

# PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE SHAREHOLDERS OF



Registered Office: # 23, III A Cross, 18th Main, 6th Block, Koramangala, Bangalore - 560 095. Phone: 91.80.4071 6000, Fax: 91.80.2552 1987

## CASH OFFER FOR ACQUISITION OF UP TO 93,06,381 EQUITY SHARES OF RS. 3/- (RUPEES THREE ONLY) EACH AT A PRICE OF RS. 80/- (RUPEES EIGHTY ONLY) PER SHARE FOR CASH FROM THE SHAREHOLDERS / BENEFICIAL OWNERS (THE "OFFER") OF AZTECSOFT LIMITED

This Public Announcement ("PA") is being issued by Morgan Stanley India Company Private Limited ("Morgan Stanley"), (hereinafter referred to as the "Manager to the Offer") on behalf of MindTree Limited ("MindTree" or the "Acquirer"), pursuant to and in compliance with among others, Regulations 10 and 12 of Chapter III of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto (the "SEBI Takeover Regulations" or the "Regulations"). No other person / individual / entity is acting in concert with the Acquirer for the purposes of this Offer. This Offer is not pursuant to global acquisition resulting in an indirect acquisition of equity shares of Aztecssoft Limited ("ASL" or the "Target Company").

**1. The Offer**  
 1.1 MindTree entered into a Share Purchase Agreement dated May 2, 2008 (hereinafter referred to as the "SPA") with e4e Holdings Limited, a company incorporated in Mauritius (the "Selling Shareholder"), who belongs to the present promoter group of ASL where MindTree agreed to acquire 1,46,55,280 fully paid-up equity shares of Rs. 3/- (Rupees Three only) each (the "Sale Shares") representing 32.57% of the current issued, subscribed and paid-up equity share capital of ASL (prior to conversion of all the convertible instruments issued by ASL, from the Selling Shareholder, for a total purchase consideration of Rs. 117,24,24,000/- (Rupees One Hundred Seventeen Crores Twenty Four Lakhs Twenty Two Thousand Four Hundred only) (the "Purchase Consideration"), i.e., at a price of Rs. 80/- (Rupees Eighty only) per equity share (the "Negotiated Price") (hereinafter referred to as the "Acquisition"). The Sale Shares represent the entire shareholding of the Selling Shareholder in ASL. As of the date of execution of the SPA 65,24,169 of the Sale Shares are pledged by the Selling Shareholder in favour of Silicon Valley Bank, California (the "SVB Pledged Shares"), 62,12,020 of the Sale Shares are pledged by the Selling Shareholder in favour of SBI International (Mauritius) Limited, Mauritius (the "SBIM Pledged Shares"), and 19,19,091 of the Sale Shares are held by the Selling Shareholder, without any encumbrances of any nature (the "Unpledged Shares").

1.2 The Acquirer, the Selling Shareholder, Silicon Valley Bank, SBI International (Mauritius) Limited and the Hongkong and Shanghai Banking Corporation Limited, through its branch located at Plot No. 139-140 B, Western Express Highway, Sahar Road Junction, Ville Parle (East), Mumbai - 400057 (the "Escrow Agent") have entered into an escrow agreement dated May 2, 2008 (the "Escrow Agreement") in relation to the mechanism for completing the transfer of the Sale Shares and the payment of the Purchase Consideration after the completion of the Offer. Under the terms of the Escrow Agreement, on the date on which the Letter of Offer (the "LOO") is dispatched to the equity shareholders of ASL under the SEBI Takeover Regulations (the "LOO Dispatch Date") the following events shall occur: (a) the Purchase Consideration will be deposited by the Acquirer in a designated account (the "Escrow Account") opened with the Escrow Agent, (b) the Selling Shareholder shall transfer the Unpledged Shares to a demat account with the Escrow Agent (the "Escrow Demat Account"), (c) Silicon Valley Bank and the Selling Shareholder shall cause the SVB Pledged Shares to be credited to the Escrow Demat Account (d) SBI International (Mauritius) Limited and the Selling Shareholder shall cause the SBIM Pledged Shares to be credited to the Escrow Demat Account, (e) the SVB Pledged Shares and the SBIM Pledged Shares shall be pledged in favour of SVB and SBIM respectively during the term of the Escrow Agreement.

