

MPHASIS LIMITED

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This advertisement (“**Pre-Offer Advertisement**”) is being issued by JM Financial Institutional Securities Limited, being the manager to the Offer (“**Manager**”/“**Manager to the Offer**”), on behalf of Marble II Pte. Ltd. (the “**Acquirer**”) as well as Marble I Pte. Ltd. (“**PAC 1**”) and Blackstone Capital Partners (Cayman II) VI L.P. (“**PAC 2**”), being the persons acting in concert with the Acquirer (collectively the “**PACs**”) in this Open Offer, pursuant to Regulation 18(7) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (“**SEBI (SAST) Regulations**”) in respect of the Open Offer to acquire shares of Mphasis Limited (the “**Target Company**”).

This Pre-Offer Advertisement is to be read in continuation of, and in conjunction with: (a) the Public Announcement dated 4 April 2016; (b) the Detailed Public Statement which was published in Business Standard (English, All Editions), Business Standard (Hindi, All Editions), Hosa Digantha (Kannada, Bangalore Edition) and Mumbai Lakshdeep (Marathi, Mumbai Edition) on 12 April 2016; (c) the First Corrigendum, the Second Corrigendum and the Third Corrigendum which were published on 22 April 2016, 3 June 2016 and 20 July 2016 respectively in the same newspapers in which the Detailed Public Statement was published; and (d) the Letter of Offer dated 13 July 2016 (the “**LoF**”).

The capitalised terms used in this Pre-Offer Advertisement have the meaning assigned to them in the LoF, unless otherwise specified.

- The Offer Price is Rs. 457.54 (Rupees four hundred and fifty seven and paise fifty four only) per Equity Share payable in cash in accordance with Regulation 9(1) of SEBI (SAST) Regulations. There has been no revision to the Offer Price since the Open Offer was made.
- A committee of independent directors of the Target Company (“**IDC**”) published its recommendations on the Open Offer on 19 July 2016 in the Business Standard (English, All Editions), Business Standard (Hindi, All Editions), Hosa Digantha (Kannada, Bangalore Edition) and Mumbai Lakshdeep (Marathi, Mumbai Edition). A summary of the IDC recommendations are set out below:

Members of the IDC	- Mr. Davinder Singh Brar – Chairperson; - Mr. Nayaranan Kumar; and - Ms. Jan Kathleen Hier.
Recommendation on the Open Offer, as to whether the Open Offer is fair and reasonable	- The IDC reviewed: (a) the Public Announcement dated 4 April 2016; (b) the Detailed Public Statement dated 12 April 2016; (c) the First Corrigendum and the Second Corrigendum to the Detailed Public Statement dated 22 April 2016 and 3 June 2016 respectively; and (d) the Letter of Offer dated 13 July 2016 filed with Securities and Exchange Board of India. Based on the review, the IDC is of opinion that the Offer Price offered by the Acquirer (being the highest price prescribed) is in line with the SEBI (SAST) Regulations and appears to be justified <i>prima facie</i>. - This is an Open Offer for acquisition of publicly held Equity Shares. The Public Shareholders have an option to tender their Equity Shares or remain invested. - The IDC had sought an external advice from Indbank Merchant Banking Services Limited, who has advised that the Offer Price proposed in the Open Offer by the Acquirer together with the PACs is in accordance with the SEBI (SAST) Regulations and is thus fair and reasonable. Based on the above, the IDC is of the opinion that the Offer Price to the Public Shareholders of the Target Company is deemed to be in compliance with the SEBI (SAST) Regulations and to that extent is fair and reasonable. IDC has drawn attention of the Public Shareholders on the latest share price being higher than Offer Price. The IDC has further suggested that the Public Shareholders of the Target Company should independently evaluate the Open Offer and take informed decisions in respect of the Open Offer.

