

19 July 2016

The Listing Manager  
Bombay Stock Exchange Limited  
Floor 25, P J Towers, Dalal Street,  
Mumbai 400 001

Dear Sirs,

**Sub: Submission of Recommendation of Independent Directors Committee pursuant to Regulation 26(7) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011**

Ref: *Public Announcement dated 4 April 2016, Detailed Public Statement dated 12 April 2016, Corrigendum thereof dated 22 April 2016 and 3 June 2016 made by the Marble II Pte. Ltd. (the "Acquirer") together with Marble I Pte. Ltd. ("PAC 1") and Blackstone Capital Partners (Cayman II) VI L.P. ("PAC 2") (collectively the "PACs") to the Public Shareholders to acquire up to 54,928,161 (fifty four million nine hundred twenty eight thousand one hundred sixty one only) fully paid-up equity shares of face value of Rs. 10 (Rupees ten only) each of the Company at offer Price of Rs. 457.54 per shares payable in Cash.*

We enclose herewith the written reasoned recommendation approved by the Committee of Independent Directors, on the above referred Open Offer to the Public Shareholders, pursuant to Regulation 26(7) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as is being published in the Business Standard, English National Daily and Hindi National Daily (*all editions*), Hosa Digantha, Kannada Daily (*Bangalore edition*) and Mumbai Lakshdeep, Marathi Daily (*Mumbai edition*).

We are also sending a copy of recommendation to BSE Limited, The National Stock Exchange of India Limited and J M Financial Institutional Securities Limited, Manager to Open Offer as per the said regulation.

We request you to kindly take the above on record.

**For Mphasis Limited**



**A Sivaram Nair**  
**EVP, Company Secretary,**  
**General Counsel & Ethics Officer**



Encl.- As Above 

## Mphasis Limited

Recommendations of the Independent Directors Committee of Mphasis Limited (the "Target Company"), pursuant to Regulation 26(7) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, on the Open Offer made for acquisition of up to 54,928,161 (fifty four million nine hundred twenty eight thousand one hundred sixty one only) fully paid-up equity shares of face value of Rs. 10 (Rupees ten only) each of the Target Company, from the Public Shareholders of the Target Company by Marble II Pte. Ltd. (the "Acquirer") together with Marble I Pte. Ltd. ("PAC 1") and Blackstone Capital Partners (Cayman II) VI L.P. ("PAC 2") (collectively the "PACs"), in their capacity as persons acting in concert with the Acquirer.

1. Date	15 July 2016
2. Name of the Target Company (TC)	Mphasis Limited
3. Details of the Offer pertaining to TC	<p>Offer for acquisition up to 54,928,161 (fifty four million nine hundred twenty eight thousand one hundred sixty one only) fully paid-up equity shares of face value of Rs. 10 (Rupees ten only) each of the Target Company, representing 26% of the total voting equity capital on a fully diluted basis as of the tenth (10th) working day from the closure of the tendering period of the Open Offer, from the Public Shareholders of the Target Company by Marble II Pte. Ltd. (the "Acquirer") together with Marble I Pte. Ltd. ("PAC 1") and Blackstone Capital Partners (Cayman II) VI L.P. ("PAC 2") (collectively the "PACs"), in their capacity as Persons Acting in Concert with the Acquirer.</p> <p>Offer Price: Rs.457.54 per share</p> <p>Mode of Payment: Cash</p>
4. Name(s) of the acquirer and PAC with the acquirer	<p>Acquirer: Marble II Pte. Ltd.</p> <p>Persons Acting in Concert (PAC):</p> <ol style="list-style-type: none"> <li>1. Marble I Pte. Ltd.; and</li> <li>2. Blackstone Capital Partners (Cayman II) VI L.P.</li> </ol>
5. Name of the Manager to the offer	<p>JM Financial Institutional Securities Limited          7<sup>th</sup> Floor, Cnergy, Appasaheb Marathe Marg,          Prabhadevi, Mumbai – 400 025, India.          Tel: +91 22 6630 3030          Fax: +91 22 6630 3330          e-mail: <a href="mailto:openoffer@jmfli.com">openoffer@jmfli.com</a>          Contact Person: Ms. Lakshmi Lakshmanan          SEBI Registration No.: INM000010361</p>
6. Members of the Committee of Independent Directors (Please indicate the chairperson of the Committee separately)	<p>Mr. Davinder Singh Brar - Chairperson          Mr. Narayanan Kumar          Ms. Jan Hier King</p>
7. IDC Member's relationship with the TC (Director, Equity shares owned, any other contract / relationship), if any	All the members of Independent Directors Committee (IDC) are the Independent Directors on the Board of Target Company.
8. Trading in the Equity shares/other securities of the TC by IDC Members	None of the IDC members have traded in the equity shares of the Company in preceding twelve months.
9. IDC Member's relationship with the acquirer (Director, Equity shares owned, any other contract / relationship), if any.	Nil
10. Trading in the Equity shares/other securities of the acquirer by IDC Members	Nil
11. Recommendation on the Open offer, as to whether the offer is fair and reasonable	The IDC has perused the Letter of Offer and other documents as released and published by JM Financial Institutional Securities Limited on behalf of the Acquirer and PACs. Indbank Merchant Banking Services Limited have provided an opinion, dated 24 June 2016, that the open offer price is in accordance with

