

LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a Shareholder(s) of Mphasis Limited. If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or the Manager to the Offer / Registrar to the Offer. In case you have recently sold your Shares in Mphasis Limited, please hand over this Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement, form of withdrawal and transfer deed to the member of the stock exchange through whom the said sale was effected.

TH HOLDINGS (as the Acquirer)

Registered Office : Les Cascades, Edith Cavell Street, Port Louis, Republic of Mauritius
Tel : +230-212-9800; Fax : +230-212-9833 along with

ELECTRONIC DATA SYSTEMS CORPORATION (as the Person Acting in Concert)

Principal Office : 5400 Legacy Drive, Plano, Texas, 75024-3199
Tel : +1-972-605-6000; Fax : +1-972-605-5613

MAKES A CASH OFFER AT Rs. 204.50 PER EQUITY SHARE TO ACQUIRE
33,134,768 Shares representing 20% of the Share Capital of the Target Company

MPHASIS LIMITED

Registered office : 139/1, Hosur Main Road, Koramangala, Bangalore – 560 095
Tel : +91 80 2552 2713; Fax : +91 80 2552 2719

Notes:

- This voluntary open offer is being made by TH Holdings and Electronic Data Systems Corporation, being a person acting in concert with the Acquirer, pursuant to and in accordance with the provisions of Regulation 11(1) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, and subsequent amendments thereof.
- The Offer is not subject to a minimum level of acceptance by the Shareholders of Mphasis Limited.
- The Offer is subject to the receipt of the approval of the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules and regulations made there under for (i) the acquisition of Shares by the Acquirer under the Offer; and (ii) the opening and operation of the Escrow Account and special account referred to hereunder, and other related matters (as described in paragraph 71). RBI approval for opening and operating the Escrow Account and special account was obtained on December 18, 2006. RBI approval for the acquisition of 32,947,290 Shares by the Acquirer under the Offer was obtained on December 18, 2006. In light of revision of the Offer Size, the Acquirer has applied for RBI approval to acquire an additional 187,478 Shares on January 24, 2007.
- Shareholders who accept the Offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, can withdraw the same up to 3 (three) working days prior to the date of closure of the Offer (i.e. February 14, 2007), in terms of Regulation 22(5A) of the SEBI (SAST) Regulations.
- The Acquirer can revise the Offer Price upwards up to 7 (seven) working days prior to the date of closure of the Offer (viz. February 8, 2007). If there is any upward revision in the Offer Price by the Acquirer or if the Offer is withdrawn, the same would be communicated by a public announcement in the same newspapers where the original Public Announcement appeared. The Acquirer would pay such revised price for all the Shares validly tendered any time during the Offer and accepted under the Offer.
- **If there is a competitive bid(s): (i) the public offers under all the subsisting bids shall close on the same date; (ii) as the Offer Price cannot be revised during 7 (seven) working days prior to the closing date of the offers/bids, it would, therefore, be in the interest of Shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly.**
- **There has been no competitive bid as of the date of the Letter of Offer.**
- A copy of the Public Announcement and the Letter of Offer (including the Form of Acceptance cum Acknowledgment) is expected to be available on SEBI's website (www.sebi.gov.in).

MANAGER TO THE OFFER



Citigroup Global Markets India Private Limited
Bakhtawar, 4th Floor, 229
Nariman Point,
Mumbai 400 021
Tel No: +91 22 6631 9890
Fax No: +91 22 6631 9803
Contact Person: Mr. Pankaj Jain
Email: Mphasis.openoffer@citigroup.com

REGISTRAR TO THE OFFER



Mondkar Computers Private Limited
21, Shakil Niwas, Opp. Satyasaibaba Temple,
Mahakali Caves Road, Andheri (East),
Mumbai – 400093, India
Tel. : +91 22 28257641, 28366620
Fax. : +91 22 28262920
Contact Person: Mr. Devanand Dalvi
Email: mphasisoffer@mondkarcomputers.com

Activity	Day	Date
Public Announcement Date	Thursday	October 19, 2006
Specified Date	Friday	October 20, 2006
Last date for a competitive bid	Thursday	November 9, 2006
Date by which Letter of Offer will be dispatched to Shareholders	Thursday	January 25, 2007
Date for opening of the Offer	Monday	January 29, 2007
Last date for revising the Offer price / number of Shares	Thursday	February 8, 2007
Last date for withdrawing acceptance from the Offer	Wednesday	February 14, 2007
Closure of the Offer	Monday	February 19, 2007
Last date of communicating rejection / acceptance and payment of consideration for applications accepted	Tuesday	March 6, 2007

RISK FACTORS:

- The Offer is subject to the receipt of the approval of the RBI under the Foreign Exchange Management Act, 1999 and the rules and regulations made there under for (i) the acquisition of Shares by the Acquirer under the Offer; and (ii) the opening and operation of the Escrow Account and special account referred to hereunder, and other related matters. RBI approval for opening and operating the Escrow Account and special account was obtained on December 18, 2006. RBI approval for the acquisition of 32,947,290 Shares by the Acquirer under the Offer was obtained on December 18, 2006. In light of revision of the Offer Size, the Acquirer has applied for RBI approval to acquire an additional 187,478 Shares on January 24, 2007.
- In the event of regulatory approvals not being received in a timely manner or litigation leading to a stay on the Offer, or SEBI instructing that the Offer should not proceed, the Offer process may be delayed beyond the schedule indicated in this Letter of Offer. Consequently, the payment of consideration to the Shareholders whose Shares have been accepted in the Offer as well as the return of the Shares not accepted by the Acquirer may be delayed.
- The Acquirer makes no assurance with respect to the market price of the Shares during / after the Offer.
- The Offer is for substantial acquisition of Shares of the Target Company, and it is made in accordance with Regulation 11(1) of the SEBI (SAST) Regulations. There is no assurance with respect to the continuation of the past trend in the financial performance of the Target Company.
- The Shares tendered in the Offer will be held in trust by the Registrar to the Offer till the completion of the Offer formalities, and the Shareholders will not be able to trade such Shares. During such period there may be fluctuations in the market price of the Shares. Accordingly, the Acquirer makes no assurance with respect to the market price of the Shares both during the Offer period and upon the completion of the Offer, and disclaims any responsibility with respect to any decision by any Shareholder on whether to participate or not to participate in the Offer.
- In the event of oversubscription in the Offer, the acceptance of the Shares tendered will be on a proportionate basis and will be contingent on the level of subscription.
- The Acquirer is an investment company and does not have any revenue generating operations. It is dependent on the PAC for financial resources.

The risk factors set forth above are not intended to cover a complete analysis of all risks as perceived in relation to the Offer or in association with the Acquirer and the PAC, but are only indicative. They do not relate to the present or future business or operations of the Target Company or any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in the participation by a Shareholder in the Offer. The Shareholders are advised to consult their stockbroker, investment consultant or tax advisor, if any, for further risks with respect to their participation in the Offer.

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KEY DEFINITIONS

Acquirer	TH Holdings, a company registered under the laws of the Republic of Mauritius
BSE	Bombay Stock Exchange Limited
CDSL	Central Depository Services (India) Limited
CSE	Calcutta Stock Exchange Association Ltd.
DP	Depository Participant
EDS	Electronic Data Systems Corporation, a listed company incorporated under the laws of Delaware
EDS Group	EDS and its direct and indirect subsidiaries
Escrow Account	Has the same meaning as defined in Paragraph 63
FEMA	Foreign Exchange Management Act, 1999
Form of Acceptance cum Acknowledgement	Form of Acceptance cum Acknowledgement
Letter of Offer	This Letter of Offer dated January 24, 2007
Manager/ Manager to the Offer	Citigroup Global Markets India Private Limited
Mphasis/Target Company	Mphasis Limited
NRI	Non Resident Indian
NSE	National Stock Exchange of India Limited
OCB	Overseas Corporate Body
Offer	This voluntary offer being made to acquire 33,134,768 Shares, representing in aggregate 20% of the Share Capital
Offer Price	Rs. 204.50/- (Rupees Two Hundred and Four and Fifty Paise Only) per Share
Offer Size	33,134,768 Shares, representing in aggregate 20% of the Share Capital
PAC	Electronic Data Systems Corporation, the Person Acting in Concert with the Acquirer for the purpose of the Offer
Persons eligible to participate in Offer	All Shareholders other than the Acquirer and the PAC, whose names appear in the register of shareholders on the Specified Date and also persons who own Shares any time prior to the closure of the Offer, whether or not they are registered Shareholders, are eligible to participate in the Offer anytime before the closure of the Offer

Previous Offer	Voluntary conditional open offer by the Acquirer that closed on June 5, 2006
Public Announcement	Announcement of the Offer by the Acquirer, made by the Manager to the Offer on behalf of the Acquirer and the PAC on October 19, 2006
RBI	The Reserve Bank of India
Registrar/ Registrar to the Offer	Mondkar Computers Private Limited
SEBI	The Securities and Exchange Board of India
SEBI (SAST) Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, and subsequent amendments thereto
SEBI Act	The Securities and Exchange Board of India Act, 1992
Share(s)	Fully paid-up equity share(s) of the Target Company, having a face value of Rs.10/- each
Share Capital	Total voting equity share capital of the Target Company, which will be 165,673,839 Shares as on March 6, 2007 (i.e. 15 days post closure of the Offer). Total diluted voting equity share capital of the Target Company will be 165,673,839 Shares as on March 6, 2007 (i.e. 15 days post closure of the Offer). There were 162,047,006 shares and 6,008,296 outstanding Employee Stock Options ("ESOPs") as on October 19, 2006 (the date of the Public Announcement), out of which, 407,564 options were exercised by January 22, 2007 and a further 3,218,269 ESOPs could be exercised by March 6, 2007 (i.e. within 15 days of the closure of the Offer) ("Exercisable ESOPs"). Out of the 38,500 shares kept in abeyance, 700 shares were allotted on January 16, 2007 and a further 300 shares are expected to be allotted by March 6, 2007 (i.e. within 15 days of the closure of the Offer). Assuming full conversion of all Exercisable ESOPs into Shares and allotment of 300 bonus shares kept in abeyance, the share capital of the Target Company would be 165,673,839 shares.
Shareholder(s)	All owners (registered or unregistered) of Shares
Specified Date	October 20, 2006
Tax Clearance Certificate	Certificate from the Income Tax authorities to be submitted by NRIs/ OCBs/ foreign Shareholders, indicating the amount of tax to be deducted by the Acquirer under the Income Tax Act, 1961

CURRENCY OF PRESENTATION

In this Letter of Offer, all references to "US\$" are to United States Dollars. Certain financial details contained herein are denominated in United States Dollars. The Rupee equivalent quoted in each case is calculated in accordance with the RBI reference exchange rate for the US\$ translation as on October 18, 2006, namely 1 US\$ = Rs. 45.26 (Source: www.rbi.org.in). Please note that all financial data contained in this Letter of Offer has, where appropriate, been rounded off to the nearest million / lacs, except as stated otherwise.

I. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (SAST) REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF MPHASIS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER, PAC OR THE TARGET COMPANY WHOSE SHARES ARE PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, CITIGROUP GLOBAL MARKETS INDIA PRIVATE LIMITED, THE MANAGER TO THE OFFER, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED OCTOBER 30, 2006 TO SEBI IN ACCORDANCE WITH THE SEBI (SAST) REGULATIONS AND SUBSEQUENT AMENDMENTS THERETO. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

II. DETAILS OF THE OFFER

Background of the Offer

1. The Offer is being made by the Acquirer along with the PAC pursuant to Regulation 11(1) of the SEBI (SAST) Regulations, to the Shareholders of Mphasis Limited.
2. The PAC is the ultimate parent company of and beneficial owner of 100% of the share capital of the Acquirer. Save and except the PAC, no other person is acting in concert with the Acquirer for the purpose of the Offer.
3. The Acquirer's current holding in the Target Company is 83,000,000 Shares. These Shares were acquired during the twelve month period prior to the date of this Public Announcement through the Previous Offer. Upon the completion of this Offer, assuming full acceptances, the Acquirer will hold 70.1% of the Share Capital. The Acquirer has appointed its nominee directors on the board of directors of the Target Company. 6 out of a total of 12 directors on the board of directors of the Target Company are nominees of the Acquirer.
4. The Acquirer, the PAC and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of, or any other regulations made under the SEBI Act.

Details of the Offer

5. The Public Announcement announcing the Offer as per Regulation 15(1) of the SEBI (SAST) Regulations was made in the following newspapers on October 19, 2006:

Newspaper	Language	Editions
Business Standard	English	Mumbai, Ahmedabad, Bangalore, Kolkatta, Delhi, Hyderabad and Chennai
Pratakal	Hindi	Mumbai, Jaipur and Udaipur
Usha Kiran	Kannada	Bangalore
Navshakti	Marathi	Mumbai

A copy of the Public Announcement is available on SEBI's website (<http://www.sebi.gov.in>). An addendum to the Public Announcement will be published in all the above mentioned newspapers on January 26, 2007.

6. Any decision for an upward revision in the Offer Price by the Acquirer till the last date of revision (viz. February 8, 2007), or withdrawal of the Offer would be communicated by way of a public announcement in the same newspapers in which the Public Announcement had appeared. In case of an upward revision in the Offer Price, the Acquirer would pay such revised price for all the Shares validly tendered any time during the Offer and accepted under the Offer. The acquisition of Shares, which are validly tendered, by the Acquirer under this Offer will take place on March 6, 2007, in accordance with the schedule of events set out in the Letter of Offer and not any point earlier in time.
7. The Offer is being made to acquire 33,134,768 Shares representing 20% of the Share Capital. The Offer is being made at a price of Rs. 204.50 (Rupees Two Hundred and Four and Fifty Paise Only) for each Share to be paid in cash in accordance with the SEBI (SAST) Regulations.
8. There are no partly paid-up Shares or convertible instruments (other than the stock options that have been issued to the employees of the Target Company) in the Target Company.
9. If there is a competitive bid:
 - (i) The public offers under all the subsisting bids shall close on the same date.
 - (ii) As the Offer Price cannot be revised during 7 (seven) working days prior to the closure of the Offer / bids, it would, therefore, be in the interest of the Shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly.
10. There have been no competitive bids as of the date of the Letter of Offer.
11. This Offer is being made to all Persons eligible to participate in the Offer being all Shareholders other than the Acquirer and the PAC.
12. The Shares to be acquired under this Letter of Offer are to be free from all liens, charges and encumbrances and will be acquired together with all rights attached thereto.

Object of the Offer and future plans

13. The Offer is being made in accordance with Regulation 11(1) and other applicable provisions of the SEBI (SAST) Regulations.
14. Pursuant to the public announcement dated April 4, 2006, the Acquirer made a voluntary open offer to the shareholders of Mphasis Limited in accordance with the SEBI (SAST) Regulations (the "Previous Offer") and acquired 83,000,000 Shares of Mphasis Limited. The Acquirer further intends to consolidate its shareholding in the Target Company through this Offer.

15. Disclosure in terms of Regulation 16(ix)

The Acquirer currently has no plans to sell, dispose of or otherwise encumber any assets of the Target Company in the next two years, except (i) to the extent required for the purposes of restructuring or rationalization of assets, investments, and liabilities or otherwise of the Target Company or (ii) in the ordinary course of business of the Target Company. It will be the responsibility of the board of directors of the Target Company to make appropriate decisions in these matters in accordance with the requirements of the business. Such approvals and decisions will be governed by the provisions of the relevant regulations or any other applicable laws or legislation at the relevant time. Further, during this period, other than the Merger (as defined below), the Acquirer undertakes not to sell, dispose of or otherwise encumber any substantial assets of the Target Company, except with the prior approval of the Shareholders.

