 — we call these awards "Relative TSR-Linked PRSUs." The Company's TSR for the TSR performance period will be computed and then compared to the TSR of the companies in the TSR peer group, which is comprised of the public companies traded on either the NYSE or NASDAQ stock markets in our 8-digit Global Industry Classification Standard sub-industry group. This peer group is broader than the compensation peer group to allow for a more robust market comparison of our TSR performance over the relevant period. For the Relative TSR-Linked PRSUs granted in 2017, the Company included a negative TSR cap. Under the negative TSR cap, if the total stockholder return is negative over the course of the three year performance period, no named executive officer may receive greater than 100% funding of the TSR-Linked PRSUs.

The percentage of Relative TSR-Linked PRSUs earned will be determined based on straight-line interpolation to the extent the Company's TSR falls in between the 20th and 80th percentiles, as per the chart below:

TSR Peer Group Percentile	Percentage of Relative TSR-Linked PRSUs Earned
80.0 or more	200%
65.0	150%
50.0	100%
35.0	50%
20.0 or less	0%

>The Committee believes the PRSUs focus our executives on key drivers of our Company's business that will ultimately lead to creation of additional stockholder value.

The table below shows the amount of Time-Vested and Performance-Vested RSUs our Compensation Committee awarded our named executive officers in 2017. In general, the Compensation Committee believes that the size of the award granted to an executive officer should increase based on the executive officer's level of responsibility within the Company.

Name	Time Vested RSUs	Revenue-Linked PRSUs	Relative TSR-Linked PRSUs
Rohit Kapoor	31,889	15,945	15,944
Vishal Chhibbar	7,275	3,638	3,637
Pavan Bagai	11,500	5,750	5,750
Nagaraja Srivatsan	6,600	3,300	3,300

Nalin Miglani	7,150	3,575	3,575

Payout of Awards Granted in Prior Fiscal Years

This was the third and final performance year for the 2015 performance-based restricted stock units. We achieved 98.3% of the revenue target for the revenue-linked restricted stock units resulting in 82.9% of target funding of those grants. The Company's TSR performance was at the 93rd percentile amongst its peer group, resulting in the executives earning 200% of the 2015 relative TSR-linked restricted stock units pursuant to the terms of the original grant.

Pursuant to the terms of our 2006 Omnibus Award Plan (the "2006 Plan"), Mr. Kapoor received a Stock Price Performance Award in the second quarter of 2015 that he could earn based on the Company's average stock price exceeding certain targets during the 60 day period prior to December 31, 2017 (target and maximum annual stock price growth were 10% and 21%, respectively) and contingent upon his continuous service through that date. Because of the significant increase in our stock price over the three-year performance period as referenced in the total stockholder return chart on page 30 above, the amount of PRSUs Mr. Kapoor ultimately received was 200% of his Target Award, based on actual performance.

Benefits and Perquisites

We offer employee benefits coverage in order to:

>provide our global workforce with a reasonable level of financial support in the event of illness or injury; and

>provide market-competitive benefits that enhance productivity and job satisfaction through programs that focus on work/life balance.

The benefits available for all U.S. employees include customary medical and dental coverage, disability insurance and life insurance. In addition, our 401(k) plan provides a reasonable level of retirement income reflecting employees' careers with us. A number of our U.S. employees, including our U.S.-based named executive officers, participate in these plans. The cost of employee benefits is partially borne by our employees, including our named executive officers. Our named executive officer in India, Mr. Bagai, is eligible to participate in the Company's pension benefit, health and welfare and fringe benefit plans otherwise available to executive employees in India.

We generally do not provide significant perquisites or personal benefits to executive officers other than our Vice Chairman and CEO and our executive officers in India. Our Vice Chairman and CEO is provided a limited number of perquisites which we believe are reasonable and consistent with market trends, which are intended to be part of a competitive overall compensation program. A discussion of the benefits provided to our Vice Chairman and CEO is provided under "Employment Agreements" beginning on page 50.

Risk and Compensation Policies

Our Compensation Committee has taken into account its discussions with management regarding our compensation practices and has concluded that any risks arising from our compensation policies and practices are not reasonably likely to have a material adverse effect on us. This conclusion was based on the features of our compensation programs, practices and policies set forth under "Key Corporate Governance Features" on page 32.

Vice Chairman and CEO Employment Agreement

In September 2017, we extended the term of our Vice Chairman and CEO's employment with our Company through December 31, 2020 by entering into an amended and restated employment agreement that became effective January 1, 2018. These terms are substantially similar to those in effect during our 2017 fiscal year, which are discussed in greater detail on page 50. We believe that this extension is important to ensure our company continues to benefit from Mr. Kapoor's outstanding management and to provide certainty and stability at our highest leadership position.

Severance and Change-in-Control Benefits

Each named executive officer is party to an employment agreement or letter that sets forth the terms of his or her employment, including compensation, which was negotiated through arms'-length contract negotiations. Under these employment agreements or letters, we are obligated to pay severance or other enhanced benefits upon termination of their employment. A discussion of the severance and other enhanced benefits provided to our named executive officers is provided under "Potential Payments upon Termination or Change in Control at Fiscal 2017 Year-End" beginning on page 55.

We have provided change-in-control severance protection for some of our executive officers, including our named executive officers. Our Compensation Committee believes that such protection is intended to preserve employee morale and productivity and encourage retention in the face of the disruptive impact of an actual or rumored change in control. In addition, for executive officers, the program is intended to align executive officers' and stockholders' interests by enabling executive officers to consider corporate transactions that are in the best interests of our stockholders and other constituents without undue concern over whether the transactions may jeopardize the executive officers' own employment.

Senior executive officers, including our named executive officers, have enhanced levels of benefits based on their job level, seniority and probable loss of employment after a change in control. We also consider it likely that it will take more time for senior executive officers to find new employment.

