DRAFT LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Draft Letter of Offer ("**Draft Letter of Offer**"/"**DLoF**") is sent to you as a shareholder of Xchanging Solutions Limited. If you require any clarification about the action to be taken, you may consult your stock broker or investment consultant or the Manager to the Offer (as defined below) or the Registrar to the Offer (as defined below). In case you have recently sold your shares of Xchanging Solutions Limited (as defined below), please hand over this DLoF and the accompanying form of acceptance-cum-acknowledgement and transfer deed(s) to the member of the stock exchange through whom the said sale was effected.

CSC COMPUTER SCIENCES INTERNATIONAL OPERATIONS LIMITED ("ACQUIRER")

A private limited company incorporated under the laws of England
Registered office: Royal Pavillion, Wellesley Road, Aldershot, Hampshire, GU11 1PZ United Kingdom
(Tel: +44 (0)1252 534000)

along with the following persons acting in concert ("PACs")

COMPUTER SCIENCES CORPORATION ("CSC")

A listed public company, incorporated under the laws of the state of Nevada in the United States of America
Registered office: 6100 Neil Road, Suite 500, Reno, Nevada 89511, United States
Headquarters: 1775 Tysons Blvd, Tysons, VA 22102, United States
(Tel: +1 (703) 876-1000)

CSC TECHNOLOGIES INDIA PRIVATE LIMITED ("CSC INDIA")

A private limited company incorporated under the laws of India under the Companies Act, 2013
Registered office: Level 2, Agnitio Tech Park, 141, Kandanchavadi, Near Perungudi, OMR, Chennai – 600096, Tamil Nadu
CIN: U72900TN2015FTC102489
(Tel: +91 44 2262 8080; Fax: +91 44 2262 8171)

and

COMPUTER SCIENCES CORPORATION INDIA PRIVATE LIMITED ("CSC IPL")

A private limited company incorporated under the laws of India under the Companies Act, 1956
Registered office: 7th Floor, Block 1B, DLF IT Park, Sivaji Garden, Chennai – 600089, Tamil Nadu
CIN: U60231TN1996PTC070000
(Tel: +91 44 2262 8080; Fax: +91 44 2262 8171)

**MAKES A CASH OFFER OF INR 40.51 (INDIAN RUPEES FORTY AND FIFTY ONE PAISE ONLY)
PER FULLY PAID UP EQUITY SHARE OF FACE VALUE OF INR 10 (INDIAN RUPEES TEN ONLY) EACH**

TO ACQUIRE UPTO 27,850,929 (TWENTY SEVEN MILLION EIGHT HUNDRED FIFTY THOUSAND NINE HUNDRED TWENTY NINE) EQUITY SHARES REPRESENTING 25% OF THE VOTING SHARE CAPITAL (AS DEFINED BELOW) IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITIONS OF SHARES AND TAKEOVERS) REGULATIONS, 2011 FROM THE PUBLIC SHAREHOLDERS OF

XCHANGING SOLUTIONS LIMITED ("TARGET")

A listed public limited company incorporated under the Companies Act, 1956
Registered office: SJR – I Park, Plot No. 13, 14, 15 EPIP Industrial Area, Phase 1 Whitefield Road, Bangalore – 560066, Karnataka
CIN: L72200KA2002PLC030072
(Tel: +91 80 30540000; Fax: +91 80 41157394)

1. This Offer (as defined below) is being made by the Acquirer and the PACs pursuant to regulations 3(1), 4, 5(1) and 5(A)(3) of the SEBI (SAST) Regulations. The thresholds specified under regulation 5(2) of the SEBI (SAST) Regulations are not applicable to this Offer.
2. This Offer is not a conditional offer in terms of regulation 19 of the SEBI (SAST) Regulations and is not subject to any minimum level of acceptance.
3. This Offer is not a competing offer in terms of regulation 20 of the SEBI (SAST) Regulations.
4. **There has been no competitive bid made in respect of this Offer**.
5. To the best of the knowledge of the Acquirer and the PACs, there are no statutory or other approvals required to complete the acquisition of the Equity Shares as on the date of the Draft Letter of Offer. Where any statutory approval or exemption extends to some but not all of the Public Shareholders, the Acquirer and the PACs shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals or exemptions are required in order to complete this Offer.
6. NRIs (as defined below) and OCB (as defined below) tendering Equity Shares in this Offer must obtain all requisite approvals, if any, required to tender the Equity Shares held by them, in this Offer and submit such approvals along with the documents required to accept this Offer. If holders of Equity Shares who are not persons in India (including NRIs, OCBs, foreign institutional investors/foreign portfolio investors) had required any approvals from statutory/regulatory authorities in respect of the Equity Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding their Equity Shares, along with other documents required to be tendered to accept this Offer. If the approvals mentioned above, as may be applicable, are not submitted, the Acquirer and the PACs reserve the right to reject such Equity Shares in this Offer.
7. The Offer Price may be subject to revision pursuant to the SEBI (SAST) Regulations or at the discretion of the Acquirer and the PACs at any time prior to the commencement of the last 3 (three) Working Days before the commencement of the Tendering Period (as defined below) in accordance with regulation 18(4) of the SEBI (SAST) Regulations. Where the Acquirer and the PACs have acquired any Equity Shares during the Offer Period at a price higher than the Offer Price, the Offer Price shall stand revised to the highest price paid for such acquisition in accordance with regulation 8(8) of the SEBI (SAST) Regulations. However, the Acquirer and the PACs shall not acquire any Equity Shares during the period commencing 3 (three) Working Days prior to the commencement of the Tendering Period and ending on the expiry of the Tendering Period. In the event of such revision, the Acquirer and the PACs shall **(i)** make corresponding increases to the Open Offer Escrow Amount (as defined below); **(ii)** make a public announcement in the same newspapers in which the Detailed Public Statement (as defined below) was published; and **(iii)** simultaneously with the issue of such announcement, inform SEBI (as defined below), the Stock Exchanges (as defined below) and the Target at its registered office of such revision. Such revised Offer Price would be payable for all the Equity Shares validly tendered during the Tendering Period of this Offer. A copy of the Public Announcement (as defined below), the Corrigendum to the Public Announcement (as defined below) and the Detailed Public Statement are also available on the website of SEBI (www.sebi.gov.in).

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
Kotak Mahindra Capital Company Limited 27BKC, 1st floor, Plot no. C-27, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 Tel: +91 22 4336 0128; Fax: +91 22 6713 2447 Email: Project.Xchangingoffer@kotak.com Contact person: Ganesh Rane SEBI registration number: INM000008704	**Karvy Computershare Private Limited** Karvy Selenimum Tower B, Plot Number 31 and 32, Financial District , Gachibowli, Nanakramguda, Hyderabad, 500 032 Tel: +91 40 3321 5130; Fax: +91 22 2343 1551 Email: murali.m@karvy.com Contact person :M Muralikrishna SEBI registration number: INR0000000221

Activity	Schedule of Activities Date and Day
Date of the Public Announcement	December 15, 2015 (Tuesday)
Date of the Corrigendum to the Public Announcement	January 28, 2016, (Thursday)
Date of publication of the Detailed Public Statement with intention to delist under regulation 5A of the SEBI (SAST) Regulations	May 12, 2016 (Thursday)
Last date for competing Offer	June 2, 2016 (Thursday)
Identified Date*	October 5, 2016 (Wednesday)
Last date for dispatch of Letter of Offer to the Public Shareholders	October 14, 2016 (Friday)
Last date by which the committee of independent directors of the Target shall give its recommendation	October 19, 2016 (Wednesday)
Date of publication of the Offer Opening Public Announcement	October 20, 2016 (Thursday)
Date of commencement of Tendering Period (Offer Opening Date)	October 21, 2016 (Friday)
Date of expiry of Tendering Period (Offer Closing Date)	November 4, 2016 (Friday)
Date by which all requirements including payment of consideration would be completed	November 21, 2016 (Monday)

**The Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the Letter of Offer would be posted. It is clarified that all the Public Shareholders (registered or unregistered) of the Target are eligible to participate in this Offer at any time prior to the expiry of the Tendering Period.*

TENTATIVE SCHEDULE OF MAJOR ACTIVITIES RELATING TO THE OFFER

Activity	**Schedule (Date and Day)**
Date of the Public Announcement	December 15, 2015 (Tuesday)
Date of the Corrigendum to the Public Announcement	January 28, 2016, (Thursday)
Date of publication of the Detailed Public Statement encapsulating intention to delist under regulation 5A of the SEBI (SAST) Regulations	May 12, 2016 (Thursday)
Last date for competing Offer	June 2, 2016 (Thursday)
Approval of board of directors of Target obtained for the Delisting Offer	June 6, 2016 (Monday)
Approval of the Public Shareholders obtained for the Delisting Offer	July 27, 2016 (Wednesday)
Approval (in-principal) of the Stock Exchanges obtained for the Delisting Offer	August 5, 2016 (Friday)
Public announcement of failure of the Delisting Offer and update on the Offer	September 1, 2016 (Thursday)
Commencement of period for withdrawal of Equity Shares tendered in the Delisting Offer	September 2, 2016 (Friday)
Filing of this Draft Letter of Offer with SEBI	September 9, 2016 (Friday)
Closure of period for withdrawal of Equity Shares tendered in the Delisting Offer	September 19, 2016 (Monday)
Last date for SEBI observations on this Draft Letter of Offer (in the event SEBI has not sought clarifications or additional information from the Manager to the Offer)	October 3, 2016 (Monday)
Identified Date*	October 5, 2016 (Wednesday)
Last date by which the Letter of Offer is required to be dispatched to the Public Shareholders	October 14, 2016 (Friday)
Last date for upward revision of the Offer Price/Offer Size	October 18, 2016 (Tuesday)
Last date by which the committee of the independent directors of the Target are required to give recommendation(s) in respect of this Offer (date of publication of recommendation)	October 19, 2016 (Wednesday)
Date of publication of the Offer Opening Public Announcement	October 20, 2016 (Thursday)
Date of commencement of Tendering Period (Offer Opening Date)	October 21, 2016 (Friday)
Date of expiry of Tendering Period (Offer Closing Date)	November 4, 2016 (Friday)
Last day of payment to the Public Shareholders whose Equity Shares have been accepted in this Offer	November 21, 2016 (Monday)
Last date for publication of post-Offer announcement	November 28, 2016 (Monday)
Last date for submission of the final report with SEBI	November 28, 2016 (Monday)

**The Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the Letter of Offer would be posted. It is clarified that all the Public Shareholders (registered or unregistered) of the Target are eligible to participate in this Offer at any time prior to the expiry of the Tendering Period.*

RISK FACTORS

The risk factors set forth below pertain to this Offer and the Acquirer and the PACs, and are not in relation to the present or future business operations of the Target or other related matters. These are neither exhaustive nor intended to constitute a complete analysis of the risks involved in the participation by a Public Shareholder in this Offer, but are merely indicative. The Public Shareholders are advised to consult their stockbrokers, investment consultants and/or tax advisors, for analyzing all the risks with respect to their participation in this Offer.

Risk factors relating to this Offer

1. In the event of **(i)** any litigation leading to a stay on the Offer by a court of competent jurisdiction, or **(ii)** SEBI instructing that the Offer should not proceed, the Offer may be withdrawn or the Offer process may be delayed beyond the schedule of activities indicated in this Draft Letter of Offer. Consequently, in the event of any delay, the payment of consideration to the Public Shareholders whose Equity Shares are accepted under this Offer, as well as the return of Equity Shares not accepted under this Offer by the Acquirer and the PACs, may be delayed.

2. The Equity Shares tendered in the Offer will be held in trust by the Registrar/ Designated Stock Exchange/Clearing Corporation until the completion of the Offer formalities, and the Public Shareholders who have tendered their Equity Shares will not be able to trade such Equity Shares held in trust by the Registrar/ Designated Stock Exchange/Clearing Corporation during such period. During such period, there may be fluctuations in the market price of the Equity Shares that may adversely impact the Public Shareholders who have tendered their Equity Shares in this Offer. Accordingly, the Acquirer and the PACs disclaim any responsibility with respect to any decision(s) of the Public Shareholders regarding their participation (or non-participation) in this Offer.

3. Further, the Public Shareholders should note that once they have tendered their Equity Shares in the Offer during the Tendering Period (as defined below), they will not be able to withdraw their tendered Equity Shares from the Offer even in the event of a delay in the acceptance of Equity Shares under the Offer and/or the dispatch of consideration.

4. As on the date of this DLoF, except as stated at paragraph VI.B of this DLoF, there are no statutory approvals required by the Acquirer and PACs to complete this Offer. However, in case of any statutory approvals being required by the Acquirer and the PACs at a later date before the closure of the Tendering Period, the Offer will be subject to all such approval(s). In case of delay of any statutory approval, in accordance with regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied that such delay in receipt of the requisite statutory approval(s) was not attributable to any wilful default, failure or neglect on the part of the Acquirer and the PACs to diligently pursue such approval, and subject to such terms and conditions as specified by SEBI, including payment of interest in accordance with regulation 18(11) of the SEBI (SAST) Regulations, grant an extension of time to the Acquirer and the PACs pending receipt of such statutory approval(s) to make the payment of the consideration to the Public Shareholders whose Equity Shares have been accepted in the Offer. In the event any of the required statutory approvals are refused or under such circumstances as in the opinion of SEBI merit withdrawal of the Offer, the Offer may be withdrawn in terms of regulation 23 of the SEBI (SAST) Regulations. Further, NRI and OCB holders of the Equity Shares, if any, shall be required to obtain all requisite approvals required to tender the Equity Shares held by them, in this Offer and submit such approvals along with the documents required to accept this Offer.

5. The Manager, the Acquirer and the PACs accept no responsibility for the statements made otherwise than in the Delisting Public Announcement, Delisting Letter of Offer, this DLoF, the Detailed Public Statement, the Public Announcement (as defined below) and/or in the post issue advertisement or in any corrigendum issued in connection with this Offer and anyone placing reliance on any other source of information would be doing so at their own risk.

6. The Public Shareholders are advised to consult their respective tax advisors for assessing the tax liability, pursuant to this Offer, or in respect of other aspects such as 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 Manager, the Acquirer and the PACs do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this DLoF.

7. This Draft Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. Recipients of this Draft Letter of Offer resident in jurisdictions outside India should inform themselves of and observe any applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would subject the Manager, the Acquirer or the PACs to the Offer to any new or additional registration requirements. This is not an offer for sale, or a solicitation of an offer to buy, in the USA and cannot be accepted by any means or instrumentality from within the USA.

Risks relating to the Acquirer, the PACs and the Target

1. The Manager, the Acquirer and the PACs make no assurances with respect to the continuation of the past trend in the financial performance of the Target or with respect to the future financial performance of the Target.

2. The Acquirer and the PACs make no assurances with respect to the market price of the Equity Shares before, during or after the Offer and each of them expressly disclaim any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any Public Shareholder on whether to participate or not to participate in the Offer.

3. The acquisition of Equity Shares pursuant to this Offer may result in the public shareholding in the Target falling below the level required for continued listing. While the Acquirer and the PACs are required to increase the public shareholding to the level specified and within the time stipulated in the SCRR, any failure to comply with the conditions of the SCRR and the Listing Regulations may have an adverse effect on the price and tradability of the Equity Shares.

Disclaimer for U.S. persons:

The information contained in this DLoF is exclusively intended for persons who are not U.S. Persons as such term is defined in Regulation S under the US Securities Act of 1933, as amended, and who are not physically present in the USA. This Draft Letter of Offer does not in any way constitute an offer to sell, or an invitation to sell, any securities in the USA or in any other jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. Potential users of the information contained in this DLoF are requested to inform themselves about and to observe any such restrictions.

Disclaimer for persons in other foreign countries:

This DLoF does not in any way constitute an offer to sell or an invitation to sell, any securities in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. Potential users of the information contained in this DLoF are requested to inform themselves about and to observe any such restrictions.

CURRENCY OF PRESENTATION

In this Draft Letter of Offer, all references to "**Rs.**"/"**INR**" are to Indian Rupee(s), the official currency of India. All references to GBP is to the Great British Pound, all references to "$" or USD or US$ is to US Dollar. Unless otherwise stated, the Indian Rupee equivalent quoted in each case is calculated in accordance with the RBI reference rate as on September 1, 2016 i.e. GBP 1 = INR 88.0511 (source: www.rbi.org.in), and, US$ 1 = INR 66.9539 (source: www.rbi.org.in).

In this Draft Letter of Offer, any discrepancy in any table between the total and sums of the amount listed are due to rounding off and/or regrouping.

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FREQUENTLY USED TERMS IN THIS DLoF

Particulars	Details/Definition
Acquirer	CSC Computer Sciences International Operations Limited
BSE	BSE (Bombay Stock Exchange) Limited
Buyer Broker or Buying Broker	Kotak Securities Limited; refer to paragraph VII.3, VII.4
Cash Escrow	Cash aggregating to INR 1,128,241,133.79 (Indian Rupees One Billion, One Hundred Twenty Eight Million, Two Hundred Forty One Thousand, One Hundred Thirty Three and Seventy Nine Paise only)
CDSL	Central Depository Services Limited
CIN	Corporate Identity Number
Clearing Corporation	Clearing Corporation of India Limited
Corrigendum to the Public Announcement	The corrigendum to the Public Announcement in connection with the Offer dated January 28, 2015 issued by the Manager to the Offer on behalf of the Acquirer and the PACs
Delisting Letter of Offer	The letter of offer dated August 8, 2016 issued in accordance with regulation 12 of the Delisting Regulations
Delisting Public Announcement	Statutory public announcement for in respect of the Delisting Offer published on August 8, 2016 in all the editions of Financial Express (English), all editions of Jansatta (Hindi), Mumbai edition of Navshakti (Marathi), Bengaluru Edition of Hosa Digantha (Kannada)
Delisting Offer	The offer (rendered unsuccessful pursuant to regulation 19(1) of the Delisting Regulations and the post-offer announcement dated September 1, 2016) attempted by the Acquirer and the PACs to acquire and delist from the Stock Exchanges all the Equity Shares held by the public shareholders in accordance with regulation 5A of the SEBI (SAST) Regulations read with the Delisting Regulations
Delisting Regulations	The Securities and Exchange Board Of India (Delisting Of Equity Shares) Regulations, 2009
Demat Shares	Equity Shares that are in dematerialised form
Depositories	CDSL and NSDL
Designated Stock Exchange	BSE; refer to paragraph VII.2
DP	Depository Participant
Detailed Public Statement or DPS	Detailed public statement published by the Acquirer and the PACs on May 12, 2016 in accordance with regulation 5A read with the proviso to regulation 13(4) of the SEBI (SAST) Regulations
Draft Letter of Offer/DLoF	This Draft Letter of Offer dated September 9, 2016, filed with the SEBI in accordance with regulation 16(1) of the SEBI (SAST) Regulations
Equity Share(s)	Fully paid up equity shares of the Target of face value of INR 10 (Indian Rupees Ten only) each, carrying voting rights and includes any security of the Target which entitles the holder thereof to exercise voting rights as an equity shareholder of the Target
Escrow Account	Has the meaning given and referred to in paragraph V.B.2
Escrow Agent DP Account	A depository participant account of CSC Technologies India Private Limited, opened by the Acquirer and the PACs and the Sellers, for the purpose of holding and subsequent release of the Sale Shares from December 15, 2015 till the date of acquisition of the Sale Shares by the Acquirer and the PACs
Escrow Bank	Kotak Mahindra Bank Limited acting through its office at 5 C/II, Mittal Court, 224, Nariman Point, Mumbai – 400 021
Existing Xchanging Shareholders	XML and XTSIPL; refer to paragraph II.A.3
FII	Foreign Institutional Investors
Identified Date	The date falling on the tenth Working Day prior to the commencement of the Tendering Period
Income Tax Act	The Income Tax Act, 1961 (as amended)
Intent Letter	Has the meaning given and referred to in paragraph II.A.6
Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
Letter of Offer or LoF	The final letter of offer which will be dispatched to the Public Shareholders in terms