16. The board of directors of the Target Company, at a meeting held on June 27, 2006 evaluated the possibility of integrating the operations of Electronic Data Systems (India) Private Limited ("EDS India") with the Target Company by way of a merger ("Merger") and appointed Deloitte, Haskin and Sells as a valuer ("Valuer") to determine the swap ratio for the merger. The PAC is the ultimate parent company and the beneficial owner of 100% of the share capital of EDS India. On July 14, 2006, the Valuer provided a detailed valuation report to the board of directors of the Target Company and they further discussed the Merger. On July 26, 2006, the board of directors of the Target Company announced its approval of the Merger and the valuation ratio set forth in the aforesaid valuation report. The said Merger has been approved by the Shareholders of the Target Company at the court convened meeting held on November 13, 2006. The creditors of the Target Company as well as the shareholders and creditors of EDS India have accorded their no-objection to the said merger, which has been taken on record by the respective High Courts. The Target Company and EDS India filed applications before the High Courts at Karnataka on September 19, 2006 and Mumbai on September 13, 2006, respectively, for approval of the Merger. The Target Company and EDS India have filed petitions before the High Courts at Karnataka on November 21, 2006 and Mumbai on October 9, 2006, respectively, for approval of the Merger. The swap ratio of the Merger as determined by the Valuer's report is 5:4 (5 Shares of the Target Company for every 4 shares of EDS India). Based on this swap ratio, 44,104,065 Shares of the Target Company will be issued to the shareholders of EDS India, and the PAC will be the beneficial owner of these 44,104,065 Shares. NSE and the BSE have already given their No Objection to the Scheme of Amalgamation. The BSE required the Target Company to undertake that the entire 44,104,065 Shares of the Target Company issued to the shareholders of EDS India pursuant to the Merger shall be subject to a lock-in for a period of one year from their date of listing on the BSE, and from the 44,104,065 Shares of the Target Company issued to the shareholders of EDS India pursuant to the Merger, 11,026,017 Shares shall be subject to a lock-in for an additional period of two years. The Target Company provided the required undertaking to the BSE on September 5, 2006.

The Merger process is pending before the High Court of Judicature at Bombay and the High Court of Karnataka and Bangalore, and the Target Company does not expect to issue and allot additional shares of the Target Company to the shareholders of EDS India prior to March 6, 2007. Consequently, the Share Capital of the Target Company would remain undisturbed at least until March 6, 2007 (i.e. 15 days post closure of the Offer) as a result of the proposed Merger.

17. Assuming full acceptances in this Offer, the Acquirer and PAC will together beneficially own 116,134,768 Shares or 70.1% of the Share Capital.

III. BACKGROUND OF THE ACQUIRER AND THE PERSON ACTING IN CONCERT

TH Holdings (the "Acquirer")

18. The Acquirer is an unlisted company incorporated on March 8, 2006, under the laws of the Republic of Mauritius. It has its registered office at Les Cascades, Edith Cavell Street, Port Louis, Republic of Mauritius. The corporate office of the Acquirer is International Management (Mauritius) Ltd, Les Cascades Building, Edith Cavell Street, Port Louis, Mauritius. The contact telephone number is +230 212 9800.
19. The PAC is the ultimate parent company and the beneficial owner of 100% of the share capital of the Acquirer.
20. The shareholders' equity and book value of the Acquirer at September 30, 2006 was US\$377 million and \$375 million, respectively. These figures are based on financial statements which have not been audited / certified by the statutory auditor of the Acquirer. The Acquirer received a US\$5.3 million dividend from the Target Company on August 31, 2006 and accounted for it as a reduction of its investment in the Target Company. The Acquirer is a recently incorporated investment company and does not have revenue generating operations; therefore its revenues, net profit, EPS and return on net worth are not meaningful.

21. The board of directors of the Acquirer and their mailing addresses are as listed below:

Name	Address	Qualifications	Date of Appointment
Tom Haubenstricker	Westbourn House Pinewood Road Virginia Water UK GU254PY	Central Michigan University	March 23, 2006
David Hernandez	P.O. Box 356Coppell Texas 75019	University of Virginia University of Chicago (Law School)	March 23, 2006
Ashraf Ramtoola	4, Bis Church Street Port Louis, Mauritius	Graduated as Chartered Certified Accountant	March 21, 2006
Sandra Hew Khee *	Church Road Pointe Aux Piments Mauritius	Institute of Chartered Accountants in England and Wales professional exams, ATC London, England BA (Hons), Economics and Social Studies, specialising in Accounting and Finance, University of Manchester, England	March 21, 2006
Rooksana Shahabally*	Morcellement Catin Eau Coulee CurepipeMauritius	Associate of the Institute of Chartered Secretaries and Administrators of UK Certificate– STEP Foundation	-

* Since Ms Hew Kee is on leave, Ms Rooksana Shahabally is standing in for her on the Board of Directors of the Acquirer.

Mr. Haubenstricker is vice president and Chief Financial Officer for EMEA EDS's Europe, Middle East and Africa Region, with responsibility for the regions financial activities. Previously, Tom was Vice President of Finance & Administration with responsibility for EDS' business planning and financial analysis organizations, overseeing all corporate activity relating to financial planning, business performance analysis and financial reporting. In addition, he led EDS' Corporate Business Development from April 2004 to August 2006, providing leadership for the execution of strategic opportunities, including mergers, acquisitions, joint ventures, partnerships, equity investments and divestitures, which played a significant role in executing EDS' corporate strategy. Tom joined EDS' finance organization in 1985 and has held various financial accounting, planning and reporting, positions in the United States and EMEA.

Mr. Hernandez is Vice President of Tax for EDS. In this position, he is responsible for managing the global tax function of EDS, including worldwide tax compliance and reporting, worldwide tax audit and contro-versy management, tax research and planning, financial reporting for tax results, and tax policy coordination. Mr. Hernandez joined EDS in 1996 as senior tax counsel where he provided tax related legal advice on all aspects of U.S. and non-U.S. activities, including all mergers and acquisitions both within and outside the United States. In addition, Mr. Hernandez has represented EDS in its U.S. audits, appeals and controversies before the IRS and the IRS Administrative Appeals Division. Mr. Hernandez has over 13 years of work experience. Prior to joining EDS, he was in private law practice in Dallas with the law firms Hughes & Luce, LLP and Vinson & Elkins, LLP.

Mr. Ramtoola joined International Management (Mauritius) Ltd. ("IMM") in November 1992 and is currently a Director of IMM. In this position, he is responsible for IMM's client accounts, secretarial matters and marketing. He joined IMM as assistant General Manager and was appointed director in 1995. Mr. Ramtoola has over 18 years experience in auditing, accounting and tax, acquired in the UK and Mauritius. Prior to joining IMM, Mr. Ramtoola has also obtained training and implemented electronic point of sale system in supermarkets as Financial Controller of Saood Superstore, UK as also assisted in the setting up of a company involved in computer hardware and software as a freelance consultant.

Ms. Hew Khee joined IMM in July 2004 and is a Client Relations Manager for IMM. In this position, she is responsible for managing relationships with IMM's clients. Ms. Hew Khee has over 13 years experience in auditing and accounting, acquired in the UK and Mauritius, and 6 years experience at management level. Her experience ranges from the owner managed to the large, listed companies operating in various sectors such as finance (pension funds, investment funds, banking institutions), manufacturing, hospitality and leisure, agriculture, retail, construction and the global business sector.

Ms. Shahabally joined IMM in 2001. In this position, she has experience of management of companies, trusts and other legal entities. Ms. Shahabally has over 25 years experience in legal matters. Previously she has worked with Rogers & Company Limited from 1992-2001 and with the Attorney General's office from 1981-1992.

22. The following directors of the Target Company are the nominees of the Acquirer: Jaithirth Rao, Stephen Heidt, Thomas Haubenstricker, Paul W Currie, Joe Eazor and Mark Bilger. These directors will not participate in any matter relating to the Offer, including any preparatory steps relating thereto.
23. The shares of the Acquirer are not listed on any stock exchanges.
24. The Acquirer has not promoted any company since its inception, other than the Target Company.
25. The Acquirer's current holding in the Target Company is 83,000,000 Shares. These Shares were acquired during the twelve month period prior to the date of this Public Announcement through the Previous Offer. Upon completion of the Previous Offer, the Acquirer's holding in the Target Company was 50.4% of the Share Capital. Upon the completion of this Offer, assuming full acceptances, the Acquirer will hold 70.1% of the Share Capital.
26. The Acquirer has till date complied with all reporting requirements under Chapter II of the SEBI (SAST) Regulations.

Electronic Data Systems Corporation (“EDS” or the “PAC”)

27. EDS is a listed company incorporated under the laws of Delaware and as mentioned above, is the ultimate parent company and beneficial owner of 100% of the share capital of the Acquirer. Its predecessor was incorporated in Texas under the name “Electronic Data Systems Corporation” in 1962. It has its principal office at 5400 Legacy Drive, Plano, Texas 75024-3199. Tel: +1-972-605-6000; Fax: +1-972-605-5613.
28. EDS is a leading global technology services company that delivers business solutions. EDS and its direct and indirect subsidiaries (the “**EDS Group**”) operates worldwide and has achieved a leading global position in the information technology (“**IT**”) and business process outsourcing (“**BPO**”) services industry and delivers those services to clients in the manufacturing, financial services, healthcare, communications, energy, transportation, consumer and retail industries and to governments around the world.
29. Since EDS does not hold any Shares, the reporting requirements under Chapter II of the SEBI (SAST) Regulations are not applicable.
30. EDS’ shareholding pattern as on March 1, 2006 is given below:

Sl. No.	Shareholder’s category	Number of shares	% of shares
1.	Directors / Management	803,639	0.16%
2.	Institutional Investors *	478,500,000	93.00%
3.	Others *	35,209,878	6.84%
	Total outstanding shares	514,513,517	

* EDS estimates institutional investors hold approximately 93% of its outstanding common stock, or approximately 478,500,000 shares.

Based on filings with the United States Securities and Exchange Commission (“**SEC**”), shareholders holding more than 5% of the outstanding common stock of EDS on December 31, 2005 are as follows:

Name and address of beneficial owner	Number of shares beneficially owned	Percentage of common stock outstanding
Dodge & Cox, 555 California St., 40 th Floor San Francisco, CA 94104	66,666,548	12.8%
Hotchkiss and Wiley Capital Management, LLC 725 S. Figueroa St, 39 th Floor Los Angeles, CA 90017	56,115,902	10.8%
AXA Financial, Inc. 1290 Avenue of the Americas New York, NY 10104	35,122,629	6.7%
State Street Bank and Trust Company 225 Franklin Street Boston, MA 02110	29,462,002	5.7%
Franklin Resources, Inc. One Franklin Parkway San Mateo, CA 94403	26,189,555	5.0%

31. The board of directors of the PAC and their mailing addresses are as listed below:

Name	Address	Qualifications	Date of appointment
W. Roy Dunbar	5400 Legacy Drive, Plano, Texas 75024	Manchester University; Manchester Business School	October 19, 2004
Roger A. Enrico	5400 Legacy Drive, Plano, Texas 75024	Babson College	February 1, 2000
Martin C. Faga	5400 Legacy Drive, Plano, Texas 75024	Lehigh University	September 7, 2006
S. Malcolm Gillis	5400 Legacy Drive, Plano, Texas 75024	University of Florida; University of Illinois	July 17, 2005
Ray J. Groves	5400 Legacy Drive, Plano, Texas 75024	Ohio State University	June 7, 1996
Ellen M. Hancock	5400 Legacy Drive, Plano, Texas 75024	College of New Rochelle; Fordham University	February 16, 2004
Jeffrey M. Heller	5400 Legacy Drive, Plano, Texas 75024	University of Texas at Austin	March 20, 2003
Ray L. Hunt	5400 Legacy Drive, Plano, Texas 75024	Southern Methodist University	June 7, 1996
Michael H. Jordan	5400 Legacy Drive, Plano, Texas 75024	Yale University; Princeton University	March 20, 2003
Edward A. Kangas	5400 Legacy Drive, Plano, Texas 75024	University of Kansas	June 16, 2004
James K. Sims	5400 Legacy Drive, Plano, Texas 75024	Harvard PMD Program	September 7, 2006
R. David Yost	5400 Legacy Drive, Plano, Texas 75024	U.S. Air Force Academy; University of California at Los Angeles	October 19, 2005

Details of the experience of the above directors and their ages as of April 13, 2006, are as follows:

W. Roy Dunbar, 45, has been a director of EDS since 2004. He has been President, Global Technology and Operations of Master Card International since September 2004. Mr. Dunbar had been President, intercontinental operations of Eli Lilly and Company, responsible for its Asia, Africa/Middle East, Latin America and the Confederation of Independent States operations from January 2004 to September 2004, and was a member of Eli Lilly's senior management forum. He had served as Vice President of information technology and Chief Information Officer of Eli Lilly since 1999. Mr. Dunbar joined Eli Lilly in 1990. He is also a director of Humana Inc.

Roger A. Enrico, 61, has been a director of EDS since 2000. He has been Chairman of the Board of DreamWorks Animation SKG, Inc. since October 2004 and is a former Chairman and Chief Executive Officer of PepsiCo, Inc. As Chairman of DreamWorks, he is involved in its investor relations, corporate strategic planning, marketing and promotional strategy, succession planning and employee development and oversees matters related to its corporate governance and Sarbanes-Oxley compliance. Mr. Enrico was Chief Executive Officer of PepsiCo, Inc. from April 1996 to April 2001, Chairman of the Board from November 1996 to April 2001, and Vice Chairman from April 2001 to March 2002. He joined PepsiCo, Inc. in 1971, became President and CEO of Pepsi-Cola USA in 1983, President and CEO of PepsiCo Worldwide Beverages in 1986, Chairman and CEO of Frito-Lay, Inc. in 1991 and Chairman and CEO of PepsiCo Worldwide Foods in 1992. Mr. Enrico was Chairman and CEO, PepsiCo Worldwide Restaurants, from 1994 to 1997. He is also a director of Belo Corporation, DreamWorks Animation SKG, Inc. and The National Geographic Society.

Martin C. Faga, 65, has been a director of EDS since September 2006. From May 2000 to June 2006, he served as the president and CEO of the MITRE Corporation, and is a current member of the board of trustees for the MITRE Corporation. Mr. Faga served as the United States Department of Defense assistant secretary for the Air Force for Space, and a director of the National Reconnaissance Office from 1989 to 1993. Mr. Faga also serves as a member of the board of directors of GeoEye Corporation and Alliant Techsystems. He is also a director of the Association for Intelligence Officers.

S. Malcolm Gillis, 65, has been a director of EDS since 2005. He has served as Zingler Professor of Economics and University Professor at Rice University since June 2004. Dr. Gillis was President of Rice University from 1993 to June 2004. He is also a director of Halliburton Company, Service Corporation International and Introgen Therapeutics, Inc.