Looking Forward to 2018

For fiscal 2018, we generally continued the annual bonus program and our long-term equity incentives for fiscal 2017, subject, of course, to new performance goals.

Deductibility Cap on Executive Compensation

The Tax Cuts and Jobs Act of 2017 (the "Tax Reform Act"), which was enacted on December 22, 2017, significantly alters our ability to deduct for federal income tax purposes compensation paid to certain of our executives. Prior to its passage, Section 162(m) of the Code limited our ability to deduct compensation paid to our named executive officers (other than our chief financial officer) in excess of $1 million per year, unless the compensation was "performance-based", as described in the regulations under Code Section 162(m). In general, the Tax Reform Act eliminated the exception from Code Section 162(m)'s deduction limits for performance-based compensation, clarified that chief executive officers are covered by the deduction limitation, and made certain other changes, including providing for transition relief for written binding contracts in effect on November 2, 2017.

It is not yet clear the degree to which we may rely on this transition relief with respect to prior awards made under our various incentive compensation arrangements. As in the past, our Compensation Committee expects to continue to take into consideration the tax deductibility of compensation, but reserves the right to authorize payments that may not be deductible if it believes that the payments are appropriate and consistent with our compensation philosophy.

Compensation Committee Report

The Compensation Committee of the board of directors of ExlService Holdings, Inc. has reviewed and discussed the Compensation Discussion and Analysis with our management and, based on such review and discussion, has recommended to the board of directors of ExlService Holdings, Inc. that the Compensation Discussion and Analysis be included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2017, and our proxy statement relating to the Annual Meeting.

COMPENSATION COMMITTEE

Ms. Anne Minto (Chair)

Ms. Deborah Kerr

Mr. Som Mittal

Mr. Clyde W. Ostler

Mr. Garen K. Staglin

Summary Compensation Table for Fiscal Year 2017

The following table sets forth information for compensation earned in fiscal years 2015, 2016 and 2017 by our named executive officers:

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)(2)	Non-Equity Incentive Plan Compensation ($)(3)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)(4)	All Other Compensation ($)	Total ($)
Rohit Kapoor **Vice Chairman & CEO**	2017	620,000	—	3,145,687	591,028	—	41,413	4,398,128
	2016	615,027	—	4,005,938	525,043	—	47,129 (5)	5,193,137
	2015	600,000	—	6,119,000	621,129	—	35,014	7,375,143
Vishal Chhibbar **Executive Vice President and CFO**	2017	400,000	—	717,639	252,608	—	8,990	1,379,237
	2016	411,054	—	747,775	210,992	—	108,340 (6)	1,478,161
	2015	251,341		595,800	157,049	8,340	34,775	1,047,305
Pavan Bagai **President & Chief Operating Officer**	2017	296,139	—	1,134,418	265,561	6,059	66,207	1,768,384
	2016	262,895 (1)	—	1,335,313	200,449	11,170	72,453 (7)	1,882,280
	2015	242,590	—	993,000	246,239	9,386	76,164	1,567,379
Nagaraja Srivatsan **Executive Vice President and Chief Growth Officer**	2017	415,000	—	651,057	302,701	—	8,490	1,377,248
	2016	—	—	—	—	—	— (8)	—
	2015	—	—	—	—	—	—	—
Nalin Miglani **Executive Vice President and Chief Human Resources Officer**	2017	410,000	—	705,312	249,083	—	8,490	1,372,885
	2016	407,514	—	640,950	231,104	—	8,340 (9)	1,287,908
	2015	400,000	—	476,640	274,840	—	81,520	1,233,000

(1)The amount set forth in the “Salary” column for Mr. Bagai includes $126,037 of base salary, $114,276 of a cash supplementary allowance, $33,349 of housing allowance (which Mr. Bagai elected to receive in cash), $11,743 of car allowance (which Mr. Bagai elected to receive in cash), and $10,734 of travel and medical allowance (which Mr.

Bagai elected to receive in cash).

(2)Amounts reflect the total grant date fair value of awards recognized for financial statement reporting purposes for the fiscal years ended December 31, 2015, 2016 and 2017, in accordance with FASB ASC Topic 718 (disregarding any forfeiture assumptions). Assumptions used in the calculation of these amounts are included (i) for 2017, in footnotes 2 and 21 to the audited financial statements for the fiscal year ended December 31, 2017, included in the 2017 Form 10-K; (ii) for 2016, in footnotes 2 and 18 to the audited financial statements for the fiscal year ended December 31, 2016, included in our Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 15, 2017; and (iii) for 2015, in footnotes 2 and 14 to the audited financial statements for the fiscal year ended December 31, 2015, included in our Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 26, 2016. With respect to stock awards granted in 2017, the table below sets forth the value attributable to performance restricted stock units valued at target achievement. Performance restricted stock units granted in 2017 may pay out up to 200% of the target award, which would have amounted to the grant date fair values listed as the maximum total grant date fair value for each named executive officer in the table below.

Name	Target Total Grant Date Fair Value ($)	Maximum Total Grant Date Fair Value ($)
Rohit Kapoor	1,623,625	3,247,251
Vishal Chhibbar	370,403	740,807
Pavan Bagai	585,523	1,171,045
Nagaraja Srivatsan	336,039	672,078
Nalin Miglani	364,042	728,085

(3)Reflects the cash incentive bonuses earned in respect of 2017 and paid in 2018. For details on our annual incentive bonus program, see "Compensation Discussion and Analysis—Incentive Bonus" beginning on page 39.

(4)Reflects the present value of accruals under the Gratuity Plan for Indian Employees. Information regarding our Gratuity Plan (including the assumptions used to calculate these amounts) may be found under "Pension Benefits for Fiscal Year 2017" beginning on page 55.

(5)Amount for Mr. Kapoor includes the travel allowance provided for under his employment agreement, to be used for once-a-year business class airfare for himself and his family between the United States and India, costs associated with use of an automobile and driver in India, car lease, tax preparation assistance in India, contributions to our 401(k) plan, and Company-paid life insurance premiums.