1.3 Under the terms of the Escrow Agreement, upon fulfillment of the Acquirer's obligations under the SEBI Takeover Regulations, and upon receiving release instructions from the Acquirer and the Selling Shareholder, the Escrow Agent shall: (i) release the amount required to close the pledge on the SVB Pledged Shares to Silicon Valley Bank, (ii) release the amount required to close the pledge on the SBIM Pledged Shares to SBI International (Mauritius) Limited, (iii) release the balance of the Purchase Consideration, in United States Dollars, to the Selling Shareholder (iv) cause the pledge on the SVB Pledged Shares and the SBIM Pledged Shares to be closed, and (v) transfer the SVB Pledged Shares, the SBIM Pledged Shares and the Escrow Demat Account to the demat account of the Acquirer. Thus, the Acquirer shall acquire the title and interest of the Selling Shareholder in the Sale Shares together with all benefits, rights and obligations thereon only upon the completion of the Offer formalities. The mechanism of closing the pledge on the SVB Pledged Shares and the SBIM Pledged Shares, crediting these shares to the Escrow Demat Account and pledging the SVB Pledged Shares and the SBIM Pledged Shares in favour of SVB and SBIM respectively whilst these shares are in the Escrow Demat Account, and the release of the Purchase Consideration to SVB, SBIM and the Selling Shareholder requires approval from the Reserve Bank of India (the "RBI"). The Selling Shareholder in the process of making the necessary applications to the RBI to obtain approval from the RBI for the transactions contemplated under the Escrow Agreement.

1.4 The salient features of the SPA are: (a) the Acquirer shall have the right to appoint (i) two observers on the board of directors of the Target Company (the "Board") on the date of execution of the SPA, (ii) one director on the Board on the date which is 22 (twenty two) days from the date of the Public Announcement made under the terms of the SEBI Takeover Regulations, provided that the Acquirer has deposited 100% of the consideration payable by the Acquirer under the Offer in an escrow in accordance with the SEBI Takeover Regulations, (b) one independent director, acceptable to the Board of the Target Company and the Acquirer shall be appointed on the Board on the date on which the Acquirer dispatches the LOO to the shareholders of ASL and deposits the Purchase Consideration in the Escrow Account; (c) on and with effect from the date on which the Sale Shares are transferred to the Acquirer, the Selling Shareholder shall cease its nominees on the Board, being Kiliyar Balakrishnan Chandrasekhar and Somshankar Das to resign from the Board; (d) in the event that the purchase of the Sale Shares is not completed on or before the date which is 150 days from the date of execution of the SPA, unless such date is extended by the mutual consent of the Selling Shareholder and the Acquirer, the SPA shall terminate.

1.5 The Acquirer has not acquired directly or through any person, any equity shares in ASL during the twelve (12) months preceding the date of this PA.  
 1.6 The Acquirer has not acquired any equity shares of ASL during the last twenty six (26) weeks period prior to the date of this PA by way of (a) allotment in public issue or (b) allotment in rights issue or (c) preferential allotment.  
 1.7 Mr. Ashok Soota and Mr. N. Krishnakumar have been appointed on May 2, 2008 as observers on the Board in accordance with the terms of the SPA. As observers, they do not have a right to vote in meetings of the Board. On the appointment of Mr. N. Krishnakumar on the Board in accordance with the SPA on the date which is 22 (twenty two) days from the date of the Public Announcement, he will not participate in any matters concerning or relating to the Offer including any preparatory steps leading to the Offer in terms of Regulation 22(9) of the SEBI Takeover Regulations. The Acquirer proposes to reconstitute the Board upon completion of all Offer formalities.

1.8 As on May 5, 2008, the paid-up equity share capital of ASL was Rs. 13,49,82,801/- (Rupees Thirteen Crores Forty Nine Lakhs Eighty Two Thousand Eight Hundred and One only) comprising of 4,99,94,267 equity shares of Rs. 3/- (Rupees Three only) each (the "Equity Shares"). As on March 31, 2008, the Aztec Software and Technology Services Limited Employee Welfare Trust held 21,63,311 Equity Shares. Out of these, 12,50,492 Equity Shares will be transferred from Aztec Software and Technology Services Limited Employee Welfare Trust to the holders of options (being vested and exercisable and unvested options on March 31, 2008), upon such holders exercising their options. The exercise of such options would not result in any further issue of Equity Shares. Other than the non-exercisable options granted above, as on March 31, 2008, ASL had granted 31,18,269 options, which consist of vested and exercisable options and unvested options. Out of these, 7,250 options have been exercised and are pending allotment of Equity Shares, and 15,30,385 options have vested or will be vested and are eligible to be exercised till August 31, 2008. These options, if and when exercised, shall result in the increase of paid-up equity capital of ASL. Other than such options, there are no instruments convertible into Equity Shares at a future date, in the books of ASL as on the date of this PA.

1.9 Therefore, while determining twenty per cent (20%) of the voting capital for the purpose of minimum public offer in terms of Regulation 22(1) of the SEBI Takeover Regulations, the total voting capital is to be considered to be 4,65,31,302 Equity Shares (the "Voting Capital"), which consists of 4,99,94,267 Equity Shares which have been issued and paid-up, and the 15,37,635 Equity Shares (including 7,250 options that have been exercised and are pending allotment of Equity Shares) which would be issued on the vesting and exercise of the dilutive options which are eligible to be exercised till August 31, 2008. Further, there are no partly paid up Equity Shares in the books of ASL.  
 1.10 The existing promoters and promoter group of ASL consisting of e4e Holdings Limited, V Swaminathan, Parthasarathy Sundarajan and S R Kannan presently hold 1,63,38,066 Equity Shares of ASL, which represents 36.31% in the current issued, subscribed and paid-up equity share capital of ASL (prior to conversion of all the convertible instruments issued by ASL). After the completion of the Offer, the shareholding of V Swaminathan, Parthasarathy Sundarajan and S R Kannan, if any, would be considered as a part of the public shareholding.