Ray J. Groves, 71, has been a director of EDS since 1996. He served as Senior Advisor of Marsh Inc., the insurance brokerage and risk management subsidiary of Marsh & McLennan Companies, Inc., from October 2004 to October 2005, Chairman and Chief Executive Officer from July 2003 to October 2004, President and Chief Executive Officer from January 2003 to June 2003, and President and Chief Operating Officer from October 2001 to January 2003. Mr. Groves was Chairman of Legg Mason Merchant Banking, Inc. from March 1995 to September 2001. He retired as Chairman and Chief Executive Officer of Ernst & Young LLP in September 1994, which position he held since 1977. Mr. Groves is also a director of Boston Scientific Corporation and Overstock.com, Inc.

Ellen M. Hancock, 63, has been a director of EDS since 2004. She was Chairman of Exodus Communications, Inc., a computer network and Internet systems company, from June 2000 to September 2001, Chief Executive Officer from September 1998 to September 2001 and President from March 1998 to June 2000. Exodus filed a voluntary petition under Chapter 11 of the federal bankruptcy laws in September 2001. Ms. Hancock was Executive Vice President, Research and Development, Chief Technology Officer of Apple Computer Inc. from July 1996 to July 1997. She previously was Executive Vice President and Chief Operating Officer of National Semiconductor and a Senior Vice President and Group Executive of International Business Machines Corporation. Ms. Hancock is also a director of Acquiror Technology Inc. Aetna Inc., Colgate-Palmolive Company and Watchguard Technologies, Inc.

Jeffrey M. Heller, 66, rejoined EDS in March 2003 as President and Chief Operating Officer and a director. He retired from EDS in February 2002 as Vice Chairman, a position he had held since November 2000. Mr. Heller served as President and Chief Operating Officer of EDS from 1996 to November 2000, Senior Vice President from 1984 to 1996, and Chairman of Unigraphics Solutions Inc. (then a subsidiary of EDS) from January 1999 to February 2001. He joined EDS in 1968 and has served in numerous technical and management capacities. Mr. Heller is also a director of Trammell Crow Company, Temple Inland Corp. and Mutual of Omaha.

Ray L. Hunt, 63, has been a director of EDS since 1996. Mr. Hunt has been Chairman of the Board and Chief Executive Officer of Hunt Consolidated Inc. and Chairman of Hunt Oil Company for more than five years. He is a director of Halliburton Company and PepsiCo, Inc., a manager of Verde Group, LLC and Chairman of the board of directors of the Federal Reserve Bank of Dallas.

Michael H. Jordan, 70, has been Chairman and Chief Executive Officer of EDS since March 2003. He was Chairman and Chief Executive Officer of CBS Corporation (formerly Westinghouse Electric Corporation) from July 1993 until December 1998. Prior to joining Westinghouse, Mr. Jordan was a principal with the investment firm of Clayton, Dubilier and Rice from September 1992 through June 1993, Chairman of PepsiCo International from December 1990 through July 1992 and Chairman of PepsiCo World-Wide Foods from December 1986 to December 1990. Mr. Jordan has been chairman of the board of directors of eOriginal, Inc. (electronic document services) since June 1999. He is also a director of Aetna Inc.

Edward A. Kangas, 62, has been a director of EDS since 2004. He was Chairman and Chief Executive Officer of Deloitte Touche Tohmatsu from 1989 to 2000 and Managing Partner of Deloitte & Touche (USA) from 1989 to 1994. Mr. Kangas began his career as a staff accountant at Touche Ross in 1967, where he became a partner in 1975. After his retirement from Deloitte in 2000, Mr. Kangas served as a consultant to Deloitte until 2004. He is also the Chairman of the National Multiple Sclerosis Society and a director of Eclipsys Corporation, Hovnanian Enterprises Inc., Oncology Therapeutics Networks and Tenet Healthcare Corporation (for which he has served as non-executive Chairman since July 2003).

James K. Sims, 60, has been a director of EDS since September 2006. He has served as Chairman and CEO of GEN3 Partners, Inc. since September 1999, Chairman and CEO of Airgain, Inc. since November 2004, Chairman of American EPS, Inc. since February 2005 and Chairman of Groxis, Inc. since November 2004. Previously he was a director of Enterasys Networks, Inc. from June 2004 to March 2005, and CEO and President of Cambridge Technology Partners (Massachusetts), Inc. from February 1991 to July 1999.

R. David Yost, 59, has been a director of EDS since 2005. He has been a director and Chief Executive Officer of AmerisourceBergen Corporation, a pharmaceutical services company, since August 2001 and President of AmerisourceBergen from August 2001 to October 2002. Mr. Yost served as Chairman and Chief Executive Officer of AmeriSource Health Corporation from December 2000 to August 2001 and President and Chief Executive Officer of AmeriSource Health Corporation from May 1997 to December 2000. He held a variety of other positions with AmeriSource Health Corporation and its predecessors since 1974, including Executive Vice President – Operations of AmeriSource Health Corporation from 1995 to 1997.

None of the above directors are on the board of directors of the Target Company as on the date of this Letter of Offer.

32. EDS' shares are listed on the New York Stock Exchange and the London Stock Exchange.
33. As of September 30, 2006, EDS reported total outstanding common stock of 531,975,655 (including 15,441,373 treasury shares), US\$0.01 par value and total shareholders equity of US\$7,808 million (equivalent to Rs. 3,533,901 lacs). (Source, share and US\$ amounts: SEC Filing).

As of October 27, 2006, the closing price of the common stock of EDS on the New York Stock Exchange was US\$ 24.83 (equivalent to Rs. 1,123.81 per share). The market capitalization of EDS as of this date, based on the total outstanding common stock as on September 30, 2006 was US\$ 13,209 million (equivalent to Rs. 5,978,373.27 lacs).

34. Consolidated Financial Information of EDS

The consolidated financial information presented below was obtained from or calculated based on the audited financial statements of EDS, which are stated in accordance with the Generally Accepted Accounting Principles of the United States of America.

Consolidated Statements of Operations for the Years Ended	9 months ended Sept 2006		31-Dec-05		31-Dec-04		31-Dec-03	
	US\$ mn	Rs. lacs	US\$ mn	Rs. lacs	US\$ mn	Rs. lacs	US\$ mn	Rs. lacs
Revenues	15,564	7,044,266	19,757	8,942,018	19,863	8,989,994	19,758	8,942,471
Costs and expenses	15,116	6,841,502	19,215	8,696,709	19,965	9,036,159	20,013	9,057,884
Operating income (loss)	448	202,765	542	245,309	(102)	(46,165)	(255)	(115,413)
Interest and other expense, net	47	21,272	103	46,618	272	123,107	262	118,581
Income (loss) from continuing operations before income taxes	401	181,493	439	198,691	(374)	(169,272)	(517)	(233,994)
Provision (benefit) for income taxes	129	58,385	153	69,248	(103)	(46,618)	(205)	(92,783)
Income (loss) from continuing operations	272	123,107	286	129,444	(271)	(122,655)	(312)	(141,211)
Income (loss) from discontinued operations	(19)	(8,599)	(136)	(61,554)	429	194,165	46	20,820
Cumulative effect on prior years of changes in accounting principles, net of income taxes	-	-	-	-	-	-	(1,432)	(648,123)
Net income (loss)	253	114,508	150	67,890	158	71,511	(1,698)	(768,515)

Consolidated Balance Sheets as of	30-Sept-06		31-Dec-05		31-Dec-04		31-Dec-03	
	US\$ mn	Rs. lacs	US\$ mn	Rs. lacs	US\$ mn	Rs. lacs	US\$ mn	Rs. lacs
Liabilities and shareholders' Equity								
Total current liabilities	4,884	2,210,498	5,048	2,284,725	5,289	2,393,801	7,570	3,426,182
Pension benefit liability	1,351	611,463	1,173	530,900	1,132	512,343	1,116	505,102
Long-term debt, less current portion	2,964	1,341,506	2,939	1,330,191	3,168	1,433,837	3,488	1,578,669
Minority interests and other long-term liabilities	454	205,480	415	187,829	715	323,609	728	329,493
Total shareholders' equity	7,808	3,533,901	7,512	3,399,931	7,440	3,367,344	5,714	2,586,156
Total liabilities and shareholders' equity	17,461	7,902,849	17,087	7,733,576	17,744	8,030,934	18,616	8,425,602
Assets								
Total current assets	7,802	3,531,185	8,502	3,848,005	8,671	3,924,495	8,204	3,713,130
Property and equipment, net	2,112	955,891	1,967	890,264	2,181	987,121	2,818	1,275,427
Deferred contract costs, net	736	333,114	638	288,759	708	320,441	870	393,762
Investments and other assets	620	280,612	684	309,578	1,059	479,303	1,051	475,683
Goodwill	4,314	1,952,516	3,832	1,734,363	3,635	1,645,201	3,472	1,571,427
Other intangible assets, net	779	352,575	640	289,664	624	282,422	1,231	557,151
Deferred income taxes	1,098	496,955	824	372,942	866	391,952	970	439,022
Total assets	17,461	7,902,849	17,087	7,733,576	17,744	8,030,934	18,616	8,425,602

Other Financial Data	9 months ended Sept 2006		31-Dec-05		31-Dec-04		31-Dec-03	
	US\$	Rs.	US\$	Rs.	US\$	Rs.	US\$	Rs.
Dividend per share	0.15	6.79	0.20	9.05	0.40	18.10	0.60	27.16
Dividend (%)	1,500%	4,000%	6,000%					
Basic earnings per share	0.49	22.18	0.29	13.13	0.32	14.48	(3.55)	(160.67)
Return on net worth (%)	3.2%	2.1%	(29.7%)					
Book value per share	14.68	664.42	14.28	646.31	14.23	644.05	11.89	538.14

Note: Exchange rate used is the RBI reference rate as on October 18, 2006 (Rs. 45.26 / US\$).

IV. DISCLOSURE IN TERMS OF REGULATION 21(3)

The market capitalization of the Target Company as on January 23, 2007 was Rs 46,091 Million (i.e. greater than Rs 1000 crores) and number of outstanding listed shares as on March 6, 2007 would be 165,673,839 shares (i.e. greater than two crore shares). As such, the minimum level of public shareholding as per clause 40A of Listing Agreement required to be maintained by the Target Company on a continuous basis, is at least 10% of the total number of issued shares. The Offer is being made to acquire 33,134,768 Shares representing 20% of the Share Capital. Assuming full acceptance, the Offer will not result in the public shareholding in the Target Company falling below the minimum limit specified for the purpose of listing on a continuous basis. The Shares have been delisted from the CSE with effect from August 30, 2006, pursuant to an application filed in October 2003 by the Target Company for such delisting.

V. BACKGROUND OF THE TARGET COMPANY

35. The Target Company was incorporated on August 10, 1992. Pursuant to a scheme of arrangement involving MphasiS Corporation (a Delaware Corporation incorporated in 1998), MphasiS Holdings Ltd (incorporated under the laws of the Republic of Mauritius) and BFL Software Limited (incorporated in Bangalore under the Companies Act, 1956), MphasiS Corporation became a wholly owned subsidiary of BFL Software Limited with effect from June 15, 2000. Upon such merger, the shareholders of MphasiS Corporation received shares in MphasiS Holdings Ltd (now known as Investek Mauritius Limited) which in turn received shares of BFL Software Limited. BFL Software Limited was renamed as MphasiS BFL Limited, such name change having effect from July 15, 2000. The name of the Company has been changed from "MphasiS BFL Limited" to "MphasiS Limited" with effect from November 24, 2006. The Acquirer has acquired 83,000,000 Shares pursuant to the Previous Offer and is in control of the Target Company. The Target Company's registered and corporate office is situated at 139/1, Hosur Main Road, Koramangala, Bangalore – 560 095. Tel: +91 80 4042 4042; Fax: +91 80 2552 2719.
36. The Target Company is a global IT and BPO services provider to Global 2000 companies and assists its clients in innovating and streamlining their business processes by offering custom solutions for technology and operations outsourcing. The Target Company's expertise is focused on financial services, logistics and technology verticals and spans across architecture, application development and integration, application management and business process outsourcing, including the operation of large-scale customer contact centers.
37. The Target Company has 18 development centers, 8 in Bangalore, 2 in Mumbai, one each in Pune, Mangalore, Ahmedabad, Noida, Shanghai (China), Slough (United Kingdom), Tijuana (Mexico) and Phoenix (United States of America).
38. The fully paid-up share capital of the Target Company, as on October 19, 2006 was Rs 1,620,470,060 divided into 162,047,006 Shares.
39. Share capital structure of the Target Company as of October 19, 2006:

Paid up equity Shares of the Target Company	No. of equity Shares	% of equity Shares
Fully paid up equity shares	162,047,006	100%
Partly paid up equity shares	0	0
Total paid up equity shares	162,047,006	100%
Total voting rights in the Target Company	162,047,006	100%

40. The capital build-up for the Target Company since inception is as given below:

Date	Number of Shares Issued	% of post issue capital	Cumulative Share Capital	Mode of Allotment	Identity of Allottees	Status of Compliance
10-Aug-92	700	100.00	700	Opening Capital	Subscribers to Memorandum	Yes
18-Sep-93	4,500,000	99.98	4,500,700	Public Issue	Public	Yes
18-Sep-93	1,499,300	24.99	6,000,000	Preferential Allotment	Bangur Group	Yes
29-May-96	(16,600)	(0.28)	5,983,400	Forfeiture of Shares	Various	Yes
23-Jun-98	3,333,333	35.78	9,316,733	Preferential Allotment	Baring India Investment Limited	Yes
16-Nov-98	500	0.01	9,317,233	Re-Issue Of Shares	Various	Yes
9-Nov-99	10,000	0.11	9,327,233	ESOP Allotment	Employees	Yes
1-Dec-99	14,600	0.16	9,341,833	ESOP Allotment	Employees	Yes
10-Mar-00	6,500,000	41.03	15,841,833	Preferential Allotment Limited	MphasiS Holdings	Yes
1-Apr-00	1,000	0.01	15,842,833	ESOP Allotment	Employees	Yes
6-Jun-00	3,500	0.02	15,846,333	ESOP Allotment	Employees	Yes
20-Jun-00	1,900	0.01	15,848,233	Reissue of Forfeited Shares	Various	Yes
5-Sep-00	5,000	0.03	15,853,233	ESOP Allotment	Employees	Yes
14-Jul-01	1,285,715	7.50	17,138,948	Preferential Allotment	Winterfall Limited	Yes
5-Mar-02	4,000	0.02	17,142,948	ESOP Allotment	Employees	Yes
21-May-02	5,950	0.03	17,148,898	ESOP Allotment	Employees	Yes