(6)Amount for Mr. Chhibbar includes contributions to our 401(k) plan and Company-paid life insurance premiums and tax preparation assistance.

(7)Amount for Mr. Bagai includes housing allowance ($42,273), contributions to Employees' Provident Fund Scheme (a statutorily required defined contribution program for Indian employees) ($15,124), costs associated with use of an automobile and driver in India, and home internet and telephone charges.

(8)Amount for Mr. Srivatsan includes contributions to our 401(k) plan and Company-paid life insurance premiums.

(9)Amount for Mr. Miglani includes contributions to our 401(k) plan and Company-paid life insurance premiums.

Unless otherwise specified, U.S. dollar figures in this proxy statement have been converted from Indian rupees at a rate of 63.87 Indian rupees to $1.00, the Indian rupee to U.S. dollar exchange rate in effect as of December 31, 2017. Some of the information in the Summary Compensation Tables for fiscal years 2014 and 2015 was converted using the exchange rates in effect as set forth below:

Fiscal Year	Rate	Exchange Rate of INR per US$1
2016	December 31, 2016	67.94
2015	December 31, 2015	66.15

Grants of Plan-Based Awards Table for Fiscal Year 2017

The following table sets forth information concerning grants of stock and option awards and non-equity incentive plan awards granted to our named executive officers during fiscal year 2017:

		Estimated Future Payouts Under Non-Equity Incentive Plan Awards(1)			Estimated Future Payouts Under Equity Incentive Plan Awards				
Name	**Grant Date**	**Threshold ($)**	**Target ($)**	**Maximum ($)**	**Threshold (#)**	**Target (#)**	**Maximum (#)**	**All Other Stock Awards: Number of Shares of Stock or Units (#)**	**Grant Date Fair Value of Stock and Option Awards(5) ($)**
Rohit Kapoor			620,000	1,240,000					
	2/23/2017					15,945 (2)	31,890		761,055
	2/23/2017					15,944 (3)	31,888		862,570
	2/23/2017							31,889 (4)	1,522,062
Vishal Chhibbar			240,000	480,000					
	2/23/2017					3,638 (2)	7,276		173,642
	2/23/2017					3,637 (3)	7,274		196,762
	2/23/2017							7,275 (4)	347,236
Pavan Bagai			270,080	540,160					
	2/23/2017					5,750 (2)	11,500		274,448
	2/23/2017					5,750 (3)	11,500		311,075
	2/23/2017							11,500 (4)	548,895
Nagaraja Srivatsan			311,250	622,500					
	2/23/2017					3,300 (2)	6,600		157,509
	2/23/2017					3,300 (3)	6,600		178,530
	2/23/2017							6,600 (4)	315,018
Nalin Miglani			246,000	492,000					
	2/23/2017					3,575 (2)	7,150		170,635
	2/23/2017					3,575 (3)	7,150		193,408
	2/23/2017							7,150 (4)	341,270

(1)These amounts reflect the target and maximum cash incentive bonuses set for 2017. For details of our annual incentive bonus program, see “Compensation Discussion and Analysis – Incentive Bonus” beginning on page 39.

(2)Represents annual awards of Revenue-Linked PRSUs granted under the 2015 Plan, subject to the vesting set forth in footnote 6.

(3)Represents annual awards of Relative TSR-Linked PRSUs granted under the 2015 Plan, subject to the vesting set forth in footnote 6.

(4)Represents annual awards of restricted stock units granted under the 2015 Plan, subject to the vesting set forth in footnote 6.

(5)The grant date fair value of the estimated future payouts for the Relative TSR-Linked PRSUs are based on the Monte Carlo value.

(6)The vesting schedules of the stock grants mentioned in the table are as follows for each named executive officer (subject to continued employment through each applicable vesting date):

Grant Date	Vesting Start Date	Vesting Schedule
2/23/2017	2/23/2017	Revenue Linked PRSUs: 100% vesting on 12/31/2019
2/23/2017	2/23/2017	Relative TSR-Linked PRSUs: 100% vesting on 12/31/2019
2/23/2017	2/23/2017	Restricted Stock Units: Vesting over 4 years – 25% each year

Employment Agreements

In addition to the terms described below, the employment and severance agreements for each of our named executive officers include severance, termination and/or noncompetition provisions which are described below under “Potential Payments upon Termination or Change in Control at Fiscal 2017 Year-End” beginning on page 55.

Rohit Kapoor

Mr. Kapoor serves as our Vice Chairman and CEO, and is based at our executive offices in New York, New York. Our engagement of Mr. Kapoor has been under the terms of employment agreements for over twelve years. His fiscal year 2017 compensation was paid under an employment agreement dated April 29, 2015. That employment agreement provided for an initial term from January 1, 2015 until December 31, 2017, and automatically renewed for successive one-year periods unless terminated with 120 days prior notice. As noted above, we entered into an amended and restated employment agreement with Mr. Kapoor in September 2017 that became effective January 1, 2018. The description in this section relates to Mr. Kapoor’s prior employment agreement, as was in effect during the entirety of our 2017 fiscal year.

Salary, Bonus and Equity. Mr. Kapoor’s base salary remained at $620,000, effective April 1, 2017. Mr. Kapoor’s base salary can be increased at our sole discretion and cannot be decreased unless a Company-wide decrease in pay is implemented. Mr. Kapoor can earn an annual cash bonus, with a target of 100% of base salary and a maximum of 200% of base salary, based upon the attainment of performance criteria determined by our Compensation Committee. Mr. Kapoor remains eligible to receive equity-based awards annually during the term, in amounts and forms determined by the Compensation Committee, but with vesting terms no less favorable than ratable vesting over four years from the date of grant.