Particulars	Details/Definition
	of regulation 18(2) of the SEBI (SAST) Regulations
Manager or Manager to the Offer	Kotak Mahindra Capital Company Limited
Maximum Consideration	INR 1,128,241,133.79 (Indian Rupees One Billion, One Hundred Twenty Eight Million, Two Hundred Forty One Thousand, One Hundred Thirty Three and Seventy Nine Paise only)
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
OCBs	Overseas Corporate Bodies
Offer	Open offer being made by the Acquirer and the PACs to the Public Shareholders of the Target to acquire up to 27,850,929 (Twenty Seven Million Eight Hundred Fifty Thousand Nine Hundred Twenty Nine) Equity Shares of face value of INR10/- (Indian Rupees Ten only) each, representing 25% (twenty five per cent.) of the Voting Share Capital, at a price of INR 40.51 (Indian Rupees Forty and Fifty One Paise only) per Equity Share
Offer Closing Date	3:30 p.m. or such time as may be granted by the BSE on November 4, 2016 being the last day of the Tendering Period
Offer Opening Date	9:15 a.m. or such time as may be granted by the BSE on October 21, 2016 being the first day of the Tendering Period
Offer Opening Public Announcement	The announcement of the commencement of the Tendering Period made on behalf of the Acquirer and the PACs
Offer Period	Shall have the same meaning ascribed to it in the SEBI (SAST) Regulations
Offer Price	INR 40.51 (Indian Rupees Forty and Fifty One Paise only) per Equity Share
Offer Size	INR 1,128,241,133.79 (Indian Rupees One Billion, One Hundred Twenty Eight Million, Two Hundred Forty One Thousand, One Hundred Thirty Three and Seventy Nine Paise only), being the maximum consideration payable under this Offer assuming full acceptance
Open Offer Escrow Account	The account opened with Kotak Mahindra Bank Limited in accordance with regulation 17(4) of the SEBI (SAST) Regulations
Open Offer Escrow Agent	Kotak Mahindra Bank Limited (acting through its office at 27 BKC, 1st Floor, Plot No. C-27, ‘G’ Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051)
Open Offer Escrow Agreement	Escrow agreement dated April 6, 2016 entered into by the Acquirer and the PACs with the Open Offer Escrow Agent and the Manager to the Offer
Open Offer Escrow Amount	The Cash Escrow maintained by the Acquirer and the PACs with the Open Offer Escrow Agent in accordance with the Open Offer Escrow Agreement
Overseas Offer	Has the meaning given and referred to in paragraph II.A.2
PACs	Refers to the persons acting in concert with the Acquirer for this Offer *viz.* Computer Sciences Corporation, CSC Technologies India Private Limited and Computer Sciences Corporation India Private Limited
PAN	Permanent Account Number
Physical Shareholders	Public Shareholders who hold Equity Shares in physical form
Physical Shares	Equity Shares that are not in dematerialised form
Public Announcement/PA	The public announcement in connection with the Offer dated December 15, 2015 issued by the Manager to the Offer on behalf of the Acquirer and the PACs
Public Shareholder(s)	All equity shareholders of the Target other than the promoters, parties to the any agreement triggering the Offer, and any persons acting or deemed to be acting in concert with any of them
RBI	Reserve Bank of India
Registrar or Registrar to the Offer	Karvy Computershare Private Limited
Scheme	Has the meaning given and referred to in paragraph III.C.3
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	Securities and Exchange Board of India
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
Seller Member	Has the meaning given and referred to in paragraph VII.5
Software Business	Has the meaning given and referred to in paragraph III.C.3
Stock Exchange	Has the meaning given and referred to in paragraph VII.1

Particulars	Details/Definition
Mechanism	
Stock Exchanges	BSE and NSE, the Indian stock exchanges on which the Equity Shares of the Target are currently listed
STT	Securities Transaction Tax
Target	Xchanging Solutions Limited
Tendering Period	October 21, 2016, to November 4, 2016 (both days inclusive)
TRS	Transaction Registration Slip
Voting Share Capital	111,403,716 Equity Shares of the Target
Working Day(s)	Shall have the same meaning ascribed to it in the SEBI (SAST) Regulations
XML	Xchanging (Mauritius) Limited
XTSIPL	Xchanging Technology Services India Private Limited
XSUI	Xchanging Solutions (USA) Inc, a wholly-owned US subsidiary of the Target

I. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THIS DLoF WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THIS DLoF HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF THE TARGET TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER, THE PACs OR THE TARGET WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DLoF. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRER AND THE PACS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DLoF, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER AND THE PACs DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, KOTAK MAHINDRA CAPITAL COMPANY LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 9, 2016 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVER) REGULATIONS 2011 AND SUBSEQUENT AMENDEMENT(S) THEREOF. THE FILING OF THE DLoF DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER AND THE PACS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

II. DETAILS OF THE OFFER

A. Background of the Offer

1. This Offer is a mandatory offer being made by the Acquirer along with the PACs, pursuant to and in compliance with regulations 3(1), 4, 5(1) and 5(A)(2),(3) of the SEBI (SAST) Regulations.

2. The boards of directors of CSC and Xchanging plc announced on December 9, 2015 that they had reached an agreement on the terms of a recommended cash offer for Xchanging plc by the Acquirer pursuant to which the Acquirer would acquire the entire issued and to be issued share capital of Xchanging plc (the "**Overseas Offer**"). The announcement made on December 9, 2015 constituted a firm intention by the Acquirer to make an offer for Xchanging plc. The Overseas Offer was implemented by means of a takeover offer under the UK City Code on Takeovers and Mergers (the "**City Code**"). The offer document setting out the terms and conditions of the Overseas Offer was published and sent to the shareholders of Xchanging plc by the Acquirer on December 15, 2015. On January 18, 2016, the Acquirer announced that the acceptance condition which required valid acceptances of the Overseas Offer to have been received in respect of shares in Xchanging plc which, together with all other shares in Xchanging plc already acquired by the Acquirer, carry not less than 75% (seventy five per cent.) in nominal value of the issued and fully paid ordinary share capital of Xchanging plc to which the Overseas Offer relates and represent not less than 75% (seventy five per cent.) of the voting rights attached to such shares (but that completion of the Overseas Offer remained subject to other conditions; including anti-trust and regulatory approvals). On February 5, 2016 the Acquirer announced that: **(i)** it had waived all outstanding conditions to the Overseas Offer other than the US and EU merger control clearances and the UK and German regulatory approvals; and **(ii)** in order to accommodate the review process relating to these approvals, the Acquirer and Xchanging plc had requested and received the consent of the UK Takeover Panel to extend the date by which the Overseas Offer must become or be declared unconditional in all respects to May 16, 2016. Following the satisfaction or waiver (as applicable) of each of these remaining conditions, the Acquirer announced on May 5, 2016 that the Overseas Offer had become unconditional in all respects and that, as at 5.00 p.m. (London time) on May 5, 2016, it had received valid acceptances of the Overseas Offer in respect of 227,928,243 shares in Xchanging plc representing approximately 91.88% (ninety one point eight eight per cent.) of the existing share capital of Xchanging plc. The level of acceptances included 24,760,355 shares in Xchanging plc, representing approximately 9.98% (nine point nine eight per cent.) of the existing issued share capital of Xchanging plc, which the Acquirer announced it had acquired on December 23, 2015. Beneficial ownership of the shares in Xchanging plc in respect of which valid acceptances had been received transferred to the Acquirer on May 5, 2016 and the Acquirer announced on the same date that the trading of the shares in Xchanging plc on the London Stock Exchange and listing of the shares on the Official List of the UK Financial Conduct Authority would be cancelled and that it would commence the compulsory acquisition procedure under sections 979 to 991 of the UK Companies Act 2006 (the "**UK Compulsory Acquisition Procedure"**) to acquire the remaining shares in Xchanging plc. The UK Compulsory Acquisition Procedure was completed on June 16, 2016, and, as such, the Acquirer now owns 100% (one hundred per cent.) of the shares in Xchanging plc.

3. Xchanging plc, through its subsidiaries viz. Xchanging (Mauritius) Limited ("**XML**") and Xchanging Technology Services India Private Limited ("**XTSIPL**") (XML and XTSIPL collectively referred to as the "**Existing Xchanging Shareholders**"), holds in aggregate 75% (seventy five per cent.) of the Voting Share Capital of the Target. The Existing Xchanging Shareholders are promoters and form part of the promoter group of the Target. As outlined above, the Acquirer now owns 100% of the shares in Xchanging plc, entitling the Acquirer to: (i) indirectly exercise 75% (seventy five per cent.) of the voting rights in the Target; and (ii) indirectly exercise control over the Target, through the Existing Xchanging Shareholders, the existing promoters and forming part of the promoter group of the Target.

4. Pursuant to the completion of the Overseas Offer, as mentioned in paragraph II.A.2 above, as on the date of this Draft Letter of Offer, the Acquirer and the PACs indirectly (through the Existing Xchanging Shareholders) hold 83,552,787 Equity Shares representing 75% (seventy

five per cent.) of the fully paid-up equity share capital and voting capital of the Target. The Existing Xchanging Shareholders have each been disclosed as promoters and as part of the promoter group in the Target's filings with each of the Stock Exchanges.

5. Consequent to the Overseas Offer, the Acquirer and the PACs triggered an indirect open offer and made an open offer for the acquisition of up to 27,850,929 Equity Shares representing 25% (twenty five per cent.) of the fully paid-up equity share capital and voting capital of the Target at a price of INR 37.63 (Indian Rupees Thirty Seven and Paise Sixty Three only) per Equity Share in accordance with regulations 3(1), 4, 5(1) read with Regulation 13(2)(e) of the SEBI (SAST) Regulations by way of a public announcement for the Offer dated December 15, 2015 ("**Public Announcement**"/"**PA**") and a corrigendum to the Public Announcement dated January 28, 2016.

6. Pursuant to the Overseas Offer being completed and becoming wholly unconditional on May 5, 2016, the Acquirer and the PACs sent a letter dated May 5, 2016 to the Target, informing the Target of their intention to make the Delisting Offer in accordance with regulation 5A of the SEBI (SAST) Regulations read with the Delisting Regulations, and requested the Board to take all necessary actions required under the Delisting Regulations ("**Intent Letter**"). Subsequently, in terms of regulation 8(1A)(i) of the Delisting Regulations read with the Listing Regulations, the Target, on May 6, 2016, informed the Stock Exchanges of the receipt of the Intent Letter. A meeting of the Board was held on May 11, 2016, *inter alia,* to consider the Intent Letter encapsulating the Delisting Offer and to appoint the merchant banker for conducting due diligence activities in terms of regulation 8(1A)(ii) of the Delisting Regulations.

7. The Board at the meeting held on May 11, 2016, after taking into account the Intent Letter encapsulating the Delisting Offer, initiated the process as required under the Delisting Regulations and appointed Karvy Investor Services Limited ("**Merchant Banker to Target**") as the merchant banker for carrying out the aforesaid due diligence as required under regulation 8(1A)(ii) of the Delisting Regulations and for other incidental activities in connection with the delisting process. This was followed by the Acquirer and the PACs publishing the Detailed Public Statement on May 12, 2016 in terms of the proviso to regulation 13(4) of the SEBI (SAST) Regulations which encapsulated the Acquirer and the PACs' intention to voluntarily delist the Equity Shares from the Stock Exchanges in terms of regulation 5A of the SEBI (SAST) Regulations ("**Detailed Public Statement**/"**DPS**").

8. After giving an intimation to the Stock Exchanges on June 1, 2016 in accordance with regulation 29 of the Listing Regulations, the Board at a meeting held on June 6, 2016, took into account the due diligence report dated June 6, 2016 submitted by the Merchant Banker to Target in terms of regulation 8(1C) of the Delisting Regulations and approved the proposal received from the Acquirer and the PACs to delist the Equity Shares from the Stock Exchanges, (subject to obtaining the approval of the shareholders of the Target in terms of regulation 8(1)(b) of the Delisting Regulations and the in-principle approval of the Stock Exchanges in terms of regulations 8(2) and 8(3) of the Delisting Regulations (the outcome disclosure of which was made to the Stock Exchanges by the Target on June 6, 2016)).

9. The aforesaid approval of the shareholders was obtained by way of a special resolution (through postal ballot) with the requisite majority in terms of regulation 8(1)(b) of the Delisting Regulations, the result of which was declared on July 27, 2016 and made available on the websites of the Stock Exchanges on July 27, 2016.

10. The Target, pursuant to its in-principle approval applications to the Stock Exchanges dated July 29, 2016 made in accordance with regulations 8(1)(c) and 8(2) of the Delisting Regulations, received in-principle approvals from the BSE on August 5, 2016 and from the NSE on August 5, 2016 for the delisting of the Equity Shares, in terms of regulation 8(3) of the Delisting Regulations.

11. Pursuant to the in-principle approval from the Stock Exchanges, the Acquirer and the PACs made the Public Announcement for the Delisting Offer on August 8, 2016 and completed the dispatch of the Delisting Letter of Offer to the Public Shareholders by August 10, 2016.

12. On September 1, 2016, in accordance with regulations 5A(2) of the SEBI (SAST) Regulations, the Acquirer and the PACs announced the failure of the Delisting Offer due to the Acquirer and the PACs not accepting the discovered price in terms of regulation 16 of the Delisting Regulations ("**Announcement of failure of the Delisting Offer and Update on the Open Offer**"). This Draft Letter of Offer is being filed with SEBI by the Acquirer and the PACs in accordance with regulation 5A(3) of the SEBI (SAST) Regulations read with regulation 16(1) of the SEBI (SAST) Regulations.

13. The Acquirer, together with the PACs, are making this Offer to all the Public Shareholders, to acquire up to 27,850,929 Equity Shares, representing 25% (twenty five per cent.) of the total paid-up equity share capital of the Target, as on the tenth Working Day from the closure of the Tendering Period.

14. All Equity Shares validly tendered in this Offer will be acquired by CSC India, in accordance with the terms and conditions set forth in this Draft Letter of Offer. The Equity Shares to be acquired under this Offer must be free from all liens, charges and encumbrances, and will be acquired together with all rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.

15. As on the date of this Draft Letter of Offer, the authorized share capital of the Target is INR 1,250,000,000 (Indian Rupees one billion two hundred and fifty million only) consisting of 125,000,000 Equity Shares of face value of INR 10 (Indian Rupees ten only) each. The total paid-up share capital of the Target INR 1,114,037,160 (Indian Rupees one billion, one hundred fourteen million, thirty-seven thousand, one hundred sixty only) consisting of 111,403,716 shares of face value of INR 10 (Indian Rupees ten only) each. As on date of this Draft Letter of Offer, the Target does not have any partly paid-up shares outstanding.

16. The Acquirer and the PACs have appointed Mr. Srinivasa Raghavan Venkatavaradhan as a non-executive director on the board of directors of the Target on June 6, 2016 in compliance with the proviso to regulation 24(1) of the SEBI (SAST) Regulations and applicable provisions of the Companies Act, 2013. Mr. Vinod Goel has resigned as chief financial officer and from the board of directors of the Target on June 15, 2016. Mr. Rajeev Kachhal has been appointed as the chief financial officer of the Target pursuant to the meeting of the board of directors of the Target on June 27, 2016.

17. The Acquirer and the PACs are not prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued pursuant to section 11B of the SEBI Act or under any other regulations made pursuant to the SEBI Act.

18. In accordance with regulation 26(6) of the SEBI (SAST) Regulations, the board of directors of the Target have constituted a committee of independent directors to provide their written reasoned recommendation on the Offer to the Public Shareholders. Such recommendations shall be published by the Target at least 2 (two) Working Days before the commencement of the Tendering Period in the same newspapers where the DPS was published, in compliance with regulation 26(7) of the SEBI (SAST) Regulations. Simultaneously, a copy of such recommendations will be sent by the Target to SEBI, the Stock Exchanges and to the Manager to the offer.

B. Details of the Offer

1. The Detailed Public Statement, the Delisting Public Announcement and the Announcement of failure of the Delisting Offer and Update on the Open Offer were published in the newspapers set out below.

Newspaper	Language	Editions
Financial Express	English	All Editions
Jansatta	Hindi	All Editions
Navshakti	Marathi	Mumbai Edition
Hosa Digantha	Kannada	Bengaluru Edition

2. The PA, Corrigendum to PA and the Detailed Public Statement are also available on the website of SEBI (www.sebi.gov.in). The public announcement for the Delisting Offer and the Delisting Letter of Offer are available on the website of the Stock Exchanges.

3. This Offer is a mandatory offer being made by the Acquirer along with the PACs, pursuant to and in compliance with regulations 3(1), 4, 5(1) and 5(A)(2),(3) of the SEBI (SAST) Regulations.

4. The Acquirer, together with the PACs, are making this Offer to all the Public Shareholders *viz*. equity shareholders of the Target, other than the Acquirer, the PACs, and the parties to any agreement with the Acquirer and the PACs including persons deemed to be acting in concert with such parties in accordance with regulation 7(6) of the SEBI (SAST) Regulations, to acquire up to 27,850,929 Equity Shares, representing 25% (twenty five per cent.) of the total paid-up equity share capital of the Target as on the tenth Working Day from the closure of the Tendering Period.

5. This Offer is being made at a price of INR 40.51 (Indian Rupees Forty and Fifty One Paise only) per Equity Share which includes a basic Offer Price of INR 37.63 (Indian Rupees Thirty Seven and Sixty Three paise only) an enhancement of INR 1.60 (Indian Rupees One and Sixty Paise only) per Equity Share i.e. 10% (ten per cent.) per annum for the period between December 9, 2015 and May 12, 2016, in accordance with regulation 8(12) of the SEBI (SAST) Regulations, and, a further enhancement of INR 1.28 (Indian Rupees One and Twenty Eight Paise only) per Equity Share i.e. 10% (ten per cent.) per annum for the period between July 25, 2016 and November 21, 2016 in terms of the proviso to regulation 5A(3) of the SEBI (SAST) Regulations.

6. As on the date of this Draft Letter of Offer, there are no outstanding convertible securities, depository receipts, warrants or instruments, issued by the Target, convertible into Equity Shares. The Offer Price will be payable in cash by the Acquirer and the PACs, in accordance with the provisions of regulation 9(1)(a) of the SEBI (SAST) Regulations.

7. As on the date of this Draft Letter of Offer, there are no partly paid-up shares of the Target.

8. The Equity Shares to be acquired under this Offer must be free from all liens, charges and encumbrances, and will be acquired together with all rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.

9. As on the date of this Draft Letter of Offer, subject to paragraph VI.B of this DLoF, to the best of the knowledge of the Acquirer and the PACs, there are no statutory approvals required by the Acquirer and the PACs to complete this Offer. However, in case of any statutory approvals being required by the Acquirer and the PACs at a later date before the closure of the Tendering Period, this Offer shall be subject to such approvals and the Acquirer and the PACs shall make the necessary applications for such approvals.

10. NRI and OCB holders of the Equity Shares, if any, must obtain all requisite approvals required to tender the Equity Shares held by them, in this Offer and submit such approvals along with the documents required to accept this Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs, foreign portfolio investors and foreign institutional investors) had required any approvals (including from the RBI or the Foreign Investment Promotion Board or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding their Equity Shares, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer and the PACs reserve the right to reject such Equity Shares tendered in this Offer.

11. This Offer is not conditional on any minimum level of acceptance in terms of regulation 19 of the SEBI (SAST) Regulations.

12. This Offer is not a competing offer in terms of regulation 20 of the SEBI (SAST) Regulations.

13. The Manager does not hold any Equity Shares as on the date of this Draft Letter of Offer. The Manager further declares and undertakes not to deal on its own account in the Equity Shares during the Offer Period, in terms of regulation 27(6) of the SEBI (SAST) Regulations.

14. In terms of regulation 25(2) of the SEBI (SAST) Regulations, the Acquirer and the PACs have no intention to alienate, whether by way of sale, lease, encumbrance or otherwise, any material assets of the Target or of its subsidiaries during the period of 2 (two) years following the completion of the Offer except:

    i. in the ordinary course of business; or

    ii. on account of regulatory approvals or conditions, or compliance with any law that is binding on or applicable to the operations of the Target; or

    iii. as has already been disclosed by the Target in the public domain.

15. If the Acquirer and the PACs intend to alienate any material asset of the Target or its subsidiaries, within a period of 2 (two) years from completion of the Offer, the Target shall seek the approval of its shareholders as per the proviso to regulation 25(2) of SEBI (SAST) Regulations.

16. The Acquirer and the PACs reserve the right to streamline/restructure its holding in the Target and/or the operations, assets, liabilities and/or businesses of the Target and/or the Target's subsidiaries through arrangements, reconstructions, restructurings, mergers (including but not limited to mergers with or between its subsidiaries), demergers, delisting of the Equity Shares from the Stock Exchanges, sale of assets or undertakings and/or re-negotiation or termination of existing contractual/operating arrangements, at a later date. Such decisions will be taken in accordance with procedures set out by applicable law and pursuant to business requirements and in line with opportunities or changes in the economic scenario, from time to time.

17. Consequent to this Offer, the public shareholding in the Target may fall below the level required for continued listing. To the extent the post-Offer holding of the Acquirer and the PACs in the Target exceeds the maximum permissible non-public shareholding under the SCRR and the Listing Regulations, the Acquirer and the PACs undertake to reduce its shareholding to the level stipulated in the SCRR within the time specified in the SCRR.

