

LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is being sent to you as a registered Equity Shareholder of Mphasis Limited (the "Company") as on the Record Date in accordance with Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018, as amended (the "Buyback Regulations"). If you require any clarifications about the action to be taken, you should consult your stock broker or your investment consultant or the Manager to the Buyback i.e., JM Financial Limited, or the Registrar to the Buyback i.e., Integrated Registry Management Services Private Limited. Please refer to the section on "Definition of Key Terms" for the definition of the capitalized terms used herein.



MPHISIS LIMITED

Registered Office and Correspondence Address: Bagmane World Technology Center, Marathahalli Outer Ring Road, Doddanakhundi Village, Mahadevapura, Bengaluru - 560 048, India.
Tel. No.: +91 80 6750 1000; Fax: +91 80 6695 9943; e-mail: investor.relations@mphasis.com; Website: www.mphasis.com
Corporate Identity Number (CIN): L30007KA1992PLC025294
Contact Person: Mr. Subramanian Narayan, Vice President and Company Secretary

CASH OFFER TO BUY BACK UP TO 7,320,555 (SEVEN MILLION THREE HUNDRED TWENTY THOUSAND FIVE HUNDRED FIFTY FIVE) FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH ("EQUITY SHARES"), REPRESENTING UP TO 3.79% OF THE TOTAL PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY AS AT JUNE 30, 2018 (THE LAST AUDITED FINANCIAL STATEMENTS AVAILABLE AS ON THE DATE OF THE BOARD MEETING APPROVING THE BUYBACK), FROM ALL THE SHAREHOLDERS/ BENEFICIAL OWNERS OF THE EQUITY SHARES OF THE COMPANY AS ON THE RECORD DATE i.e., OCTOBER 25, 2018 ("RECORD DATE"), ON A PROPORTIONATE BASIS, THROUGH THE "TENDER OFFER" AS PRESCRIBED UNDER THE BUYBACK REGULATIONS, AT A PRICE OF RS. 1,350/- (RUPEES ONE THOUSAND THREE HUNDRED AND FIFTY ONLY) PER EQUITY SHARE FOR AN AGGREGATE AMOUNT OF UPTO RS. 9,882,749,250/- (RUPEES NINE BILLION EIGHT HUNDRED EIGHTY TWO MILLION SEVEN HUNDRED FORTY NINE THOUSAND TWO HUNDRED AND FIFTY ONLY) (THE "BUYBACK SIZE").

- The Buyback is in accordance with Article 54A of the Articles of Association of the Company, Sections 68, 69 and 70 and all other applicable provisions of the Companies Act, 2013, the Companies (Share Capital and Debenture) Rules, 2014, the Companies (Management and Administration) Rule, 2014 and in compliance with Regulation 4(iv)(a) of the Buyback Regulations and other applicable provisions under the Buyback Regulations, Foreign Exchange Management Act 1999 and Foreign Exchange Management (Transfer or Issue of Security by a person Resident Outside India) Regulations 2017 and the rules and regulations framed thereunder, if applicable including any amendment(s), statutory modification(s) or re-enactments for the time being in force, and is subject to such other approvals, permissions and exemptions, as may be required, from time to time from any statutory and/ or regulatory authority, including but not limited to the Securities and Exchange Board of India, the BSE Limited, the National Stock Exchange of India Limited, the Registrar of Companies, Reserve Bank of India and the U.S. Securities and Exchange Commission, which may be agreed by the Board of Directors of the Company ("Board") and/ or any sub-committee thereof.
- The Buyback Size is Rs 9,882.75 million (Rupees Nine Thousand Eight Hundred and Eighty Two Million and Seventy Hundred Fifty Thousand only) which represents approximately 25% of the aggregate of the total paid-up equity share capital and free reserves as per the standalone audited financial statements of the Company for the three months ended June 30, 2018 (the last standalone audited balance sheet available as on the date of the Board Meeting recommending the proposal of the Buyback) and is within the statutory limits of 25% of the total paid-up equity share capital and free reserves as per the last standalone audited financial statements of the Company.
- The Letter of Offer will be sent to those Equity Shareholder(s)/ Beneficial Owner(s) of Equity Shares who hold Equity Shares as on the Record Date i.e. October 25, 2018.
- The procedure for tendering and acceptance is set out in paragraph 22 (Procedure for Tender Offer and Settlement) on page 49 of this Letter of Offer. The Form of Acceptance-cum-Acknowledgement (the "Tender Form") is enclosed together with this Letter of Offer.
- The payment of consideration is in cash to the Eligible Sellers. For further details on the mode of consideration, please refer to paragraph 22 (XXV) (Method of Settlement) on page 56 of Letter of Offer.
A copy of the Public Announcement published on October 3, 2018, the Draft Letter of Offer and this Letter of Offer (including the Tender Form) shall be available on the website of Securities and Exchange Board of India- <http://www.sebi.gov.in> and on Company's website at <http://www.mphasis.com>
- The Eligible Sellers are advised to refer to paragraph 19 (Details of the Statutory Approvals) and paragraph 23 (Note on Taxation) on page 42 and 58, respectively, of this Letter of Offer, before tendering their Equity Shares in the Buyback.