Pursuant to the terms of our 2006 Plan, Mr. Kapoor received a Stock Price Performance Award in the second quarter of 2015 that he may earn based on the Company’s average stock price exceeding certain targets during the 60 day period prior to December 31, 2017 and contingent upon his continuous service through that date.

Personal Benefits. We provide Mr. Kapoor with certain personal benefits, including certain club memberships, term life insurance policy (with a face value of $500,000), once-a-year business class airfare between the United States and India for the executive and his family, up to $12,000 for personal tax and estate planning expenses, up to $1,400 per month car allowance, up to $12,000 per year for expenses associated with maintaining an automobile in India (including cost of a driver), personal security for the executive and his family while in India, reimbursement for first-class business travel, and a per diem allowance for certain trips. In addition, his employment agreement entitles him to certain other benefits in the event he is relocated to India, but which are not applicable currently as he maintains a U.S. residency.

Mr. Kapoor’s employment agreement also includes severance, termination and noncompetition provisions which are described below under “Potential Payments upon Termination or Change in Control at Fiscal 2017 Year-End” beginning on page 55.

Vishal Chhibbar

Mr. Chhibbar serves as our Executive Vice President and CFO, and was based in India until December 31, 2015. We entered into an employment agreement with him, effective January 1, 2016 which will continue throughout Mr. Chhibbar's employment with the Company.

Salary, Bonus and Equity. Mr. Chhibbar's base salary was increased to $400,000, effective January 1, 2016. Mr. Chhibbar's base salary will be reviewed at least annually and may be increased at the discretion of the Board. In addition, under his agreement, Mr. Chhibbar can earn an annual cash bonus, with a target of 60% of base salary and a maximum of 120% of base salary, based upon the attainment of performance criteria determined by our Compensation Committee. Mr. Chhibbar is also eligible, subject to performance and other conditions, to receive annual equity awards at the discretion of the Compensation Committee. Mr. Chhibbar was entitled to receive $100,000 in connection with his relocation from India to New York, New York in 2016.

Mr. Chhibbar's employment agreement also includes severance, termination and noncompetition provisions which are described below under "Potential Payments upon Termination or Change in Control at Fiscal 2017 Year-End" beginning on page 55.

Pavan Bagai

Mr. Bagai serves as our President and Chief Operating Officer, and is based in India. We entered into an employment agreement with him, effective July 31, 2002 and a severance letter, effective March 15, 2011, each of which will continue throughout Mr. Bagai's employment with the Company.

Salary, Bonus and Equity. Mr. Bagai's annual fixed compensation, measured in his home currency of Indian rupees, was increased by 0.41% effective April 1, 2017. This difference in Mr. Bagai's base salary is solely based on exchange rate fluctuations. Mr. Bagai's annual fixed compensation includes base salary, as well as amounts available as a leave travel allowance, a housing allowance, an automobile allowance, a medical allowance and a cash supplementary allowance. In addition, Mr. Bagai can earn an annual cash bonus, with a target of 75% of annual fixed compensation and a maximum of 150% of annual fixed compensation in 2016, based upon the attainment of performance criteria determined by our Compensation Committee. Mr. Bagai is also eligible, subject to performance and other conditions, to receive annual equity awards at the discretion of the Compensation Committee.

Mr. Bagai's agreements also includes severance, termination and noncompetition provisions which are described below under "Potential Payments upon Termination or Change in Control at Fiscal 2017 Year-End" beginning on page 55.

Nagaraja Srivatsan

Mr. Srivatsan serves as our Executive Vice President and Chief Growth Officer, and is based at our executive offices in New York, New York. We entered into an employment agreement with him, effective December 10, 2016 which will continue throughout Mr. Srivatsan's employment with the Company.

Salary, Bonus and Equity. Mr. Srivatsan's base salary remained at $415,000, effective April 1, 2017. Mr. Srivatsan's base salary will be reviewed at least annually and may be increased at the discretion of the Board. In addition, under his agreement, Mr. Srivatsan can earn an annual cash bonus, with a target of 75% of base salary and a maximum of 150% of base salary, based upon the attainment of performance criteria determined by our Compensation Committee. Mr. Srivatsan is also eligible, subject to performance and other conditions, to receive annual equity awards at the discretion of the Compensation Committee. Mr. Srivatsan's employment agreement provided for: (i) an initial equity award of 18,000 restricted stock units that will vest according to the schedule described below under "Outstanding Equity Awards at Fiscal 2017 Year-End" beginning on page 53 and (ii) a one-time joining bonus of $200,000.

Mr. Srivatsan's employment agreement also includes severance, termination and noncompetition provisions which are described below under "Potential Payments upon Termination or Change in Control at Fiscal 2017 Year-End" beginning on page 55.

Nalin Miglani

Mr. Miglani serves as our Executive Vice President and Chief Human Resources Officer, and is based at our executive offices in New York, New York. We entered into an employment agreement with him, effective December 1, 2014, which will continue throughout Mr. Miglani's employment with the Company.

Salary, Bonus and Equity. Mr. Miglani's base salary remained at $410,000, effective April 1, 2017 and may be further increased from time to time by our Board. While employed, Mr. Miglani can earn an annual cash bonus, with a target of 60% of base salary and a maximum of 120% of base salary, based upon attainment of performance criteria determined by our Compensation Committee. Mr. Miglani is also eligible, subject to performance and other conditions, to receive annual equity awards at the discretion of the Compensation Committee. Mr. Miglani's employment agreement provided for: (i) an initial equity award of 20,000 restricted stock units that will vest according to the schedule described below under "Outstanding Equity Awards at Fiscal 2017 Year-End" beginning on page 53 and (ii) a one-time joining bonus of $200,000 half of which was paid on the commencement of his employment and the other half paid in March 2015, based on his continued service with the Company. Mr. Miglani received $100,000 in connection with his relocation from Amsterdam to New York in 2014.