Date	Number of Shares Issued	% of post issue capital	Cumulative Share Capital	Mode of Allotment	Identity of Allottees	Status of Compliance
22-Jul-02	125	0.00	17,149,023	ESOP Allotment	Employees	Yes
30-Aug-02	1,250	0.01	17,150,273	ESOP Allotment	Employees	Yes
21-Oct-02	98,276	0.57	17,248,549	ESOP Allotment	Employees	Yes
19-Dec-02	6,840	0.04	17,255,389	ESOP Allotment	Employees	Yes
22-Jan-03	33,151	0.19	17,288,540	ESOP Allotment	Employees	Yes
21-Mar-03	19,376	0.11	17,307,916	ESOP Allotment	Employees	Yes
5-May-03	6,885	0.04	17,314,801	ESOP Allotment	Employees	Yes
9-Jun-03	10,037	0.06	17,324,838	ESOP Allotment	Employees	Yes
9-Jul-03	17,309,638	49.98	34,634,476	Bonus Issue	Existing Shareholders	Yes
7-Aug-03	241,278	0.69	34,875,754	ESOP Allotment	Employees	Yes
12-Sep-03	59,100	0.17	34,934,854	ESOP Allotment	Employees	Yes
9-Oct-03	1,500	0.00	34,936,354	Release of Bonus Shares kept in Abeyance	Various	Yes
31-Oct-03	135,787	0.39	35,072,141	ESOP Allotment	Employees	Yes
20-Nov-03	69,928	0.20	35,142,069	ESOP Allotment	Employees	Yes
9-Jan-04	104,007	0.30	35,246,076	ESOP Allotment	Employees	Yes
1-Feb-04	89,128	0.25	35,335,204	ESOP Allotment	Employees	Yes
11-Feb-04	90,025	0.25	35,425,229	ESOP Allotment	Employees	Yes
26-Feb-04	2,800	0.01	35,428,029	Release of Bonus Shares kept in Abeyance	Various	Yes
26-Feb-04	106,967	0.30	35,534,996	ESOP Allotment	Employees	Yes
8-Apr-04	94,073	0.26	35,629,069	ESOP Allotment	Employees	Yes
4-May-04	16,740	0.05	35,645,809	ESOP Allotment	Employees	Yes
27-May-04	35,544,081	49.93	71,189,890	Bonus Issue	Existing Shareholders	Yes
6-Jul-04	2,338,778	3.18	73,528,668	Preferential Allotment	Shareholders of Kshema Technologies Limited	Yes
12-Jul-04	253,894	0.34	73,782,562	ESOP Allotment	Employees	Yes
17-Aug-04	160,359	0.22	73,942,921	ESOP Allotment	Employees	Yes
16-Sep-04	3,526,562	4.55	77,469,483	Preferential Allotment	Minority Shareholders of Msource Corp USA	Yes
11-Oct-04	11,200	0.01	77,480,683	Release of Bonus Shares kept in Abeyance	Various	Yes
11-Oct-04	109,919	0.14	77,590,602	Preferential Allotment	Optionholders of Msource Corp USA	Yes
11-Oct-04	209,987	0.27	77,800,589	ESOP Allotment	Employees	Yes
3-Nov-04	79,018	0.10	77,879,607	ESOP Allotment	Employees	Yes
10-Dec-04	312,378	0.40	78,191,985	ESOP Allotment	Employees	Yes
11-Jan-05	700	0.00	78,192,685	Release of Bonus Shares kept in Abeyance	Various	Yes
11-Jan-05	285,768	0.36	78,478,453	ESOP Allotment	Employees	Yes
22-Mar-05	121,455	0.15	78,599,908	ESOP Allotment	Employees	Yes
29-Apr-05	31,495	0.04	78,631,403	ESOP Allotment	Employees	Yes
10-Jun-05	195,552	0.25	78,826,955	ESOP Allotment	Employees	Yes
22-Jun-05	56,092	0.07	78,883,047	ESOP Allotment	Employees	Yes

Date	Number of Shares Issued	% of post issue capital	Cumulative Share Capital	Mode of Allotment	Identity of Allottees	Status of Compliance
30-Jun-05	74,508	0.09	78,957,555	ESOP Allotment	Employees	Yes
29-Jul-05	452,841	0.57	79,410,396	ESOP Allotment	Employees	Yes
26-Aug-05	141,447	0.18	79,551,843	ESOP Allotment	Employees	Yes
10-Sep-05	3,500	0.00	79,555,343	Release of Bonus Shares kept in Abeyance	Various	Yes
16-Sep-05	316,146	0.40	79,871,489	ESOP Allotment	Employees	Yes
14-Oct-05	133,040	0.17	80,004,529	ESOP Allotment	Employees	Yes
21-Oct-05	19,237	0.02	80,023,766	ESOP Allotment	Employees	Yes
28-Oct-05	107,300	0.13	80,131,066	ESOP Allotment	Employees	Yes
15-Nov-05	80,124,266	50.00	160,255,332	Bonus Issue	Existing Shareholders	Yes
25-Nov-05	155,794	0.10	160,411,126	ESOP Allotment	Employees	Yes
2-Dec-05	43,464	0.03	160,454,590	ESOP Allotment	Employees	Yes
19-Dec-05	26,748	0.02	160,481,338	ESOP Allotment	Employees	Yes
26-Dec-05	11,533	0.01	160,492,871	ESOP Allotment	Employees	Yes
12-Jan-06	63,710	0.04	160,556,581	ESOP Allotment	Employees	Yes
16-Jan-06	70,922	0.04	160,627,503	ESOP Allotment	Employees	Yes
20-Jan-06	12,163	0.01	160,639,666	ESOP Allotment	Employees	Yes
30-Jan-06	15,444	0.01	160,655,110	ESOP Allotment	Employees	Yes
3-Feb-06	22,431	0.01	160,677,541	ESOP Allotment	Employees	Yes
10-Feb-06	69,003	0.04	160,746,544	ESOP Allotment	Employees	Yes
17-Feb-06	120,454	0.07	160,866,998	ESOP Allotment	Employees	Yes
24-Feb-06	40,664	0.03	160,907,662	ESOP Allotment	Employees	Yes
3-Mar-06	5,784	0.00	160,913,446	ESOP Allotment	Employees	Yes
10-Mar-06	21,724	0.01	160,935,170	ESOP Allotment	Employees	Yes
17-Mar-06	37,796	0.02	160,972,966	ESOP Allotment	Employees	Yes
24-Mar-06	38,194	0.02	161,011,160	ESOP Allotment	Employees	Yes
3-Apr-06	26,774	0.02	161,037,934	ESOP Allotment	Employees	Yes
7-Apr-06	75,290	0.05	161,113,224	ESOP Allotment	Employees	Yes
17-Apr-06	10,176	0.01	161,123,400	ESOP Allotment	Employees	Yes
21-Apr-06	37,420	0.02	161,160,820	ESOP Allotment	Employees	Yes
26-Apr-06	6,300	0.00	161,167,120	Release of bonus shares kept in abeyance	Various	Yes
28-Apr-06	69,436	0.04	161,236,556	ESOP Allotment	Employees	Yes
5-May-06	5,106	0.00	161,241,662	ESOP Allotment	Employees	Yes
12-May-06	20,972	0.01	161,262,634	ESOP Allotment	Employees	Yes
19-May-06	43,580	0.03	161,306,214	ESOP Allotment	Employees	Yes
26-May-06	93,934	0.06	161,400,148	ESOP Allotment	Employees	Yes
2-Jun-06	42,996	0.03	161,443,144	ESOP Allotment	Employees	Yes
9-Jun-06	23,154	0.01	161,466,298	ESOP Allotment	Employees	Yes
16-Jun-06	10,429	0.01	161,476,727	ESOP Allotment	Employees	Yes
23-Jun-06	4,870	0.00	161,481,597	ESOP Allotment	Employees	Yes
30-Jun-06	27,650	0.02	161,509,247	ESOP Allotment	Employees	Yes
7-Jul-06	8,904	0.01	161,518,151	ESOP Allotment	Employees	Yes
14-Jul-06	24,368	0.02	161,542,519	ESOP Allotment	Employees	Yes
21-Jul-06	114,017	0.07	161,656,536	ESOP Allotment	Employees	Yes
28-Jul-06	111,432	0.07	161,767,968	ESOP Allotment	Employees	Yes
4-Aug-06	64,628	0.04	161,832,596	ESOP Allotment	Employees	Yes

Date	Number of Shares Issued	% of post issue capital	Cumulative Share Capital	Mode of Allotment	Identity of Allottees	Status of Compliance
11-Aug-06	12,624	0.01	161,845,220	ESOP Allotment	Employees	Yes
18-Aug-06	47,492	0.03	161,892,712	ESOP Allotment	Employees	Yes
1-Sep-06	6,288	0.00	161,899,000	ESOP Allotment	Employees	Yes
8-Sep-06	5,410	0.00	161,904,410	ESOP Allotment	Employees	Yes
15-Sep-06	29,564	0.02	161,933,974	ESOP Allotment	Employees	Yes
22-Sep-06	96,388	0.06	162,030,362	ESOP Allotment	Employees	Yes
3-Oct-06	7,632	0.00	162,037,994	ESOP Allotment	Employees	Yes
6-Oct-06	3,610	0.00	162,041,604	ESOP Allotment	Employees	Yes
13-Oct-06	4,340	0.00	162,045,944	ESOP Allotment	Employees	Process
19-Oct-06	1,062	0.00	162,047,006	ESOP Allotment	Employees	Process

Note: Share capital, post 15 days from closure of the Offer, as on March 6, 2007 is 165,673,839

Note: The compliance mentioned above is filing of Form 2 with Registrar of Companies, getting the Shares listed with the respective Stock Exchanges and applicable provisions of the SEBI (SAST) regulations and other applicable regulations under the SEBI Act, 1992 and other statutory requirements, as applicable.

41. Till date, none of the stock exchanges on which the Shares are listed have ever suspended trading in the Shares.
42. There are neither any partly paid-up Shares nor outstanding convertible instruments except 38,500 shares, allotment of which is kept in abeyance pending settlement of court case / dispute and 6,008,296 ESOPs issued to the employee under the Target Company's Employee Stock Offer Plan, 1998 plan (Version I), 1998 plan (version II), 2000 plan, 2003 plan and 2004 plan, as of October 19, 2006. The 38,500 Shares have not been included for computation of the share capital as on October 19, 2006. However, out of the 38,500 Shares in abeyance, 700 Shares have been allotted on January 16, 2007 and a further 300 Shares are expected to be allotted before March 6, 2006 and the diluted voting equity capital has been computed after reckoning the allotment of the said 1,000 bonus Shares kept in abeyance. The Shares are listed only on the BSE and the NSE. The Shares have been delisted from the Calcutta Stock Exchange (CSE) with effect from August 30, 2006 pursuant to an application filed by the Target Company for such delisting. The Target Company has been in regular compliance of all material requirements under the listing agreements it has with the NSE and BSE and no punitive action has been initiated by any of the aforesaid stock exchanges against the Target Company.
43. The Target Company has not received any directions from SEBI under Section 11B of the SEBI Act or under any of the regulations made under the SEBI Act, prohibiting them from dealing in securities. The Target Company has complied with applicable provisions of Chapter II of SEBI (SAST) Regulations within the specified time.
44. The board of directors of the Target Company is as listed below:

Name of the directors	Designation	Educational qualifications	Residential Addresses	Nos of Yrs of Experience	Date of joining
Jaithirth Rao	Chairman	Masters degree from the University of Chicago and an MBA from the Indian Institute of Management, Ahmedabad	#61, Umang Kashibai, Navrange Marg, Gamdevi, Mumbai - 400 007	33	10 January 2000
Deepak Patel	Managing Director	BS in Mechanical Engineering from MS University of Baroda	194, Phase I Palm Meadows, Varthur Road, Whitefield, K R Puram Bangalore - 560066	21	1 November 2006
Jereon Tas	Director	MBA from the Free University of Amsterdam	267 Brookside Road, Darien, CT 06820 USA	26	10 October 2006
Stephen Heidt	Director	Certificate in Business Programming from the School of Computer Technology, Pittsburgh, PA	461 Ashwood Lane Fairview, Texas 75049 USA	26	27 June 2006
Rahul Bhasin	Director	MBA from the Indian Institute of Management, Ahmedabad	A2/16, Safdarjung Enclave New Delhi - 110029	20	10 June 1998
Nawshir H Mirza	Director	Fellow of the Institute of Chartered Accountants of India	6A, Somerset Place Sophia College Lane 61-d, Peddar Road Mumbai 400 026	35	8 January 2004

Name of the directors	Designation	Educational qualifications	Residential / Mailing Addresses	Nos of Yrs of Experience	Date of joining
D S Brar	Director	Bachelor of Engineering (Electrical) from Thapar Institute of Engineering & Technology, Patiala, and a Masters in Management from Faculty of Management Studies, University of Delhi (Gold Medalist)	Greenfields Farm, Gadaipur-Jaunapur Road Village-Gadaipur, Tehsil, Mehrauli New Delhi - 110030	33	8 April 2004
Dr Jose de la Torre	Director	Doctor in Business Administration from Harvard University and MBA (Management) and B.S. (Aerospace Engineering) from the Pennsylvania State University	1581, Brickell Drive Apartment 503, Miami, FL 33129 U.S.A.	42	6 June 2000
Thomas Haubenstricker	Director	Bachelors Degree in Business Administration from Central Michigan University	Westbourn House Pinewood Road Virginia Water, UK GU254PY	23	27 June 2006
Paul Currie	Director	Bachelors of Business Administration from York University in Toronto and Canadian Chartered Accountant	21929 Master Circle Estero, Fla 33928 USA	27	27 June 2006
Joe Eazor	Director	MBA degree from University of Chicago and a BSc Degree from Colorado School of Mines	Lane 2888 Hunan Rd. Pudong Shanghai 201315	23	27 June 2006
Mark Bilger	Director	Bachelors Degree in Mathematics from Wheaton College in Wheaton, Illinois	141 Putting Green Road Trumbull, CT 06611 USA	26	30 August 2006

45. The experience of the board of directors of the Target Company is as under:

Jaithirth Rao, Chairman

Jaithirth (Jerry) Rao is a representative of Acquirer on the board of the Target Company effective 1 November 2006. Jerry is Vice President and General Manager of EDS' operations in India. Prior to founding MphasiS, Jerry was with Citigroup, where he built and developed Citibank's Consumer businesses as the Country/Regional Manager in India, Middle East, Eastern Europe and UK. He earlier headed Citibank's Global Technology Development Division and their Global Electronic Cards Division. Jerry is a seasoned veteran in Consumer and Corporate Financial Services and in Technology Management. With his vast experience on the subject, Jerry has testified before the U.S. Congress on e-commerce. Currently, Jerry is also on the Boards of Cadbury India Limited, The Arvind Mills Limited, IDFC Asset Management Company Limited, Gabriel India Limited, Royal Orchids Hotels Limited, Rao Properties Private Ltd., Sanvijay Tours and Travels Private Ltd., Bangalore Review and Magazines Co. Private Ltd and Lotus India Asset Management Company Private Limited. He is the Founder Member and Director of Development Gateway Foundation, USA, and a Trustee of the NASSCOM Foundation, Sujay Foundation, India Foundation for the Arts and Mathematical Sciences Foundation. He is also a Settlor and Executive Committee Member in IIMA Alumni Association Trust.

Deepak Patel, Managing Director

Deepak Patel is the Managing Director of MphasiS with effect from 1 November 2006. Prior to his current role, he was Chief Operating Officer of MphasiS Group. Deepak has 20 years of experience in the information technology sector. Previously he was vice president, Best Shore Strategic Investments and Business Development for EDS. He has also held other key management positions at EDS, including senior systems engineer and chief technologist for the Manufacturing Technology Group.

Jeroen Tas, Director

Jeroen Tas is a co-founder of MphasiS. Before starting MphasiS he was with Citibank, heading Transaction Technology Inc, the subsidiary responsible for the design and development of the bank's distribution systems, such as ATMs, Internet and contact centers. He has worked for Digital Equipment and Philips Electronics in international marketing and project management positions in the USA, Europe and Asia.

Stephen Heidt, Director

Stephen (Steve) Heidt is a representative of the Acquirer on the board of the Target Company. At EDS, Steve is the Vice President of Service Delivery Operations. In this role, he has responsibility for EDS' ITO and BPO delivery capabilities, Global Network Design and Operations, and EDS' Best ShoreSM program. Steve is also responsible for Global Information Security Management and Global Software Management. He reports directly to Chief Operating Officer Ron Rittenmeyer in the Office of the Chairman. Since joining EDS in 1980 in the Operations Development Program, Steve has held a number of key technical and service delivery leadership roles. Those assignments reflect the diversity of his IT services industry experience in the United States and internationally.