18. If any of the statutory approvals set out in paragraph VI.B of this DLoF, are not met for reasons outside the reasonable control of the Acquirer and the PACs, or in the event the statutory approvals are refused, the Acquirer and the PACs shall have the right to withdraw this Offer in terms of regulation 23 of the SEBI (SAST) Regulations. In the event of such withdrawal, a public announcement will be made by the Acquirer and the PACs (through the Manager to the Offer), within 2 (two) Working Days of such withdrawal, in the same newspapers in which the DPS has been published and such public announcement will also be sent to SEBI, the Stock Exchanges and to the Target at its registered office.

19. Where any statutory or other approval extends to some but not all of the Public Shareholders, the Acquirer and the PACs shall have the option to make payment to such Public Shareholders in respect of whom no statutory or other approvals are required in order to complete this Offer.

20. There have been no further direct acquisition(s) of Equity Shares by the Acquirer and the PACs after the date of the PA and upto the date of the DLoF.

C. Object of the acquisition/Offer

1. This Offer is being made by the Acquirer and the PACs pursuant to completion of the Overseas Offer resulting in an indirect change in control of the Target.

2. The Acquirer and the PACs may, in the due course of the business of the Target, *inter alia*, create business efficiencies, introduce best practices, streamline human resources, optimize usage of facilities, increase productivity, lower costs, restructure debts, make investments for growth of business objectives, and resolve disputes involving the Target/its subsidiaries. The

Acquirer and the PACs may also undertake certain restructurings involving the subsidiaries/affiliates/related entities of the Target.

3. In terms of regulation 25(2) of the Regulations, the Acquirer and the PACs do not currently have any intention to alienate any material assets of the Target or any of its subsidiaries in the succeeding 2 (two) years from the completion of this Offer, except as stated at paragraph II.B.14(i)-(iii) of this DLoF. The Acquirer and the PACs undertake that it will not alienate (whether by way of sale, lease, encumbrance or otherwise) any material assets of the Target or any of its subsidiaries (save as stated at paragraph II.B.14(i)-(iii) of this DLoF) without the prior approval of the shareholders of the Target through a special resolution (passed by way of postal ballot), except as stated at paragraph II.C.2 of this DLoF.

4. The Acquirer and the PACs further undertake that the decisions stated at paragraph II.C.2 and II.C.3 of this DLoF, if and when taken, are not likely to negatively impact the rights and/or interests of the minority shareholders or other creditors, as the case may be.

III. BACKGROUND OF THE ACQUIRER

A. ACQUIRER – CSC Computer Sciences International Operations Limited

1. The Acquirer is a company incorporated under the laws of England having its registered office at Royal Pavilion, Wellesley Road, Aldershot, Hampshire, GU11 1PZ United Kingdom (Tel: +44 (0)1252 534000, E-mail: CompanySecretary@csc.com). The Acquirer was incorporated as a limited company as CSC Computer Sciences Holdings Three Limited on November 11, 2009 in England. It passed a special resolution to change its name to "CSC Computer Sciences International Operations Limited" with effect from March 10, 2010.

2. The Acquirer is a wholly owned (indirect) subsidiary of CSC and operates as part of the CSC group's United Kingdom division.

3. The Acquirer is a holding company and is not engaged in any business or trade.

4. The Acquirer's ultimate parent company is CSC, which indirectly holds 100% (one hundred per cent.) of the equity share capital of the Acquirer.

5. As described in paragraph II.A.2, II.A.3 and II.A.4 of this DLoF, the Acquirer indirectly exercises 100% (one hundred per cent.) of the voting rights of the Existing Xchanging Shareholders. The Existing Xchanging Shareholders are also the promoters and form part of the promoter group of the Target.

6. As on the date of this Draft Letter of Offer, the fully paid-up equity share capital of the Acquirer was GBP 1,021,253,191 (One billion, Twenty One million, Two hundred and Fifty Three thousand, One hundred and Ninety One Great British Pounds only) equivalent to INR 89,922,466,846.06 (Indian Rupees Eighty Nine Billion, Nine Hundred Twenty Two Million, Four Hundred Sixty Six Thousand, Eight Hundred Forty Six and Six Paise only) using the exchange rate 1 GBP = INR 88.0511 (source: www.rbi.org.in on September 1, 2016), comprising of 1,021,253,191 ordinary shares of GBP 1 (One Great British Pound only) each.

7. The shareholding pattern of the Acquirer as on the date of this DLoF is set out below.

Sl. No.	Name of the Entity	Number of Shares	Percentage Shareholding
I	**Promoter group of Acquirer**		
1	CSC (via wholly owned intermediate holding companies - CSC Computer Sciences Holdings S.a.r.l., CSC Computer Sciences International S.a.r.l. and CSC Computer Sciences International Inc.)	1,021,253,191	100.0%
	Total promoter group of Acquirer	**1,021,253,191**	**100.0%**
II	**Others**		
1	Foreign Institutional Investors/ Mutual-Funds/ Financial Institutions/ Banks	-	0.0%
2	Public Shareholders	-	0.0%
	Total Others	-	0.0%

	Total (I + II)	**1,021,253,191]**	**100.0%**

8. The shares of the Acquirer are not listed on any stock exchange in India or overseas.

9. The Acquirer and the PACs have not directly acquired any Equity Shares after the date of PA i.e. December 15, 2015 and up to the date of this Draft Letter of Offer. As the Acquirer does not directly hold any Equity Shares and has never held Equity Shares in the past, the provisions of chapter V of the SEBI (SAST) Regulations and chapter II of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, and subsequent amendments thereto, are not applicable to CSC as far as the Target is concerned.

10. As on the date of this Draft Letter of Offer, the Acquirer, its directors and its key employees do not have any relationship/interest in the Target except as mentioned at paragraph II.A.3, II.A.4 and II.A.16 of this DLoF.

11. The Acquirer has not been prohibited by SEBI from dealing in securities in terms of the SEBI Act or under any of the regulations made under the SEBI Act.

12. The Acquirer has confirmed that it is not categorized as "wilful defaulter" in terms of regulation 2(1)(ze) of the SEBI (SAST) Regulations.

13. The details of the directors on the board of directors of the Acquirer are as set out below.

Name of Director	Date of Appointment	Current Designation	Director Identification Number
David William Hart Gray	August 8, 2016	Director and Secretary	N/A
Sara Ann De La Harpe	August 8, 2016	Director	N/A
Mark Greenhalgh	April 29, 2015	Director	N/A

Mr. David William Hart Gray

Mr. David Gray is a Director and Secretary at CSC Computer Sciences International Limited.

He is currently the Company Secretary of: (1) CSC Computer Sciences (Middle East) Limited; (2) CSC Computer Sciences Finance Limited; (3) CSC Computer Sciences International Holdings Limited; (4) CSC Computer Sciences International Limited; (5) CSC Computer Sciences International Operations Limited; (6) CSC Computer Sciences International Services Limited; (7) CSC Computer Sciences UK Holdings Limited; and (8) i Soft Limited.

He was Senior Legal Counsel, EMEA and APA at Radianz Limited (a Reuters/Equant joint venture) from September 2001 to November 2002, Solicitor of Hong Kong SAR and Solicitor of England and Wales at Cable & Wireless HKT Limited from July 1998 to September 2001, Trainee Solicitor and laterally Solicitor of England and Wales and of Hong Kong SAR at Clyde & Co from September 1994 to July 1998.

Mr. Gray also served in the Royal Navy from September 1979 to December 1993 as Lieutenant Commander (Warfare).

Mr. Mark Greenhalgh

Mr. Mark Greenhalgh is the Director: Treasury – EMEA & Asia at CSC Computer Sciences International Limited. He is the Chair of Trustees for several UK and Switzerland CSC Pension Schemes.

He has served, since April 2015, as Statutory Director of:

- CSC Computer Sciences (Middle East) Limited, Aldershot, Hampshire, GU11 1PZ, UK;
- CSC Computer Sciences EMEA Finance Limited, Aldershot, Hampshire, GU11 1PZ, UK;

- CSC Computer Sciences International Holdings Limited, Aldershot, Hampshire, GU11 1PZ, UK;
- CSC Computer Sciences International Limited, Aldershot, Hampshire, GU11 1PZ, UK;
- CSC Computer Sciences International Services Limited, Aldershot, Hampshire, GU11 1PZ, UK;
- CSC Computer Sciences UK Holdings Limited, Aldershot, Hampshire, GU11 1PZ, UK.

His former roles include: In house Finance and Treasury lead for Banking, Treasury and payment services at Sony (UK) Limited, from April 1993 to April 2001. Treasurer at Empire Stores Group plc, from April 1991 to March 1993, Treasury Manager at Royal Sun Alliance plc (formerly Royal Insurance plc), from September 1979 to April 1991.

Mrs. Sara Ann De La Harpe

Mrs Sara de la Harpe is a Director of CSC Computer Sciences International Limited. She has been at CSC Computer Sciences International Limited since September 1998 and has been the "Director: Global Tax Operations" since January 2013.

She has served, since May 2016, as Statutory Director of:

- CSC Computer Sciences (Middle East) Limited, Aldershot, Hampshire, GU11 1PZ, UK;
- CSC Computer Sciences EMEA Finance Limited, Aldershot, Hampshire, GU11 1PZ, UK;
- CSC Computer Sciences International Holdings Limited, Aldershot, Hampshire, GU11 1PZ, UK;
- CSC Computer Sciences International Limited, Aldershot, Hampshire, GU11 1PZ, UK;
- CSC Computer Sciences International Services Limited, Aldershot, Hampshire, GU11 1PZ, UK;
- CSC Computer Sciences UK Holdings Limited, Aldershot, Hampshire, GU11 1PZ, UK.

Her former roles include: "Director of Tax, EMEA" (July 2006 to December 2012), "Head of Tax, EMEA" (November 2000 to June 2006), "Tax Manager, European Group" (September 1998 to November 2000), "Manager, Taxation, Global Tax Planning" at Cable and Wireless plc, Theobolds Road, Holburn, London, UK (September 1996 to September 1998) and as a "Tax Supervisor" (March 1995 to September 1996) and "Audit Supervisor" (January 1990 to March 1995) at BDO STOY Hayward, London, UK.

14. Except as stated at paragraph II.A.16 of this DLoF, none of the directors of the Acquirer/PACs are directors on the board of directors of the Target.

15. The key financial information of the Acquirer as derived from the audited financial statements of the Acquirer as at and for the financial years ended March 31, 2013, 2014 and 2015 is set out below. In terms of the laws of United Kingdom, the Acquirer is not required to maintain 6 (six) monthly financials. The Acquirer has 9 (nine) months to file its financial statements for the financial year ended March 2016 and, as of the date of this DLoF, the Acquirer has not yet filed such financial statements.

Income statement

(in GBP'000 and INR million except EPS)

Particulars	As at and for financial year ended March 31, 2013		As at and for financial year ended March 31, 2014		As at and for financial year ended March 31, 2015	
	GBP	INR	GBP	INR	GBP	INR
Income from operations	Nil	Nil	Nil	Nil	Nil	Nil
Other Income	Nil	Nil	Nil	Nil	2,751	242
Total Income	Nil	Nil	Nil	Nil	2,751	242
Total Expenditure	(559,946)	(49,304)	74,477	6,558	(59,193)	(5,212)
EBITDA	(559,946)	(49,304)	74,477	6,558	(56,442)	(4,970)
Depreciation	Nil	Nil	Nil	Nil	Nil	Nil
Interest	179,571	15,811	75,803	6,675	61,340	5,401
Profit/(Loss) Before Tax	(380,375)	(33,492)	150,280	13,232	4,898	431

Provision for Tax	Nil	Nil	Nil	Nil	Nil	Nil
Profit/(Loss) After Tax*	(380,375)	(33,492)	150,280	13,232	4,898	431

**Earnings Per share (EPS) is calculated as Profit or (Loss)/Total No. of shares*

Balance sheet statement

Particulars	**As at March 31, 2013**		**As at March 31, 2014**		**As at March 31, 2015**	
	GBP	**INR**	**GBP**	**INR**	**GBP**	**INR**
Sources of funds						
Paid up share capital	1,013,333	89,225	1,013,333	89,225	1,013,333	89,225
Reserves and Surplus (excl. revaluation reserves)	(627,348)	(55,239)	(477,068)	(42,006)	(472,170)	(41,575)
Share premium	1,013,323	89,224	1,013,323	89,224	1,013,323	89,224
Networth	**1,399,308**	**123,211**	**1,549,588**	**136,443**	**1,554,486**	**136,874**
Long Term Unsecured Loans	Nil	Nil	Nil	Nil	Nil	Nil
Other Non-current Liabilities	Nil	Nil	Nil	Nil	Nil	Nil
Total	**1,399,308**	**123,211**	**1,549,588**	**136,443**	**1,554,486**	**136,874**
Uses of funds						
Net fixed assets	311,786	27,453	460,548	40,552	478,340	42,118
Non-Current Investments	Nil	Nil	Nil	Nil	Nil	Nil
Other Non-current Assets	Nil	Nil	Nil	Nil	Nil	Nil
Net current assets	1,087,522	95,758	1,089,040	95,891	1,076,146	94,756
Total	**1,399,308**	**123,211**	**1,549,588**	**136,443**	**1,554,486**	**136,874**

#Shareholders' funds is calculated as called-up share capital + share premium + profit and loss account

Other financial data

Particulars	**For financial year ended March 31, 2014**		**For financial year ended March 31, 2015**		**For financial year ended March 31, 2016**	
	GBP	**INR**	**GBP**	**INR**	**GBP**	**INR**
Dividend (%)	-	-	-	-	-	-
Earnings/(Loss) per share- diluted	(0.38)	(33)	0.15	13	0.00	0.43

** Notes if any*

Note: Since the financials of Acquirer are presented in GBP, we have adapted a translation (convenience translation) of such financials into Indian Rupees. The GBP to Indian National Rupee conversion has been assumed at the rate of 1 GBP = INR 88.0511 as on September 1, 2016 (Source: www.rbi.org.in). Also, figures have been rounded off, as necessary.

16. The Acquirer has no contingent liabilities for the year ended March 31, 2015.

17. Status of corporate governance: The Acquirer is a private company, managed and controlled by its board of directors.

18. The Acquirer is not required to appoint a compliance officer.

B. PAC - Computer Sciences Corporation ("CSC")

1. CSC is a listed public company, incorporated on April 16, 1959 under the laws of the state of Nevada in the USA. There has been no change in the name of CSC during the last 3 (three) years.

2. CSC is a global provider of information technology and professional services and solutions. Since CSC was founded in 1959, CSC has helped its clients develop and integrate information technology assets in support of operational efficiency, new growth initiatives and other business objectives.

3. The registered office of CSC is located at 6100 Neil Road, Suite 500, Reno, Nevada 89511, United States and the headquarters of CSC are located at 1775 Tysons Blvd, Tysons, VA 22102, United States (Tel: +1 (703) 876-1000).

4. CSC is the ultimate holding company of the Acquirer, CSC India and CSC IPL and indirectly holds 100% (one hundred per cent.) of the equity share capital of the Acquirer, CSC India and CSC IPL. The equity shares of CSC are not listed on any stock exchange in India. The equity shares of CSC are listed in the USA on the New York Stock Exchange (NYSE) Ticker: CSC. The closing price of CSC's shares on NYSE as on September 1, 2016 was US$ 47.63, equivalent to INR 3,189.01 (Indian Rupees Three Thousand One Hundred Eighty Nine and One Paise only) using the RBI reference rate of 1 US$ = INR 66.9539 (Source: www.rbi.org.in on September 1, 2016).

5. CSC does not hold any Equity Shares directly in the Target. As mentioned in paragraph II.A.2, II.A.3 and II.A.4 of this Draft Letter of Offer, pursuant to completion of the Overseas Offer, and further, post completion of the UK Compulsory Acquisition Procedure, CSC indirectly holds 75% (seventy five per cent.) of the equity share capital of the Target and, indirectly, through the Acquirer, exercises control over the Target.

6. CSC is a widely held listed public company and has a diverse shareholder base with no identified promoter. CSC is not owned or controlled, directly or indirectly, by another corporation, any foreign government or by any other legal or natural person. As of August 25, 2016, the following persons/groups were known to be holding more than 5% (five per cent.) of the voting rights of CSC:
   - The Vanguard Group, Inc.;
   - Boston Partners;
   - BlackRock; and
   - CI Investments Inc.

7. As at September 1, the fully paid-up equity share capital of the CSC was US$ 151,135,606 (One Hundred and Fifty One million, One hundred and Thirty Five thousand, Six hundred and Six United States Dollars only) equivalent to INR 10,119,118,250.56 (Indian Rupees Ten Billion, One Hundred Nineteen Million, One Hundred Eighteen Thousand, Two Hundred Fifty and Fifty Six Paise only) using the RBI reference rate of 1 US$ = INR 66.9539 (source: www.rbi.org.in on September 1, 2016) comprising 151,135,606 common shares (including 10,548,381treasury shares), with a par value of US$ 1 (One United States Dollar only) each.

8. Except as stated at paragraph II.A.16 of this DLoF, none of the directors of the Acquirer/PACs are directors on the board of directors of the Target.

9. As CSC does not directly hold any Equity Shares and has never held Equity Shares in the past, the provisions of chapter V of the SEBI (SAST) Regulations and chapter II of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, and subsequent amendments thereto, are not applicable to CSC as far as the Target is concerned.

10. CSC has not been prohibited by SEBI from dealing in securities in terms of the SEBI Act or under any of the regulations made under the SEBI Act.

11. CSC has confirmed that it is not categorized as "wilful defaulter" in terms of regulation 2(1)(ze) of the SEBI (SAST) Regulations.

12. The details of the directors on the board of directors of CSC are as set out below.

Name of Director	Date of Appointment	Current Designation	Director Identification Number
Mukesh Aghi	December, 2015	Director	N/A
Herman E. Bulls	December, 2015	Director	N/A
Bruce B. Churchill	August, 2014	Lead Independent Director	N/A
Sachin Lawande	June, 2015	Director	N/A

Name of Director	Date of Appointment	Current Designation	Director Identification Number
J. Michael Lawrie	December, 2015	Chairman	N/A
Brian P. MacDonald	August, 2013	Director	N/A
Peter Rutland	October, 2015	Director	N/A
Robert F. Woods	October, 2015	Director	N/A
Lizabeth H. Zlatkus	August, 2016	Director	N/A

Mukesh Aghi

Dr. Aghi is President of the U.S.-India Business Council and has more than 27 (twenty seven) years of experience across diverse industries. He served as Chairman and CEO of Steria India. He has also served as president of IBM India and worked with J.D. Edwards and Ariba, with postings in France, the United Kingdom, Japan, Singapore, India and the USA. Dr. Aghi has been associated with Universitas 21 Global, the world's largest consortium of research-led universities and a global leader in providing post-graduate online education. Dr. Aghi holds an advanced management diploma from Harvard Business School, an MBA in international marketing from Andrews University, Michigan, and a Ph.D. in international relations from Claremont Graduate University in California. He earned a BA in business administration from the Middle East College, Beirut, Lebanon.

Herman E. Bulls

Mr. Bulls is Vice Chairman, Americas, at Jones Lang LaSalle ("JLL"), an international financial and professional services firm. He founded and led the firm's public institutions specialty as Chairman and CEO and currently serves as international director of JLL global markets. He also co-founded and served as President and CEO of Bulls Capital Partners, a commercial mortgage banking firm. Before joining JLL, Mr. Bulls completed nearly 12 (twelve) years of active duty service with the U.S. Army and retired as a colonel in the U.S. Army Reserves. Mr. Bulls is a member of the Executive Leadership Council, an organization of senior African American business executives from Fortune 500 companies, former chairman of the Executive Leadership Foundation and former Vice Chairman of the board of directors for the West Point Association of Graduates. He earned a bachelor's of science degree in engineering from the U.S. Military Academy at West Point and an MBA degree in finance from Harvard Business School. Mr. Bulls also serves on the boards of Tyco International and Comfort Systems USA.

Bruce B. Churchill

Mr. Churchill assumed the role of Lead Independent Director of the Board of CSC on December 15, 2015. Mr. Churchill served as the Executive Vice President of DIRECTV, President of DIRECTV Latin America LLC, and as President-New Enterprises from January 2004 to August 2015. He served as Chief Financial Officer of DIRECTV. from January 2004 to March 2005. Prior to joining DIRECTV, Mr. Churchill served as President and Chief Operating Officer of STAR, a position he held beginning in May 2000. Previously, he served as the Deputy Chief Executive Officer of STAR since 1996. Prior to joining STAR, Mr. Churchill served as Senior Vice President, Finance at Fox Television.