1.11 The Negotiated Price per Sale Share shall be paid in the form of cash. The Acquirer has not paid any other monetary consideration, other than the above mentioned Purchase Consideration, whether by way of any non-complete fee or otherwise, for acquisition of the Sale Shares.  
 1.12 As the aggregate equity stake of the Acquirer, in the paid up equity share capital of ASL, after the Acquisition will be more than the stipulated threshold of fifteen per cent (15%), in compliance with Regulations 10 and 12 of the SEBI Takeover Regulations, the Acquirer is hereby making a public announcement of the Offer to acquire up to 93,06,381 Equity Shares, representing 20% of the Voting Capital, from the public shareholders of ASL, at a price of Rs. 80/- (Rupees Eighty only) per Equity Share (the "Offer Price") payable in cash subject to the terms and conditions mentioned hereinafter.

1.13 The Offer is not conditional on any minimum level of acceptance and the Acquirer will be obliged to acquire all the Equity Shares tendered in response to the Offer, subject to a maximum of 93,06,381 Equity Shares that are tendered in the valid form in terms of this Offer subject to the terms and conditions mentioned in this PA and the LOO to be sent to the equity shareholders of ASL.  
 1.14 The Acquirer may purchase additional shares of ASL from the open market or through negotiation or otherwise, after the date of this PA in accordance with Regulation 20(7) of the SEBI Takeover Regulations and the details of such acquisition will be disclosed by the Acquirer within 24 hours of such acquisition to the Stock Exchanges where the Equity Shares of ASL are listed and to the Manager to the Offer in terms of Regulation 22(17) of the SEBI Takeover Regulations.

**2. The Offer Price**  
 2.1 Morgan Stanley, the Manager to the Offer, does not hold any Equity Shares in ASL as on the date of this PA.  
 2.2 The equity shares of ASL are presently listed and traded on the Bombay Stock Exchange Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"). The annualized trading turnover based on the trading volume in the equity shares of ASL on BSE and NSE during the six months preceding the date of this PA was 65.8% and 136.8% respectively, as during the said period 1,48,09,945 Equity Shares were traded on BSE and 3,07,76,735 Equity Shares were traded on NSE (Source: www.bseindia.com and www.nseindia.com). As the annualized trading turnover is more than five per cent (5%) of the total number of listed equity shares on BSE and the NSE, the Equity Shares were deemed to be frequently traded on BSE and NSE within the meaning of the Explanation (i) of Regulation 20(5) of the SEBI Takeover Regulations. Based on the above, the shares of ASL are most frequently traded on the NSE. Consequently, the minimum offer price to be quoted for the Offer would be governed by Regulation 20(4) of the SEBI Takeover Regulations as per the following applicable parameters:  
 (a) Negotiated price - Rs. 80/- (Rupees Eighty only) per share,  
 (b) Highest price paid by the Acquirer or the persons acting in concert for acquisition, if any, including by way of allotment in a public or rights or preferential issue during the twenty six (26) week period prior to the date of this PA - Not applicable  
 (c) Average of weekly high and low of the closing prices of ASL on the stock exchange where the equity shares of ASL are most frequently traded i.e. NSE, for the twenty six (26) weeks period ended on May 2, 2008, i.e. the date preceding this PA - Rs. 66.94 (Rupees Sixty Six and Paise Ninety Four Only) per share, and  
 (d) Average of daily high and low prices of ASL on the stock exchange where the equity shares of ASL are most frequently traded i.e. NSE, for the two (2) weeks period ended on May 2, 2008 i.e. the date preceding this PA - Rs. 76.38 (Rupees Seventy Six and Paise Thirty Eight Only) per share.

2.3 The Offer Price of Rs. 80/- (Rupees Eighty only) per share is therefore justified in terms of Regulation 20(4) of the SEBI Takeover Regulations, applicable for companies whose shares are frequently traded, in view of this price being more than the highest price on the basis of the above parameters.  
 2.4 The Acquirer is permitted to revise this Offer upward to seven (7) working days prior to the date of closure of the Offer, i.e., till Thursday, July 10, 2008. In the event of such revision, an announcement will be made in the same newspapers where this PA has appeared and the revised offer price would be paid for all the equity shares tendered anytime during the Offer.  
 2.5 This PA is being released, as per Regulation 15(1) of the SEBI Takeover Regulations, in Business Standard (English national daily - all editions), Pratahika (Hindi national daily - all editions), Udayavani (Kannada regional language daily - Bangalore edition) - as the registered office of ASL is situated in Bangalore and Navshakti (Marathi regional language daily - Mumbai edition) - as the equity shares of ASL are most frequently traded on the NSE.