Mr. Miglani's employment agreement also includes severance, termination and noncompetition provisions which are described below under "Potential Payments upon Termination or Change in Control at Fiscal 2017 Year-End" beginning on page 55.

Outstanding Equity Awards at Fiscal 2017 Year-End

The following table sets forth the equity awards we have made to our named executive officers that were outstanding as of December 31, 2017:

	Option Awards					Stock Awards			
Name	**Option / Stock Award Grant Date**	**Number of Securities Underlying Unexercised Options (#) Exercisable[(1)]**	**Number of Securities Underlying Unexercised Options (#) Unexercisable**	**Option Exercise Price ($)**	**Option Expiration Date**	**Number of Shares or Units of Stock That Have Not Vested (#)[(2)]**	**Market Value of Shares or Units of Stock That Have Not Vested ($)[(4)]**	**Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)[(3)]**	**Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)[(4)]**
Rohit	2/7/2012	47,500	—	24.72	2/7/2022				
Kapoor	2/13/2014					9,375[(a)]	565,781		
	2/26/2015					18,750[(a)]	1,131,563		
	2/24/2016					28,125[(a)]	1,697,344		
	2/24/2016							37,500[(c)]	2,263,125
	2/24/2016							37,500[(d)]	2,263,125
	2/23/2017					31,889[(a)]	1,924,501		
	2/23/2017							15,945[(e)]	962,281
	2/23/2017							15,944[(e)]	962,220
Vishal	6/1/2009	42,000	—	9.59	6/1/2019				
Chhibbar	2/13/2014					2,800[(b)]	168,980		
	2/26/2015					5,250[(b)]	316,838		
	2/24/2016					5,250[(a)]	316,838		
	2/24/2016							7,000[(c)]	422,450
	2/24/2016							7,000[(d)]	422,450
	2/23/2017					7,275[(a)]	439,046		
	2/23/2017							3,638[(e)]	219,553
	2/23/2017							3,637[(e)]	219,493
Pavan	2/13/2014					4,600[(b)]	277,610		
Bagai	2/26/2015					8,750[(b)]	528,063		
	2/24/2016					9,375[(a)]	565,781		

	2/24/2016			12,500[c]	754,375
	2/24/2016			12,500[d]	754,375
	2/23/2017	11,500[a]	694,025		
	2/23/2017			5,750[e]	347,013
	2/23/2017			5,750[e]	347,013
Nagaraja	12/15/2016	13,500[a]	814,725		
Srivatsan	2/23/2017	6,600[a]	398,310		
	2/23/2017			3,300[e]	199,155
	2/23/2017			3,300[e]	199,155
Nalin	12/4/2014	8,000[b]	482,800		
Miglani	2/26/2015	4,200[b]	253,470		
	2/24/2016	4,500[a]	271,575		
	2/24/2016			6,000[c]	362,100
	2/24/2016			6,000[d]	362,100
	2/23/2017	7,150[a]	431,503		
	2/23/2017			3,575[e]	215,751
	2/23/2017			3,575[e]	215,571

(1)The stock option awards for Mr. Kapoor became vested in increments of 25% on each of the first, second, third and fourth anniversaries of the grant date, generally subject to continued employment through each applicable vesting date. For Mr. Chhibbar, 10% of the options vested on the first anniversary of the grant date, an additional 20% of the options vested on the second anniversary of the grant date, an additional 30% of the options vested on the third anniversary of the grant date and the remaining 40% of the options vested on the fourth anniversary of the grant date, generally subject to continued employment through each applicable vesting date.

(2)The restricted stock unit awards in this table vest and convert to shares in accordance with the following schedules (generally subject to continued employment through each applicable vesting date):

(a)25% of the restricted stock units vest on each of the first, second, third and fourth anniversaries of the grant date.

(b)10% of the restricted stock units vest on the first anniversary of the grant date, an additional 20% of the options vest on the second anniversary of the grant date, an additional 30% of the options vest on the third anniversary of the grant date and the remaining 40% of the options vest on the fourth anniversary of the grant date.

(3)The performance restricted stock unit awards in this table vest and convert to shares in accordance with the following schedules (generally subject to continued employment through the applicable vesting date and achievement of applicable performance goals):

(c)100% of the restricted stock units vest on December 31, 2018. This amount represents the third and final tranche of the 2016 Revenue-Linked PRSUs and reflects maximum performance.

(d)100% of the restricted stock units vest on December 31, 2017. This amount represents the 2016 Relative TSR-Linked PRSUs and reflects maximum performance.

(e)100% of the restricted stock units vest on December 31, 2019. This amount represents 2017 performance-based PRSUs and reflects target performance.

(4)The price used in determining the market values set forth in this table is $60.35, which was the closing price of our stock on December 29, 2017.

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Option Exercises and Stock Vested During Fiscal Year 2017

The following table provides additional information about the value realized by our named executive officers on option award exercises and stock award vesting during fiscal year 2017:

	Option Awards		Stock Awards	
Name	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise ($)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting ($)
Rohit Kapoor	393,900	16,894,271	301,124	17,897,829
Vishal Chhibbar	8,050	320,581	21,135	1,141,821
Pavan Bagai	—	—	36,559	1,963,362
Nagaraja Srivatsan	—	—	4,500	273,600
Nalin Miglani	—	—	17,187	1,015,993

Pension Benefits For Fiscal Year 2017

The following table discloses the present value of accumulated benefits payable to each of the named executive officers and the years of service credited to each named executive under the Gratuity Plan for Indian Employees as of December 31, 2017:

Name	Plan Name	Number of Years Credited Service (#)(1)	Present Value of Accumulated Benefit ($)	Payments During Last Fiscal Year ($)
Pavan Bagai	Gratuity Plan for Indian Employees(2)	15	90,892	

(1)Consists of the number of years of service credited as of December 31, 2017 for the purpose of determining benefit service under the Gratuity Plan. Credited service is determined based on the completed years of continuous employment (rounded to the nearest whole number of years) with the Company since the executive's date of hire.