BUYBACK OPENS ON: Friday, December 07, 2018

BUYBACK CLOSSES ON: Thursday, December 20, 2018

LAST DATE OF RECEIPT OF COMPLETED TENDER FORMS AND OTHER SPECIFIED DOCUMENTS INCLUDING PHYSICAL SHARE CERTIFICATES BY THE REGISTRAR: Saturday, December 22, 2018 by 5:00PM IST

MANAGER TO THE BUYBACK

REGISTRAR TO THE BUYBACK



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SEBI Regn. No.: INM000010361
Validity Period: Permanent Registration
Corporate Identity Number: L67120MH1986PLC038784



Integrated Registry Management Services Private Limited
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Contact Person: Mr. Giridhar S
SEBI Regn. No.: INR000000544
Validity Period: Permanent Registration
Corporate Identity Number: U74900TN2015PTC101466

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TENDER FORM FOR DEMAT SHAREHOLDERS

TENDER FORM FOR PHYSICAL SHAREHOLDERS

Form No. SH-4

NO OFFER TO SUBSCRIBE/ PURCHASE/ SELL OR AN INVITATION TO SUBSCRIBE/ PURCHASE/ SELL ANY SECURITIES OF THE COMPANY IN ANY JURISDICTION OR AS A SOLICITATION OR AN INVITATION TO SUBSCRIBE/ PURCHASE/ SELL ANY SECURITIES INCLUDING THE EQUITY SHARES OF THE COMPANY

- *Special notice to security holders in the United States –*

The Buyback Offer is being made for securities of an Indian company and the Eligible Sellers in the U.S. should be aware that this Letter of Offer and any other documents relating to the Buyback Offer have been or will be prepared in accordance with Indian procedural and disclosure requirements, including requirements regarding the Buyback Offer timetable and timing of payments, all of which differ from those in the U.S. Any financial information included in this Letter of Offer or in any other documents relating to the Buyback Offer has been or will be prepared in accordance with non-U.S. accounting standards that may not be comparable to financial statements of companies in the U.S. or other companies whose financial statements are prepared in accordance with U.S. Generally Accepted Accounting Principles. The Buyback will remain open for a fixed period of 10 working days as required under Regulation 9(vi) of the Buyback Regulations and not a minimum of 20 business days as prescribed by Rule 14e-1(a) under the United States Securities Exchange Act of 1934 (“Exchange Act”). For details of the letter for exemptive relief filed by the Company with the United States Securities and Exchange Commission (“SEC”), please see section entitled “Details of the Statutory Approvals” on page 42 of this Letter of Offer.

The receipt of cash pursuant to the offer by an Eligible Seller may be a taxable transaction for U.S. federal income tax purposes and under applicable U.S. state and local, as well as foreign and other, tax laws. Each Eligible Seller is urged to consult his independent professional adviser immediately regarding the tax consequences of accepting the Buyback Offer.

It may be difficult for U.S. holders of Shares to enforce their rights and any claims they may have arising under the U.S. federal securities laws in connection with the Buyback Offer, since the Company is incorporated in a country other than the U.S., and some or all of its officers and directors may be residents of countries other than the U.S. U.S. holders of shares in the Company may not be able to sue the Company or its officers or directors in a non-U.S. court for violations of U.S. securities laws. Further, it may be difficult to compel the Company or its affiliates to subject themselves to the jurisdiction or judgment of a U.S. court.