**3. Information on the Acquirer**  
 3.1 MindTree Limited is the acquirer in terms of the SEBI Takeover Regulations. No other person / individual / entity is acting in concert with the Acquirer for the purposes of this Offer.  
 3.2 MindTree was incorporated on August 5, 1999 as MindTree Consulting Private Limited. The name of the company was subsequently changed to MindTree Consulting Limited on November 6, 2006, and to its present name MindTree Limited on March 28, 2008. The registered office of MindTree is situated at MindTree House, No. 3, Block A, No. 42, 27th Cross, Banashankari, 2nd Stage, Bangalore - 560 070, India.  
 3.3 MindTree is promoted by Mr. Ashok Soota, Mr. Anjan Lahiri, Mr. Kalyan Banerjee, Mr. Kamran Ozair, Mr. N. Krishnakumar, Mr. N.S. Parthasarathy, Mr. Rostow Ravanan, Mr. S. Janakiraman, Mr. Scott Staples, Mr. Subroto Bagchi and LSO Investments Private Limited (the "Promoters of MindTree"). MindTree is an international Information Technology (IT) consulting and implementation company that delivers business solutions through global software development.  
 3.4 MindTree is structured into two business units that focus on software development - Research and Development ("R&D") Services and IT Services. R&D Services enables faster product realization by leveraging the expertise in the areas of hardware design, embedded software, middleware and testing and through MindTree's own IP building blocks in the areas of Bluetooth, VOIP, IPV6, ICS and others in datacom, telecom, wireless, storage, industrial automation, avionics, consumer products and computing. IT Services include consulting and implementation and post production support for customers in manufacturing, financial services, travel and leisure and other industries, in the areas of e-business, data warehousing and business intelligence, supply chain management, ERP and maintenance and re-engineering of legacy mainframe applications.  
 3.5 MindTree is headquartered in Bangalore and has offices in India, United States of America, United Kingdom, Japan, Singapore, Australia, Germany, Switzerland, Sweden and UAE. MindTree has grown in revenues from a Rs. 65.6 Crores (\$14 million) company in fiscal year 2001 to a Rs. 739.8 Crores (\$191 million) in fiscal year 2008.

3.6 As on the date of this PA, the paid-up equity share capital of MindTree is Rs. 37,93,39,600/- (Rupees Thirty Seven Crores Ninety Three Lakhs Thirty Nine Thousand Six Hundred only) comprising of 3,79,33,960 equity shares of Rs. 10/- (Rupees Ten each) each and the equity shares are presently listed on BSE and the NSE. The Promoters of MindTree currently hold 35.15% in the paid up equity share capital of MindTree.  
 3.7 The audited financial highlights for MindTree for the fiscal year ended March 31, 2008 are as follows:

(a) Total Income: Rs. 76,773 lakhs, (b) Total Expenditure (excluding interest, depreciation and tax): Rs. 61,440 lakhs, (c) Profit after tax: Rs. 10,329 lakhs, (d) Paid-up equity share capital: Rs. 3,792 lakh, (e) Reserves and Surplus (excluding Revaluation Reserves): Rs. 49,516 lakhs, (f) Secured Loans: Rs. 9,189 lakhs (g) Unsecured Loans: Nil, (h) Net Deferred Tax Liability: Nil, (i) Net Fixed Assets: Rs. 26,255 lakhs, (j) Investments: Rs. 13,951 lakhs, (k) Net Current Assets: Rs. 19,257 lakhs, and (l) Miscellaneous Expenditure (to the extent not written off or adjusted): Nil. Relevant ratios are (i) Earnings Per Share (fully diluted): Rs. 26.52 (ii) Book Value: Rs. 140.58, (iii) Return on Net Worth: 19.38%, Price/Earnings ratio: 18.27 and (iv) Market price as on May 2, 2008: Rs. 483.05 on BSE and Rs. 484.40 on NSE.  
 For the purpose of determination of Book Value and Return on Net Worth, ratios used are (a) Net Worth = Paid-up equity share capital + Free Reserves - Debt balance in Profit and Loss account, (b) Book Value = Net Worth / Number of equity shares and (c) Return on Net Worth = Profit After Tax/Net worth.