Sachin Lawande

Mr. Lawande became a member of the Board of Directors on June 10, 2015. He was appointed President and Chief Executive Officer of Visteon Corporation in June 2015. From 2013 to 2015, Mr. Lawande served as Executive Vice President and President of Harman International Industries, Inc.'s Infotainment Division. From 2011 to 2013, Mr. Lawande served the dual role as the Co-President of Harman's Lifestyle and Infotainment Divisions. Prior to that he served as Chief Innovation Officer, Chief Technology Officer, and Co-

President of Harman’s Automotive Division, responsible for guiding software strategy, development partnerships, and key customer relationships. He was instrumental in launching an offshore development center in India as part of Harman’s strategy for optimizing its global engineering footprint. Mr. Lawande joined Harman International in 2006, following senior roles at QNX Software Systems and 3Com Corporation.

J. Michael Lawrie

Mr. Lawrie joined CSC’s Board of Directors on February 7, 2012 and became President and CEO of CSC on March 19, 2012. He was appointed Chairman of CSC’s board of directors on December 15, 2105. Mr. Lawrie has served as Chief Executive Officer of UK-based Misys plc, a leading global IT solutions provider to the financial services industry, since November 2006. Lawrie also served as the Executive Chairman of Allscripts-Misys Healthcare Solutions, Inc., an industry leader in electronic health record solutions, from October 2008 – August 2010. Prior to that, Mr. Lawrie was a general partner with ValueAct Capital, a San Francisco-based private investment firm, from 2005 – 2006. He served as Chief Executive Officer of Siebel Systems, Inc., the international software and solutions company, from 2004-2005. Previously, Mr. Lawrie spent 27 (twenty seven) years with IBM where he held various leadership positions, including Senior Vice President and Group Executive, responsible for sales and distribution of all IBM products and services worldwide; General Manager for operations in Europe, the Middle East and Africa; and General Manager of Industries for the Asia Pacific. Mr. Lawrie is the former lead independent, non-executive Director of Juniper Networks, Inc., and is also a Trustee of Drexel University, Philadelphia. Mr. Lawrie holds a BA in History from Ohio University and an M.B.A from Drexel University in Philadelphia.

Brian Patrick MacDonald

Brian MacDonald has served as the President and CEO of CDK Global, Inc. since January 2016. He served as the Chief Executive Officer of Hertz Equipment Rental Corporation (HERC) from June 2014 to June 2015. Prior to HERC, he served as President and Chief Executive Officer of ETP Holdco Corporation from October 2012 to June 2013. Prior to Energy Transfer Partners' acquisition of Sunoco, Inc., in October 2012, Mr. MacDonald served as Chairman, President and Chief Executive Officer of Sunoco, Inc., a leading logistics and retail company based in Philadelphia, PA. He joined Sunoco in August 2009 as Senior Vice President and Chief Financial Officer. Prior to joining Sunoco, he was Chief Financial Officer for Dell's commercial business unit. Before becoming the commercial business unit's CFO in 2008, he served as Corporate Vice President and Treasurer and led Dell's mergers and acquisitions organization and global treasury group. Prior to joining Dell, Mr. MacDonald worked at General Motors Corporation and held a variety of positions in financial management, including Deputy CFO for Isuzu Motors Limited. From 1998 to 2000, he served as Treasurer of GM Canada.

Peter Rutland

Mr. Rutland is currently a partner and Global Co-Head of Financial Services at CVC Capital Partners. Mr. Rutland joined CVC Capital Partners in 2007, having previously worked for Advent International since 2002. Prior to working at Advent, Mr. Rutland worked for The Goldman Sachs Group, Inc. in its Investment Banking Division. Mr Rutland served as a director of the NYSE-listed Avolon Holdings Ltd. from 2014 until the company’s sale in 2016. He has also served on a number of private company boards, including Domestic & General and Brit Insurance. He has a master's of arts degree in economics and management from the University of Cambridge and a master's degree in business administration from INSEAD.

Robert F. Woods

Mr. Woods was Senior Vice President and Chief Financial Officer at Sungard Data Systems Inc. from 2010 to 2012, and before that served as Senior Vice President and Chief Financial Officer of IKON Office Solutions. Woods joined IBM Corporation in 1995 and served in a number of senior positions including Corporate Controller and Treasurer. Early in his career, Woods worked for Deloitte, and Haskins & Sells, later specializing in tax, treasury, accounting and finance at DuPont. Mr. Woods became a Certified Public Accountant in 1979, and holds a bachelor's of science degree in accounting from Villanova University and a master's business accounting degree from Widener University.

Lizabeth H. Zlatkus

Ms. Zlatkus has served as a member of the Boston Private's Board of Directors since July 2015. Ms. Zlatkus also serves as a Director on the Board of Legal & General Group (FTSE 100), which she joined in December 2013. She has served on the Pennsylvania State University Business School Board since September 2003 and has served on the Connecticut Science Center Trustee Board since December 2010. Ms. Zlatkus held many senior leadership positions during her tenure at The Hartford Financial Services Group from 1983 to 2011. These included her role as Chief Financial Officer and Chief Risk Officer of the Firm, as well as Co-President of Hartford Life Insurance Companies. Ms. Zlatkus was selected as an Alumni Fellow of The Pennsylvania State University in 2003.

13. The brief consolidated financial information of CSC, as derived from its audited consolidated financial statements, for the 12 (twelve) month period ended March 28, 2014, April 3, 2015 and April 1, 2016 as certified by the statutory auditors of CSC and the unaudited consolidated financial statements for the 3 (three) month period ended July 1, 2016 as reviewed by the statutory auditors of CSC, are as set out below.

Income statement

(in INR million and US$ million except EPS)

Particulars	**As at and for financial year ended March 28, 2014**		**As at and for financial year ended April 3, 2015**		**As at and for financial year ended April 1, 2016**		**As at and for 3 months period ended July 1, 2016^**	
	US$	**INR**	**US$**	**INR**	**US$**	**INR**	**US$**	**INR**
Income from operations	8,899	595,823	8,117	543,465	7,106	543,465	1,930	129,221
Other Income	18	1,205	10	670	(9)	670	2	134
Total Income	**8,881**	**594,618**	**8,107**	**542,795**	**7,115**	**542,795**	**1,928**	**129,087**
Total Expenditure*	7,205	482,403	7,832	524,383	6,362	524,383	1,783	119,379
EBITDA	**1,676**	**112,215**	**275**	**18,412**	**753**	**18,412**	**145**	**9,708**
Depreciation	870	58,250	840	56,241	658	56,241	166	11,114
Interest	112	7,499	106	7,097	85	7,097	15	1,004
Profit/(Loss) Before Tax	**694**	**46,466**	**(671)**	**(44,926)**	**10**	**(44,926)**	**(36)**	**(2,410)**
Provision for Tax	174	11,650	(464)	(31,067)	(62)	(31,067)	(16)	(1,071)
Profit/(Loss) After Tax	**520**	**34,816**	**(207)**	**(13,859)**	**72**	**(13,859)**	**(20)**	**(1,339)**
(Loss) income from dis-continued operations, net of taxes	448	29,995	224	14,998	191	14,998	-	-
Net income	968	64,811	17	1,138	263	1,138	(20)	(1,339)
Less: net income attributable to non-controlling interest, net of tax	21	1,406	15	1,004	12	1,004	1	67
Net (loss) income attributable to CSC common stockholders	947	63,405	2	134	251	134	(21)	(1,406)

^Q1 FY 2017 (ending July 1, 2016) financials are unaudited
**Total expenditure consists of selling general and administrative expenses; SEC settlement related charges included in selling, general and administrative expenses, restructuring expenses and separation expenses, and debt extinguishment costs, if any.*

Balance sheet statement

Particulars	**As at March 28, 2014**		**As at April 3, 2015**		**As at April 1, 2016**		**As at July 1, 2016**	
	US$	**INR**	**US$**	**INR**	**US$**	**INR**	**US$**	**INR**
Sources of funds								
Paid up share capital	2,459	164,640	2,434	162,966	2,588	173,277	2,638	176,624
Reserves and Surplus (excluding revaluation reserves)	1,485	99,427	531	35,553	(556)	(37,226)	(409)	(27,384)

Networth	**3,944**	**264,066**	**2,965**	**198,518**	**2,032**	**136,050**	**2,229**	**149,240**
Long Term Unsecured Loans	2,207	147,767	1,635	109,470	1,934	129,489	2,543	170,264
Other Non-current Liabilities	1,776	118,910	2,057	137,724	1,162	77,800	1,322	88,513
Total	**7,927**	**530,744**	**6,657**	**445,712**	**5,128**	**343,340**	**6,094**	**408,017**
Uses of funds								
Net fixed assets	2,031	135,983	1,110	74,319	1,025	68,628	1,012	67,757
Total intangible and other assets	3,730	249,738	4,255	284,889	3,299	220,881	4,441	297,342
Net current assets[1]	2,166	145,022	1,292	86,504	804	53,831	641	42,917
Total	**7,927**	**530,744**	**6,657**	**445,712**	**5,128**	**343,340**	**6,094**	**408,017**

1. Net current assets = current assets – current liabilities

Other financial data

Particulars	**For financial year ended March 28, 2014**		**For financial year ended April 3, 2015**		**For financial year ended April 1, 2016**		**For 3 months period ended July 1, 2016**	
	US$	**INR**	**US$**	**INR**	**US$**	**INR**	**US$**	**INR**
Earnings/(Loss) per share- diluted[1]	6.28	420	0.01	1	1.82	119	(0.15)	(10)
Dividend (%)[2]	80%	80%	92%	92%	299%	299%	14%	14%

1. Earnings per share as reported
2. Calculated as Dividend Paid/Par Value
Note: Since the financials of CSC are presented in US$, we have adapted a translation (convenience translation) of such financials into Indian National Rupees. The US$ to Indian National Rupee conversion has been assumed at the rate of 1 US$ = INR 66.9539 as on September 1, 2016 (Source: www.rbi.org.in). Also, figures have been rounded off, as necessary.

19. CSC has the following contingent liabilities as disclosed in its financial statements for the year ended April 1, 2016.

(in INR million and US$ million)

Sr.No.	**Contingent Liability/ Commitment**	**2016**	
		US$	**INR**
(i)	Surety Bonds	19	1,272
(ii)	Letters of Credit	71	4,754
(iii)	Stand by letters of credit	48	3,214
	Total	**138**	**9,240**

Note: CSC uses stand-by letters of credit, in lieu of cash, to support various risk management insurance policies. These letters of credit represent a contingent liability and CSC would only be liable if it defaults on its payment obligations on these policies. As of April 1, 2016, CSC had $48 million of outstanding stand-by letters of credit. Generally, such guarantees have a one-year term and are renewed annually.

14. CSC is in compliance with the corporate governance rules and regulations to which it is subject under applicable laws. CSC is required to comply with the listing requirements of the New York Stock Exchange and the rules of the U.S. Securities and Exchange Commission (among other rules and legislation).

15. The compliance officer for CSC is Chris DePippo – Address: 1775 Tysons Boulevard, Tysons, Virginia 22102, Tel: +1 703 245 4587, Email: cdepippo@csc.com.

C. CSC Technologies India Private Limited

1. CSC India is a private limited company incorporated under the laws of India under the Companies Act, 2013 on October 7, 2015, with its registered office at Level 2, Agnitio Tech Park, 141, Kandanchavadi, Near Perungudi, OMR, Chennai – 600096, Tamil Nadu (Tel: +91 44 2262 8080; Fax: +91 44 2262 8171). The name of CSC India has not changed since its incorporation. The Company Identification Number (CIN) of CSC India is U72900TN2015FTC102489.

2. CSC India is engaged in the business of providing services in the field of software development, infrastructure services solutions, application services, outsourcing services and IT enabled services, and operates as part of CSC group's India division.

3. As mentioned in clause 1.2 of the Corrigendum to the Public Announcement, on October 20, 2015, the board of directors of CSC India, CSC IPL and certain subsidiaries of CSC IPL approved carrying out a Scheme of Amalgamation and Arrangement (Demerger) ("**Scheme**"), under the provisions of sections 391 to 394 and other applicable provisions of the Companies Act, 1956, including the corresponding provisions of the Companies Act, 2013 as and when applicable, *inter alia*, providing for the demerger of the: (i) software development services, IT Infrastructure services solutions and application services; (ii) software testing and quality management services; and (iii) offshore services with respect to product development for the healthcare division (together referred to as "**Software Business**") as a going concern from CSC IPL to CSC India. The Scheme was approved by the High Court of Judicature at Chennai on March 11, 2016 and made effective on April 1, 2016 pursuant to which the Software Business of CSC IPL is now vested in CSC India.

4. CSC India belongs to the CSC group and is a wholly owned (indirect) subsidiary of CSC.

5. As on the date of this Draft Letter of Offer, the fully paid-up equity share capital of CSC India is INR 1,293,648,080 (Indian Rupees One Billion Two Hundred and Ninety Three Million Six Hundred and Forty Eight Thousand and Eighty only) comprising 129,364,808 fully paid ordinary equity shares, with a face value of INR 10 (Indian Rupees Ten only) each.

6. The equity shares of CSC India are not listed on any stock exchanges in India or overseas.

7. CSC India's ultimate parent company is CSC, which indirectly holds 100% (one hundred per cent.) of the equity share capital of CSC India.

8. The shareholding pattern of CSC India as on the date of this Draft Letter of Offer is as set out below.

Sl. No.	Name of the Entity	Number of Shares	Percentage Shareholding
I	**Promoter group of CSC India**		
1	CSC Technology Singapore Pte. Ltd (100% indirectly owned by CSC)	129,364,634	100%
2	Mynd Corporation (100% indirectly owned by CSC)	50	0.00#
3	CSC Consulting Inc. (100% indirectly owned by CSC)	124	0.00#
	Total promoter group of CSC India	129,364,808	100%
II	**Others**		
1	Foreign Institutional Investors/ Mutual-Funds/ Financial Institutions/Banks	-	NIL
2	Public Shareholders	-	NIL
	Total Others	-	NIL
	Total (I + II)	**129,364,808**	**100%**

 # Negligible

**In compliance with the applicable provisions of the Companies Act, 2013 and rules thereunder, the board of directors of CSC India at their meeting held on May 11, 2016 decided to offer to buy-back its 24,278,715 equity shares (representing 15.80% of its total paid up equity share capital) at INR 224.97 per equity share, from its shareholders aforementioned (subject to approval of shareholders by way of a special resolution dated May 13, 2016). The approval of shareholders by way of special resolution was obtained on May 13, 2016 pursuant to which the buy-back letter of offer was filed with the registrar of companies and dispatched to the shareholders aforementioned on May 20, 2016. Subsequently, only CSC Technology Singapore Pte. Ltd participated in the buy-back and offered its 24,278,715 equity shares (representing 15.80% of its total paid up equity share capital of CSC India) to CSC India. This offer by CSC Technology Singapore Pte. Ltd was accepted by the board of directors of CSC India on May 25, 2016 and subsequently the buy-back was completed on May 26, 2016.*

9. As CSC India does not directly hold any Equity Shares and has never held Equity Shares in the past, the provisions of chapter V of the SEBI (SAST) Regulations and chapter II of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, and subsequent amendments thereto, are not applicable to CSC India as far as the Target is concerned.

10. Mr. Srinivasa Raghavan Venkatavardhan who serves on the board of directors of CSC India and CSC IPL has been appointed as a non-executive director of the Target on June 6, 2015 in compliance with the proviso to regulation 24(1) of the SEBI (SAST) Regulations.

11. CSC India has not been prohibited by SEBI from dealing in securities in terms of the SEBI Act or under any of the regulations made under the SEBI Act.

12. CSC India has confirmed that it is not categorized as “wilful defaulter” in terms of regulation 2(1)(ze) of the SEBI (SAST) Regulations.

13. The details of the directors on the board of directors of CSC India are as set out below.

Name of Director	**Date of Appointment**	**Current Designation**	**Director Identification Number**
Sreekanth Arimanithaya Krishnan	October 7, 2015	Whole Time Director	05270906
V Srinivasa Raghavan	October 7, 2015	Whole Time Director	01803376
Tej Krishan Bhat	October 14, 2015	Whole Time Director	07167228

Sreekanth Arimanithaya Krishnan

Mr Sreekanth Arimanithaya Krishnan has over 22 (twenty two) years of experience in global Human Resource management, organization transformation and development, industrial relations, leadership development, compensation, benefits, talent acquisition, shared services, HR outsourcing, analytics and change management. He has worked with Britannia Industries, CA Technologies, Kudremukh Iron Ore Company, TVS Motors, Toyota, Phillips and General Electrics (GE). In his last assignment he was associated with Britannia Industries as VP and Chief of Human Resources where he transformed the business model, turnaround organization performance and culture. Mr Sreekanth Arimanithaya Krishnan is qualified in TQM, Six Sigma (master black belt), and Change management (Change Acceleration Process).

V Srinivasa Raghavan

Mr V Srinivasa Raghavan has 25 (twenty five) years of diversified business experience including 15 years in senior management positions in IT, ITeS industry and Manufacturing. He has been a strong strategic business partner all through his career with global exposure. He has a strong background of leadership roles including budgeting and planning, taxation, strategic analysis, reporting, and decision support and business finance grounding. His earlier experience include Logica, GE and Motorola. Earlier in his career, Mr V Srinivasan Raghavan has driven growth agenda, business turnaround, efficiency/ rationalization, M&A and instituted governance systems and processes to ensure compliance/controllership. He has driven restructuring activities which involved consolidation of plants, staff restructuring and investment in the front end activities and ensured a strong Balance Sheet is in place that can help raise funds. He was also involved in building the right cost center structure to facilitate the growth, setting up and bringing offshore operations into his business fold besides the operational finance activities. Srini is a Cost and Works (Management) Accountant from Institute of Cost and Works Accountants of India and Chartered Accountant from Institute of Chartered Accountants of India. He is an alumnus of Madurai Kamaraj University with Bachelors in Commerce.

Tej Krishan Bhat

Mr Tej Krishan Bhat has 20 (twenty) years of technology industry delivery experience, including cloud, data centre operations, contact centers and converged networks, encompassing mission critical services. Prior to joining CSC, he held progressive leadership roles in global delivery, technology innovation, capability and business development with Accenture Services Private Limited. His last role at Accenture was Managing Director – Network Services.

14. The brief consolidated financial information of CSC Tech , as derived from its unaudited standalone financial statements, for the 12 (twelve) month period ended March 31, 2016 are as set out below.

Income statement

(in INR million except EPS)

Particulars	As at and for financial year ended March 31, 2016
	INR
Income from operations	27,342.2
Other Income	1,243.0
Total Income	**28,585.3**
Total Expenditure	23,434.6
EBITDA	**5,150.7**
Depreciation	1,478.0
Interest	6.3
Profit/(Loss) Before Tax	**3,666.4**
Provision for Tax	1,066.0
Profit/(Loss) After Tax*	**2,600.4**

Balance sheet statement

(in INR million except EPS)

Particulars	As at March 31, 2016
	INR
Sources of funds	
Paid up share capital	1,536.4
Reserves and Surplus (excluding revaluation reserves)	20,986.5
Networth	22,522.9
Long-term provisions	345.3
Other long-term liabilities	227.3
Total	**23,095.5**
Uses of funds	
Net fixed assets	6,986.5
Non-Current Investments	1,094.6
Other Non-current Assets	3,330.7
Net current assets	11,683.5
Total	**23,095.5**

Other financial data

Particulars	For financial year ended March 31, 2016
	INR
Dividend (%)	N/A
Earnings/(Loss) per share- diluted	16.92

15. CSC India has the following contingent liabilities as disclosed in its financial statements for the year ended March 31, 2016.

(in INR million except EPS)

Sr.No.	Contingent Liability		As at March 31, 2016
(i)	(a) Bank guarantees		915.4
	(b) Disputed VAT demands contested in Appeals not provided:*		
	Appeal pending before	**Assessment Year**	
	Commissioner of Income Tax (Appeals)	2005-06, 2012-13	1,398.3
	Dispute Resolution Panel (Refer note (iii) below)	2006-07	1,252.2
	Income Tax Appellate Tribunal	2006-07, 2007-08, 2008-09 , 2009-10, 2010-11, 2011-12 & 2014-15	3,227.8
	High Court	2002-03	538.0
	*Of the above demands, INR 2,744 million (Previous year INR 375 million) has been deposited by CSC India with the respective authorities. CSC India has been advised that the above demands are not sustainable or will be substantially reduced and accordingly no provision has been made.		
(ii)	Disputed income tax demands decided in favor of CSC India and deleted but pending appeal (filed by the Income Tax department) decision by the respective High Court.		279.4
(iii)	A demand for income tax aggregating to INR 1,185 million was received on February 5, 2016 for the assessment year 2010-2011 under section 156 of the Income Tax Act, on account of transfer pricing adjustment and certain other disallowances. CSC India had filed an appeal against the draft assessment order with the Dispute Resolutions Panel (DRP). However the appeal was decided against CSC India.		