Rahul Bhasin, Director

Rahul Bhasin is a Managing Partner for Baring India Private Equity Fund. Previously he was a Fund Manager with Citibank Global Asset Management in London. Prior to moving to London, he was based in Citibank's Delhi Office where he was in charge of Treasury. Rahul was earlier the Chairman of Mphasis Limited. Currently, he is also on the boards of Siro Clinpharm Private Ltd, Hindustan Oil Exploration Company Limited, Secova eServices, Auro Mira Limited, Maples ESM Technologies and Baring Private Equity International.

Nawshir H Mirza, Director

Nawshir Mirza spent most of his career with Ernst & Young and its Indian member firm, S.R.Batliboi & Co, Chartered Accountants, and its predecessor firm, Arthur Young, being a Partner from 1974 to 2003. He has contributed to the accounting profession, being a Speaker or the Chairperson at a large number of professional conferences in India & abroad. He is also a Director on the boards of Esab India Limited, Tata Industries Limited, RPG Guardian Private Limited, Foodworld Supermarkets Limited, Jardine Shipping Services (India) Private Limited and Tata Power Company Limited. As a philanthropist, he is actively involved with Childline, an all-India NGO for abused & distressed children.

Davinder Singh Brar, Director

D S Brar started his career with Associated Cement Companies (ACC) and later joined Ranbaxy Laboratories Limited where he rose to the position of CEO and Managing Director. Currently, he is also on the boards of Reserve Bank of India, Suraj Hotels (P) Ltd, Madhubani Investments (P) Ltd, Suraj Overseas (P) Ltd, Green Valley Land and Development (P) Ltd, Davix Management Services Private Ltd, GVK Bio Sciences Private Ltd, GVK Davix Technologies Private Ltd, Inogen Laboratories Private Ltd and Maruti Udyog Limited and Member of Board of Governors in Indian Institute of Management, Lucknow. He is also a Special Advisor to the board of directors of Codexis, a California based Company.

Dr. Jose de la Torre, Director

Dr. Jose de la Torre is the Dean of the Chapman Graduate School of Business at Florida International University, Miami, Florida and holds the Byron Harless Chair in Management. Dr. de la Torre was previously a professor of International business strategy at the Anderson School at UCLA and at INSEAD in France. He is also on the International Advisory Board of EDHEC in Lille and Nice, France.

Thomas Haubenstricker, Director

Thomas (Tom) Haubenstricker is a representative of the Acquirer on the Board of the Target Company. At EDS, Tom is vice president and Chief Financial Officer for EMEA EDS's Europe, Middle East and Africa Region. With responsibility for the regions financial activities. Previously, Tom was Vice President of Finance & Administration with responsibility for EDS' business planning and financial analysis organizations, overseeing all corporate activity relating to financial planning, business performance analysis and financial reporting. In addition, he led EDS' Corporate Business Development from April 2004 to August 2006, providing leadership for the execution of strategic opportunities, including mergers, acquisitions, joint ventures, partnerships, equity investments and divestitures, which played a significant role in executing EDS' corporate strategy. Tom joined EDS' finance organization in 1985 and has held various financial accounting, planning and reporting, positions in the United States and EMEA .

Paul W. Currie , Director

Paul W. Currie is a representative of the Acquirer on the Board of the Target Company. At EDS, he is the Executive Vice President responsible for Corporate Strategy and Business Development. His responsibilities include oversight for developing EDS' corporate strategies and developing growth plans to build the company's business portfolio through related merger and acquisition activities. He reports directly to the EDS Chairman and CEO and serves as a member of EDS' Executive Committee. Earlier, Paul served as managing partner of Currie & Company, a consultancy providing strategic, corporate development, financial and operational advice and related services primarily to large multinational corporations. His previous assignments include Chief Executive Officer of Symcor (a leading BPO services provider in Canada) and Executive Vice President for Corporate Development and Mergers and Acquisitions for Newcourt Credit Group (a global provider of leasing and capital asset lending). He also served as a partner with Coopers & Lybrand for more than a decade. Paul currently serves on the board of directors of CEI Corporation and is on the Dean's Advisory Council for York University Business School.

Joe Eazor, Director

Joseph (Joe) Eazor is a representative of Acquirer on the Board of the Company. At EDS, he is the President of EDS Asia and Chairman of EDS China. In this position, Joe leads EDS' efforts in ASEAN, China, Hong Kong, India, Japan, Korea and Taiwan. Previously, he was the Vice President and General Manager of the EDS' BPO unit. As head of BPO, he was responsible for EDS' financial processing, administrative processing, CRM, F&A and HR outsourcing businesses, including ExcellerateHRO. Before leading EDS' BPO business, Joe was the head of Corporate Strategy and Operations Improvement, working for the Chairman and CEO. A former A.T. Kearney Vice President and global industry practices leader, Joe has also worked with Ernst and Young as a partner and co-leader of its Strategic Advisory Services Practice. He also served as a Principal with AlixPartners LLC, a management turnaround and consulting firm, and as President and CEO of Springbow Solutions, a business-to-business software solutions company.

Mark Bilger, Director

Mark Bilger is a representative of the Acquirer on the Board of the Target Company. At EDS, Mark is Vice President for Global Applications Delivery, in which role he has overall leadership responsibility for guiding and integrating the EDS' capabilities in Applications Services. Before his current role, Mark served as Vice President of Strategic Projects within Global Sales & Client Solutions where he focused on successful implementation of complex, mission-critical client applications projects. During this assignment, he successfully led EDS' UK Department of Work & Pensions (DWP) Child Support Agency account, resulting in the client awarding EDS additional business. Bilger joined EDS in 2003 from The Feld Group, where he was chief development officer and led the development of the Business Intelligence Strategy for the Coca-Cola company. In 1982, he began a 15-year career at IBM, during which he rose through the technical leadership ranks, from his start as a systems engineer. Before his last role as software director,

he was practice leader, IBM Application Consulting for Greater China Group, with responsibility for creating an applications development professional services capability for IBM China.

46. 6 out of a total of 12 directors on the board of directors of the Target Company are nominees of the Acquirer. These directors will not participate in any matter relating to the Offer, including any preparatory steps relating thereto.
47. Other than the proposed Merger with EDS India, details of which are outlined in paragraph 16, there was only one other merger involving the Target Company in the last 3 years which was a merger with Kshema Technologies Limited, a wholly owned subsidiary of the Target Company, which was merged into the Target Company pursuant to a scheme of amalgamation, with effect from April 1, 2005.
48. Brief audited consolidated financial details of the Target Company are as follows:

(Rs. Lacs)	Half Year Ended	Year Ended		
	30-Sept-06	31-Mar-06	31-Mar-05	31-Mar-04
Profit & Loss Statement				
Income from operations	55,260	94,011	76,567	58,058
Foreign exchange gain (loss)	(395)	852	683	1,472
Other Income	8	(87)	36	(9)
Total Income	54,873	94,776	77,287	59,520
Total Expenditure	47,263	74,201	62,446	46,502
Profit Before Depreciation, Interest and Tax	7,611	20,575	14,841	13,018
Depreciation	3,068	5,182	3,958	2,865
Interest Income	253	175	409	392
Profit Before Tax	4,795	15,568	11,292	10,546
Provision for Tax	940	582	(1,169)	688
Profit After Tax	3,855	14,986	12,462	9,858

(Rs. lacs)	Half Year Ended	Year Ended		
	30-Sept-06	31-Mar-06	31-Mar-05	31-Mar-04
Balance Sheet Statement				
Sources of funds				
Paid-up share capital	16,204	16,102	7,861	3,542
Reserves and Surplus (excluding revaluation reserves)	53,730	49,219	55,263	31,379
Employee Stock Options Outstanding	724	738	858	146
Deferred Employee Stock Compensation expense	0	0	0	(10)
Net worth	70,658	66,059	63,981	35,057
Secured loans	316	369	463	268
Total	70,974	66,428	64,444	39,073
Uses of funds				
Net fixed assets	14,282	14,553	11,979	10,252
Goodwill	26,778	26,765	34,918	915
Deferred Tax Assets	1,251	1,665	1,501	178
Net current assets	28,663	23,445	16,046	27,728
Total	70,974	66,428	64,444	39,073

Other Financial Data	Half Year Ended	Year Ended		
	30-Sept-06	31-Mar-06	31-Mar-05	31-Mar-04
Dividend (%)	0%	30%	45%	30%
Basic Earning Per Share (Rs.)	2.39	9.42	8.22	7.06
Return on net worth (%)	5.46%	22.69%	19.48%	28.12%
Book Value Per Share (Rs.)	43.61	41.03	40.70	49.45

Notes:

- (1) During the quarter ended December 31, 2005 (record date November 14, 2005), the Target Company allotted bonus Shares of one Share for every existing Share (1:1). Since the issue of bonus Shares is an issue without additional consideration, the issue is treated as if it had occurred at the beginning of the earliest period, for the purpose of calculating the basic EPS.
- (2) Return on net worth has been computed by dividing Profit After Tax by Net worth.
- (3) Book Value Per Share has been computed by dividing Net worth by Shares outstanding as at the end of the period. During the quarter ended December 31, 2005 (record date November 14, 2005), the Target Company allotted bonus Shares of one Share for every existing Share (1:1). Since the issue of bonus Shares is an issue without additional consideration, the issue is treated as if it had occurred at the beginning of the earliest period, for the purpose of calculating the Book Value Per Share.

- (4) The Paid up share capital as on September 30, 2006 was Rs 1,620,374,620 divided into 162,037,462 Shares of Rs 10/- each. However, 14,200 shares were forfeited on which a sum of Rs. 71,000 had been paid up and hence the Shares outstanding as on September 30,2006 is as below:

Number of Shares	Amount in Rs.	
	Number as per Balance Sheet	162,037,462
Less: Shares forfeited	14,200	142,000
Add: Amount paid on forfeited shares	7,100	71,000
Number as per Shareholding Pattern	162,030,362	1,620,303,620

Increase in revenues in H1 FY2006 compared H1 FY2005

During the six months ended 30 September 2006, revenues were Rs 55,260 lacs, a growth of 23.6% over the revenues for the six months ended 30 September 2005. Higher volumes of business from existing clients and service offerings to new clients contributed to the growth in revenues. Revenues from IT Services grew by 27.8%, with a healthy growth in the Financial Services business, and Time and Material contracts, while BPO Services revenues grew by 14.7% with the increase primarily contributed by Telecom clients in India, offset to some extent by a drop in revenue contribution from clients in the US and Europe.

Decrease in profit after tax in H1 FY2006 compared H1 FY2005

The net profit after taxes was Rs 3,855 lacs for the six months ended 30 September 2006, a decrease of 47.8% over the net profit for the six months ended 30 September 2005. As a percentage of total revenues, the net margin decreased to 7.0% for the six months ended 30 September 2006. Lower operating profits, foreign exchange losses and higher income tax provision have contributed to the reduction in net profit.

Increase in revenues in FY2006 compared FY2005

During the year ended March 31, 2006 the revenues of the Target Company were Rs 94,011 lacs as compared to revenues of Rs 76,567 lacs during the year ended March 31, 2005, a growth of 22.8%. IT services revenues increased by 33.4% whereas BPO services revenue increased by 4.8%. Acquisitions made in the financial year 2004-05 helped increase the Target Company's service offerings and expand its revenue base besides the volume growth in its core business areas. This was partially offset by volume discounts and change in revenue mix in BPO services.

Increase in profit after tax in FY2006 compared FY2005

The increase was primarily due to increase in revenues over and above the increase in cost of revenues and reduction in selling and general and administrative expenses as a percentage of revenues.

Increase in revenues in FY2005 compared FY2004

The increase in consolidated revenues in FY2005 was due to growth in BPO services, over 52%, attributable to increased volumes, which was in line with management strategy to ramp up the operations of BPO services. There was also an increase of 22.3% in revenues of IT services, which was attributable to an increase in the volume of business, as it added 71 new clients including the clients of Kshema Technologies Limited, a company acquired by the Target Company in June 2004.

Increase in profit after tax in FY2005 compared FY2004

The increase was primarily due to increase in revenues and increased economies of scale in the BPO business.

49. Pre and Post-Offer shareholding of the Target Company

The shareholding before the Offer and after the Offer (assuming full acceptance of the Offer), based on the total outstanding Shares, is given in the table below:

As on October 19, 2006

Shareholders' category	Shareholding and voting rights prior to the agreement / acquisition and Offer		Shares / voting rights greed to be acquired which triggered the Regulations		Shares / voting rights to be acquired in the Offer (assuming full acceptances)		Share holding / voting rights after the acquisition andoffer	
	(A)		(B)		(C)		(A)+(B)+(C)=(D)	
	No.	%	No.	%	No.	%	No.	%
(1) Acquirers & Promoter Group								
a. Main Acquirer & Promoter	83,000,000	51.22	N.A.	N.A.	33,134,768	20.45	116,134,768	71.67
b. PAC	Nil	Nil	N.A.	N.A.	Nil	Nil	Nil	Nil
Total 1(a+b)	83,000,000	51.22	N.A.	N.A.	33,134,768	20.45	116,134,768	71.67
(2) Parties to agreement other than(1) (a) & (b)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Shareholders' category	Shareholding and voting rights prior to the agreement / acquisition and Offer		Shares / voting rights greed to be acquired which triggered the Regulations		Shares / voting rights to be acquired in the Offer (assuming full acceptances)		Share holding / voting rights after the acquisition and offer	
	(A)		(B)		(C)		(A)+(B)+(C)=(D)	
	No.	%	No.	%	No.	%	No.	%
(3) Public (other than parties to agreement, Acquirer & PAC)								
a. Mutual Funds and UTI	12,335,196	7.61	N.A.	N.A.	Nil	Nil	This will depend on response from and within each category under (3)	
b. Banks, FIs, Insurance Co.s, Central / State Govt. / Non-Govt. Institutions	691,112	0.43	N.A.	N.A.	Nil	Nil		
c. FIs	20,600,375	12.71	N.A.	N.A.	Nil	Nil		
d. Private Corporate Bodies	24,984,180	15.42	N.A.	N.A.	Nil	Nil		
e. Indian Public	11,720,939	7.23	N.A.	N.A.	Nil	Nil		
f. NRIs / OCBs	3,422,707	2.11	N.A.	N.A.	Nil	Nil		
g. Any Others - Directors	5,292,497	3.27	N.A.	N.A.	Nil	Nil		
Total 3(a+b+c+d+e+f+g)	79,047,006	48.78	N.A.	N.A.	Nil	Nil		45,912,238
GRAND TOTAL (1+2+3+4)	162,047,006	100.00	Nil	N.A.	33,134,768	20.45	162,047,006	100.00

The total number of Shareholders in the Public category (as per (3) above) as on October 19, 2006 was 25,735 .