**4. Information on the Target Company - ASL**  
 4.1 ASL was incorporated as Aztec Software and Technology Services Private Limited at Bangalore on October 4, 1995, subsequently renamed Aztec Software and Technology Services Limited on June 12, 2000 and subsequently renamed as Aztecssoft Limited on August 25, 2006. The Registered Office of ASL is situated at # 23, III A Cross, 18th Main, 6th Block, Koramangala, Bangalore - 560 095. The corporate office of ASL is situated at Maruthi Chambers, No. 17/9C, 17/4C, Rupa Agrihara, Hoisingur Road, Bangalore - 560 068.  
 4.2 ASL is a global software engineering services company with rich software engineering experience, global reach, and an offshore presence. The software engineering specialist provides development and testing services to software product companies in a variety of verticals ranging from New Media, Retail, BFS, and Life Sciences. ASL provides full life-cycle product engineering, independent testing, professional services, and sustenance engineering services.  
 4.3 ASL was formed in 1995 as a product company which developed an App Server called JPaact. Subsequently, the company transformed itself into an offshore product development company. In 2004, ASL Acquired Disha Technologies Private Limited ("Disha"), an independent test specialist. Disha's expertise complemented ASL's range of services. ASL 80+ active customers span four continents (North America, Europe, Australia, and Asia). Most of ASL's engineering strengths is located in Bangalore, Pune, and Hyderabad in India.

4.4 The details of the paid-up share capital of ASL are set out in Paragraph 1.8 above.  
 4.5 There are no partly paid up equity shares in the books of ASL as on the date of this PA. Except the employee stock options described under Paragraph 1.8 above, there are no other instruments convertible into equity shares at a future date in the books of ASL as on the date of this PA.  
 4.6 The consolidated audited financial highlights for ASL for the year ended March 31, 2008 are as follows:  
 (a) Total Income: Rs. 25,710 lakhs, (b) Total Expenditure (excluding interest, depreciation and tax): Rs. 22,397 lakhs, (c) Profit after tax: Rs. 1,738 lakhs, (d) Paid-up equity share capital: Rs. 1,350 lakhs, (e) Reserves and Surplus (excluding Revaluation Reserves): Rs. 16,371 lakhs, (f) Secured Loans: Nil (g) Unsecured Loans: Nil, (h) Deferred Tax Asset: Rs. 347, (i) Net Fixed Assets: Rs. 5,565 lakhs, (j) Investments: Rs. 5,311 lakhs, (k) Net Current Assets: Rs. 6,502 lakhs. Relevant ratios are (i) Earnings Per Share (basic): Rs. 4.06, (ii) Book Value: Rs. 39.38 and (iii) Return on Net Worth: 9.8%.  
 For the purpose of determination of Book Value and Return on Net Worth, ratios used are (a) Net Worth = Paid-up equity share capital + Free Reserves - Debt balance in Profit & Loss account, (b) Book Value = Net Worth / Number of equity shares and (c) Return on Net Worth = Profit After Tax/Net worth.

**5. Reasons for the acquisition, rationale for the offer and future plans**  
 5.1 The Acquirer wishes to make a substantial acquisition of shares accompanied with a change in control and management of ASL.  
 5.2 ASL is amongst the leading India-based software service providers in the outsourced product development (OPD) market. Its expertise lies in application software segment, which is complementary to MindTree's expertise in embedded software segment. In addition, ASL also has a sizeable testing business, which will help MindTree to scale up its own testing business. Thus, the combined entity will have a bigger portfolio of services targeted at a wider array of customers, which will strengthen its competitive position in the Indian IT services market.  
 5.3 MindTree intends to subsequently merge ASL with itself, subject to shareholder and regulatory approvals.  
 5.4 As on the date of this PA, the Acquirer does not have any plans to make any change to the existing line of business of ASL or to dispose of or otherwise encumber any assets of ASL in the next twenty four (24) months except as mentioned in paragraph 5.3 above and except in the ordinary course of business of ASL and except to the extent deemed necessary for the purpose of restructuring and/or rationalization of business, assets, investments, liabilities or otherwise of ASL for commercial reasons, operational efficiencies or otherwise. It will be the responsibility of the board of directors of ASL to take such decisions in these matters as per the requirements of the business. Such steps relating to sale or encumbrance, if any, of any substantial asset of ASL and restructuring as aforesaid will be governed by the applicable provisions of the Companies Act, 1956, and such approvals as may be required under applicable laws at the relevant time including the SEBI Takeover Regulations to the extent applicable.  
 5.5 Save and except as mentioned above, the Acquirer undertakes that it shall not sell, dispose of or otherwise encumber any substantial asset of ASL except with the prior approval of the shareholders of ASL, to the extent such approval is required by applicable laws.