- This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations. There has been no competitive bid to this Open Offer.
- The LoF was dispatched to the Public Shareholders holding Equity Shares in dematerialised form and/or in physical form as on the Identified Date (13 July 2016). The First Corrigendum to the DPS, the Second Corrigendum to the DPS and the Third Corrigendum to the DPS were published on 22 April 2016, 3 June 2016 and 20 July 2016 respectively in the same newspapers in which the DPS was published.
- Please note that a copy of the LoF including the Form of Acceptance-cum-Acknowledgement is available on the website of the SEBI (www.sebi.gov.in) and the Public Shareholders can also apply by downloading such form from SEBI’s website. Further, in case of non-receipt / non-availability of the Form of Acceptance-cum-Acknowledgement, the application can be made on plain paper along with the following details:
 - In case of Equity Shares held in physical form:**
 - Name(s), addresses, telephone number, e mail address and signature of the holder(s) (including of joint holders (if any));
 - Number of Equity Shares being tendered, distinctive number and folio numbers of such Equity Shares;
 - Original share certificates for the Equity Shares being tendered;
 - Valid transfer forms duly signed and stamped by the transferors in same order and as per the specimen signatures registered with the Target Company and duly witnessed at the appropriate places; and
 - A self-attested copy of the PAN card, tax identification number, power of attorney, corporate authorisation (including board resolution/specimen signature), no objection certificate/tax clearance certificate, as applicable, tax residency certificate (if applicable and available) from income tax authorities and the original contract note(s) issued by the broker through whom they acquired their Equity Shares and statutory approvals (if any).Please note that in case the aforesaid documents are not provided but the original share certificates and valid transfer forms, duly signed and stamped, have been tendered, the Equity Shares shall be deemed to have been accepted for all resident Public Shareholders.
 - In case of Equity Shares in dematerialised form:**
 - Name(s), addresses, telephone number, e mail address and signature of the holder(s);
 - Number of Equity Shares being tendered, DP name, DP ID, Client ID and the name of the beneficiary;
 - A photocopy of the delivery instruction slip in “off-market” mode or counterfoil of the delivery instruction slip in “off-market” mode in favour of the Escrow Demat Account, duly acknowledged by the relevant DP;
 - The Public Shareholders having their beneficiary account in CDSL need to use an inter-depository delivery instruction for the purpose of crediting their Equity Shares in favour of the Escrow Demat Account with NSDL;
 - A self-attested copy of the PAN card, tax identification number, power of attorney, corporate authorisation (including board resolution/specimen signature), no objection certificate/tax clearance certificate, as applicable, tax residency certificate (if applicable and available) from income tax authorities and the original contract note(s) issued by the broker through whom they acquired their Equity Shares and statutory approvals (if any).Please note that in case the aforesaid documents have not been tendered but the Equity Shares have been transferred to the Open Offer Escrow Demat Account, the Equity Shares shall be deemed to have been accepted for all resident Public Shareholders.
- Any tendering (or act of tendering) of the Equity Shares by a Public Shareholder in this Open Offer by a mode other than through the Form of Acceptance-cum-Acknowledgment shall be subject to all terms and conditions, and such Public Shareholder shall be deemed to: (a) have given all such representations and warranties; and (b) have agreed to give such indemnities, as set out in the LoF and the Form of Acceptance-cum-Acknowledgment in the same manner and with the same force as would have been applicable to, given or agreed by such Public Shareholder if the tendering was done through the Form of Acceptance-cum-Acknowledgment.
- For the purpose of the Offer, the Registrar to the Offer has opened the Escrow Demat Account in the name and style of “LIPL MPHASIS OPEN OFFER ESCROW DEMAT ACCOUNT” with Ventura Securities Limited, India as the Depository Participant in NSDL. The DP ID is IN303116 and the Client ID is 11964029.
- In accordance with Regulation 16(1) of the SEBI (SAST) Regulations, the draft Letter of Offer was submitted to SEBI on 22 April 2016. SEBI, under a letter bearing reference CFD/DCR/TO/CB/OW/2016/19567 dated 11 July 2016, issued its comments on the draft Letter of Offer under Regulation 16(4) of SEBI (SAST) Regulations. These comments have been duly incorporated in the LoF.
- Material updates since the date of the Public Announcement:**
 - Waverly Pte. Ltd. (“**Waverly**”) was designated as a ‘person acting in concert’ with the Acquirer, PAC 1 and PAC 2 on 21 April 2016 upon the execution of the Shareholders Agreement, pursuant to which the First Corrigendum was published on 22 April 2016 in the same newspapers in which the DPS was published identifying Waverly as a ‘person acting in concert’ with the Acquirer, PAC 1 and PAC 2. Subsequently, Waverly was removed as a ‘person acting in concert’ with the Acquirer, PAC 1 and PAC 2 pursuant to which the Third Corrigendum was published on 20 July 2016 in the same newspapers in which the DPS was published. Please see the DPS, the First Corrigendum, the Third Corrigendum and the LoF for further details.
 - Given that: (a) the Acquirer received approvals from the Competition Commission of India, the German competition authorities, the Austrian competition authorities and the U.S. competition authorities in relation to the Open Offer; (b) the staff of the U.S. Securities and Exchange Commission granted the exemptions and no-action relief sought under the U.S. Securities Exchange Act of 1934 (as amended) in relation to the Open Offer; and (c) the shareholders of the Target Company approved the resolution for entering into the Amended Master Services Agreement, the details of which are set out in the LoF, there are no statutory or other approvals required to complete this Open Offer. If, however, any other statutory or other approval becomes applicable prior to completion of this Open Offer, then this Open Offer will be subject to such other statutory or other approval(s) as well.
 - There have been no other material updates in relation to the Open Offer since the date of the Public Announcement, save as otherwise disclosed in the DPS (as amended by the First Corrigendum, the Second Corrigendum and the Third Corrigendum) and the LoF.
- SEBI vide circular no. CIR/CFD/POLICYCELL/1/2015 dated 13 April 2015 (“**SEBI Circular**”) has provided guidelines on the mechanism for acquisition of shares through the stock exchange pursuant to, *inter alia*, tender offers under the SEBI (SAST) Regulations, to facilitate tendering of shares by the shareholders and settlement of the same through the stock exchange mechanism. However, for reasons set out under paragraph 99 of the LoF, the stock exchange mechanism under the SEBI Circular is not available for this Open Offer. Hence, the Public Shareholders whose Equity Shares have been validly tendered and accepted may be subject to applicable capital gains tax and securities transaction tax will not be applicable to the Equity Shares accepted in this Open Offer. For further details, the Public Shareholders are requested to refer to Part VII titled “Procedure for Acceptance and Settlement of the Offer” on page 40 of the LoF and Section VIII titled “Tax Provisions” on page 46 of the LoF.
- The revised schedule of activity is as follows:

Nature of the Activity	Original (Day and Date)	Revised (Day and Date)
Issue of PA	Monday, 4 April 2016	Monday, 4 April 2016
Date of publishing the DPS in newspapers	Tuesday, 12 April 2016	Tuesday, 12 April 2016
Last date for competing offer(s)*	Friday, 6 May 2016	Friday, 6 May 2016
Identified Date#	Tuesday, 17 May 2016	Wednesday, 13 July 2016
Last date by which the Letter of Offer is to be dispatched to the Public Shareholders whose name appear on the register of members on the Identified Date	Tuesday, 24 May 2016	Wednesday, 20 July 2016
Date of publication of advertisement containing announcement of the schedule of activities of this Offer, status of statutory and other approvals, if any, and procedure for tendering acceptances	Monday, 30 May 2016	Tuesday, 26 July 2016
Date of commencement of Tendering Period	Tuesday, 31 May 2016	Wednesday, 27 July 2016
Date of closure of Tendering Period	Monday, 13 June 2016	Tuesday, 9 August 2016
Last date of communicating the rejection/acceptance and completion of payment of consideration or refund of Equity Shares to the Public Shareholders whose Equity Shares have been rejected / accepted in this Offer	Monday, 27 June 2016	Thursday, 25 August 2016
Last date for issue of post-offer advertisement	Monday, 4 July 2016	Thursday, 1 September 2016

* There has been no competing offer
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 sent. It is clarified that all the Public Shareholders (registered or unregistered) of the Target Company are eligible to participate in this Offer at any time prior to the closure of this Offer.

The Acquirer and the PACs including their respective directors accept full responsibility for the obligations of the Acquirer and the PACs as laid down in terms of the SEBI (SAST) Regulations and for the information (other than such information as has been provided or confirmed by the Sellers or the Target Company) contained in this Pre-Offer Advertisement.

A copy of this Pre-Offer Advertisement is expected to be available on the website of SEBI <http://www.sebi.gov.in/>

Issued by the Manager to the Offer on behalf of the Acquirer and the PACs



JM FINANCIAL

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Email: mphasis.openoffer@jmfi.com
Contact Person: Ms. Lakshmi Lakshmanan
SEBI Registration Number: INM000010361

Registrar to the Offer



M/s. Link Intime India Private Limited
Unit: Mphasis Limited – Open Offer
Corporate Identity Number: U67190MH1999PTC118368
C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup
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Tel: +91 22 6171 5400 / Fax: +91 22 2596 0329
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Contact Person: Mr. Dinesh Yadav
SEBI Registration Number: INR000004058