(2)Liabilities with regard to the Gratuity Plans are determined by actuarial valuation using the projected unit credit method. Under this method, we determine our liability based upon the discounted value of salary increases until the date of separation arising from retirement, death, resignation or other termination of services. Critical assumptions used in measuring the plan expense and projected liability under the projected unit credit method include the discount rate, expected return on assets and the expected increase in the compensation rates. Details regarding the assumptions used in the calculation of these amounts are included in footnote 18 to the audited financial statements for the fiscal year ended December 31, 2017 included in the 2017 Form 10-K.

We are required to provide all Indian employees with benefits under the Gratuity Plan, a defined benefit pension plan in India. Distributions from the Gratuity Plan are made in a single lump sum following retirement from the Company. An executive's benefit under the Gratuity Plan is determined at any time as the executive's annual base salary (determined based on the executive's most recent monthly base salary) divided by 26, multiplied by 15, and the product multiplied by the executive's completed years of continuous service with the Company. An executive has a vested and nonforfeitable right to payment of his accrued Gratuity Plan benefit only after five years of service. The present value of Mr. Bagai's accumulated benefits has been determined based on his monthly basic salary rates in effect on December 31, 2017, which is approximately $10,503.

Potential Payments upon Termination or Change in Control at Fiscal 2017 Year-End

The following tables summarize the amounts payable to each named executive officer upon a change in control or termination of his employment with us on December 31, 2017. In calculating potential payments for purposes of this disclosure, we have quantified our equity-based payments using the closing stock price on December 29, 2017, which was $60.35. Certain defined terms used in the employment agreements for our named executive officers are defined following the description of Mr. Miglani's potential payments.

Rohit Kapoor

Cash Severance. If Mr. Kapoor's employment were terminated by us without "cause" or by the executive for "good reason" (in each case, as described below) on December 31, 2017, he would have been entitled to cash severance consisting of:

>continuation of his base salary for 24 months;

>his actual bonus, if any, earned for the year of termination, determined as if he had been employed for the full year of termination, paid ratably over the remaining period of base salary payments;

>any unpaid bonus amounts from prior periods;

>any accrued but unpaid base salary and vacation days or unreimbursed expenses;

>costs of continued COBRA coverage under the Company's group health plan on behalf of the executive and his eligible dependents (described in more detail below), until the earlier of (x) the 18-month anniversary of termination and (y) the date the executive becomes eligible to receive comparable benefits from a subsequent employer; and

>continuation of life insurance coverage until the earlier of (x) the 18-month anniversary of termination and (y) the date the executive commences employment with a subsequent employer.

Change-in-Control Cash Severance. If Mr. Kapoor's employment is terminated by us without "cause" or by the executive for "good reason" (in each case, as described above) within 12 months following a "change in control" or in specific contemplation of a change in control, the executive will receive, in lieu of the cash severance described above, (1) a lump sum payment equal to 24 months of base salary and (2) his actual bonus, if any, earned for the year of termination, determined as if he had been employed for the full year of termination, paid ratably over the remaining period of base salary payments.

Death or Disability. If Mr. Kapoor's employment terminates due to his death or is terminated by either the executive or us due to his disability, he (or his estate) will be entitled to a prorated portion of his projected bonus amount for the year of termination.

Noncompetition and Nonsolicitation Provisions. Mr. Kapoor is subject to confidentiality and nondisparagement restrictions at all times, as well as noncompetition and nonsolicitation restrictions during his employment and for one year thereafter.

Annual Equity Awards. If Mr. Kapoor's employment is terminated by us without cause or by Mr. Kapoor for good reason, Mr. Kapoor shall be treated as if he were still employed by the Company for a period of two years following the termination date. On a "change in control" (as defined in the 2006 Plan or 2015 Plan, as applicable) or on death, Mr. Kapoor's outstanding annual equity awards will vest as described below:

>**Time-Vested RSUs:** If a change in control occurs prior to the end of the four-year vesting period, Mr. Kapoor's Time-Vested RSUs will be advanced by one year. In addition, all of Mr. Kapoor's outstanding Time-Vested RSUs will become fully vested if, he is terminated without cause in specific contemplation of or within 12 months following a

change in control or, he voluntarily terminates his employment for good reason within 12 months following a change in control. For the 2017 award only, if Mr. Kapoor dies before the end of the four-year vesting period, all of Mr. Kapoor's outstanding Time-Vested RSUs will become fully vested.

>Revenue-Linked PRSUs: If a change in control occurs prior to the end of the performance period, 100% of target of Mr. Kapoor's Revenue-Linked PRSUs will be deemed earned, will be subject to a three year installment vesting schedule and will be advanced by one year under such schedule. In addition, all of Mr. Kapoor's outstanding Revenue-Linked PRSUs will become fully vested if, (i) he is terminated without cause in specific contemplation of or within 12 months following a change in control; (ii) he voluntarily terminates his employment for good reason within 12 months following a change in control; or (iii) solely with respect to the 2017 award, he dies following a change in control. Solely with respect to the 2017 award, if Mr. Kapoor dies prior to the end of the performance period and no change in control has occurred, Mr. Kapoor will become vested in a portion of the outstanding Revenue-Linked PRSUs equal to (x) the number of completed full months during the 3 year performance period up to the date of Mr. Kapoor's death divided by (y) 36 multiplied by (z) 100% of Mr. Kapoor's Revenue-Linked PRSUs.