**6. Statutory Approvals and Conditions of the Offer**  
 6.1 The equity shares that are tendered in the Offer may be those held by non-resident Indians ("NRIs") or persons resident outside India who are not NRIs, including Overseas Corporate Bodies ("OCBs"), if any, holding shares in the Company who may be persons not covered by specific provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000. The Offer is therefore subject to the receipt of the approval, if any, of the RBI under the Foreign Exchange Management Act, 1999 and the rules and regulations made there under for the acquisition of equity shares by the Acquirer from the aforesaid category of shareholders under the Offer. The Acquirer is in the process of making the necessary applications to and filings with the various authorities to obtain the statutory approvals described above.  
 6.2 While tendering the equity shares under the Offer, NRIs/OCBs/ foreign shareholders will be required to submit the previous RBI Approvals (specific or general) that they would have been required to submit to acquire the shares of the ASL. In case the previous RBI approvals are not submitted, the Acquirer reserves the right to reject such shares tendered. While tendering shares under the Offer, NRI/OCBs/ foreign shareholders will be required to submit a tax clearance certificate from the income tax authorities, indicating the amount of tax to be deducted by Acquirer under the Income Tax Act, 1961 (the "Income Tax Act"), before remitting the consideration. In case the aforesaid tax clearance certificate is not submitted, the Acquirer will arrange to deduct tax at the rate as may be applicable to the category of the shareholder under the Income Tax Act, on the entire consideration amount payable to such shareholder.  
 6.3 As per the provisions of Section 196D (2) of the Income Tax Act, no deduction of tax at source shall be made from any income by way of capital gains arising from the transfer of securities referred to in section 115AD of the Income Tax Act payable to a Foreign Institutional Investor ("FII") as defined in Section 115AD of the Income Tax Act.  
 6.4 The securities transaction tax will not be applicable to the shares accepted in the Offer.  
 6.5 In case of delay in receipt of statutory approvals, as explained above, SEBI has power to grant extension of time to the Acquirer for payment of purchase consideration to eligible shareholders of the Company, subject to the Acquirer agreeing to pay interest as directed by SEBI, for the delayed period in terms of Regulation 22(12) of the SEBI Takeover Regulations. If the delay occurs due to willful default of the Acquirer in obtaining requisite approvals, Regulation 22(13) of the SEBI Takeover Regulations will be applicable.

6.6 To the best of the Acquirer's knowledge, as of the date of the Public Announcement (a) no approval from banks / financial institutions of ASL is required for the Acquirer to make this Offer and (b) other than the approvals mentioned aforesaid, no other statutory or regulatory approval is required for the Acquirer to proceed with the Offer. If any other approvals are required or become applicable subsequently, the Offer would be subject to such approvals. The Acquirer will have a right not to proceed with the Offer in the event the approvals are refused, in terms of Regulation 27(1)(b) of the SEBI Takeover Regulations.  
**7. Continuous Listing**  
 7.1 The minimum public shareholding required for continuous listing of the equity shares of ASL in terms of the listing agreements with BSE and NSE is 10% (ten percent) of the total issued equity share capital.  
 7.2 Pursuant to the Offer and as per the terms of the Agreement the public shareholding of the Target Company is not expected to fall to less than 10% of the total issued equity share capital of ASL. The Acquirer does not intend to acquire Equity Shares which may result in the public shareholding of ASL being reduced below the minimum level required as per the listing agreements with BSE and NSE.  
 7.3 Therefore, pursuant to the successful closure of the Offer, and even assuming full acceptance, pursuant to the acquisition of the Sale Shares and the Offer Shares through the Offer, there will be no violation of Clause 40A of the listing agreement of ASL with BSE and NSE, on which its Equity Shares are presently listed and the Equity Shares of ASL will continue to be listed on BSE and NSE.

**8. Funding Arrangement**  
 8.1 The maximum purchase consideration payable by the Acquirer assuming full acceptance of this Offer would be Rs. 74,45,10,480/- (Rupees Seventy Four Crores Forty Five Lakhs Ten Thousand Four Hundred Eighty only) for acquisition of 93,06,381 Equity Shares at the offer price of Rs. 80/- (Rupees Eighty only) per Equity Share.  
 8.2 The Acquirer proposes to finance the Offer through its current cash balances and liquid financial investments. No borrowings from banks / financial institutions / foreign sources or otherwise is envisaged.  
 8.3 The Acquirer has created an escrow account with The Hongkong and Shanghai Banking Corporation Limited, in their capacity as the escrow banker, under the name and style of "MindTree - Aztecssoft Open Offer Escrow Account" in accordance with the provisions of Regulation 28 of the SEBI Takeover Regulations (the "Open Offer Escrow Account") in terms of an escrow agreement dated May 2, 2008 entered into between the Acquirer, the Manager to the Offer and The Hongkong and Shanghai Banking Corporation Limited.  
 8.4 The Acquirer has deposited an amount of Rs. 18,61,27,620/- (Rupees Eighteen Crores Sixty One Lakhs Twenty Seven Thousand Six Hundred Twenty only), representing 25% (twenty five percent) of the total consideration payable to the shareholders of ASL, assuming full acceptance of the Offer, in the Open Offer Escrow Account on May 3, 2008. The Acquirer has empowered the Manager to the Offer to realize the value of the Escrow Account in terms of Regulation 28 of the SEBI Takeover Regulations. In case of revision in the Offer Price, the Acquirer would increase the value of the Escrow Account to ensure compliance with the SEBI Takeover Regulations.  
 8.5 The Acquirer has confirmed that the Escrow Account will be utilized exclusively for the purpose of the Offer.  
 8.6 BSR & Associates, Chartered Accountants (Rajesh Arora, membership No. 076124), Maruthi Info-Tech Centre, 11-12/ East Wing, "Escrow Ring Road", Bangalore - 560 071, statutory auditors of the Acquirer, have certified their letter dated May 2, 2008 that the Acquirer has sufficient financial resources in the form of bank balances and current investments to meet the financial requirements of the proposed Offer.  
 8.7 In view of above, the Manager to the Offer is satisfied that firm arrangements for financial resources required to implement the Offer i.e., funds and money for payment through verifiable means are in place to fulfill the obligations of the Acquirer under the Offer and is satisfied that the Acquirer has adequate resources to meet the financial requirements of the Offer and ability to implement the Offer in accordance with the SEBI Takeover Regulations.