Sr.No.	Contingent Liability	As at March 31, 2016
	CSC India has filed an appeal with the Income Tax Appellate Tribunal, Indore, against the order of the DRP. Based on an assessment order received for assessment year 2012-2013 and interpretations of the provisions of the Act, CSC India has been advised that the above demand is not sustainable or will get substantially reduced and accordingly no provision has been made.	

16. Status of corporate governance: CSC India is a private company managed by its board of directors.

17. The compliance officer of CSC India is Ms. Sailaja Balasubramaniyan – Address: Level 2, Agnitio Tech Park, 141, Kandanchavadi, Near Perungudi, OMR, Chennai – 600096, Tamil Nadu, Tel: +91 44 2262 8080, Email: sbalasubram9@csc.com.

D. Computer Sciences Corporation India Private Limited (CSC IPL)

1. CSC IPL is a private limited company incorporated under the laws of India under the Companies Act, 1956 on September 13, 1996, with its registered office at 7th Floor, Block 1B, DLF IT Park, Sivaji Garden, Chennai – 600089, Tamil Nadu (Tel: +91 44 2262 8080 and Fax: +91 44 2262 8171). CSC IPL was incorporated under the name of "Policy Management Systems India Private Limited" with its registered office at Indore, Madhya Pradesh and subsequently changed its name to CSC IPL and a new certificate of incorporation was issued on May 11, 2001. CSC IPL changed its registered office to the current address specified above from Indore, Madhya Pradesh to Chennai, Tamil Nadu pursuant to an order of the Company Law Board dated October 22, 2008. The certificate of registration for change of State was issued to CSC IPL on November 26, 2008. The Company Identification Number (CIN) of CSC IPL is U60231TN1996PTC070000.

2. CSC IPL is engaged in the business of providing business process outsourcing services and operates as part of CSC group's India division. The Software Business of CSC IPL has been transferred and vested in CSC India in accordance with and pursuant to the Scheme, which was approved by the High Court of Judicature at Chennai on March 11, 2016 and made effective on April 1, 2016.

3. CSC IPL belongs to the CSC group and is a wholly owned (indirect) subsidiary of CSC.

4. As on the date of the Public Announcement, the fully paid-up equity share capital of CSC IPL is INR 62,049,080 (Indian Rupees Sixty Two million Forty Nine thousand and Eighty only) comprising 6,204,908 fully paid ordinary equity shares, with a face value of INR 10 (Indian Rupees Ten only) each.

5. The shares of CSC IPL are not listed on any stock exchanges in India or overseas.

6. CSC IPL's ultimate parent company is CSC, which indirectly holds 100% (one hundred per cent.) of the equity capital of CSC IPL. The shareholding pattern of CSC IPL as on the date of this DLoF is as set out below.

Sl. No.	Name of the Entity	Number of Shares	Percentage Shareholding
I	**Promoter group of CSC IPL**		
1	CSC Technology Singapore Pte. Ltd (100% indirectly owned by CSC)	6,204,901	100%
2	Mynd Corporation (100% indirectly owned by CSC)	2	0.00#
3	CSC Consulting Inc. (100% indirectly owned by CSC)	5	0.00#
	Total promoter group of CSC IPL	6,204,908	100%
II	**Others**		
1	Foreign Institutional Investors/ Mutual-Funds/ Financial Institutions/Banks	-	NIL
2	Public Shareholders	-	NIL
	Total Others	-	NIL
	Total (I + II)	**6,204,908**	**100%**

#Negligible

7. As CSC IPL does not directly hold any Equity Shares and has never held Equity Shares in the past, the provisions of chapter V of the SEBI (SAST) Regulations and chapter II of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, and subsequent amendments thereto, are not applicable to CSC IPL as far as the Target is concerned.

8. Mr. Srinivasa Raghavan Venkatavardhan who serves on the board of directors of CSC India and CSC IPL has been appointed as a non-executive director of the Target on June 6, 2015 in compliance with the proviso to regulation 24(1) of the SEBI (SAST) Regulations.

9. CSC IPL has not been prohibited by SEBI from dealing in securities in terms of the SEBI Act or under any of the regulations made under the SEBI Act.

10. CSC IPL has confirmed that it is not categorized as "wilful defaulter" in terms of regulation 2(1)(ze) of the SEBI (SAST) Regulations.

11. The details of the directors on the board of directors of CSC IPL are as set out below.

Name of Director	**Date of Appointment**	**Current Designation**	**Director Identification Number**
Mr. Sreekanth Arimanithaya	October 17, 2013	Managing Director	05270906
Mr. V Srinivasa Raghavan	June 20, 2014	Director	01803376

Mr. Sreekanth Arimanithaya Krishnan

Mr Sreekanth Arimanithaya Krishnan has over 22 (twenty two) years of experience in global Human Resource management, organization transformation and development, industrial relations, leadership development, compensation, benefits, talent acquisition, shared services, HR outsourcing, analytics and change management. He has worked with Britannia Industries, CA Technologies, Kudremukh Iron Ore Company, TVS Motors, Toyota, Phillips and General Electrics (GE). In his last assignment he was associated with a Britannia Industries as VP and Chief of Human Resources where he transformed the business model, turnaround organization performance and culture. Mr Sreekanth Arimanithaya Krishnan is qualified in TQM, Six Sigma (master black belt), and Change management (Change Acceleration Process).

Mr. V Srinivasa Raghavan

Mr V Srinivasa Raghavan has 25 (twenty five) years of diversified business experience including 15 (fifteen) years in senior management positions in IT, ITeS industry and Manufacturing. He has been a strong strategic business partner all through his career with global exposure. He has a strong background of leadership roles including budgeting and planning, taxation, strategic analysis, reporting, and decision support and business finance grounding. His earlier experience include Logica, GE and Motorola. Earlier in his career, Mr V Srinivasan Raghavan has driven growth agenda, business turnaround, efficiency/ rationalization, M&A and instituted governance systems and processes to ensure compliance/controllership. He has driven restructuring activities which involved consolidation of plants, staff restructuring and investment in the front end activities and ensured a strong Balance Sheet is in place that can help raise funds. He was also involved in building the right cost center structure to facilitate the growth, setting up and bringing offshore operations into his business fold besides the operational finance activities. Srini is a Cost and Works (Management) Accountant from Institute of Cost and Works Accountants of India and Chartered Accountant from Institute of Chartered Accountants of India. He is an alumnus of Madurai Kamaraj University with Bachelors in Commerce.

12. The brief consolidated financial information of CSC IPL , as derived from its audited consolidated financial statements, for the 12 (twelve) month periods ended March 31, 2013, March 31, 2014, March 31, 2015 as certified by the statutory auditors of CSC and the unaudited financial statements for the year ended March 31, 2016 are as set out below.

Income statement

(in INR million except EPS)

Particulars	As at and for financial year ended March 31, 2013	As at and for financial year ended March 31, 2014	As at and for financial year ended March 31, 2015	As at and for financial year ended March 31, 2016
	INR	INR	INR	INR
Income from operations	26,372.9	26,953.2	26,457.2	388.0
Other Income	610.2	243.2	270.9	38.2
Total Income	**26,983.1**	**27,196.4**	**26,728.1**	**426.3**
Total Expenditure	22,261.9	22,618.4	22,336.8	306.6
EBITDA	**4,721.1**	**4,578.0**	**4,391.3**	**119.7**
Depreciation	1,112.0	1,015.3	943.7	59.4
Interest	33.8	337.3	45.6	-
Profit/(Loss) Before Tax	**3,575.3**	**3,225.4**	**3,402.0**	**60.3**
Provision for Tax	936.0	978.1	1,048.8	7.4
Profit/(Loss) After Tax*	**2,639.4**	**2,247.3**	**2,353.3**	**52.9**

Balance sheet statement

(in INR million except EPS)

Particulars	As at March 31, 2013	As at March 31, 2014	As at March 31, 2015	As at March 31, 2016
	INR	INR	INR	INR
Sources of funds				
Paid up share capital	62.0	62.0	62.0	62.0
Reserves and Surplus (excluding revaluation reserves)	16,064.3	18,311.6	20,664.9	795.4
Networth	16,126.4	18,373.7	20,726.9	857.5
Long-term provisions	38.2	45.0	45.4	-
Other long-term liabilities	157.4	123.2	190.6	-
Total	**16,322.0**	**18,541.9**	**20,962.9**	**857.5**
Uses of funds				
Net fixed assets	2,658.8	2,350.4	1,647.6	221.4
Non Current Investments	14,174.6	14,174.6	14,174.6	-
Other Non-current Assets	2,220.4	2,735.1	2,722.0	31.9
Net current assets	(2,731.9)	(718.3)	2,418.7	604.2
Total	**16,322.0**	**18,541.9**	**20,962.9**	**857.5**

Other financial data

Particulars	For financial year ended March 31, 2013	For financial year ended March 31, 2014	For financial year ended March 31, 2015	For financial year ended March 31, 2016
	INR	INR	INR	INR
Dividend (%)	-	-	-	-
Earnings/(Loss) per share-diluted	379.26	362.18	379.26	8.52

13. CSC has the following contingent liabilities as disclosed in its financial statements for the year ended March 31, 2015 and 2016.

(in INR million)

Sr. No.	Contingent Liability		As at March 31, 2016	As at March 31, 2015
(i)	(a) Bank guarantees		0.4	139.2
	(b) Disputed income tax demands contested in Appeals not provided:*			
	Appeal pending before	**Assessment Year**		
	Commissioner of Income Tax (Appeals)	2005-06	-	29.4
	Dispute Resolution Panel	2006-07	-	69.7
	Income Tax Appellate Tribunal	2006-07, 2007-08, 2008-09 & 2009-10	08.2	420.3
	High Court	2002-03	-	1.2
	*Of the above demands, INR 7 million (Previous year INR 375 million) has been deposited by CSC IPL			

Sr. No.	Contingent Liability	As at March 31, 2016	As at March 31, 2015
	with the respective authorities. CSC IPL has been advised that the above demands are not sustainable or will be substantially reduced and accordingly no provision has been made.		

14. Status of corporate governance: CSC IPL is a private company managed by its board of directors.

15. The compliance officer of CSC IPL is S Swaminathan - Address: Unit 13, Block 2, SDF Building, MEPZ, Tambaram, Chennai - 600 045, Tel: +91 44 2262 5586, Email: sswaminatha9@csc.com.

IV. BACKGROUND OF THE TARGET

1. The Target was incorporated on February 1, 2002 as Scandent Network Private Limited. Pursuant to a scheme of arrangement involving the de-merger of the IT operations of SSI Limited into Scandent Network Private Limited, the Target's name was changed to Scandent Solutions Corporation Private Limited on October 1, 2004. The name of the Target was further changed to Scandent Solutions Corporation Limited on October 13, 2004. The Equity Shares were listed pursuant to a scheme of arrangement involving the de-merger of the IT operations of SSI Limited, which was a listed company, into the Target (then known as Scandent Network Private Limited). Post completion of the demerger process, the Target applied for listing of its shares on the stock exchanges where the shares of SSI Limited were listed in accordance with the provisions of the SEBI (Disclosure and Investor Protection) Guidelines, 2000. Pursuant to such application, the Equity Shares were listed on the Stock Exchanges on March 5, 2005. Pursuant to another scheme of amalgamation between Cambridge Solutions Services Holdings LLC and the Target, the Target's name was changed to Cambridge Solutions Limited on June 19, 2006. Pursuant to share purchase agreements between erstwhile principal shareholders of the Target and Xchanging (Mauritius) Limited (**XML**), a wholly owned subsidiary of Xchanging plc, a company incorporated in UK, and consequent open offer to public, XML acquired 76.06% (seventy six and six hundredths per cent) of the outstanding share capital of the Target. Though the open offer process was completed on April 9, 2009, XML obtained the power of operational control of the Target effective January 1, 2009. Pursuant to approval of the shareholders in the annual general meeting and subsequent approval of the Registrar of Companies on June 11, 2012, the name of the Target was changed from Cambridge Solutions Limited to Xchanging Solutions Limited. Subsequently in October 2012, XML reduced their stake in the Target to 75% (seventy five per cent.) by way of an offer for sale to comply with the minimum public shareholding requirement under the erstwhile equity listing agreement/ Listing Regulations and SCRR. On June 18, 2015, XML transferred 25,550,000 Equity Shares, i.e., 22.93% (twenty two point nine three per cent.) of the Voting Share Capital of the Target, to Xchanging Technologies India Private Limited through an off-market transaction, keeping the cumulative promoter shareholding in the Target constant at 75% (seventy five per cent.).

2. The registered and the corporate office of the Target is situated at SJR I-Park, Plot No. 13, 14, 15, EPIP Industrial Area, Phase I Whitefield, Bangalore 560066, Karnataka, India (Tel: +91 80 30540000; Fax: +91 80 41157394, E-mail: compliance@asia.xchanging.com).

3. The Target is an IT services provider with operations in India and an international presence established through subsidiaries in USA, Singapore, UK and Malaysia.

4. The Equity Shares are currently listed on the BSE (Scrip Code: 532616) (Scrip ID: XCHANGING) and the NSE (Symbol: XCHANGING).

5. The total authorized share capital of the Target is INR 1,250,000,000 (Indian Rupees One billion Two hundred and Fifty million only) consisting of 125,000,000 Equity Shares of face value of INR 10 (Indian Rupees Ten only) each. The total paid-up share capital of the Target is INR 1,114,037,160 (Indian Rupees one billion, one hundred fourteen million, thirty-seven thousand, one hundred sixty only) consisting of 111,403,716 Equity Shares of face value of INR 10 (Indian Rupees Ten only) each.

6. As on the date of this Draft Letter of Offer, the Target does not have any partly paid-up shares outstanding.

7. There are no outstanding convertible securities, depository receipts, warrants or instruments issued by the Target which are convertible into Equity Shares.

8. As on the date of this Draft Letter of Offer, there are no locked-in Equity Shares.

9. The Equity Shares are listed on the Stock Exchanges and are not frequently traded in terms of regulation 2(1)(j) of the SEBI (SAST) Regulations.

10. The Equity Shares have not been delisted from the Stock Exchanges. In the past, the Target has delisted from Ahmedabad Stock Exchange and Madras Stock Exchange on March 31, 2010 and November 18, 2010, respectively.

11. The trading of the Equity Shares is not suspended on the Stock Exchanges.

12. The details of the board of directors of the Target as on the date of this Draft Letter of Offer are as set out below.

Name of Director	Date of Appointment	Current Designation	Director Identification Number
Srinivasa Raghavan Venkatavaradhan	June 6, 2016	Non-Executive Director	01803376
Alok Kumar Sinha	November 7,2014	Executive Director and Chief Executive Officer	02147416
Henry D Souza	February 29,2012	Independent Director	00276157
Ashok Kumar Ramanathan	February 29, 2012	Independent Director	02055559
Gopika Pant	March 2, 2015	Independent Director	00388675

The details of the experience and qualification of the board of directors of the Target are as set out below.

Mr. Srinivasa Raghavan Venkatavaradhan

Mr V Srinivasa Raghavan has 25 (twenty five) years of diversified business experience including 15 (fifteen) years in senior management positions in IT, ITeS industry and manufacturing. He has been a strong strategic business partner all through his career with global exposure. He has a strong background of leadership roles including budgeting & planning, taxation, strategic analysis, reporting, and decision support and business finance grounding. His earlier experience include Logica, GE and Motorola. Earlier in his career, Mr V Srinivasan Raghavan has driven growth agenda, business turnaround, efficiency/rationalization, M&A and instituted governance systems and processes to ensure compliance/controllership. He has driven restructuring activities which involved consolidation of plants, staff restructuring and investment in front end activities and ensuring a strong balance sheet is in place that can help raise funds. He was also involved in building the right cost center structure to facilitate the growth, setting up and bringing of offshore operations into his business fold besides operational finance activities. Srini is a Cost and Works (Management) Accountant from Institute of Cost and Works Accountants of India and Chartered Accountant from Institute of Chartered Accountants of India. He is an alumnus of Madurai Kamaraj University with a Bachelors in Commerce.

Mr. Alok Kumar Sinha

Alok is an Executive Director and CEO of Xchanging Solutions Limited. Alok is responsible for new sales, account management and delivery. Alok joined the Target from Symphony Services where he was senior vice president and seeded and established Professional Service & Support and later OPD Engineering Services. He was also the owner of the highly successful innovation program that generated numerous patents for their customers. Alok was previously employed with Scandent Solutions Limited ("**Scandent**") right from its inception, when it was a fund, in India. He served from February 2002 to July 2005 and was EVP

(Enterprise Applications) as well as a key member in the M&A activities of Scandent. His past experiences include working for the TATA group including a very high profile assignment of Executive Officer to the Executive Director of Tata Motors and his Strategic Information Officer. He also worked with Reliance and ILFS.

Alok has completed PGDBA from XLRI, Jamshedpur and BE (Electrical Engg.) from Punjab Engineering College.

Mr. Henry D Souza

Henry D Souza has over 30 (thirty) years of good experience in the industry. He is currently Chief Executive Officer (CEO) of Expat Leisure & Resorts Limited ("**Expat**") and has held this position since May 2009. He was instrumental in building and developing the Indoor Sports Complex (XLR8 Indoor Sports Arena) opened at Kothanur, Bangalore and expanding the operations of the sports center and clubhouse (Balance-the club) across India and the Middle East. The development of Expat's business now includes the setting up of its hospitality business, including a partnership with the Wyndham Group. Prior to joining Expat, Henry served as Country Head of Xchanging Technology Service India, from 2000 to 2007 where he was responsible for setting up the operations in India. Henry also served as Vice President with Expertus Infotech based in Chennai, wherein he was responsible for building the Software Testing practice out of India and overseeing the setting up of business development operations from the UK office. He had also held various positions in different roles and responsibilities in many other companies including Panduit International Corp, Turbocam India and Bradma of India Limited. Henry is also a Director in Universal Flora Limited.

Henry has completed a Masters Degree in Business Administration (Marketing).

Mr. Ashok Kumar Ramanathan

Ashok Kumar Ramanathan has 41 (forty one) years rich experience in practice as a Chartered Accountant. Presently he is Senior Partner of Ashok Kumar Prabhashankar & Co., specializing in foreign collaborations & Foreign Exchange Matters, tax and investment consultancy for non-residents, management consultancy for a few MNCs and the audit of companies and banking institutions. He had been visiting faculty for Indian Institute of Management, Bangalore. He was on the board of directors of Vijaya Bank during 2002 – 05 and member of the local Board of State Bank of India from 2008 – 2011. Ashok joined the Target in 2012 as an independent director.

Ashok has completed a Bachelors Degree in Commerce (B.Com) and a Fellow Chartered Accountant (FCA).

Ms. Gopika Pant

Gopika Pant has significant experience in Indian corporate and commercial law, specialising in cross border transactions in various sectors, private equity investments, acquisitions, media and entertainment, intellectual property, real property transactions and in bound and out bound investments. She was made Partner in a leading law firm, prior to setting up an independent law firm in 1999 known as India Law Partners ("**ILP**"), and in 2004, headed the DSK Legal Delhi Office. Gopika moved on from DSK Legal in 2011 back to ILP and established a non-exclusive best friend referral relationship with Ashurst LLP, UK. Gopika is also a Director in GKN Driveline (India) Limited and Aegis Ltd.

Gopika holds membership of:

- Supreme Court Bar Association, India
- Bar Council of Delhi, India
- New York State Bar, New York, USA
- International Bar Association
- FICCI

- ASSOCHAM

Gopika has completed a Bachelor of Arts Degree(Hons) from St. Stephens College, Delhi University, LL.B from CLC, University of Delhi and an LL.M. from Columbia University, New York, USA and a Diploma in Environmental Law from the World Wide Fund of Nature.

13. The Target has not been party to any scheme of amalgamation, restructuring, merger/demerger and spin off during the last 3 (three) years. The Target filed an application with the Stock Exchanges on March 27, 2015 for reduction of its share capital of the Target by reducing the nominal value of its shares from Rs. 10/- to Rs. 5/- per share. Subsequently, upon its application the Target received no objection / observation letters (the "**Letters**") from the BSE and NSE on June 24, 2015 and July 2, 2015 respectively. However, due to the expiry of the validity period of the Letters, the board of directors of the Target at its meeting held on February 26, 2016 decided not to proceed further with the capital reduction process.

14. The key financial information of the Target, as derived from the audited consolidated financials of the Target as at and for years ended December 31, 2013, 2014, 2015 are as set out below.