>Relative TSR-Linked PRSUs: If a change in control occurs on or prior to the first anniversary of the grant date, 100% of target of Mr. Kapoor's Relative TSR-Linked PRSUs will be deemed earned. If a change in control occurs after the first anniversary of the grant date, the performance period will be deemed to end on the date of the change in control and the Compensation Committee shall determine the number of earned Relative TSR-Linked PRSUs based on the TSR of the Company and the peer group as of such date. In either scenario, the Relative TSR-Linked PRSUs that are deemed earned will be subject to a three year installment vesting schedule and will be advanced by one year under such schedule. In addition, all of Mr. Kapoor's outstanding Relative TSR-Linked PRSUs will become fully vested if, following or in specific contemplation of a change in control, he is terminated without cause or, following a change in control, he (i) voluntarily terminates his employment for good reason or (ii) solely with respect to the 2017 award, dies. Solely with respect to the 2017 award, if Mr. Kapoor dies prior to the end of the performance period and no change in control has occurred, Mr. Kapoor will become vested in a portion of the outstanding Relative TSR-Linked PRSUs equal to (x) the number of completed full months during the 3 year performance period up to the date of Mr. Kapoor's death divided by (y) 36 multiplied by (z) 100% of Mr. Kapoor's Relative TSR-Linked PRSUs.

Release of Claims. Mr. Kapoor's severance payments and termination-related equity acceleration are subject to his execution of a release of claims against us, his not having committed a material breach of the restrictive covenants that has remained uncured for 15 days after we have given him notice of such breach and his resignation from the board of directors and all committees thereof, if requested by the Company.

Code Section 280G. Mr. Kapoor's employment agreement also contains a "modified cut-back" provision such that any payments that constitute "excess parachute payments" under Section 280G of the Code will be reduced to an amount that does not trigger the applicable excise taxes, to the extent such reduced amount is larger than the amount Mr. Kapoor would have received on a present-value net-after-tax basis (including excise taxes) absent such a reduction.

Indicative Payouts for Rohit Kapoor

Payments upon Termination	**Death Prior to a Change in Control ($)**	**Death After a Change in Control ($)**	**Disability ($)**	**Termination for Good Reason or Without Cause ($)**	**Change in Control ($)**	**Termination Without Cause or for Good Reason Following Change in Control or Termination Without Cause in Specific Contemplation of Change in Control ($)**
Base salary payout	—	—	—	1,240,000	—	1,240,000
Bonus payout	591,028	591,028	591,028	591,028	—	591,028
Life insurance	—	—	—	2,448	—	2,448
Health insurance	—	—	—	30,217	—	30,217
Restricted stock units	1,924,501	1,924,501	—	3,791,157	2,178,469	5,319,189
Performance restricted stock units	641,400	1,924,501	—	4,187,626(1)	3,734,820	4,376,220

(1)As described above, upon his termination for good reason or without cause, Mr. Kapoor is treated as having continued his employment for two additional years for purposes of his annual equity awards. The information in this table was calculated assuming target performance over the additional two year-period, however, the actual payment would depend upon the Company's actual performance following Mr. Kapoor's termination.

Vishal Chhibbar

Either Mr. Chhibbar or we may terminate Mr. Chhibbar's employment at any time (though we must give Mr. Chhibbar 30 days' notice if the termination is without "cause" and Mr. Chhibbar must give us 90 days' advance notice upon any resignation). If Mr. Chhibbar's employment with the Company is terminated by the Company without "cause" or by Mr. Chhibbar for "good reason," as summarized below, Mr. Chhibbar will receive a cash severance payment equal to 12 months base salary, with 25% payable as a lump sum payment and the remaining 75% payable in accordance with the Company's regular payroll practices.

On a "change in control" (as defined in the 2006 Plan or 2015 Plan, as applicable) or on death, Mr. Chhibbar's outstanding equity awards will vest as described below:

>***Time-Vested RSUs:*** If a change in control occurs prior to the end of the four-year vesting period, Mr. Chhibbar's Time-Vested RSUs will be advanced by one year. In addition, all of Mr. Chhibbar's outstanding Time-Vested RSUs will become fully vested if, following or in specific contemplation of a change in control, he is terminated without cause or, following a change in control, he terminates his employment for good reason. For the 2017 award only, if Mr. Chhibbar dies before the end of the four-year vesting period, all of Mr. Chhibbar's outstanding Time-Vested RSUs will become fully vested.

>***Revenue-Linked PRSUs:*** If a change in control occurs prior to the end of the performance period, 100% of Mr. Chhibbar's Revenue-Linked PRSUs will be deemed earned, will be subject to a new three year installment vesting schedule and will be advanced by one year under such schedule. In addition, all of Mr. Chhibbar's outstanding Revenue-Linked PRSUs will become fully vested if, following or in specific contemplation of a change in control, he is terminated without cause or, following a change in control, he (i) terminates his employment for good reason or, (ii) solely with respect to the 2017 award, dies. Solely with respect to the 2017 award, if Mr. Chhibbar dies prior to the end of the performance period and no change in control has occurred, Mr. Chhibbar will become vested in a portion of the outstanding Revenue-Linked PRSUs equal to (x)

the number of completed full months during the 3 year performance period up to the date of Mr. Chhibbar's death divided by (y) 36 multiplied by (z) 100% of Mr. Chhibbar's Revenue-Linked PRSUs.

>***Relative TSR-Linked PRSUs:*** If a change in control occurs on or prior to the first anniversary of the grant date, 100% of Mr. Chhibbar's Relative TSR-Linked PRSUs will be deemed earned. If a change in control occurs after the first anniversary of the grant date, the performance period will be deemed to end on the date of the change in control and the Compensation Committee shall determine the number of earned Relative TSR-Linked PRSUs based on the TSR of the Company and the peer group as of such date. In either scenario, the Relative TSR-Linked PRSUs that are deemed earned will be subject to a new three year installment vesting schedule and will be advanced by one year under such schedule. In addition, all of Mr. Chhibbar's outstanding, earned TSR-Linked PRSUs will become fully vested if, following or in specific contemplation of a change in control, he is terminated without cause or, following a change in control, he (i) voluntarily terminates his employment for good reason or, (ii) solely with respect to the 2017 award, dies. Solely with respect to the 2017 award, if Mr. Chhibbar dies prior to the end of the performance period and no change in control has occurred, Mr. Chhibbar will become vested in a portion of the outstanding Relative TSR-Linked PRSUs equal to (x) the number of completed full months during the 3 year performance period up to the date of Mr. Chhibbar's death divided by (y) 36 multiplied by (z) 100% of Mr. Chhibbar's Relative TSR-Linked PRSUs.