The shareholding before the Offer and after the Offer (assuming full acceptance of the Offer), based on the Share Capital as on March 6, 2007, is given in the table below:

Shareholders' category	Shareholding and voting rights prior to the agreement / acquisition and Offer		Shares / voting rights greed to be acquired which triggered the Regulations		Shares / voting rights to be acquired in the Offer (assuming full acceptances)		Share holding / voting rights after the acquisition and offer	
	(A)		(B)		(C)		(A)+(B)+(C)=(D)	
	No.	%	No.	%	No.	%	No.	%
(1) Acquirers & Promoter Group								
a. Main Acquirer & Promoter	83,000,000	50.38	N.A.	N.A.	33,134,768	20.00	116,134,768	70.10
b. PAC	Nil	Nil	N.A.	N.A.	Nil	Nil	Nil	Nil
Total 1(a+b)	83,000,000	50.38	N.A.	N.A.	33,134,768	20.00	116,134,768	70.10
(2) Parties to agreement other than(1) (a) & (b)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(3) Public (other than parties to agreement, Acquirer & PAC)								
a. Mutual Funds and UTI	12,335,196	7.45	N.A.	N.A.	Nil	Nil	This will depend on response from and within each category under (3)	
b. Banks, FIs, Insurance Co.s, Central / State Govt. / Non-Govt. Institutions	691,112	0.42	N.A.	N.A.	Nil	Nil		
c. FIs	20,600,375	12.43	N.A.	N.A.	Nil	Nil		
d. Private Corporate Bodies	24,984,180	15.08	N.A.	N.A.	Nil	Nil		
e. Others (includes Indian Public, NRIs / OCBs and Any Others – Directors)	24,062,976	14.52	N.A.	N.A.	Nil	Nil		
Total 4(a+b+c+d+e)	82,673,839	49.90	N.A.	N.A.	Nil	Nil		49,539,071
GRAND TOTAL (1+2+3+4)	165,673,839	100.00	N.A.	N.A.	33,134,768	20.00	165,673,839	100.00

50. When BFL Software Limited was incorporated in 1992, the promoters were the Bangur Group and their associates who owned 1,504,800 shares as per the last holding by them and disposed the same in favor of Baring India Investments Limited in March 1998. The Acquirer is now the promoter of the Target Company pursuant to the Previous Offer.
51. The Acquirer (i.e. TH Holdings) is the promoter of the Target Company and currently holds 83,000,000 Shares acquired in the Previous Offer which closed on June 5, 2006. The Acquirer has complied with applicable provisions of Chapter II of SEBI (SAST) Regulations within the specified time, in filing returns under Regulation 8(2) of the SEBI (SAST) Regulations.
52. The Target Company has been complying with the corporate governance requirements as are prescribed in Clause 49 of the Listing Agreement as amended from time to time.

Material litigation pending against the Target Company, as on September 30, 2006, is as follows:

- a. An income tax demand including interest in respect of the assessment year 2002-03 estimated at Rs. 6,043,000, net of provision made in the books, have been remanded for de novo adjudication to the Assessing Officer.
53. A. Sivaram Nair, Company Secretary is the Compliance Officer of the Target Company. Address: MphasiS Limited, 139/1, Hosur Main Road, Koramangala, Bangalore – 560 095. Tel: +91 80 4042 2427; Fax: +91 80 2552 2719.

VI. OFFER PRICE AND FINANCIAL ARRANGEMENTS

Justification of the Offer Price

54. The Shares are listed on the BSE and the NSE. Based on the information available, the Shares are frequently traded on both the BSE and the NSE.
55. The details of trading volumes of the Target Company on the BSE and the NSE are as provided below:

	Total Shares traded during the six calendar months prior to the month in which the Public Announcement was made	Total no. of listed Shares	Annualized trading turnover as a % of total number of listed Shares	Trading status in terms of the SEBI (SAST) Regulations
NSE	74,818,522	162,045,944	92.34%	Frequently Traded
BSE	31,396,542	162,045,944	38.75%	Frequently Traded

Sources : www.nseindia.com and www.bseindia.com

As the annualized trading turnover on the NSE and the BSE during the six month period prior to the date of the Public Announcement is more than 5% of the total number of listed Shares, the Shares are not infrequently traded on the NSE or the BSE as per the Explanation (i) to Regulation 20(5) of the SEBI (SAST) Regulations, with the NSE being the exchange where the Shares are most frequently traded.

56. The Acquirer and the PAC have not acquired any Shares during the 26-week period prior to the date of the Public Announcement including through allotment in a public, rights or preferential issue except through the Previous Offer. The price of Rs. 204.50 per Share paid by the Acquirer in the Previous Offer was higher than the price determined in terms of the SEBI (SAST) Regulations. The Offer Price of Rs. 204.50/- per Share is justified in terms of Regulation 20(4) and Regulation 20A of the SEBI (SAST) Regulations as it is equal to the highest of the following:

a. The highest price paid by the Acquirer and / or the PAC for any acquisition including by way of allotment in a public or rights or preferential issue during the 26 weeks prior to the date of Public Announcement	Rs 204.5/Share
b. The negotiated price	Not Applicable
c. The average of the weekly high and low of closing prices of the Shares on NSE during the 26-weeks preceding the date of the Public Announcement	Rs. 175.09/ Share
d. The average of the daily high and low of the Shares on NSE during the 2-weeks preceding the date of the Public Announcement	Rs. 200.77/ Share

57. The Shares are most frequently traded on NSE. The weekly high and low of the closing prices of the Shares, during the 26-week period ended October 19, 2006 (being the last trading date before the Public Announcement) on NSE, are given below:

Week #	End Date	High (Rs.)	Low (Rs.)	Average (Rs.)	Volume
1	26-Apr-06	205.15	197.25	201.20	1,264,291
2	3-May-06	203.25	194.00	198.63	1,984,780
3	10-May-06	201.20	200.20	200.70	834,210
4	17-May-06	200.55	195.60	198.08	691,372
5	24-May-06	194.10	187.10	190.60	1,361,584
6	31-May-06	192.45	190.35	191.40	2,207,906
7	7-Jun-06	192.00	166.15	179.08	726,529
8	14-Jun-06	173.35	140.05	156.70	659,475
9	21-Jun-06	158.75	150.85	154.80	854,377
10	28-Jun-06	154.60	141.95	148.28	1,778,342

Week #	End Date	High (Rs.)	Low (Rs.)	Average (Rs.)	Volume
11	5-Jul-06	153.70	146.40	150.05	2,340,842
12	12-Jul-06	145.40	137.95	141.68	2,362,626
13	19-Jul-06	141.00	124.55	132.78	3,219,131
14	26-Jul-06	157.25	126.55	141.90	7,545,827
15	2-Aug-06	165.05	154.70	159.88	12,348,217
16	9-Aug-06	163.45	156.75	160.10	3,331,190
17	16-Aug-06	171.90	163.25	167.58	4,634,722
18	23-Aug-06	181.20	166.40	173.80	4,358,708
19	30-Aug-06	185.40	181.20	183.30	3,693,957
20	6-Sep-06	182.25	176.30	179.28	1,454,365
21	13-Sep-06	185.75	174.15	179.95	3,357,530
22	20-Sep-06	192.10	183.85	187.98	2,931,507
23	27-Sep-06	188.80	181.70	185.25	2,654,516
24	4-Oct-06	191.85	184.95	188.40	1,916,244
25	11-Oct-06	200.45	189.85	195.15	5,616,077
26	18-Oct-06	207.05	204.50	205.78	3,594,081
		26 Weeks Average		175.09	

Source : www.nseindia.com.

58. The daily high, low and average prices of the Shares during the last 2 weeks of trading on the NSE, where Shares are most frequently traded, (as on the date of the Public Announcement) are given below:

Day #	Date	High (Rs.)	Low (Rs.)	Average	Volume
1	5-Oct-06	191.00	187.95	189.48	725,667
2	6-Oct-06	198.40	190.00	194.20	1,765,293
3	9-Oct-06	205.00	192.10	198.55	954,645
4	10-Oct-06	203.00	196.00	199.50	617,923
5	11-Oct-06	205.90	198.10	202.00	1,552,549
6	12-Oct-06	208.00	200.00	204.00	1,072,428
7	13-Oct-06	209.90	203.10	206.50	1,233,701
8	16-Oct-06	209.00	190.10	199.55	361,308
9	17-Oct-06	210.60	203.00	206.80	692,279
10	18-Oct-06	209.20	205.05	207.13	234,365
		2 Weeks Average		200.77	

Source : www.nseindia.com.

On the basis of the above (i.e. paragraphs 57, 58 and 59), the minimum offer price in terms of Regulation 20(11) of the SEBI (SAST) Regulations is Rs. 204.50 per Share.

59. During the Offer period, the Acquirer or the PAC may purchase additional Shares in accordance with the SEBI (SAST) Regulations. In the event that the Acquirer or the PAC purchases additional Shares during the Offer Period in accordance with Regulation 20(7) of the SEBI (SAST) Regulations, such purchase shall be disclosed to the stock exchanges where the Shares are listed and to the Manager to the Offer in accordance with Regulation 22(17) of the SEBI (SAST) Regulations. The Acquirer undertakes to ensure that the Offer Price shall not be less than the highest price paid by the Acquirer or PAC for any acquisition of shares of target Company from the date of the PA (i.e. October 19, 2006) upto February 8, 2007 (i.e. 7 working days prior to the closure of the Offer). There is no non-compete agreement entered into by the Acquirer/ PAC with respect to this Offer.
60. As per the SEBI (SAST) Regulations, the Acquirer can revise the Offer Price / Offer Size up to 7 (seven) working days prior to the closure of this Offer, and the revision, if any, would be announced in the same newspapers where the Public Announcement has appeared and the revised price will be paid for all Shares acquired pursuant to this Offer.

Financial Arrangements

61. The total financial resources required under the Offer, assuming full acceptance, will be Rs. 6,776,060,056.00 (Rupees Six Billion, Seven Hundred and Seventy Six Million, and Sixty Thousand, and Fifty Six) (the "**Maximum Consideration**").
62. The Acquirer and the PAC propose to fund the Offer out of internally generated funds. By way of security for performance of its obligations under the SEBI (SAST) Regulations, an unconditional, irrevocable and on demand bank guarantee ("**Guarantee**") dated October 18, 2006 has been issued on behalf of the Acquirer and the PAC in terms of Regulation 28 of the SEBI (SAST) Regulations by Citibank N.A, 4th Floor, Fort House, Mumbai 400 001 ("**Indian Issuing Bank**"). The Guarantee is issued in favor of the Manager to the Offer, is valid until May 15, 2007 and is for a sum of Rs. 825,000,000 (Rupees Eight Hundred and Twenty Five Million). As a result of the change in the Offer Size an additional Guarantee ("**Additional Guarantee**") has been issued in favor of the Manager to the Offer, is valid until May 15, 2007 and is for a sum of Rs 4,000,000 (Rupees Four Million Only). Thus, the aggregate of the Guarantee and the Additional Guarantee, issued on behalf of the Acquirer and the PAC is higher than the minimum prescribed escrow amount of 25% for the first Rs. 100 crores of consideration payable under the Offer (assuming full acceptance) and 10% thereafter

on the balance of the consideration payable under the Offer, in accordance with Regulation 28 of the SEBI (SAST) Regulations. At the request of the Acquirer, an unconditional, irrevocable and on demand bank guarantee dated October 17, 2006 for an amount of Rs. 825,000,000 (Rupees Eight Hundred and Twenty Five Million) has been issued by Citibank N.A., New York, NY 10043 in favor of the Indian Issuing Bank which in turn has issued the Guarantee in favor of the Manager to the Offer. As a result of the change in the Offer Size an unconditional, irrevocable and on demand bank guarantee dated January 24, 2007 for an amount of Rs. 4,000,000 (Rupees Four Million) has been issued by Citibank N.A., New York, NY 10043 in favor of the Indian Issuing Bank. In addition to the aforementioned Guarantees, the Acquirer has also deposited in an escrow account with Citibank N.A., D.N. Road Branch, Fort, Mumbai (the “**Escrow Account**”), an amount of Rs. 70,768,000 in cash (the “**Cash Deposit**”). The Cash Deposit represents more than 1% of the Maximum Consideration in accordance with Regulation 28 of the SEBI (SAST) Regulations.

63. The Acquirer has authorized the Manager to the Offer to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations. The Guarantee and the Additional Guarantee also entitles the Manager to the Offer to realize the value thereof in terms of the SEBI (SAST) Regulations.
64. In view of the above Guarantee, the Additional Guarantee and Cash Deposit made by the Acquirer, a cash balance of over US\$1.0 billion as of September 30, 2006 being available to the PAC and the additional confirmations received by the Manager to the Offer, the Manager to the Offer is satisfied that firm arrangements are in place to fulfill the Acquirer’s obligations through verifiable means in relation to the Offer in accordance with the SEBI (SAST) Regulations.
65. In the event of any shortfall in the Cash Deposit arising on account of exchange rate fluctuations, the Acquirer has undertaken to provide additional funds to ensure that the Escrow Account has adequate funds to discharge its obligations under the Offer
66. M/s V. C. Shah and Co., Chartered Accountants, having their address at Rajgir Chambers, 3rd floor, Shahid Bhagat Singh Road, Mumbai 400 001. Tel. No. +91 22 2263 4021; Fax No. +91 22 2266 2667 Membership No. 42649, have vide their certificate dated October 19, 2006 certified the adequacy of financial resources of the Acquirer and the PAC for fulfilling their obligations under the Offer.

VII. TERMS AND CONDITIONS OF THE OFFER

67. All Shares tendered and accepted upto 33,134,768 under the Offer, will be acquired by the Acquirer, subject to terms and conditions set out herein. All necessary requirements for the valid transfer of the Shares will be the pre-conditions for valid acceptance. The Target Company does not have any outstanding Shares that are subject to lock-in.
68. All Shareholders other than the Acquirer and the PAC, whose names appear in the register of shareholders on the Specified Date and also persons who own Shares any time prior to the closure of the Offer, whether or not they are registered Shareholders, are eligible to participate in the Offer anytime before the closure of the Offer (“**Persons eligible to participate in Offer**”).
69. The Offer is subject to the receipt of the approval of the RBI under the Foreign Exchange Management Act, 1999 and the rules and regulations made there under for each of (i) the acquisition of Shares by the Acquirer under the Offer; and (ii) the opening and operation of the escrow account and special account referred to herein, and other related matters. RBI approval for opening and operating the Escrow Account and special account was obtained on December 18, 2006. RBI approval for the acquisition of 32,947,290 Shares by the Acquirer under the Offer was obtained on December 18, 2006. In light of revision of the Offer Size, the Acquirer has applied for RBI approval to acquire an additional 187,478 Shares on January 24, 2007.
70. No approval other than the aforementioned approvals is required for the Acquirer to proceed with this Offer. If any other statutory approvals become applicable, the Offer would be subject to such statutory approvals. The Acquirer will have a right not to proceed with the Offer in terms of Regulation 27 of SEBI (SAST) Regulations in the event the statutory approvals indicated above are refused. In case of a delay in receipt of any statutory approval(s), SEBI has the power to grant an extension of time to the Acquirer for payment of consideration to the tendering Shareholders, subject to the Acquirer agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations. Further, if the delay occurs on account of willful default or neglect or inaction or non-action by the Acquirer in obtaining the requisite approvals, Regulation 22(13) of the SEBI (SAST) Regulations will also become applicable.

