

India Globalization Capital, Inc.
Form 8-K
May 23, 2008

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

May 22, 2008
Date of Report (Date of earliest event reported)

INDIA GLOBALIZATION CAPITAL, INC.
(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction
of incorporation)

001-32830
(Commission File Number)

20-2760393
(I.R.S. Employer
Identification No.)

4336 Montgomery Ave., Bethesda, Maryland 20814
(Address of principal executive offices) (Zip Code)

(301) 983-0998
(Registrant's telephone number, including area code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 FR 240.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement.

On May 22, 2008, India Globalization Capital, Inc. (“IGC”) and its subsidiary India Globalization Capital Mauritius (“IGC-M”) entered into an employment agreement (the “Employment Agreement”) with Ram Mukunda, pursuant to which he will receive a salary of \$300,000 per year for services to IGC and IGC-M as Chief Executive Officer. Mr. Mukunda is also entitled to receive a \$150,000 bonus upon filing of IGC’s Form 10-K for the fiscal year ended March 31, 2008 and additional bonuses of at least \$225,000 for meeting certain targets for net income (before one time charges including charges for employee options, warrants and other items) for fiscal year 2009 and of at least \$150,000 for meeting targets with respect to obtaining new contracts. The Agreement further provides that the Board of Directors of IGC may review and update the targets and amounts for the net revenue and contract bonuses on an annual basis. The Agreement also provides for benefits, including insurance, 20 days of paid vacation, a car (subject to partial reimbursement by Mr. Mukunda of lease payments for the car) and reimbursement of business expenses. The term of the Employment Agreement is five years, after which employment will become at-will. The Employment Agreement is terminable by IGC and IGC-M for death, disability and cause. In the event of a termination without cause, IGC would be required to pay Mr. Mukunda his full compensation for 18 months or until the term of the Employment Agreement was set to expire, whichever was earlier. The Employment Agreement contains provisions for protection of IGC's and IGC-M’s confidential information for a non-competition period during the term of Mr. Mukunda’s employment by IGC and IGC-M. The Employment Agreement was made effective as of March 8, 2008.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

(e) Compensatory Arrangements of Certain Officers

On May 22, 2008, IGC and IGC-M entered into the Employment Agreement with Ram Mukunda dated as of March 8, 2008 described in further detail in Item 1.01 above.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

10.1 Employment Agreement between India Globalization Capital, Inc., India Globalization Capital Mauritius and Ram Mukunda dated as of March 8, 2008.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

INDIA GLOBALIZATION CAPITAL, INC.

Date: May 23, 2008

By:

/s/ Ram Mukunda
Ram Mukunda
President and Chief Executive Officer

Exhibit Index

10.1 Employment Agreement between India Globalization Capital, Inc., India Globalization Capital Mauritius and Ram Mukunda dated as of March 8, 2008.