**9. Other Terms of the Offer**  
 9.1 The LOO together with the Form of Acceptance cum Acknowledgement (the "Acceptance Form") will be mailed to the shareholders of ASL (except the Acquirer and the Selling Shareholder) whose names appear on the Register of Members of ASL and beneficial owners of the equity shares, whose names appear as beneficiaries on the records of the respective depositories i.e., National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL"), at the close of business hours on Friday, May 30, 2008 (the "Specified Date"). All owners (registered or unregistered) of equity shares of ASL (except the Acquirer and the Selling Shareholder) who own hold equity shares at any time before the date of closure of the Offer, i.e., Monday, July 21, 2008 are eligible to participate in the Offer.  
 9.2 Intime Spectrum Registry Limited, having their office at C-13 Pannalal Silk Mills Compound, LBS Marg, Bhandup West, Mumbai - 400 078 is acting as the registrar to the Offer (the "Registrar"). The Registrar has opened a special depository account with NSDL in the name and style of "ISPL - ASL Open Offer Escrow Account" (the "Special Depository Account") through The Hongkong & Shanghai Banking Corporation Limited, Custody & Clearing, "Shiv, 2" Floor, Plot No. 139-140 B, Western Express Highway Sahar Road Junction, Ville Parle (East), Mumbai - 400 057 (the "DP").  
 9.3 Beneficial owners holding equity shares in dematerialized form will be required to send on or before the closure of the Offer, i.e., Monday, July 21, 2008 along with their Acceptance Form, a photocopy of the delivery instruction slip in "off-market" mode, duly acknowledged by the DP, for transferring the equity shares in favour of "ISPL - ASL Open Offer Escrow Account" as per the instructions given below:

Depository	National Securities Depository Limited (NSDL)
Depository Participant / DP	The Hongkong and Shanghai Banking Corporation Limited
Client ID	10639768
DP ID	IN300142
ISIN	INE651B01010

9.4 Shareholders of ASL having their depository account with CDSL have to use inter-depository delivery instruction slip for the purpose of crediting their equity shares in favour of the special depository account with NSDL.  
 9.5 Beneficiary owners (holders of equity shares in dematerialized form) who wish to tender their equity shares will be required to send their Acceptance Form along with a photocopy of the delivery instruction slip in "off-market" mode or counterfoil of the delivery instruction slip in "off-market" mode, duly acknowledged by the depository participant in favour of the special depository account, to the Registrar in accordance with the instructions to be specified in the LOO.

9.6 Shareholders of ASL holding equity shares in physical form and who wish to tender their equity shares will be required to send the Acceptance Form, original share certificate/s and transfer deed/s, duly signed, to the Registrar on or before the closure of the Offer, i.e., Monday, July 21, 2008 in accordance with the instructions to be specified in the LOO and in the Acceptance Form.  
 9.7 The equity shareholders of ASL who wish to avail of the Offer may deliver the Acceptance Form with relevant documents to the Registrar on all days (excluding holidays and Sundays) at the collection centres mentioned below, in accordance with the instructions to be specified in the LOO and in the Acceptance Form.  
 9.8 The collection centres mentioned below would remain open on Monday to Friday from 10.00 am to 1.00 pm and from 2.00 pm to 5.00 pm and on Saturdays from 10.00 am to 1.00 pm (not open on Sundays and bank holidays).