Neither the U.S. Securities Exchange Commission nor any U.S. State Securities Commission has approved or disapproved the Buyback Offer, or passed any comment upon the adequacy or completeness of this Letter of Offer. Any representation to the contrary is a criminal offence in the U.S.

- *This Letter of Offer, together with the Public Announcement that was published on October 3, 2018, in connection with this Buyback, has been prepared for the purposes of compliance with the regulations of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, as amended. Accordingly the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of India. The Company and the Manager to the Buyback are under no obligation to update the information contained herein at any time after the date of this Letter of Offer. This Letter of Offer does not in any way constitute an offer in any form, or an invitation in any form to subscribe/purchase/sell, any securities of the Company in any jurisdiction or as a solicitation or an invitation in any form to subscribe/purchase/sell any securities including the Equity Shares of the Company.*
- *No action has been or will be taken to permit the Buyback in any jurisdiction where action would be required for that purpose. This Letter of Offer shall be dispatched to all Equity Shareholders whose names appear on the register of members of the Company, as of the Record Date. However, receipt of this Letter of Offer by any Eligible Seller in a jurisdiction in which it would be illegal to make this Offer, or where making this Offer would require any action to be taken (including, but not restricted to, registration of this Letter of Offer under any local securities laws), shall not be treated by such Eligible Seller as an offer being made to them and shall be construed by them as being sent for information purposes only.*
- *Persons in possession of this Letter of Offer are required to inform themselves of any relevant restrictions in their respective jurisdictions. Any Eligible Seller who tenders his, her or its Equity Shares in the Buyback/ Offer shall be deemed to have declared, represented, warranted and agreed that he, she or it is authorized under the provisions of any applicable local laws, rules, regulations and statutes to participate in the Buyback.*

1. SCHEDULE OF ACTIVITIES

Activity	Date	Day
Date of the Board Meeting approving the proposal for Buyback	August 07, 2018	Tuesday
Date of declaration of results of the postal ballot for special resolution by the Equity Shareholders, approving the Buyback	September 28, 2018	Friday
Date of publication of Public Announcement for the Buyback	October 03, 2018	Wednesday
Record Date for determining the Buyback Entitlement and the names of Eligible Sellers	October 25, 2018	Thursday
Date of Opening of Buyback Offer	December 07, 2018	Friday
Date of Closing of Buyback Offer	December 20, 2018	Thursday
Last date of receipt of completed Tender Forms and other specified documents including physical share certificates (if and as applicable) by the Registrar	December 22, 2018	Saturday
Last date of verification of Tender Forms by the Registrar	December 31, 2018	Monday
Last date of intimation regarding acceptance/ non-acceptance of tendered Equity Shares to the Stock Exchanges by the Registrar	December 31, 2018	Monday
Last date of settlement of bids on the Stock Exchanges	January 01, 2019	Tuesday
Last date of dispatch of share certificate(s) by Registrar/ payment to Eligible Sellers/ return of unaccepted demat shares by Stock Exchanges to Selling Broker/ Eligible Sellers.	January 01, 2019	Tuesday
Last date of extinguishment of Equity Shares	January 08, 2019	Tuesday

Note: Where last dates are mentioned for certain activities, such activities may happen on or before the respective last dates

2. DEFINITION OF KEY TERMS

This Letter of Offer uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or specified otherwise, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Letter of Offer, but not defined herein shall have the meaning ascribed to such terms under the Buyback Regulations, the Companies Act, the Depositories Act, and the rules and regulations made thereunder.