Income statement

(in INR million except EPS)

Particulars	As at and for financial year ended December 31, 2013	As at and for financial year ended December 31, 2014	As at and for financial year ended December 31, 2015	From reviewed financials for the period ended June 30, 2016
Income from operations	2,430.9	2,869.5	2,794.8	NA
Other Income	230.6	236.7	152.1	NA
Total Income	**2,661.5**	**3,106.2**	**2,946.9**	**NA**
Total Expenditure	2,263.2	2,866.0	2,516.7	NA
EBITDA*	2,430.9	2,869.5	2,794.8	2,430.9
Depreciation and Amortization	49.9	47.7	42.0	NA
Interest	1.7	2.0	1.9	NA
Exceptional Item Gain/(Loss)	43.8	126.8	0.0	NA
Profit/(Loss) Before Tax	**390.5**	**317.3**	**386.3**	**NA**
Provision for Tax	87.4	66.2	94.3	NA
Profit/(Loss) After Tax	**303.1**	**251.1**	**292.0**	**NA**

**EBITDA includes exceptional items, prior period items and minority interest*

Balance sheet statement

Balance Sheet	From audited financials for year ended and as on December 31, 2013	From audited financials for year ended and as on December 31, 2014	From audited financials for year ended and as on December 31, 2015	From reviewed financials for the period ended June 30, 2016
Sources of funds				
Paid up share capital	1,114.0	1,114.0	1,114.0	NA
Reserves and Surplus	1,673.5	1,928.6	2,215.7	NA
Networth	2,787.5	3,042.6	3,329.7	NA
Secured Loans	12.6	15.8	9.1	NA
Other Non-current Liabilities	1.7	3.2	3.5	NA
Long-term provisions	56.0	56.7	61.7	NA
Total	**2,857.8**	**3,118.3**	**3,404.0**	**NA**
Uses of funds				
Net fixed assets(1)	1,658.9	1,660.9	1,635.8	NA
Investments	0.0	0.0	0.0	NA
Deferred Tax Assets (net)	62.1	99.7	70.3	NA
Long-term loans and advances	335.4	411.6	433.1	NA
Other Non-current Assets	10.5	13.4	11.0	NA
Net current assets(2)	790.9	932.7	1,253.8	NA
Total	**2,857.8**	**3,118.3**	**3,404.0**	**NA**

Other financial data	From audited financials for year ended and as on December 31, 2013	From audited financials for year ended and as on December 31, 2014	From audited financials for year ended and as on December 31, 2015	From reviewed financials for the period ended June 30, 2016
EPS(3)	2.72	2.25	2.62	NA
Dividend (%)(4)	-	-	-	-

Note:

1. *Net fixed assets = Tangible assets + Intangible assets + Capital work in progress*
2. *Net current assets = current assets - current liabilities*
3. *Earnings per share diluted, as reported by the Target*
4. *Board has not declared dividend*

15. The key financial information of the Target, as derived from the audited standalone financials of the Target as at and for years ended December 31, 2013, 2014, 2015 and the unaudited standalone financials for the 6 (six) month period June 30, 2016 are as set out below.

Income statement

(in INR million except EPS)

Particulars	As at and for financial year ended December 31, 2013	As at and for financial year ended December 31, 2014	As at and for financial year ended December 31, 2015	From reviewed financials for the period ended June 30, 2016
Income from operations	1,121.1	1,495.8	1,209.0	445.0
Other Income	185.5	141.4	120.3	37.4
Total Income	**1,306.6**	**1,637.2**	**1,329.3**	**482.4**
Total Expenditure	988.2	1,400.6	1,057.6	479.6
EBITDA*	**318.4**	**236.6**	**271.7**	**2.8**
Depreciation and Amortization	43.4	45.0	38.9	12.7
Interest	1.7	2.0	1.9	0.6
Exceptional Item Gain/(Loss)	16.5	(51.5)	0.0	0.0
Profit/(Loss) Before Tax	**289.8**	**138.1**	**230.9**	**(10.5)**
Provision for Tax	74.4	65.9	94.5	12.2
Profit/(Loss) After Tax	**215.4**	**72.2**	**136.4**	**(22.7)**

**EBITDA includes exceptional items, prior period items and minority interest*

Balance sheet statement

Balance Sheet	From audited financials for year ended and as on December 31, 2013	From audited financials for year ended and as on December 31, 2014	From audited financials for year ended and as on December 31, 2015	From reviewed financials for the period ended June 30, 2016
Sources of funds				
Paid up share capital	1,114.0	1,114.0	1,114.0	1,114.0
Reserves and Surplus	562.5	634.7	771.1	748.4
Networth	1,676.5	1,748.7	1,885.1	1,862.4
Secured Loans	12.6	15.8	9.1	6.6
Other Non-current Liabilities	1.7	3.2	3.5	4.6
Long-term provisions	56.0	30.2	34.2	32.9
Total	**1,746.8**	**1,797.9**	**1,931.9**	**1,906.5**
Uses of funds				
Net fixed assets(1)	69.5	72.4	47.9	37.0
Investments	587.4	518.6	518.6	518.6
Deferred Tax Assets (net)	62.1	99.7	70.3	73.5
Long-term loans and advances	335.4	392.4	410.0	415.9
Other Non-current Assets	10.5	13.4	11.0	25.1
Net current assets(2)	681.9	701.4	874.1	836.4
Total	**1,746.8**	**1,797.9**	**1,931.9**	**1,906.5**

Other financial data	From audited financials for year ended and as on December 31, 2013	From audited financials for year ended and as on December 31, 2014	From audited financials for year ended and as on December 31, 2015	From reviewed financials for the period ended June 30, 2016
EPS(3)	1.93	0.65	1.22	(0.20)

Dividend (%)[4]	-	-	-	-

1. *Net fixed assets = Tangible assets + Intangible assets + Capital work in progress*
2. *Net current assets = current assets - current liabilities*
3. *Earnings per share diluted, as reported by the Target*
4. *Board has not declared dividend*

16. Details of the contingent liabilities in the Target (as disclosed in the standalone financial statements of the Target):

(in INR million)

Sr. No.	Contingent Liability/Commitment	2015	2014
	Contingent Liabilities		
(i)	Bank Guarantee	12.9	12.7
(ii)	Claims against the Target not acknowledged as debts		
	Income tax matters (Note (b) below)	221	212.8
	Service tax matters (Note (c) below)	235.9	235.9
	Total Contingent liabilities	**469.8**	**461.4**

Details of the contingent liabilities in the Target (as disclosed in the consolidated financial statements of the Target):

(in INR million)

Sr. No.	Contingent Liability/Commitment	2015	2014
	Contingent Liabilities		
(i)	Bank Guarantee	36.4	25.4
(ii)	Claims against the Target not acknowledged as debts		
	Income tax matters (Note (b) below)	221	212.8
	Service tax matters (Note (c) below)	235.9	235.9
	Total Contingent liabilities	**493.3**	**474.1**

In the ordinary course of business, the Target is subject to legal proceedings, claims and litigation. The Target and XSUI are currently defendants in a claim for an unspecified amount alleging a breach of warranties in the USA. The claim in question relates to a contract that was awarded to XSUI in 2006 and was subsequently sold by XSUI in 2007 to the claimant. The litigation is a fact intensive case for which the fact discovery and proceedings are ongoing in USA. Based on the facts produced and reviewed to date and legal advice thereon, the Target believes it is not probable that the claim will be successful. Therefore, no provision is required to be made at this stage.

Notes:

a) *The above contingent liabilities are possible or present obligations that may (but probably will not) require an outflow of resources.*

b) *Represents various income tax demands under appeal.*

c) *Represents service tax amount on select categories of transactions relating to financial years 2007-08 to 2011-12 set out in a show cause notice issued by the Commissioner of Service Tax, Bangalore, which is responded to by the Target. Following consultation on this matter with legal counsel, the Target has filed a formal reply to the show cause notice.*

d) *It is not practicable for the Target to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.*

e) *The Target does not expect any reimbursements in respect of the above contingent liabilities.*

17. The pre and post Offer shareholding pattern of the Target is provided below.

Shareholders' category	Shareholding & voting rights prior to the agreement / acquisition and offer (as on June 30, 2016)		Shares / voting rights to be acquired in offer (Assuming full acceptances)		Shareholding / voting rights after the acquisition and offer. i.e.	
	(A)		(B)		(A)+(B) = (C)	
	No.	%	No.	%	No.	%
(1) Promoters						
(a) XML	58,002,787	52.07	-	-	58,002,787	52.07
(b) XTSIPL	25,550,000	22.93	-	-	25,550,000	22.93
Total 1 (a+b)	**83,552,787**	**75.00**	**-**	**-**	**83,552,787**	**75.00**
(2) Acquirer and PACs						
(a) Acquirer	-	-	-	-	-	-
(b) PACs	-	-	27,850,929	25.00	27,850,929	25.00

Shareholders' category	Shareholding & voting rights prior to the agreement / acquisition and offer (as on June 30, 2016)		Shares / voting rights to be acquired in offer (Assuming full acceptances)		Shareholding / voting rights after the acquisition and offer. i.e.	
	(A)		(B)		(A)+(B) = (C)	
	No.	%	No.	%	No.	%
(c) Promoters other than (a) & (b) above:	-	-	-	-	-	-
Total 2 (a+b+c)	**83,552,787**	**75.00**	**27,850,929**	**25.00**	**111,403,716**	**100.00**
TOTAL (Promoter Group) (1+2)	**83,552,787**	**75.00**	**27,850,929**	**25.00**	**111,403,716**	**100.00**
(3) Public (other than Promoters, Acquirer and PACs) – Details summarized below						
Financial Institutions/ Banks	403,882	0.36	(403,882)	(0.36)	NIL	-
Mutual Funds/ UTI	300	0.00	(300)	(0.00)	NIL	-
Foreign Portfolio Investors	1,117	0.00	(1,117)	(0.00)	NIL	-
Others	27,445,630	24.64	(27,445,630)	(24.64)	NIL	-
Total (Public) (3)	**27,850,929**	**25.00**	**(27,850,929)**	**(25.00)**	**NIL**	**-**
(3) Custodians and against which Depository Receipts have been issued	-	-	-	-	-	-
GRAND TOTAL (1+2+3)	**111,403,716**	**100**	**NIL**	**-**	**111,403,716**	**100.00**

Note: All % are taken as a percentage of Voting Share Capital

V. OFFER PRICE AND FINANCIAL ARRANGEMENTS

A. Justification of the Offer Price

1. This Offer is made pursuant to and in compliance with the provisions of regulations 3(1), 4, 5(1) and 5(A)(2),(3) of the SEBI (SAST) Regulations.

2. The Equity Shares are not frequently traded (as such term is defined in regulation 2(1)(j) of the SEBI (SAST) Regulations) and have not been frequently traded during the 12 (twelve) calendar months preceding the calendar month in which the PA was issued. Based on the parameters for infrequently traded stocks set out in regulation 8(4) of the SEBI (SAST) Regulations, as on the date of the PA, the basic Offer Price of INR 37.63 (Indian Rupees Thirty Seven and paise Sixty Three only) per Equity Share is justified in terms of regulation 8 of the SEBI (SAST) Regulations. In terms of regulation 8(12) of the SEBI (SAST) Regulations, in case of an indirect acquisition, the basic Offer Price shall stand enhanced by an amount equal to 10% (ten per cent.) per annum for the period between the earlier of the date on which the Overseas Offer is contracted or the date on which the intention or the decision to make the Overseas Offer is announced in the public domain, and the date of the detailed public statement, provided that such period is more than 5 (five) Working Days. The first announcement with respect to the above mentioned transaction was on December 9, 2015. Therefore, an enhanced amount for the period from December 9, 2015 to May 12, 2016 is INR 1.60 (Indian Rupees One and Sixty Paise only). Hence, the Offer Price was enhanced to INR 39.23(Indian Rupees Thirty Nine and Twenty Three Paise only). In terms of the proviso to regulation 5A(3) of the SEBI (SAST) Regulations, in case of a direct delisting offer, the basic Offer Price shall stand enhanced by an amount equal to 10% (ten per cent.) per annum for the period between the scheduled date of payment of consideration (i.e. July 25, 2016) and the revised date on which the payment of consideration will be done (i.e. November 21, 2016). Therefore, an enhanced amount for the period from July 25, 2016 to November 21, 2016 is

INR 1.28 (Indian Rupee One and Twenty Eight Paise only). Hence, the Offer Price has been enhanced to INR 40.51 (Indian Rupees Forty and Fifty One Paise only).

3. The trading turnover in the Equity Shares based on the trading volumes during the 12 (twelve) months prior to the month of the publication of the PA on the BSE and NSE is as set out below.

Stock exchange	Total traded volumes during the 12 calendar months preceding date of the PA ("A")	Weighted average number of Equity Shares during the 12 calendar months preceding date of the PA ("B")	Trading turnover % (A/B)
NSE	3,174,294	111,403,716	2.8%
BSE	3,002,979	111,403,716	2.7%

(Source: NSE,BSE)

4. Based on the above, the Equity Shares are not frequently traded in terms of regulation 2(1)(j) of the SEBI (SAST) Regulations.

5. The enhanced Offer Price of INR 40.51 (Indian Rupees Forty and Fifty One Paise only) per Equity Share is justified in terms of regulation 8(2) of the SEBI (SAST) Regulations, being the highest of the following parameters:

(a)	Highest negotiated price per share, if any, of the Target for any acquisition under the agreement attracting the obligation to make a public announcement of an open offer	Not Applicable
(b)	The volume-weighted average price paid or payable for any acquisition, whether by the acquirer or by any person acting in concert with him, during the 52 (fifty two) weeks immediately preceding the earlier of, the date on which the Overseas Offer is contracted, and the date on which the intention or the decision to make the Overseas Offer is announced in the public domain	Not Applicable
(c)	Highest price paid or payable for any acquisition, whether by the acquirer or by any person acting in concert with him, during the 26 (twenty six) weeks immediately preceding the earlier of, the date on which the Overseas Offer is contracted, and the date on which the intention or the decision to make the Overseas Offer is announced in the public domain	Not Applicable
(d)	Highest price paid or payable for any acquisition, whether by the acquirer or by any person acting in concert with him, between the earlier of, the date on which the Overseas Offer is contracted, and the date on which the intention or the decision to make the Overseas Offer is announced in the public domain, and the date of the public announcement of the open offer for shares of the Target made under the SEBI (SAST) Regulations	Not Applicable
(e)	Volume-weighted average market price of the shares for a period of 60 (sixty) trading days immediately preceding the earlier of, the date on which the Overseas Offer is contracted, and the date on which the intention or the decision to make the Overseas Offer is announced in the public domain, as traded on the stock exchange where the maximum volume of trading in the shares of the Target are recorded during such period, provided such shares are frequently traded	Not Applicable as the Equity Shares are not frequently traded
(f)	Pricing based on other valuation parameters including book value, comparable trading multiples and other such parameters as are customary for valuation of shares of such companies under regulation 8(4) of the SEBI (SAST) Regulations	INR 40.51 (Refer paragraph V.A.2 above)
(g)	Per Equity Share value, as required under regulation 8(5) of the SEBI (SAST) Regulations	Not Applicable

**MZSK & Associates, having its office at The Ruby, Level 9, North West Wing, Senapati Bapat Marg, Dadar (W), Mumbai-400026, Tel: +91 22 24393700, Fax: +91 22 24393700 (Rajesh Thakkar, Membership No: 103085) (the "*Accountants*"), have also confirmed, by way of their certificate dated August 30, 2016 that the Offer Price is justified in terms of the SEBI (SAST) Regulations*

Note:
The Offer Price would be revised in the event of any corporate action (such as or similar to a bonus issue, a rights issue or a share split) is undertaken by the Target and only if the record date for effecting such corporate action(s) falls 3 (three) Working Days prior to the commencement of the Tendering Period for this Offer.
The first announcement with respect to the Offer was on December 9, 2015, wherein the basis Offer Price was INR 37.63 (Indian Rupees Thirty Seven and Sixty Three Paise only). Thereafter, the Offer Price was enhanced for the period from December 9, 2015 to May 12, 2016 by INR 1.60 (Indian Rupees One and Sixty Paise only). Hence, the Offer Price was enhanced to INR 39.23(Indian Rupees Thirty Nine and Twenty Three Paise only).
In terms of the proviso to regulation 5A(3) of the SEBI (SAST) Regulations, in case of a direct delisting offer, the basic Offer Price shall stand enhanced by an amount equal to 10% (ten per cent.) per annum for the period between the scheduled date of payment of consideration (i.e. July 25, 2016) and the revised date on which the payment of consideration will be done (i.e. November 21, 2016). Therefore, an enhanced amount for the period from July 25, 2016 to November 21, 2016 is INR 1.28 (Indian Rupee One and Twenty Eight Paise only). Hence, the Offer Price has been enhanced to INR 40.51 (Indian Rupees Forty and Fifty One Paise only).

6. As on date of this DLoF, there have been no corporate actions undertaken by the Target warranting adjustment of any of the relevant price parameters.

7. In the event of further acquisition of Equity Shares by the Acquirer/PACs during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price, then the

Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of regulation 8(8) of the SEBI (SAST) Regulations. However, the Acquirer/ PACs shall not acquire any Equity Shares on or after the third Working Day prior to the commencement of the Tendering Period and up to and including the final day of the Tendering Period.

8. An upward revision to the Offer Price or to the size of this Offer, if any, on account of competing offers or otherwise, will be done at any time prior to the commencement of the last 3 (three) working days before the commencement of the Tendering Period of this Offer in accordance with regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer and the PACs shall **(i)** make corresponding increases to the escrow amounts, as more particularly set out in paragraph V.B.4 of this Draft Letter of Offer; **(ii)** make a public announcement in the same newspapers in which the DPS has been published; and **(iii)** simultaneously with the issue of such announcement, inform SEBI, the Stock Exchanges and the Target at its registered office of such revision.

B. Financial arrangements

1. The maximum consideration payable under this Offer, assuming full acceptance, is INR 1,128,241,133.79 (Indian Rupees One Billion, One Hundred Twenty Eight Million, Two Hundred Forty One Thousand, One Hundred Thirty Three and Seventy Nine Paise only) ("**Maximum Consideration**").

2. In accordance with regulation 17(1) of the SEBI (SAST) Regulations, the Acquirer and the PACs have opened a "Cash Escrow Account" named as "Escrow Account – Xchanging Solutions" and bearing Account No. 8511751152 (the "**Escrow Account**") with Kotak Mahindra Bank Limited (acting through its office at 5 C/II, Mittal Court, 224, Nariman Point, Mumbai – 400 021, India (Escrow Bank), and have made a cash deposit of INR 1,128,241,133.79 (Indian Rupees One Billion, One Hundred Twenty Eight Million, Two Hundred Forty One Thousand, One Hundred Thirty Three and Seventy Nine Paise Only) in the Escrow Account in accordance with regulation 17(3)(a) of the SEBI (SAST) Regulations, which represents 100% (one hundred per cent.) of the Maximum Consideration. The cash deposit has been confirmed by way of confirmation letters dated May 5, May 6 and August 30, 2016 issued by the Escrow Bank.

3. A lien has been marked on the Escrow Account in favour of the Manager by the Escrow Bank. The Manager to the Offer has been solely authorised by the Acquirer and the PACs to operate and realise the value of the Escrow Account in terms of the SEBI (SAST) Regulations.

4. In case of any upward revision in the Offer Price or Offer Size, the cash in the Escrow Account shall be increased by the Acquirer and the PACs such that it represents 100% (one hundred per cent.) of the revised total consideration amount calculated at such revised offer price or offer size prior to effecting such revision, in terms of regulation 17(2) of the SEBI (SAST) Regulations.

5. The source of funds to meet the Acquirer and the PACs' obligations under this Offer is foreign funds, and/or, internal accruals.

6. MZSK & Associates, having its office at Level 9, The Ruby, North West Wing, Senapati Bapat Road, Dadar (W), Mumbai 400028, India, Tel: +91 22 2439 3600, Fax: +91 22 2439 3700 (Rajesh Thakkar, Membership No: 103085) have confirmed, by way of their certificate dated August 30, 2016 that the Acquirer/PACs have adequate financial resources through verifiable means available for meeting their obligations under the SEBI (SAST) Regulations for a value up to the Maximum Consideration.

7. On the basis of the aforesaid financial arrangements and the Accountants' certificate, the Manager confirms that adequate funds are available with the Acquirer and the PACs through verifiable means to implement this Offer.

VI. TERMS AND CONDITIONS OF THIS OFFER

A. Operational terms and conditions

1. In terms of the schedule of activities, the Tendering Period for this Offer shall commence on October 21, 2016 (Friday) and close on November 4, 2016 (Friday) during which only the tendered Equity Shares will be accepted.