Mr. Chhibbar's severance payments and termination-related equity acceleration are subject to his execution of a release of claims against us. Mr. Chhibbar is subject to confidentiality restrictions at all times, as well as noncompetition, nondisparagement and nonsolicitation restrictions during his employment and for one year thereafter.

Indicative Payouts of Vishal Chhibbar

Payments upon Termination	**Death Prior to a Change in Control ($)**	**Death After a Change in Control ($)**	**Termination for Good Reason or Without Cause ($)**	**Change in Control ($)**	**Termination Without Cause or for Good Reason Following Change in Control or Termination Without Cause in Specific Contemplation of Change in Control ($)**
Base salary payout	—	—	400,000	—	400,000
Restricted stock units	439,046	439,046	—	520,142	1,241,701
Performance restricted stock units	146,349	439,046	—	750,352	896,700

Pavan Bagai

Either Mr. Bagai or we may terminate Mr. Bagai's employment at any time with three months' notice (or pay three months' salary in lieu of notice). If Mr. Bagai is terminated by us without "cause" (other than due to disability) at any time following a change in control or in specific contemplation of a change in control, or if Mr. Bagai resigns for "good reason" following a "change in control" (as defined in the 2015 Plan), Mr. Bagai will receive a cash severance payment equal to twelve months' of his then-current annual fixed compensation, payable in twelve equal monthly installments.

On a "change in control" (as defined in the 2006 Plan or 2015 Plan, as applicable) or death, Mr. Bagai's outstanding equity awards will vest in the same manner as described for Mr. Chhibbar's outstanding equity awards beginning on page 58.

Mr. Bagai's severance payments and termination-related equity acceleration are subject to his execution of a waiver and release of claims against us. Mr. Bagai is subject to confidentiality restrictions at all times, as well as noncompetition and nonsolicitation restrictions for two years following termination of his employment.

Indicative Payouts for Pavan Bagai

Payments upon Termination	**Death Prior to a Change in Control ($)**	**Death After a Change in Control ($)**	**Disability ($)**	**Termination for Good Reason or Without Cause ($)**	**Change in Control ($)**	**Termination Without Cause or for Good Reason Following Change in Control or Termination Without Cause in Specific Contemplation of Change in Control ($)**
Base salary payout	—	—	—	360,106	—	360,106
Restricted stock units	694,025	694,025	—	—	866,023	2,065,479
Performance restricted stock units	231,261	694,025	—	—	1,280,003	1,511,265
Government-required payouts(1)	90,892	90,892	90,892	90,892	—	90,892

(1)Represents distributions under the Gratuity Plan, which is due to Mr. Bagai because he has earned over five years of credited service.

Nagaraja Srivatsan

Either Mr. Srivatsan or we may terminate Mr. Srivatsan's employment at any time (though we must give Mr. Srivatsan 30 days' notice if the termination is without "cause" and Mr. Srivatsan must give us 90 days' advance notice upon any resignation). If Mr. Srivatsan's employment with the Company is terminated by the Company without "cause" or by Mr. Srivatsan for "good reason," as summarized below, Mr. Srivatsan will receive a cash severance payment equal to 12 months base salary, payable in accordance with the Company's regular payroll practices.

On a "change in control" (as defined in the 2006 Plan or 2015 Plan, as applicable) or death, Mr. Srivatsan's outstanding equity awards will vest in the same manner as described for Mr. Chhibbar's outstanding equity awards beginning on page 58.

Mr. Srivatsan's severance payments and termination-related equity acceleration are subject to his execution of a release of claims against us. Mr. Srivatsan is subject to confidentiality restrictions at all times, as well as noncompetition, nondisparagement and nonsolicitation restrictions during his employment and for one year thereafter.

Indicative Payouts for Nagaraja Srivatsan

Payments upon Termination	Death Prior to a Change in Control ($)	Death After a Change in Control ($)	Termination for Good Reason or Without Cause ($)	Change in Control ($)	Termination Without Cause or for Good Reason Following Change in Control or Termination Without Cause in Specific Contemplation of Change in Control ($)
Base salary payout	—	—	415,000	—	415,000
Restricted stock units	398,310	398,310	—	371,153	1,213,035
Performance restricted stock units	132,770	398,310	—	265,540	398,310

Nalin Miglani

Either Mr. Miglani or we may terminate Mr. Miglani's employment at any time (though we must give Mr. Miglani 30 days' notice if the termination is without "cause" and Mr. Miglani must give us 90 days' advance notice upon any resignation). If Mr. Miglani's employment with the Company is terminated by the Company without "cause" (other than due to death or disability) or by Mr. Miglani for "good reason" (both "cause" and "good reason" as defined above), Mr. Miglani will receive a cash severance payment equal to 12 months base salary, with 25% payable as a lump sum payment and the remaining 75% payable in accordance with the Company's regular payroll practices.

On a "change in control" (as defined in the 2006 Plan or 2015 Plan, as applicable) or death, Mr. Miglani's outstanding equity awards will vest in the same manner as described for Mr. Chhibbar's outstanding equity awards beginning on page 58.

Mr. Miglani's severance payments and termination-related equity acceleration are subject to his execution of a release of claims against us. Mr. Miglani is subject to confidentiality restrictions at all times, as well as noncompetition, nondisparagement and nonsolicitation restrictions during his employment and for one year thereafter.

Indicative Payouts for Nalin Miglani

Payments upon Termination	**Death Prior to a Change in Control ($)**	**Death After a Change in Control ($)**