VIII. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

71. The Acquirer along with the PAC made the Public Announcement on October 19, 2006 for the Offer. This Offer is made to all Persons eligible to participate in Offer.
72. The Letter of Offer, together with the form of acceptance cum acknowledgement (“**Form of Acceptance cum Acknowledgement**”), will be mailed to the Persons eligible to participate in Offer, whose names appear on the register of members of the Target Company and to the beneficial owners of the dematerialized Shares, whose names appear as beneficiaries in the records of the respective depositories, at the close of business on October 20, 2006 (“**Specified Date**”).
73. Holders of Shares in physical form who wish to tender their Shares will be required to send the Form of Acceptance cum Acknowledgement, original Share certificate(s), and transfer deed(s) duly signed to the Registrar to the Offer – Mondkar Computers Private Limited, 21, Shakil Niwas, Opp. Satyasaibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai – 400093. (“**Registrar**”), Telephone number: (022) 28257641 28366620, Fax number: (022) 28262920, either by hand delivery on weekdays, or by registered post, on or before the closure of the Offer (i.e. no later than February 19, 2007), in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgement.
74. The Registrar to the Offer, M/s Mondkar Computers Private Limited has opened a special depository account with Citibank N.A. at the National Securities Depository Limited (“**NSDL**”) called, “**Escrow Account – Mphasis Open Offer**”. The DPID is IN300054 and Client ID is 10019535.

DP Name	Citibank N.A.
DP	IN 300054
Client ID	10019535

Persons eligible to participate in Offer having their beneficiary account with the Central Depository Services (India) Limited (“CDSL”) must use the inter-depository delivery instruction slip for the purpose of crediting their Shares in favor of the special depository account with NSDL.

75. Beneficial owners (holders of Shares in dematerialized form) who wish to tender their Shares will be required to send their Form of Acceptance cum Acknowledgement along with a photocopy of the delivery instruction in “Off-market” mode, or counterfoil of the delivery instructions in “Off-market” mode, duly acknowledged by the Depository Participant (“DP”), in favor of the special depository account to the Registrar to the Offer – Mondkar Computers Private Limited, 21, Shakil Niwas, Opp. Satyasaibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai – 400093. (“Registrar”), Telephone number: (022) 28257641 28366620, Fax number: (022) 28262920, either by hand delivery on weekdays or by registered post, on or before the closure of the Offer (i.e. no later than February 19, 2007), in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgement. The credit for the delivered Shares should be received in the special depository account on or before closure of the Offer (i.e. no later than February 19, 2007).

76. In addition to the above-mentioned address, Persons eligible to participate in Offer who wish to avail of and accept the Offer can also deliver the Acceptance cum Acknowledgement Form along with all the relevant documents at any of the collection centers below in accordance with the procedure as set out in the Letter of Offer. All the centers mentioned herein below would be open as follows:

Hand Delivery at any of these offices: Monday to Friday 11.00 am to 4.00 pm and on Saturday 11.00 am to 1.00 pm. Office would be closed on Sundays and Public Holidays.

Address	Contact Person	Mode of Delivery	Phone No.	Fax
Mondkar Computers Pvt. Ltd. 21, Shakil Niwas, Opp. Satyasaibaba Temple, Mahakali Caves Road, Andheri (E), Mumbai – 400093.	Devanand Dalvi	Both Post & Hand Delivery	022 28257641, 28366620	022-28262920
Mondkar Computers Pvt. Ltd. C/o Beetal Consultants C/o Ghia Textile5, Agra Building, 1 st Floor, 121 M G Road, Opp. Mumbai University, Mumbai – 400001.	Philip	Hand Delivery	022- 32623359	022- 22651498
Mondkar Computers Pvt. Ltd. C/o Vanashree Tele. 9, Amrapali Shopping Centre New Sharda Mandir Road Near Shreyas Crossing, Paldi Ahemdabad- 380 007.	Pradip Upadhyay	Hand Delivery	079-26608147	079-26601909
Mondkar Computers Pvt. Ltd. C/o Meenakshi Investments 703, B Wing, 7 th Floor, Mittal Tower, M G Road Bangalore- 560 001	H J Yatisha	Hand Delivery	080-25321231	080-25321232
Mondkar Computers Pvt. Ltd. C/o Pradeep Tandon Martin Burn House, Mezainne Floor, Room No .1 1, R N Mukherjee Road Kolkata –700 001	Manas Tandon	Hand Delivery	033-22488562	
Mondkar Computers Pvt. Ltd. C/o Pace Setters Business Solutions Pvt Ltd., 205, Nischint Towers, 2 nd Floor 1-10-233/A Ashok Nagar, above GTB Hyderabad- 500020	Soujanya	Hand Delivery	040- 66689874	
Mondkar Computers Pvt. Ltd. C/o Beetal ConsultantsGr, Floor 99, Madangir B/h Local Shopping Centre(Pushp Vihar) Nr. Dada Harsukhdas Mandir New Delhi -110 062	Chandra Shekhar	Hand Delivery	011-29961280.283	011-29961284

77. Persons eligible to participate in Offer who own Shares anytime before the closure of the Offer, are eligible to participate in the Offer anytime before the closure of the Offer. Unregistered owners can send their application in writing to the Registrar to the Offer, on a

plain paper stating their name, address, number of Shares held, number of Shares offered, distinctive numbers, folio number, together with the original Share certificate(s), valid transfer deeds and the original contract notes issued by the broker through whom they acquired their Shares. No indemnity is required from unregistered owners.

78. In case of non-receipt of the Letter of Offer, Persons eligible to participate in Offer may send their consent to the Registrar to the Offer, on a plain paper stating their name, address, number of Shares held, distinctive numbers, folio number and number of Shares offered along with documents as mentioned above so as to reach the Registrar to the Offer on or before the closure of the Offer (i.e. no later than February 19, 2007), or in case of beneficial owners, they may send the application in writing to the Registrar to the Offer, on a plain paper stating their name, address, number of Shares held, number of Shares offered, DP name, DP ID, beneficiary account number, and a photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favor of the special depository account, so as to reach the Registrar to the Offer, on or before the closure of the Offer (i.e. no later than February 19, 2007).
79. In terms of Regulation 22(5A) of the SEBI (SAST) Regulations, Persons eligible to participate in Offer desirous of withdrawing the Shares tendered by them in the Offer may do so up to 3 (three) working days prior to the date of closure of the Offer (i.e. no later than February 14, 2007). The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrar to the Offer at any of the collection centers mentioned above as per the mode of delivery indicated therein on or before February 14, 2007.
- i. The withdrawal option can be exercised by submitting the form of withdrawal, enclosed with the Letter of Offer.
 - ii. In case of non-receipt of form of withdrawal, the withdrawal option can be exercised by making a plain paper application to the Registrar to the Offer along with the following details:
 - In case of physical Shares: name, address, distinctive numbers, folio number, and number of Shares tendered; and
 - In case of dematerialised Shares: name, address, number of Shares offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favor of the special depository account.
80. The Registrar to the Offer will hold in trust the Shares / Share certificates, Shares lying to the credit of the special depository account, Form of Acceptance cum Acknowledgement, if any, and the transfer form(s) on behalf of Persons eligible to participate in Offer who have accepted the Offer, till the cheques / drafts for the consideration and / or the unaccepted Shares / Share certificates are dispatched / returned, as applicable.
81. If the aggregate of the valid responses to the Offer exceeds the Offer Size, then the Acquirer shall accept the valid applications received on a proportionate basis in accordance with Regulation 21(6) of the SEBI (SAST) Regulations. Since the Shares are compulsorily traded in dematerialised form, minimum acceptance will be one Share.
82. Unaccepted Share certificates, transfer forms and other documents, if any, will be returned by Registered Post at the Shareholders' / unregistered owners' sole risk, to the sole / first Shareholder / unregistered owners. Unaccepted Shares held in dematerialised form will be credited back to the beneficial owners' depository account with the respective depository participant, as per the details furnished by the beneficial owner in the Form of Acceptance cum Acknowledgement.
83. Persons eligible to participate in Offer who have sent their Shares for dematerialization need to ensure that the process of getting their Shares dematerialized is completed well in time so that the credit in the special depository account is received on or before the date of closure of the Offer (i.e. no later than February 19, 2007), else their application would be rejected.
84. While tendering Shares under the Offer, NRIs/ OCBs/ foreign Shareholders will be required to submit a tax clearance certificate ("**Tax Clearance Certificate**") from the Income Tax authorities, indicating the amount of tax to be deducted by the Acquirer under the Income Tax Act, 1961, (the "**Income Tax Act**"). In case the aforesaid Tax Clearance Certificate is not submitted, the Acquirer will arrange to deduct tax at the maximum marginal rate as may be applicable to the category of the Shareholder under the Income Tax Act, on the entire consideration amount payable to such NRI/ OCB/ foreign Shareholder.

As per the provisions of Section 196D(2) of the Income Tax Act, no deduction of tax at source shall be made from any income by way of capital gains arising from the transfer of securities referred to in section 115AD of the Income Tax Act payable to a Foreign Institutional Investor as defined in section 115AD of the Income Tax Act. Foreign Institutional Investor shall be required to certify in the format enclosed ("FII Declaration") in **Annexure A** certain details including its status (corporate or non-corporate) and the nature of its income arising from sale of shares in the Target Company (capital gain or income other than capital gain). In the absence of the FII Declaration or where income from the sale of shares is not capital gain, the Acquirer shall deduct tax at the maximum marginal rate under the Income Tax Act, on the entire consideration amount payable. Foreign Institutional Investor may also submit a Tax Clearance Certificate from the Income Tax authorities while tendering the shares, indicating the amount of tax to be deducted by the Acquirer under the Income Tax Act. Where such Tax Clearance Certificate is provided the Acquirer shall deduct tax in accordance to the same. Where Acquirer is required to deduct tax at source on the gross consideration, then the consideration payable to the applicable Shareholder shall be paid net of such deduction.

It is hereby clarified that any other format of certification/ declaration for deduction of tax at source, other than specified above, shall be disregarded and the Acquirer shall deduct tax at maximum marginal rate applicable to the category of the shareholder.

Shareholders are advised to consult their tax advisors for the treatment that may be given by their respective Assessing Officers in their case, and the appropriate course of action that they should take. The Acquirer and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of such advice.

IX. DOCUMENTS FOR INSPECTION

The following documents will be available for inspection to the Shareholders at the registered office of the Target Company, whose address is given on the cover page of this document, between 11 a.m. and 4 p.m. on all working days (except Saturdays and Sundays) till the Offer closing date :

- a. Certificate of Incorporation, Memorandum and Articles of Association of the Acquirer.
- b. Certificate dated October 19, 2006 from V. C. Shah & Co., Chartered Accountants, regarding the adequacy of financial resources with the Acquirer to fulfill the Offer obligation.
- c. Annual Reports of the Target Company for the accounting years ended March 31,2004, March 31, 2005 and March 31, 2006 and quarterly reports for the quarter ended September 30, 2006.
- d. Annual Reports of the PAC for the financial years ended December 31, 2003, December 31, 2004 and December 31, 2005 and for the quarter ended September 30, 2006.
- e. Copy of the Guarantee and Additional Guarantee issued by Citibank N.A. in favor of Citigroup Global Markets India Private Limited, Manager to the Offer.
- f. Copy of a certificate from Citibank N.A., Mumbai confirming the amount placed in Escrow, towards the proposed Offer, with a lien in favor of Citigroup Global Markets India Private Limited, Manager to the Offer.
- g. Copy of letter received from SEBI, Ref. Nos. CFD/DCR/TO/MM/8431/307 dated January 19, 2006, in terms of proviso to Regulation 18(2).
- h. Copy of the agreement with the Depository Participant for opening a Special Depository account for the purpose of the Offer.
- i. Published copy of Public Announcement made on October 19, 2006 by the Acquirer for acquiring upto 32,947,290 issued equity Shares of the Target Company and copy of Addendum to Public Announcement will be made on January 26, 2007 by Acquirer for acquiring upto 33,134,768 equity shares of Target Company
- j. Printed copy of the webpage of the National Stock Exchange and the Stock Exchange, Mumbai, containing the Share price and volume data for the relevant period.

X. DECLARATION BY THE ACQUIRER AND PERSON ACTING IN CONCERT

Information provided by the Target Company has been relied on for the purposes of disclosures made in relation to the Target Company. Subject to the aforesaid, the Acquirer and its directors take responsibility for information contained in the Letter of Offer to the extent required by the SEBI (SAST) Regulations save for information provided by the Registrar to the Offer in the Letter of Offer.

The Acquirer and PAC shall be jointly and severally responsible for ensuring fulfillment of their obligations under with the SEBI (SAST) Regulations.

All information contained in this document is as on the date of the Public Announcement, unless stated otherwise.

Mr. Tom Haubenstricker has been authorized by both TH Holdings and Electronic Data Systems Corporation to sign the Letter of Offer.

For and on behalf of

TH Holdings

sd/-

Thomas Haubenstricker

Electronic Data Systems Corporation

sd/-

Thomas Haubenstricker

Place : Plano, Texas

Date : January 25, 2007

¹ As the Acquirer is a recently incorporated entity, the annual reports for the last three financial years are not available.

Annexure A: FII Declaration

To

TH Holdings,
Les Cascades,
Edith Cavell Street,
Port Louis,
Mauritius

Mondkar Computers Private Limited
21,Shakil Niwas, Opp. Satyasaibaba Temple,
Mahakali Caves Road, Andheri (East),
Mumbai – 400093.INDIA

Sir,

Sub: Proposed acquisition of upto 33,134,768 Shares of Rs. 10/- each of the issued and paid up equity share capital of MphasiS Limited (“MphasiS” or the “Target Company”) by TH Holdings (the “Acquirer”) along with Electronic Data Systems Corporation (the “PAC”) as Person Acting in Concert with the Acquirer through an open offer (the “Offer”) pursuant to the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (as amended) (the “Takeover Regulations”)

With reference to the subject Letter of Offer and our Form of Acceptance tendered with you we certify the following:

1. We are a Foreign Institutional Investor within the meaning of section 115AD of the Income-tax Act, 1961.
2. The income arising on transfer of the shares tendered in pursuance of this Letter of Offer would be assessable as:
 - a. Capital gains under the Income-tax Act, 1961;
 - b. Income other than Capital Gains under the Income-tax Act, 1961.[Please strike out a or b, whichever is inapplicable]
3. Our status under the Income-tax Act, 1961 is
 - a. Company;
 - b. Person other than a Company.[Please strike out a or b, whichever is inapplicable]

VERIFICATION

I, _____, do hereby declare that the details provided above are true and correct.

I also declare that in my capacity as _____ I am competent to certify the above details and verify it.

Date _____

Place _____

(Signature)

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION
(Please send this Form with enclosures to Mondkar Computers Private Limited)

From:
Name:
Address:

OFFER	
OPENS ON	Monday, January 29, 2007
LAST DATE OF WITHDRAWAL	Wednesday, February 14, 2007
CLOSES ON	Monday, February 19, 2007

Tel No.:

Fax No.:

E-mail :

To,

TH Holdings

C/o. Mondkar Computers Private Limited,
21, Shakil Niwas, Opp. Satyasaibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai - 400093

Dear Sir,

Sub: Voluntary Open Offer to acquire up to 33,134,768 shares of Rs. 10 each, representing 20% of the Share Capital (as defined in the Letter of Offer) of **Mphasis Limited** (Mphasis) by **TH Holdings** (Acquirer) at a price of Rs. 204.50 (Rupees Two Hundred and Four and Fifty paise only) per fully paid up share, "Offer Price" payable in cash.

I/We refer to the Letter of Offer dated January 24, 2007 for acquiring the Shares held by me/us in Mphasis Limited

I/We, the undersigned, have read the Letter of Offer, understood its contents and unconditionally accepted the terms and conditions as mentioned therein.