2. The Equity Shares tendered under this Offer shall be fully paid-up, free from all liens, charges, equitable interests and encumbrances and shall be tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter, and the tendering Public Shareholder shall have obtained any necessary consents for it to tender the Equity Shares on the foregoing basis.

3. Applications in respect of Equity Shares that are the subject matter of litigation, wherein the Public Shareholders may be prohibited from transferring the Equity Shares during the pendency of the said litigation, are liable to be rejected if the directions or orders regarding these Equity Shares are not received together with the Equity Shares tendered under this Offer. The applications in some of these cases, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.

4. There shall be no discrimination in the acceptance of locked-in and non locked-in Equity Shares in this Offer. The acceptance of locked-in Equity Shares by CSC India is subject to applicable law and the continuation of the residual locked-in period by CSC India.

5. This is not a conditional Offer and there is no stipulation on any minimum level of acceptance.

6. The Identified Date for this Offer as per the schedule of activities is October 5, 2016 (Wednesday).

7. The marketable lot for the Equity Shares for the purpose of this Offer shall be 1 (one).

8. In terms of regulation 18(9) of the SEBI (SAST) Regulations, the Public Shareholders who tender their Equity Shares in acceptance of this Offer shall not be entitled to withdraw the tendered Equity Shares during the Tendering Period.

9. Endeavours will be made to dispatch the Letter of Offer to all Public Shareholders holding Equity Shares whose names appear in the register of members of the Target and on the record of the respective depositories at close of business hours on the Identified Date. However, all Public Shareholders, registered or unregistered, whether or not they are in receipt of the Letter of Offer, who own Equity Shares and are able to tender such Equity Shares in this Offer at any time before the closure of the Tendering Period are eligible (subject to paragraph VI.A.13 of this DLoF) to participate in this Offer.

10. The Public Announcement, the Corrigendum to the Public Announcement, the Detailed Public Statement, this Draft Letter of Offer are and the Letter of Offer and the form of acceptance-cum-acknowledgement will be available on SEBI’s website (www.sebi.gov.in). In case of non-receipt of the Letter of Offer, Public Shareholders, including those who have acquired Equity Shares after the Identified Date, if they so desire, may download the Letter of Offer or the form of acceptance-cum-acknowledgement from SEBI’s website.

11. The acceptance of this Offer by the Public Shareholders must be absolute and unqualified. Any acceptance of this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.

12. The acceptance of this Offer is entirely at the discretion of the Public Shareholder(s) and may tender their Equity Shares in whole or in part while accepting this Offer.

13. By accepting this offer, the Public Shareholder(s) confirm that they are not persons acting in concert with the Acquirer and the PACs.

14. None of the Acquirer and the PACs, the Manager to the Offer or the Registrar to the Offer accept any responsibility for any loss of equity share certificates, Offer acceptance forms,

share transfer forms, etc. during transit and the Public Shareholders are advised to adequately safeguard their interest in this regard.

15. The acceptance of Equity Shares tendered in this Offer will be made by the Acquirer and the PACs in consultation with the Manager to the Offer.

16. The Acquirer and the PACs reserve the right to revise the Offer Price and/or the Offer Size upwards prior to the commencement of the last 3 (three) working days prior to the commencement of the Tendering Period, (i.e. up to October 18, 2016) in accordance with the SEBI (SAST) Regulations and the revision, if any, in the Offer Price and/or the Offer Size shall be announced in the same newspapers in which the DPS was published. The Acquirer and the PACs would pay such revised offer price for all the Equity Shares validly tendered at any time during the Tendering Period and accepted under this Offer in accordance with the terms of the Letter of Offer.

17. The instructions, authorizations and provisions contained in the form of acceptance-cum-acknowledgement constitute part of the terms of this Offer.

B. Statutory and other approvals

1. To the best of the knowledge of the Acquirer and the PACs, there are no statutory or other approvals required to complete the acquisition of the Equity Shares as on the date of this Draft Letter of Offer, except as set out below. If, however, any other statutory or other approval becomes applicable prior to completion of this Offer, this Offer would also be subject to such other statutory or other approval(s).

2. NRI and OCB holders of the Equity Shares, if any, must obtain all requisite approvals required to tender the Equity Shares held by them, in this Offer and submit such approvals along with the documents required to accept this Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs, foreign portfolio investors and FIIs) had required any approvals (including from the RBI or the Foreign Investment Promotion Board or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding their Equity Shares, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Offer.

3. The Acquirer and the PACs do not require any approvals from financial institutions or banks for this Offer.

4. Where any statutory or other approval extends to some but not all of the Public Shareholders, the Acquirer and the PACs shall have the option to make payment to such Public Shareholders, in respect of whom no statutory or other approvals are required or where statutory or other approvals have been received, in order to complete this Offer.

5. In case of delay in receipt of any statutory approval to be obtained by the Acquirer and the PACs, SEBI may, if satisfied that such delay in receipt of the requisite statutory approval(s) was not attributable to any wilful default, failure or neglect on the part of the Acquirer and the PACs to diligently pursue such approval, and subject to such terms and conditions as may be specified by SEBI, including payment of interest in accordance with regulation 18(11) of the SEBI (SAST) Regulations, permit the Acquirer and the PACs to delay the commencement of the Tendering Period for this Offer pending receipt of such statutory approval(s) or grant an extension of time to the Acquirer and the PACs to make the payment of the consideration to the Public Shareholders whose Equity Shares have been accepted in this Offer.

6. In terms of regulation 23(1) of the SEBI (SAST) Regulations, in the event that the approvals, whether relating to the acquisition of the Equity Shares, specified in this Draft Letter of Offer, the Acquirer and the PACs shall have the right to withdraw this Offer. In the event of such a withdrawal of this Offer, the Acquirer and the PACs (through the Manager to the Offer) shall,

within 2 (two) Working Days (as defined in the SEBI (SAST) Regulations) of such withdrawal, make an announcement of such withdrawal stating the grounds for the withdrawal in accordance with regulation 23(2) of the SEBI (SAST) Regulations.

VII. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THIS OFFER

1. This Offer and the facility for the acquisition of Equity Shares will be implemented by the Acquirer and the PACs through the stock exchange mechanism made available by the Stock Exchanges in the form of separate window (Acquisition Window) as provided under the SEBI (SAST) Regulations and SEBI circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 issued by SEBI ("**Stock Exchange Mechanism**").

2. BSE shall be the Designated Stock Exchange for the purpose of tendering Equity Shares in this Offer.

3. The Acquirer and the PACs have appointed Kotak Securities Limited ("**Buying Broker**") for this Offer through whom the purchases and settlement of Offer shall be made during the Tendering Period.

4. The contact details of the Buying Broker are as set out below.

   kotak® Kotak Securities

   Kotak Securities Limited
   27 BKC, C 27, G Block, Bandra Kurla Complex
   Bandra (East), Mumbai- 400051
   Contact Person: Ms. Naaz Khan, Tel: +91 22 3030 5757

5. All eligible Public Shareholders who desire to tender their Equity Shares under this Offer would have to approach their respective stock brokers ("**Seller Member**") during the normal trading hours of the secondary market during the Tendering Period in order to tender their Equity Shares.

6. A separate acquisition window will be provided by BSE to facilitate placing of sell orders. The Seller Members can enter orders for Demat Shares as well as Physical Shares.

7. The cumulative quantity of Equity Shares tendered shall be displayed on the Designated Stock Exchange's website throughout the trading session at specific intervals by the Designated Stock Exchange during the Tendering Period.

8. The Public Shareholders can tender their shares only through a broker/Seller Member with whom such Public Shareholder is registered as a client (KYC compliant).

9. **Procedure for tendering Demat Shares:**

   a. The Public Shareholders who are holding Demat Shares and who desire to tender their Demat Shares in this Offer shall approach their broker /Seller Member indicating the details of the Demat Shares they intend to tender in this Offer.

   b. The Seller Member shall provide early pay-in of Demat Shares (except for custodian participant orders) to the Clearing Corporation before placing the bids/orders and the same shall be validated at the time of order entry.

   c. For custodian participant orders for Demat Shares, early pay-in is mandatory prior to confirmation of the relevant order by the custodian. The custodians shall either confirm or reject orders not later than close of trading hours on the last day of the Tendering Period. Thereafter, all unconfirmed orders shall be deemed to be rejected.

d. The details of settlement number for early pay-in of Demat Shares shall be informed in the issue opening circular that will be issued by the Stock Exchanges/Clearing Corporation, before the opening of this Offer.

e. Upon placing the bid, the Seller Member(s) shall provide a TRS generated by the exchange bidding system to the relevant Public Shareholder. This TRS will contain details of the order submitted such as Bid ID No. DP ID, Client ID and the number of Equity Shares tendered.

f. The Public Shareholders will have to ensure that they keep their DP account active and unblocked in order to receive credit in case of return of Equity Shares due to rejection of this Offer.

10. **Procedure for tendering Physical Shares**

a. The Public Shareholders holding Physical Shares and who wish to tender their Equity Shares in this Offer shall approach the relevant Seller Member and submit the following set of documents for verification:

(a) Form of acceptance duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose name(s) appears on the share certificate(s) and in the same order and as per the specimen signature lodged with the Target;
(b) Original share certificate(s);
(c) Valid share transfer deed(s) duly signed as transferor(s) by the sole/joint shareholder(s) in the same order and as per specimen signatures lodged with the Target and duly witnessed at the appropriate place;
(d) Self-attested PAN Card copy (in case of joint holders, PAN card copy of all transferors);
(e) Any other relevant document such as powers of attorney and/or corporate authorizations (including board resolution(s)/specimen signature(s)); and
(f) Self-attested copy of proof of address such as valid Adhaar card, voter ID, passport or driving license.

b. The Seller Member(s) should place bids on the exchange platform including the relevant details as specified on the physical share certificate(s). The Seller Member(s) shall print the TRS generated by the exchange bidding system. The TRS will contain the details of order submitted such as Folio No., Certificate No., Dist. Nos. and number of Equity Shares.

c. The Seller Member/Public Shareholder must deliver the share certificates relating to its Equity Shares and other documentation listed in paragraph (a) above along with the TRS to the Registrar. Share certificates for Physical Shares must reach the Registrar within 2 (two) days of bidding by the Seller Member.

d. The Public Shareholders holding Physical Shares should note that their Equity Shares will not be accepted unless the complete set of documents specified in paragraph (a) above are submitted. Acceptance of the Physical Shares in this Offer shall be subject to verification by the Registrar. On receipt of the confirmation from the Regsitrar, the bid will be accepted or rejected (as applicable) and accordingly depicted on the exchange platform.

e. In case any person has submitted Physical Shares for dematerialisation, such Public Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in this Offer by or before the closure of the Tendering Period.

All non-resident Public Shareholders (holding physical and/or demat shares) and resident Public Shareholders holding Physical Shares are mandatorily required to fill this form of acceptance-cum-acknowledgement. The non-resident Public Shareholders holding demat shares are required to send the form of acceptance-cum-

acknowledgement with enclosures to the Registrar to at its address stated in this DLoF. The Public Shareholders holding physical shares (resident and non-resident) are required to send this form of acceptance-cum-acknowledgement along with the enclosures to their respective broker/Seller Member. The detailed procedure for tendering Equity Shares will be included in the form of acceptance.

11. **Acceptance of Equity Shares**

a. The Registrar to the Offer shall provide details of order of acceptance(s) to the Clearing Corporation within the specified timelines.

b. Additionally, the Public Shareholders who have tendered their Equity Shares in acceptance of the Delisting Offer were entitled to withdraw such tendered Equity Shares within 10 (ten) Working Days from the date of announcement of failure of Delisting Offer in terms of regulation 5A(5) of the SEBI (SAST) Regulations. In the event that a Public Shareholder of the Target has not withdrawn the tendered Equity Shares within this 10 (ten) Working Day period, the Acquirer and the PACs shall not be required to return such Equity Shares to the Public Shareholders in terms of the proviso to regulation 19(2)(a) of the Delisting Regulations. The Equity Shares that are not withdrawn within the 10 (ten) Working Day period will be transferred to the designated open offer special account of the Clearing Corporation specifically created for the tendering process of this Offer and such Equity Shares shall not be available for withdrawal post September 19, 2016. The settlement of such Equity Shares shall be done along with the other Equity Shares tendered during the Tendering Period. Accordingly, any payment or return of such Equity Shares shall be completed by November 21, 2016.

12. **Procedure for tendering the shares in case of non-receipt of Letter of Offer:**

a. The Public Shareholders who hold Equity Shares but whose names do not appear in the register of members of the Target on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer.

b. A Public Shareholder may participate in this Offer by approaching their broker/Seller Member and tender their Equity Shares in this Offer in accordance with the procedure set out in this Letter of Offer or in the relevant acceptance form.

c. The Letter of Offer will be dispatched to all the Public Shareholders. In case of non-receipt of the Letter of Offer, such Public Shareholders may download the same from the SEBI website (www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of their holding of Equity Shares.

d. The Letter of Offer along with the form of acceptance would also be available on the website of SEBI www.sebi.gov.in.

13. **Settlement Process**

a. On closure of this Offer reconciliation of the acceptances of the Offer shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list of acceptances shall be provided to the Stock Exchanges to facilitate settlement on the basis of Equity Shares transferred to the Clearing Corporation.

b. The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.

c. Seller Members shall use the settlement number that will be provided by the Clearing Corporation in order to transfer the relevant Equity Shares to the Clearing Corporation.

d. A direct credit of the Equity Shares shall be given to the escrow demat account of CSC India indicated by the Buying Broker. For the same, the existing facility of client direct pay-out in the capital market segment shall be available.

e. Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of shares to the escrow account which will be opened by CSC India.

f. In case of partial or non-acceptance of orders or excess pay-in, Demat Shares shall be released to the securities pool account of the Seller Member(s)/custodian, post which, the Seller Member(s) would then issue a contract note for the Equity Shares accepted and return the balance Equity Shares to the concerned Public Shareholder(s).

g. Any excess Physical Shares, to the extent tendered but not accepted, will be returned to the Public Shareholder(s) directly by the Registrar to the Offer.

14. **Settlement of funds and payment of consideration**

a. The payment of consideration in respect of Demat Shares and Physical Shares shall be effected through the existing settlement accounts of the Seller Members.

b. The payment of consideration will be made by the Acquirer and the PACs to the Buying Broker. For Equity Shares accepted under this Offer, the Seller Member/custodian participant will receive funds pay-out in their settlement bank account. The Seller Member/custodian participants will in-turn pay the consideration to their respective clients.

c. The funds received from the Buyer Broker by the Clearing Corporation will be released to the Seller Member(s) in accordance with the secondary market pay-out mechanism.

d. The Public Shareholders who intend to participate in this Offer should consult their respective Seller Member in respect of any cost, charges and/or expenses (including brokerage) that may be levied by the Seller Member in connection with such Public Shareholder tendering their Equity Shares in this Offer (secondary market transaction). The consideration received by the Public Shareholders who have tendered their Equity Shares from their respective Seller Member, in respect of accepted Equity Shares, may be net of such costs, charges and expenses (including brokerage) and the Acquirer and the PACs accept no responsibility or liability in respect of the payment of such costs.

e. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant an extension of time to the Acquirer and the PACs for payment of consideration to the Public Shareholders who have accepted this Offer within such period, subject to the Acquirer and the PACs agreeing to pay interest for the delayed period if directed to do so by SEBI under regulation 18 (11) of the SEBI (SAST) Regulations, 2011.

15. **Note on taxation**

Under the current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 (twelve) months will not be subject to capital gains tax in India if STT has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the equity shares are sold. Further, any gain realised on the sale of listed equity shares held for a period of 12 (twelve) months or less, which are sold will be subject to short term capital gains tax provided the transaction is chargeable to STT.

SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISERS FOR TAX ADVICE IN RESPECT OF THIS OFFER AND AS TO THE APPROPRIATE COURSE OF ACTION THEY SHOULD TAKE. THE PURCHASER IS NOT AND WILL NOT AT ANY TIME BE RESPONSIBLE FOR ANY TAX LIABILITY

WHATSOEVER ARISING IN RELATION TO ANY PUBLIC SHAREHOLDER AS A RESULT OF THIS OFFER.

Tax deduction at source

In case of resident Public Shareholders

In absence of any specific provision under the Income Tax Act, the Acquirer and the PACs shall not deduct tax on the consideration payable to resident shareholders pursuant to the said Offer.

In the case of non-resident Public Shareholders

Since this Offer is through the stock exchange, the responsibility for the discharge of the tax due on the gains (if any) is on the non-resident Public Shareholder. It is therefore recommended that the non-resident Public Shareholder consults their custodians/ authorised dealers/ tax advisers appropriately.

THE APPLICABLE TAX RATE AND OTHER PROVISIONS AS TO TAXATION ARE SUBJECT TO CHANGE

VIII. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection by the Public Shareholders at the office of the Manager at Kotak Mahindra Capital Company Limited, 27BKC, 1st floor, Plot no. C-27, ‘G’ Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, between 10:30 a.m. and 3:00 p.m. on any Working Day (except Saturdays and Sundays) during the period from the date of commencement of the Tendering Period (October 21, 2016 (Friday)) until the date of closure of the Tendering Period (November 4, 2016 (Friday)).

1. Certified true copies of the constitutional documents of the Acquirer;
2. Certified true copies of the constitutional documents of the PACs;
3. Certified true copies of the constitutional documents of the Target;
4. Certificate dated August 30, 2016 from the Accountants certifying that the Acquirer has adequate financial resources to fulfil their obligations under this Offer;
5. Certified copies of the annual reports and financial statements of the Acquirer and the PACs for the 3 (three) financial years ending on March 31, 2014, 2015 and 2016, as may be available;
6. Certified copies of the annual reports of Target for the 3 (three) financial years ending on December 31, 2013, 2014 and 2015, as may be available;
7. Letter dated May 5, May 6 and August 30, 2016 from the Open Offer Escrow Agent confirming the receipt of the cash deposit in the Open Offer Escrow Account;
8. Copy of the Public Announcement submitted to the Stock Exchange on December 15, 2015;
9. Copy of the Corrigendum to the Public Announcement submitted to the Stock Exchange on January 28, 2016;
10. Copy of the Detailed Public Statement published by the Manager to the Offer on behalf of the Acquirer and the PACs on May 12, 2016;
11. Copy of the Offer Opening Public Announcement to be published by the Manager on behalf of the Acquirer on October 20, 2016;
12. Published copy of the recommendation to be made by the committee of the independent directors of the Target in relation to the Offer;
13. SEBI observation letter no. [●] dated [●] in respect of the Draft Letter of Offer;
14. A copy of the documentation for opening a special depository account for the purpose of the Offer; and
15. Open Offer Escrow Agreement dated April 6, 2016 between the Acquirer/PACs, the Manager and the Open Offer Escrow Agent.

IX. DECLARATION BY THE ACQUIRER AND THE PACs

1. The Acquirer and the PACs accept full responsibility, jointly and severally, for the information contained in this Draft Letter of Offer (other than such information as has been obtained from public sources or provided/confirmed by the Target).

2. The Acquirer and the PACs accept full responsibility, jointly and severally for performing their obligations under this Offer in accordance with the SEBI (SAST) Regulations.

3. The information contained in this DLoF is as on date of this DLoF, unless expressly stated otherwise.

4. The person(s) signing this Draft Letter of Offer are duly and legally authorized by the Acquirer and the PACs to sign this Draft Letter of Offer.

FOR AND ON BEHALF OF THE ACQUIRER AND THE PACs

CSC Computer Sciences International Operations Limited	**Computer Sciences Corporation**	**CSC Technologies India Private Limited**	**Computer Sciences Corporation India Private Limited**
Name: H.C. Charles Diao Designation: Authorized Signatory	Name: H.C. Charles Diao Designation: Authorized Signatory	Name: H.C. Charles Diao Designation: Authorized Signatory	Name: H.C. Charles Diao Designation: Authorized Signatory

Place: Mumbai

Date: September 9, 2016

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT
XCHANGING SOLUTIONS LIMITED

*(All non-resident Public Shareholders (holding physical and/or demat shares) and resident Public Shareholders holding physical shares are mandatorily required to fill this form of acceptance-cum-acknowledgement ("**Form**"). The non-resident Public Shareholders holding demat shares are required to send this form with enclosures to the Registrar to the Offer at their address stated overleaf/in the DLoF. The Public Shareholders holding physical shares (resident and non-resident) are required to send this Form along with the enclosures to their respective broker/Seller Member.)*

(Capitalized terms and expressions used herein but not defined shall have the same meaning as ascribed to them in the Letter of Offer)

(Please send this Form with TRS generated by broker/Seller Member and enclosures to the Registrar to the Offer - Karvy Computershare Private Limited, at their registered office address provided in the Letter of Offer)

To,
The Acquirer and the PACs:
CSC Technologies India Private Limited
C/o Karvy Computershare Private Limited
Karvy Selenimum Tower B, Plot Number 31 and 32
Financial District, Gachibowli, Nanakramguda,
Hyderabad, 500 032
Tel: +91 40 6716 2222

TENDERING PERIOD FOR THIS OFFER

OFFER OPENS ON	**October 21, 2016 (Friday)**
OFFER CLOSES ON	**November 4, 2016 (Friday)**

Dear Sir,

Sub: Open offer for acquisition of 27,850,929 Equity Shares of INR 10/- (Indian Rupees Ten only) each, constituting 25% of the Voting Share Capital of Xchanging Solutions Limited ("Target"), at a price of INR 40.51/- (Indian Rupees Forty and Fifty One Paise only) per Equity Share by CSC Computer Sciences International Operations Limited ("Acquirer") along with Computer Sciences Corporation ("CSC"), CSC Technologies India Private Limited ("CSC India") and Computer Sciences Corporation India Private Limited ("CSC IPL") in capacity of persons acting in concert with the Acquirer (CSC, CSC India and CSC IPL are collectively referred to as "PACs") (the "Offer")

I / We refer to the Letter of Offer dated [●], 2016 for acquiring the Equity Shares held by me / us in Xchanging Solutions Limited.