### Mphasis Limited, An HP Company

**Registered Office:** Bagmane World Technology Center, Marathalli Outer Ring Road, Doddanakurdi Village, Mahadevapura, Bangalore – 560 048, India.  
 Ph.: +91 080 3352 5000; Fax: +91 080 6695 9943; CIN:L30007KA1992PLC025294

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	<p>the Regulation 8(2) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulation, 2011.</p> <p>Based on the above, the IDC is of opinion that the open offer price to the public shareholders of the Target Company is deemed to be in compliance with the above takeover regulations and to that extent is fair and reasonable. However, IDC would like to draw attention of the shareholders on the latest share price being higher than offer price.</p>
<p>12. <b>Summary of reasons for recommendation</b>  <i>(IDC may also invite attention to any other place, e.g. company's website, where its detailed recommendations along with written advice of the independent adviser, if any can be seen by the shareholder )</i></p>	<ol style="list-style-type: none"> <li>1. The IDC has reviewed the (a) the Public Announcement dated 4 April 2016; (b) Detailed Public Statement dated 12 April 2016; (c) Corrigendum thereof dated 22 April 2016 and 3 June 2016 made by the Acquirer together with the PACs; 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 the line with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and appears to be justified prima facie.</li> <li>2. This is an Open Offer for acquisition of publicly held equity shares. The Shareholders have an option to tender the shares or remain invested.</li> <li>3. The IDC has sought an external advice from Indbank Merchant Banking Services Limited, who had advised that the Open Offer Price proposed in the Open Offer by the Acquirer together with the PACs is in accordance with the above Regulations and is thus fair and reasonable.</li> </ol> <p>The IDC would, however, suggest that Public Shareholders of the Company should independently evaluate the Open Offer and take informed decisions in respect of the Open Offer.</p>
<p>4. <b>Details of Independent Advisors, if any.</b></p>	<p>Indbank Merchant Banking Services Limited          1<sup>st</sup> Floor, Khivraj Complex 1,          NO.480, Anna Salai, Nandanam,          Chennai 600035          SEBI Registration No.: INM000001394</p>
<p>5. <b>Any other matter(s) to be highlighted</b></p>	<p>Nil</p>

To the best of our knowledge and belief, after making proper enquiry, the information contained in or accompanying this statement is, in all material respect, true and correct and not misleading, whether by omission of any information or otherwise, and includes all the information required to be disclosed by the TC under the Takeover Code.

For Mphasis Limited  
 Sd/-

Place: Chennai  
 Date: 15 July 2016



D S Brar  
 Chairperson - Independent Directors Committee

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