SHARES IN PHYSICAL FORM

I/We, accept the Offer and enclose the original share certificate(s) and duly signed transfer deed(s) in respect of my/our shares as detailed below.

S. No.	Folio No.	Certificate No.	Distinctive Nos.		No of Shares
			From	To	
1					
2					
3					
4					
5					
				Total	

Please attach additional sheets of paper and authenticate the same if the space is insufficient.

SHARES HELD IN DEMAT FORM

I/We, holding shares in demat form, accept the Offer and enclose a photocopy of the Delivery Instructions duly acknowledged by my/our DP in respect of my/our equity shares as detailed below.

DP Name	DP ID	Client ID	Beneficiary Name	No of Shares

----- TEAR ALONG THIS LINE -----

ACKNOWLEDGEMENT SLIP: TH HOLDINGS

Sr. No.

Received from Mr./Ms. _____ Address _____

Physical Shares: Folio No. _____ / Demat Shares: Client ID _____ : DP ID _____

Form of Acceptance along with :

Physical shares: No. of shares _____; No. of certificates enclosed _____

Demat shares: Copy of delivery instruction for number of shares enclosed (Tick whichever is applicable)

Stamp of Collection Centre:	Signature of Official:	Date of Receipt:
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TEAR HERE

I/We have done an off-market transaction for crediting the shares to the depository account with Citibank, N.A. at NSDL styled "Escrow Account - Mphasis Open Offer" whose particulars are:

DP Name : Citibank N.A.	Client ID : 10019535	DP ID : IN 300054
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Shareholders having their beneficiary account with CDSL will have to use inter-depository slip where available for purpose of crediting their shares in favour of the special depository account with NSDL. Enclosures (Please tick as appropriate, if applicable)

- | | |
|--|---|
| <input type="checkbox"/> Power of Attorney | <input type="checkbox"/> Corporate authorization in case of Companies along with Board Resolution and Specimen Signatures of Authorised Signatories |
| <input type="checkbox"/> No Objection Certificate & Tax Clearance Certificate under Income-tax Act, 1961, for NRIs/OCBs/Foreign Shareholders as applicable | <input type="checkbox"/> FII Declaration |
| <input type="checkbox"/> Death Certificate/ Succession Certificate | <input type="checkbox"/> Others (please specify) |

I/We confirm that the equity shares of Mphasis Limited, which are being tendered herewith by me/us under the Offer, are free from liens, charges and encumbrances of any kind whatsoever.

I/We note and understand that the original share certificate(s) and valid share transfer deed will be held in trust for me/us by the Registrar to the Offer until the time the Acquirer pays the purchase consideration as mentioned in the Letter of Offer.

I/We also note and understand that the Acquirer will pay the purchase consideration only after verification of the documents and signatures.

I/We authorise the Acquirer to send by registered post/speed post/UCP the draft/cheque, in settlement of the amount to the sole/first holder at the address mentioned above.

I/We note and understand that the Shares would lie in the Special Depository Account until the time the Acquirer makes payment of purchase consideration as mentioned in the Letter of Offer. I/We authorise the Acquirer to accept the shares so offered which it may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I/we further authorise the Acquirer to return to me/us, equity share certificate(s) in respect of which the offer is not found valid/not accepted.

The Permanent Account No. (PAN/GIR No.) allotted under the Income Tax Act, 1961 is as under.

	1st Shareholder	2nd Shareholder	3rd Shareholder
PAN/GIR No. Ward No.			

So as to avoid fraudulent encashment in transit, shareholder(s) holding shares in physical form should provide details of bank account of the first/sole shareholder and the consideration cheque or demand draft will be drawn accordingly.

Name of the Bank _____ Branch _____ City _____
 Account Number _____ Savings/Current/Others (please specify) _____

Yours faithfully,
 Signed and Delivered

	FULL NAME(S) OF THE SHAREHOLDERS	SIGNATURE(S)
First / Sole Holder		
Joint Holder 1		
Joint Holder 2		
Joint Holder 3		

Note: In case of joint holdings, all holders must sign. In case of body corporate, the Company seal should be affixed

Place: _____ Date: _____

----- TEAR ALONG THIS LINE -----

All queries in this regard to be addressed to the Registrar to the Offer at the following address quoting your Reference Folio No./DPID/Client ID:

Mondkar Computers Private Limited
(Unit - Mphasis Limited)
 21, Shakil Niwas, Opp. Satyasaibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai - 400093. India
 Tel. : +91 22 28257641, 28366620, Fax. : +91 22 28262920
 Email: mphasisoffer@mondkarcomputers.com

INSTRUCTIONS

1. In the case of dematerialized shares, the shareholders are advised to ensure that their shares are credited in favour of the special depository account, before the closure of the Offer i.e. Monday, February 19, 2007. The Form of Acceptance-cum-Acknowledgement of such demat shares not credited in favour of the special depository account, before the closure of the Offer will be rejected.

2. Shareholders should enclose the following:

I. For Equity shares held in demat form :

Beneficial owners should enclose

- **Form of Acceptance-cum-Acknowledgement** duly completed and signed in accordance with the instructions contained therein, as per the records of the Depository Participant (DP).
- **Photocopy of the delivery instruction** in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP as per the instruction in the Letter of Offer.

II. For Equity shares held in physical form :-

Registered shareholders should enclose

- **Form of Acceptance-cum-Acknowledgement** duly completed and signed in accordance with the instructions contained therein, by all shareholders whose names appear on the share certificates.
- **Original Share Certificate(s)**
- **Valid Share Transfer form(s)** duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with **Mphasis Limited** and duly witnessed at the appropriate place. A blank Share Transfer form is enclosed along with the Letter of Offer. Attestation, where required, (thumb impressions, signature difference, etc.) should be done.
- The details of buyer should be left blank failing which the same will be invalid under the Offer. The details of the Acquirer as buyer will be filled by the Acquirer upon verification of the Form of Acceptance and the same being found valid. All other requirements for valid transfer will be preconditions for valid acceptance.

Unregistered owners should enclose

- **Form of Acceptance-cum-Acknowledgement** duly completed and signed in accordance with the instructions contained therein.
- **Original Share Certificate(s)**
- **Original broker contract note**
- **Valid Share Transfer form(s)** as received from the market leaving details of buyer blank. If the same is filled in then the Share(s) are liable to be rejected.

Shares received in the credit of escrow account or receipt of share certificates and transfer deed on or before closure of the offer without receipt of form of acceptance cum acknowledgment will be deemed as acceptance of the Offer by the shareholder.

3. The share certificate(s) share transfer form(s) and the Form of Acceptance should be sent only to the **Registrar to the Offer** and not to the Manager to the Offer or the Acquirer or Target Company.
4. Shareholders having their beneficiary account in CDSL have to use "INTER DEPOSITORY DELIVERY INSTRUCTION SLIP" for the purpose of crediting their shares in favour of the special depository account with NSDL.
5. **Non-resident shareholders should enclose a copy of the permission received from RBI for the equity shares held by them in Mphasis Limited. If the shares are held under General Permission of RBI, the non resident shareholder should state that the shares are held under General Permission and whether on repatriable basis or non repatriable basis.**
6. **Non resident shareholders should enclose No Objection Certificate/Tax Clearance Certificate from the Income Tax Authorities under Income Tax Act, 1961, indicating the tax to be deducted by the Acquirer before remittance of consideration otherwise tax will be deducted at the maximum marginal rate as may be applicable to the category of the shareholder on the entire consideration payable by the Acquirer.**
7. The Form of Acceptance-cum-Acknowledgement and other related documents should be submitted at any of the Collection Centers of **Mondkar Computers Private Limited** as stated in Paragraph 77 of the Letter of Offer.
8. Applicants who cannot hand deliver their documents at the Collection Centers, may send their documents only by Registered Post, at their own risk, to the Registrar to the Offer at **Mondkar Computers Private Limited, 21, Shakil Niwas, Opp. Satyasaibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai - 400093** so as to reach the Registrars to the Offer on or before the last date of acceptance i.e. Monday, February 19, 2007.
9. Foreign Institutional Investor should enclose FII Declaration as provided in Annexure A to the Letter Of Offer.

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FORM OF WITHDRAWAL
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION
(Please send this Form with enclosures to Mondkar Computers Private Limited)

From:
Name:
Address:

OFFER	
OPENS ON	Monday, January 29, 2007
LAST DATE OF WITHDRAWAL	Wednesday, February 14, 2007
CLOSES ON	Monday, February 19, 2007

To,
TH Holdings
C/o. Mondkar Computers Private Limited,
21, Shakil Niwas, Opp. Satyasaibaba Temple
Mahakali Caves Road,
Andheri (East), Mumbai - 400093

Dear Sir

Ref: Voluntary Open Offer to acquire up to 33,134,768 shares of Rs. 10 each, representing 20% of the Share Capital (as defined in the Letter of Offer) of Mphasis Limited (Mphasis) by TH Holdings (Acquirer) at a price of Rs. 204.50/- (Rupees Two Hundred and Four and Fifty paise only) per fully paid up share, "Offer Price" payable in cash.

Sub: Withdrawal of the shares tendered earlier in the captioned Open Offer

I/We refer to the Letter of Offer dated January 24, 2007 for acquiring the equity shares held by me/us in Mphasis Limited.

I/We the undersigned, have read the Letter of Offer and accept unconditionally its contents including the terms and conditions and procedures as mentioned therein.

I/We have read the procedure for withdrawal of equity shares tendered by me/us in the Offer as mentioned in para 80 of the Letter of Offer and unconditionally agree to the terms and conditions mentioned therein.

I/We hereby consent unconditionally and irrevocably to withdraw my/our equity shares from the Offer and I/We further authorise the Acquirers to return to me/us, tendered equity share certificate(s)/share(s) at my/our sole risk.

I/We note that upon withdrawal of my/our equity shares from the Offer, no claim or liability shall lie against the Acquirers/ Manager to the Offer/ Registrar to the Offer.

I/We note that this Form of Withdrawal should reach the Registrar to the Offer at any of the collection centres mentioned in the Letter of Offer as per the mode of delivery indicated therein on or before the last date of withdrawal.

I/We note that the Acquirers/Manager to the Offer/Registrar to the Offer shall not be liable for any postal delay/loss in transit of the equity shares held in physical form and also for the non-receipt of equity shares held in the dematerialised form in the DP account due to inaccurate/incomplete particulars/instructions.

TEAR HERE

----- TEAR ALONG THIS LINE -----

Form of withdrawal - Acknowledgement Slip : TH Holdings Open Offer

Sr. No. _____

Received from Mr./Ms. _____ Address _____

Physical Shares: Folio No. _____ / Demat Shares: Client ID _____ : DP ID _____

Form of Withdrawal for _____ shares along with acknowledgment slip / proof of dispatch of documents in original

Stamp of Collection Centre:	Signature of Official:	Date of Receipt:
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SHARES HELD IN PHYSICAL FORM

I/We also note and understand that the Acquirers shall return Original Share Certificate(s), Share Transfer Deed(s) and equity shares only on completion of verification of the documents, signatures and beneficiary position data as available from the Depository from time to time, respectively. The particulars of tendered original share certificate(s), which I/we wish to withdraw are detailed below:

S. No.	Folio No.	Certificate No.	Distinctive Nos.		No of Shares
			From	To	
1		Tendered			
2					
3					
4		Withdrawn			
5					
				Total	

(In case of insufficient space, please use an additional sheet and authenticate the same)

SHARES HELD IN DEMAT FORM

I/We hold the following equity shares in dematerialised form, have tendered the equity shares in the Offer and had done an off-market transaction for crediting the Shares to the Depository Account with Citibank N. A. at NSDL styled "Escrow Account - Mphasis Open Offer" as per the following particulars:

DP Name: Citibank N.A.	Client ID : 10019535	DP ID : IN 300054
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Please find enclosed a photocopy of the Depository Delivery Instruction(s) duly acknowledged by the Depository Participant. The particulars of the account from which my/our Equity Shares have been tendered are as detailed below

DP Name	DP ID	Client ID	Beneficiary Name	No of Shares

I/We note that the equity shares will be credited back only to that Depository Account, from which the equity shares have been tendered and necessary standing instructions have been issued in this regard.

I/We confirm that the particulars given above are true and correct.

In case of dematerialised equity shares, I/We confirm that the signatures of the beneficiary holders have been verified by the DP as per the records maintained at their end and the same have also been duly attested by them under their seal.

Yours faithfully,

Signed and delivered	FULL NAME(S) OF THE HOLDER	SIGNATURE(S)	VERIFIED AND ATTESTED BY US. PLEASE AFFIX THE STAMP OF DP (IN CASE OF DEMAT SHARES)/ BANK (IN CASE OF PHYSICAL SHARES)
First/Sole Shareholder			
Second Shareholder			
Third Shareholder			

Note : In case of joint holding, all holders must sign. In case of body corporate, stamp of the company should be affixed and necessary Board resolution should be attached.

Place :

Date :

----- TEAR ALONG THIS LINE -----

All queries in this regard to be addressed to the Registrar to the Offer at the following address quoting your Reference Folio No./DPID/Client ID:

**Mondkar Computers Private Limited
(Unit - Mphasis Limited)**

21, Shakil Niwas, Opp. Satyasaibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai - 400093. India
Tel. : +91 22 28257641, 28366620, Fax. : +91 22 28262920
Email: mphasisoffer@mondkarcomputers.com

INSTRUCTIONS

1. Shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer at any of the Collection Centers mentioned in the Letter of Offer as per the mode of delivery indicated therein on or before the last date of withdrawal i.e. Wednesday, February 14, 2007.
2. Shareholders should enclose the following:
 - i. **For Equity Shares held in demat form:**

Beneficial owners should enclose

 - Duly signed and completed Form of Withdrawal.
 - Acknowledgement slip in original/ Copy of the submitted Form of Acceptance-cum-Acknowledgement in case delivered by Registered A.D.
 - Photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP.
 - ii. **For Equity Shares held in physical form:**

Registered Shareholders should enclose:

 - Duly signed and completed Form of Withdrawal.
 - Acknowledgement slip in original/ Copy of the submitted Form of Acceptance-cum-Acknowledgement in case delivered by Registered A.D.
 - In case of partial withdrawal, Valid Share Transfer form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with Mphasis Limited and duly witnessed at the appropriate place.

Unregistered owners should enclose:

 - Duly signed and completed Form of Withdrawal.
 - Acknowledgement slip in original/ Copy of the submitted Form of Acceptance-cum-Acknowledgement in case delivered by Registered A.D.
3. The withdrawal of Shares will be available only for the Share certificates/the Shares that have been received by the Registrar to the Offer/ Special Depository Escrow Account.
4. The intimation of returned Shares to the Shareholders will be at the address as per the records of the Target Company/ Depository as the case may be.
5. The Form of Withdrawal should be sent only to the Registrar to the Offer.
6. In case of partial withdrawal of Shares tendered in physical form, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from the Target Company. The facility of partial withdrawal is available only to registered shareholders.
7. Shareholders holding Shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.
8. The Form of Withdrawal and other related documents should be submitted at any of the Collection Centers of **Mondkar Computers Private Limited** stated in Paragraph 77 of the Letter of Offer.
9. Applicants who cannot hand deliver their documents at the Collection Centers, may send their documents only by Registered Post, at their own risk, to the Registrar to the Offer at Mondkar Computers Private Limited, 21, Shakil Niwas, Opp. Satyasaibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai - 400093, so as to reach the Registrars on or before the last date of withdrawal i.e. Wednesday, February 14, 2007.

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