I/We acknowledge and confirm that all the particulars/statements given herein are true and correct.

Name (in BLOCK LETTERS)	**Holder**	**Name of the Shareholder(s)**	**Permanent Account Number (PAN)**
(Please write names of the joint holders in the same order as appearing in the Equity Share certificate(s) / demat account)	Sole / First		
	Second		
	Third		
Contact Number(s) of the First Holder	**Tel No. (with STD Code);**	**Fax No. (with STD Code):**	**Mobile No.:**
Full Address of the First Holder (with pin code)			
Email address of First Holder			
Date and Place of incorporation (if applicable)			

I / We, the undersigned, have read the Public Announcement, the Corrigendum to the Public Announcement, the Detailed Public Statement and the Letter of Offer and understood its contents, terms and conditions, and unconditionally accept it.

FOR EQUITY SHARES HELD IN PHYSICAL MODE

I/We, confirm that our residential status under the Income Tax Act is (✓ whichever is applicable):

☐ Resident

☐ Non-resident

I / We, holding Physical Shares, accept this Offer and enclose the original share certificate(s) and duly signed transfer deed(s) in respect of my / our Equity Shares as detailed below:

S. No.	Regd. Folio Number	Share Certificate Number	Distinctive Numbers		Number of Equity Shares
			From	To	
1.					
2.					
3.					
(In case the space provided is inadequate, please attach a separate sheet with the above details and authenticate the same)				**TOTAL**	

FOR ALL PUBLIC SHAREHOLDERS (HOLDING BOTH DEMAT SHARES AND PHYSICAL SHARES)

I / We confirm that the Equity Shares which are being tendered herewith by me / us under this Offer, are free from liens, charges, equitable interests and encumbrances and are being tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter.

I/We declare that there are no restraints/injunctions or other order(s) of any nature which limits/restricts in any manner my/our right to tender Equity Shares in this Offer and that I/we am/are legally entitled to tender the Equity Shares in this Offer.

I/We declare that regulatory approvals, if applicable, for holding the Equity Shares and/or for tendering the Equity Shares in this Offer have been enclosed herewith.

I / We confirm that I / We are not persons acting in concert with the Acquirer or the PACs.

I / We also note and understand that the obligation on the Acquirer and the PACs to pay the purchase consideration (i.e. the Offer Price) arises only after verification of the certification, documents and signatures submitted along with this Form. I / We undertake to return to the Acquirer and the PACs any purchase consideration wrongfully received by me / us.

I / We give my/our consent to the Acquirer and the PACs to file any statutory documents on my/our behalf in relation to accepting the Equity Shares in this Offer. I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my/our tender/offer and agree to abide by any decision that may be taken by the Acquirer and the PACs to effectuate this Offer in accordance with the SEBI (SAST) Regulations.

I / We are / am not debarred from dealing in Equity Shares.

I / We confirm that there are no taxes or other claims pending against us which may affect the legality of the transfer of Equity Shares under the Income Tax Act, 1961 including but not limited to section 281 of the Income Tax Act, 1961.

I / We note and understand that the Equity Shares/ original share certificate(s) and the transfer deed(s) will be held by the Registrar to the Offer/ Clearing Corporation in trust for me / us till the date the Acquirer and the PACs make payment of consideration as mentioned in the Letter of Offer or the date by which original share certificate(s), transfer deed(s) and other documents are dispatched to the Public Shareholders, as the case may be.

I / We confirm that in the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by me / us , or as a result of income tax (including any consequent interest and penalty) on the capital gains arising from tendering of the

Equity Shares, I / we will indemnify the Acquirer and PACs for such income tax demand (including interest, penalty, etc.) and provide the Acquirer and the PACs with all information / documents that may be necessary and co-operate in any proceedings before any income tax / appellate authority.

I / We note and understand that the Equity Shares would lie with the Clearing Corporation until the time the Acquirer and the PACs make payment of purchase consideration as mentioned in the Letter of Offer. I / We authorise the Acquirer and the PACs to accept the Equity Shares so offered or such lesser number of Equity Shares which the Acquirer and the PACs may decide to accept in consultation with the Manager to the Offer and the Registrar to the Offer and in terms of the Letter of Offer. I / we further authorize the Acquirer and the PACs to return to me / us, share certificate(s) in respect of which this Offer is not found valid / not accepted without specifying the reasons thereof.

FOR NRIs/ OCBs/ FIIs AND SUB-ACCOUNTS/ OTHER NON-RESIDENT SHAREHOLDERS

I/We, confirm that my/ our residential status is (✓whichever is applicable):

☐ Individual	☐ Foreign Company	☐ FII/FPI - Corporate	☐ FII/FPI - Others	☐ FVCI
☐ Foreign Trust	☐ Private Equity Fund	☐ Pension/Provident Fund	☐ Sovereign Wealth Fund	☐ Partnership/ Proprietorship firm
☐ Financial Institution	☐ NRIs/PIOs - repatriable	☐ NRIs/PIOs - non-repatriable	☐ OCB	☐ QFI
☐ Others – please specify:				

I/We confirm that my/our investment status is (and ✓whichever is applicable):

☐ FDI Route
☐ PIS Route
☐ Any other – please specify __________________________________

I/We confirm that the Equity Shares tendered by me/us are held on (✓whichever is applicable):

☐ Repatriable basis
☐ Non-repatriable basis

I/We confirm that (✓ whichever is applicable):

☐ No RBI, FIPB or other regulatory approval was required by me for holding Equity Shares that have been tendered in this Offer and the Equity Shares are held under general permission of the RBI
☐ Copies of all approvals required by me for holding Equity Shares that have been tendered in this Offer are enclosed herewith
☐ Copy of RBI Registration letter taking on record the allotment of shares to me/us is enclosed herewith

I/We confirm that (✓ whichever is applicable):

☐ No RBI, FIPB or other regulatory approval is required by me for tendering the Equity Shares in this Offer
☐ Copies of all approvals required by me for tendering Equity Shares in this Offer are enclosed herewith

BANK DETAILS

So as to avoid fraudulent encashment in transit, the Public Shareholder(s) holding Physical Shares 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	
Account Number	
IFSC code	
MICR code	
Savings/Current/(Others: please specify)	

In case of Public Shareholders holding Equity Shares in dematerialised form, the bank account details for the purpose of interest payment, if any, will be taken from the record of the depositories.

In case of interest payments, if any, by the Acquirer and the PACs for delay in payment of Offer consideration or a part thereof, the Acquirer and the PACs will deduct taxes at source at the applicable rates as per the Income Tax Act. For details please refer to instruction no. 19 given overleaf.

Yours faithfully,

Signed and Delivered:	**Full Name**	**PAN**	**Signature**
First / Sole Holder			
Joint Holder 1			
Joint Holder 2			
Joint Holder 3			

Note: In case of joint holdings, all must sign. In case of body corporate, the common seal should be affixed and necessary board resolutions should be attached.

Place: ________________

Date: ________________

INSTRUCTIONS

PLEASE NOTE THAT NO EQUITY SHARES / FORMS SHOULD BE SENT DIRECTLY TO THE ACQUIRER, PACs, THE TARGET OR THE MANAGER TO THE OFFER

1. This Form should be filled in English.
2. All queries pertaining to this Offer may be directed to the Registrar to the Offer.
3. In case of Equity Shares held in joint names, names should be filled in the same order in this Form and in the share transfer deed(s), as the order in which they hold the Equity Shares, and should be duly witnessed. This order cannot be changed or altered nor can any new name be added for the purpose of accepting this Offer.
4. If the Equity Shares are rejected for any reason, the Equity Shares will be returned to the sole/first named Public Shareholder(s) along with all the documents received at the time of submission.
5. All Public Shareholders should provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of which the acceptance is being sent.
6. All documents/remittances sent by or to the Public Shareholders will be at their own risk. Public Shareholders are advised to adequately safeguard their interests in this regard.
7. The Public Shareholders who are holding the Equity Shares in physical form and who wish to tender their Equity Shares in this Offer shall approach Selling Member and submit the following set of documents for verification procedure as mentioned below:
   a) Original share certificate(s)
   b) Valid share transfer deed(s) duly filled, stamped and signed by the transferor(s) (i.e. by all registered shareholder(s) in the same order and as per specimen signatures registered with the Target), and duly witnessed at the appropriate place.
   c) Self-attested copy of the Public Shareholder's PAN Card (in case of joint holders, the PAN card copy of all transferors)
   d) This Form – for Public Shareholders holding Equity Shares in physical mode duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose name(s) appears on the share certificate(s) and in the same order and as per the specimen signature lodged with the Target;
   e) A self-attested copy of the address proof consisting of any one of the following documents: valid Aadhar card, voter identity card, passport or driving license
   f) Any other relevant document including (but not limited to) such as power of attorney, corporate authorization (including board resolution(s)/ specimen signature(s)), notorised copy/(ies) of death certificate(s) and succession certificate(s) or probated will(s), if the original shareholder is deceased, etc., as applicable. Public Shareholders holding Physical Shares should note that such Equity Shares will not be accepted unless the complete set of documents is submitted.
8. In case of unregistered owners of Equity Shares in physical mode, the Public Shareholder should provide: an additional valid share transfer deed(s) duly signed by the unregistered owner as transferor(s) by the sole/joint Public Shareholder(s) in the same order and duly witnessed at the appropriate place.
   The transfer deed should be left blank, except for the signatures and witness details. **PLEASE DO NOT FILL IN ANY OTHER DETAILS IN THE TRANSFER DEED**.
9. Attestation, where required (as indicated in the share transfer deed) (thumb impressions, signature difference, etc.) should be done by a Magistrate, Notary Public or Special Executive Magistrate or a similar authority holding a public office and authorized to issue the seal of his office or a member of a recognized stock exchange under their seal of office and membership number or manager of the transferor's bank.
10. In case the share certificate(s) and the transfer deed(s) are lodged with the Target/its transfer agents for transfer, then the acceptance shall be accompanied by the acknowledgement of lodgement with, or receipt by, the Target/its transfer agents, of the share certificate(s) and the transfer deed(s).
11. The Public Shareholder should ensure that the certificate(s) and above documents reach the Registrar within 2 days of the close of Tendering Period.
12. No indemnity regarding title is required from persons not registered as Public Shareholders.
13. The Seller Member(s) should place bids on the Exchange Platform with relevant details as mentioned on physical share certificate(s). The Seller Member(s) shall print the Transaction Registration Slip (TRS) generated by the Exchange Bidding System. The TRS will contain the details of order submitted including Folio No., Certificate No. Dist. Nos., number of Equity Shares, etc.
14. The Seller Member shall deliver the Equity Shares and requested documentation along with the TRS to the Registrar do as to reach them within 2 days of bidding by the Seller Member. On receipt of the confirmation from RTA the bid will be accepted or else rejected (as applicable) and accordingly the same will be depicted on the exchange platform.
15. In case any person has submitted Equity Shares in physical mode for dematerialisation, such Equity Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Open Offer before close of Tendering Period.

16. Procedure for tendering the Equity Shares in case of non-receipt of Letter of Offer:
    Public Shareholders may participate in the Offer by confirming their consent to participate in this Offer on the terms and conditions of this Offer as set out in the PA, the DPS and this Letter of Offer. They can participate by submitting an application on plain paper giving details regarding their shareholding and relevant documents mentioned in paragraph 7 above. Public Shareholders must ensure that the Acceptance Form, along with the TRS and requisite documents (as mentioned in paragraph 3 above) should reach the Registrar of the Company within 2 days of the close of Tendering Period. If the signature(s) of the of the Public Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the Registrar of the Target or are not in the same order (although attested), such applications are liable to be rejected under this Offer.
    Alternatively, such holders of Equity Shares may also apply on the form of acceptance- cum-acknowledgement in relation to this Offer, which may be obtained from the SEBI website (www.sebi.gov.in) or from Registrar to the Offer.
17. The Acceptance of Shares, Settlement Process, Settlement of Funds / Payment Consideration and the Note on Taxation have been mentioned in the Letter of Offer under Section VIII.
    The Letter of Offer along with the Form of Acceptance would also be available at SEBI's website, www.sebi.gov.in, and shareholders can also apply by downloading such forms from the said website.
    The Letter of Offer along with Form of Acceptance will be dispatched to all the Public Shareholders holding Physical Shares as on the Identified Date. In case of non-receipt of the Letter of Offer, such shareholders holding physical shares of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares.
18. In order to avail Electronic Clearing Service ("ECS") for receipt of consideration, the attached ECS mandate form needs to be duly filled in and signed by the sole/first shareholder and submitted with this Form before the closure of the Offer.
19. Interest payment, if any: In case of interest payments by the Acquirer and the PACs for delay in payment of Offer consideration or a part thereof, the Acquirer and the PACs will deduct taxes at source at the applicable rates as per the Income Tax Act.
20. If the resident and non-resident Public Shareholders require that no tax is to be deducted on the interest component or tax is to be deducted at a rate lower than the prescribed rate, in such cases the following documents are required to be submitted to the Registrar to the Offer.
    For resident Public Shareholders:
    - ☐ Self–attested copy of PAN card
    - ☐ Certificate from the income tax authorities under Section 197 of the Income Tax Act, wherever applicable, in relation to payment of interest, if any, for delay in payment of Offer Price (certificate for deduction of tax at lower rate)
    - ☐ Self-declaration in Form 15G / Form 15H (in duplicate), if applicable
    - ☐ For specified entities under Section 194A(3)(iii) of the Income Tax Act, self-attested copy of relevant registration or notification (applicable only for interest payment, if any)

    For non-resident Public Shareholders:
    - ☐ Self–attested copy of PAN card
    - ☐ Certificate under Section 195(3) or Section 197 of the Income Tax Act, wherever applicable (certificate for deduction of tax at lower rate) from the income tax authorities under the Income Tax Act, indicating the amount of tax to be deducted by the Acquirer and the PACs before remitting the amount of interest)
    - ☐ Tax Residency Certificate and a no 'permanent establishment' / business connection declaration

    In an event of non-submission of NOC or certificate for deduction of tax at nil/lower rate, tax will be deducted at the maximum marginal rate as may be applicable to the relevant category, to which the Public Shareholder belongs, by the Acquirer and the PACs.

    FOR DETAILED PROCEDURE IN RESPECT OF TENDERING EQUITY SHARES IN THIS OFFER, PLEASE REFER TO THE LETTER OF OFFER

-- Tear along this line --

ACKNOWLEDGEMENT SLIP

(For the Public Shareholders of Xchanging Solutions Limited)

Received from Mr. / Ms. / Smt: ____

Address: ____

Form of acceptance-cum-acknowledgement for ____________________ Equity Shares along with:

Physical Shares: ______________ Share Certificate(s) along with ____________ number of Transfer Deed(s) under Folio Number (s) __________________________________ **TRS No.**____________________________

Other documents (please specify) ____

Stamp
of the official Signature Date of Receipt by Registrar to the Offer

All future correspondence, if any, should be addressed to the Registrar to the Offer at their address quoting you folio number

MANDATE FORM
ELECTRONIC CLEARING SERVICE (CREDIT CLEARING)

CSC Technologies India Private Limited
C/o Karvy Computershare Private Limited
Karvy Selenimum Tower B, Plot Number 31 and 32
Financial District, Gachibowli, Nanakramguda, Hyderabad, 500 032

Dear Sirs:

I am pleased to participate in the Electronic Clearing Services (ECS) introduced by Reserve Bank of India (RBI). The particulars of my bank account to which the payment of Offer consideration may be electronically credited are as follows:

1. Name of Sole/First Holder of Shares ______________________________________
2. Folio No. ______________________________________
3. Name of the Bank ______________________________________
4. Branch address of Bank to which consideration ______________________________________
   ____
   Amount to be credited
   ____
5. 9-digit MICR Code Number of the Bank and Branch appearing on the MICR cheque issued by your Bank. (This is mentioned on the MICR band next to the cheque number.) ______________________________________
   (Please attach blank "cancelled" cheque or a Xerox copy thereof).
6. Account Type (tick one) ☐ Savings ☐ Current ☐ Cash Credit
7. Ledger Folio of your Bank Account (If any, appearing on your cheque book) ______________________________________
8. Account No. (as appearing on your cheque book) ______________________________________

I hereby declare that the particulars given above are correct and complete. If the payment of Offer consideration is delayed or not effected at all for reasons of incomplete or incorrect information, I would not hold the Target responsible.

Date:

…………………………………….
Signature of Sole/First Holder

In case the Public Shareholder is not in a position to give blank "cancelled" cheque or a Xerox copy thereof, a certificate of the Public Shareholder's bank may be furnished as under:

Certificate of the Public Shareholder's Bank

(To be submitted only if blank "cancelled" cheque or a Xerox copy thereof is not enclosed)

Certified that the particulars furnished above are correct as per our records.

Bank's Stamp: --
Date: **Signature of the Authorized Official of the Bank**

Form No. SH-4 - Securities Transfer Form

[Pursuant to Section 56 of the Companies Act, 2013 and sub-rule (1) of Rule 11 of the Companies (Share Capital and Debentures) Rules 2014]

Date of execution: ______ / _______ / _______________

FOR THE CONSIDERATION stated below the “Transferor(s)” named do hereby transfer to the “Transferee(s)” named the securities specified below subject to the conditions on which the said securities are now held by the Transferor(s) and the Transferee(s) do hereby agree to accept and hold the said securities subject to the conditions aforesaid.

CIN:	L	7	2	2	0	0	K	A	2	0	0	2	P	L	C	0	3	0	0	7	2

Name of the company (in full): Xchanging Solutions Limited

Name of the Stock Exchange where the company is listed, (if any): BSE Limited and National Stock Exchange of India Limited

DESCRIPTION OF SECURITIES

Kind/Class of securities (1)	Nominal value of each unit of security (2)	Amount called up Per unit of security (3)	Amount paid up per unit of security (4)
Equity Share	Rs. 10/-	Rs. 10/-	Rs. 10/-

No. of Securities being Transferred				Consideration received (Rs.)		
In Figures	In words			In words		In Figures
Distinctive Number	From					
	To					
Corresponding Certificate Nos.						

Transferor’s Particulars

Registered Folio Number ____________________

Name(s) in Full **Signature(s)**

1. ______________________ ______________________
2. ______________________ ______________________
3. ______________________ ______________________

I hereby confirm that the transferor has signed before me.

Signature of the Witness : ______________________

Name of the Witness : ______________________

Address of the Witness : ______________________

____

______________________ **Pin Code** ____________

Transferee's Particulars

Name in full (1)	Father's/Mother's /Spouse Name (2)	Address & E-mail id (3)
1. ______	1. ______	______
2. ______	2. ______	______
3. ______	3. ______	
		______ Pin Code ______
		Email Id: ______

Occupation (4)	Existing Folio No., if any (5)	Signature (6)
1. ______	______	1. ______
2. ______	______	2. ______
3. ______	______	3. ______

Folio No. of Transferee

______

Value of stamp affixed: Rs. ______

Enclosures:
1. Certificate of shares or debentures or other securities
2. If no certificate is issued, Letter of allotment
3. Copy of PAN Card of all the Transferees (For all listed Cos.)
4. Others, Specify,______

For Office Use Only

Checked by ______

Signature Tallied by ______

Entered in the Register of Transfer on ______

______ **vide Transfer no** ______

Approval Date ______

Power of attorney / Probate / Death Certificate / Letter of Administration

Registered on ______ at

No ______

Specimen Signature of Transferee(s)

1. ______
2. ______
3. ______

STAMPS