City	Contact Person	Address	Tel. No.	Fax No.	Mode of Delivery
Mumbai	Awani Thakkar	Intime Spectrum Registry Limited, C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (W), Mumbai - 400 078.	022-25960320	022-25960328/29	Hand Delivery & Registered Post
Ahmedabad	Hitesh Patel	Intime Spectrum Registry Limited, 211 Sudarshan Complex, Near Mithakhali Underbridge, Navrangpura, Ahmedabad - 380 009	079-2646 5179	079-2646 5179 (Telefax)	Hand Delivery
Bangalore	Chandra Shekhar	Intime Spectrum Registry Limited, 1st Floor, Mahavir Shopping Complex, Above KRS KempNo. 8, G.R. Road, Bangalore - 560 009	080-41242623	080-41242623 (Telefax)	Hand Delivery
Kolkata	S.P. Guha	Intime Spectrum Registry Limited, 59C, Chowringhee Road, 3rd Floor, Kolkata - 700020	033-22890539/40	033-22890539/40 (Telefax)	Hand Delivery
New Delhi	Swapan Naskar	Intime Spectrum Registry Limited, A-40, 2nd Floor, Naraina Industrial Area, Phase II, Near Batra Banquet, New Delhi - 110028	011-41410592/93/94	011-41410591	Hand Delivery
Pune	P. N Albal	Intime Spectrum Registry Limited, Block No 202 2nd Floor, Akshay Complex, Near Ganesh Temple, Off Dhote Patil Road, Pune - 411 001.	020-26051629/0084	020-26053503	Hand Delivery
Chennai	Mrs. Solly Soy	C/o SGS Corporate Services India Pvt. Limited, Indira Devi Complex, II Floor, No.20, Gopalakrishna Street, Pondy Bazaar, T. Nagar, Chennai - 600 017	044-2815 2672, 044-4207 0906	044-2815 2672 (Telefax)	Hand Delivery
Hyderabad	B. Srinivasa Reddy	C/o Sree Software Solutions 3-4-746, 1st Floor, Opp: HRD Degree College, Near Narayanaganga Flyover Bridge, Narayanaganga, Hyderabad - 500044	040-65581820	Nil	Hand Delivery

9.9 Unregistered owners can send their written applications to the Registrar, on a plain paper stating (a) the name, address, number of equity shares held, number of equity shares offered, distinctive numbers and folio number and together with the original share certificate/s and valid transfer deeds in the case of equity shares held in physical form or (b) DP name, DP ID and client ID (collectively called "Shareholding Details") together with photocopy or counterfoil of the delivery instruction slip in "off-market" mode in the case of equity shares held in dematerialized form and (c) the original contract note issued by the broker through whom they acquired their equity shares. No indemnity is required from the unregistered owners of equity shares.  
 9.10 In case of non-accept of the LOO, the eligible persons / shareholders of ASL may send their consent to the Registrar, on a plain paper giving their shareholding details as above and submitting the documents as mentioned above so as to reach the Registrar on or before the date of closure of the Offer. Beneficial owners may send their written application on plain paper to the Registrar, giving their Shareholding Details as above along with beneficiary account number and either a photocopy or counterfoil of the delivery instruction in "off-market" mode, duly acknowledged by the DP, in favour of the special depository account, so as to reach the Registrar, on or before the date of closure of the Offer, i.e., Monday, July 21, 2008. Such shareholders of ASL may also obtain a copy of LOO by writing to the Registrar to the Offer superseding the envelope "ASL Open Offer".  
 9.11 The equity shares are traded in dematerialized mode hence, the minimum marketable lot is one equity share.  
 9.12 Equity shares, if any, that are the subject matter of litigation wherein the shareholder/s is/are may be precluded from transferring the equity shares during the pendency of the said litigation are liable to be rejected in case directions/orders from competent authority regarding these equity shares are not received together with the equity shares tendered under the Offer. The LOO, in such cases, would be forwarded to the concerned competent authority for further action at their end.

9.13 Shareholders of ASL who have sent their equity shares for dematerialization need to ensure that the process of getting the equity shares dematerialized is completed well in time so that the credit in the special depository account should be received on or before the date of closure of the Offer, i.e., Monday, July 21, 2008 else the application would be rejected.  
 9.14 Shareholders of ASL who have lodged equity shares for transfer may either download the LOO and Acceptance Form from the SEBI's site (www.sebi.gov.in) or request for the Acceptance Form from the Registrar. The Acceptance Form, duly completed and signed in accordance with the instructions contained therein or an application in writing on a plain paper stating the name, address, number of equity shares held, number of equity shares offered, distinctive numbers and folio number and the Original Share Certificate (s) and Transfer Deed (s) shall be sent to the Registrar to the Offer along with the Original Contract Notes issued by the broker through whom they acquired their shares and valid share transfer forms as received from the market. No indemnity is required from the unregistered owners.  
 9.15 The Registrar to the Offer will hold, in trust, the share certificates, equity shares lying to the credit of the special depository account, the Acceptance Form, if any and the transfer forms on behalf of the shareholders of ASL who have accepted the Offer, till the cheques/drafts for the consideration and/or the unaccepted equity shares/share certificates are dispatched thereat.

9.16 In accordance with Regulation 22(5A) of the SEBI Takeover Regulations, shareholders of ASL who have tendered the requisite documents in terms of the PA and LOO shall have the option to withdraw acceptances tendered up to three (3) working days prior to the date of closure of the Offer. The withdrawal option can be exercised by submitting the documents as per the instructions given below so as to reach the Registrar