Acceptance	Acceptance of Equity Shares tendered by Eligible Sellers in the Buyback Offer.
Acquisition Window	The facility for acquisition of Equity Shares through mechanism provided by the Stock Exchanges in the form of a separate window in accordance with the SEBI Circulars.
Additional Equity Shares	Additional Equity Shares tendered by an Eligible Seller over and above the Buyback Entitlement of such Equity Shareholder not exceeding the Equity Shares held by such Eligible Seller as on the Record Date.
Articles	Articles of Association of the Company.
Board Meeting	Meeting of the Board of Directors held on August 07, 2018 approving the proposal for the Buyback
Board/ Board of Directors	Board of Directors of the Company (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorized "Committee" thereof)
BSE	BSE Limited.
Buyback/ Offer/ Buyback Offer	Buyback of not exceeding 7,320,555 (Seven Million Three Hundred Twenty Thousand Five Hundred and Fifty Five) Equity Shares of face value of Rs. 10/- (Rupees Ten only) each at a price of Rs. 1,350/- (Rupees One Thousand Three Hundred and Fifty only) per Equity Share from the Equity Shareholders of the Equity Shares of the Company as on the Record Date, by way of Tender Offer through the stock exchange mechanism in terms of the Buyback Regulations read with SEBI Circulars, on a proportionate basis.
Buyback Committee	The Buyback Committee of the Board comprising Mr. Narayanan Kumar, Director, Mr. Nitin Rakesh, Chief Executive Officer, Mr. Amit Dixit, Director and Mr. Amit Dalmia, Director constituted and authorized for the purposes of the Buyback by a resolution passed by the Board at its meeting held on August 07, 2018.
Buyback Entitlement	The number of Equity Shares that an Eligible Seller is entitled to tender in the Buyback, based on the number of Equity Shares held by such Eligible Seller, on the Record Date and the ratio/ percentage of Buyback applicable in the category to which such Eligible Seller belongs.
Buyback Price	Price at which Equity Shares will be bought back from the Eligible Sellers i.e., Rs. 1,350/- (Rupees One Thousand Three Hundred and

	Fifty only) per Equity Share, payable in cash.
Buyback Opening Date	Friday, December 07, 2018
Buyback Closing Date	Thursday, December 20, 2018
Buyback Period	The period between the date of declaration of results of the postal ballot for special resolution authorizing the Buyback of the Equity Shares of the Company and the date on which the payment of consideration to shareholders who have accepted the Buyback offer is made.
Buyback Regulations	Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 including any statutory modifications or re-enactments thereof.
Buyback Size	Number of Equity Shares proposed to be bought back by the Company (i.e. up to 7,320,555 (Seven Million Three Hundred Twenty Thousand Five Hundred and Fifty Five) Equity Shares multiplied by the Buyback Price i.e., Rs. 1,350/- (Rupees One Thousand Three Hundred and Fifty only) per Equity Share aggregating to Rs.9,882,749,250/- (Rupees Nine Billion Eight Hundred Eighty Two Million Seven Hundred Forty Nine Thousand Two Hundred and Fifty only).
CDSL	Central Depository Services (India) Limited.
Company	Mphasis Limited.
Companies Act/ Act	The Companies Act, 2013, with Rules notified therein as amended.
Company's Broker	Karvy Stock Broking Limited.
Depositories	Collectively, National Securities Depository Limited and Central Depository Services (India) Limited.
Designated Stock Exchange	The designated stock exchange for the Buyback, being, BSE.
DP	Depository Participant.
Draft Letter of Offer/ DLoF	The draft letter of offer dated October 8, 2018 filed with SEBI through the Manager to the Buyback Offer, containing disclosures in relation to the Buyback as specified in Schedule III read along with Schedule IV of the Buyback Regulations.
Eligible Seller(s)	Person(s) eligible to participate in the Buyback Offer and would mean all Equity Shareholders as on the Record Date i.e., October 25, 2018.
Equity Shares	Fully paid-up equity shares of face value of Rs. 10/- (Rupees Ten only) each of the Company.
Equity Shareholders	Holders of Equity Shares and includes beneficial owners thereof.
Escrow Account	The Escrow Account titled " MPHISIS –BUY-BACK – ESCROW ACCOUNT " opened with Kotak Mahindra Bank Limited in terms of Escrow Agreement.

Escrow Agent	Kotak Mahindra Bank Limited.
Escrow Agreement	The escrow agreement dated October 5, 2018 entered into between the Company, Kotak Mahindra Bank Limited and the Manager to the Buyback.
FCNR account	Foreign Currency Non-Resident Account.
FEMA	Foreign Exchange Management Act, 1999, as amended.
IT Act/ Income Tax Act	Income Tax Act, 1961, as amended.
Letter of Offer	This Letter of Offer dated November 27, 2018 to be filed with SEBI containing disclosures in relation to the Buyback as specified in Schedule III read along with Schedule IV of the Buyback Regulations, including comments received from SEBI on the Draft Letter of Offer.
Manager to the Buyback/ Manager	JM Financial Limited.
Non-Resident Shareholders	Includes Non-resident Indians (NRI), Foreign Institutional Investors (FII) and Foreign Portfolio Investors (FPI) and erstwhile Overseas Corporate Bodies (OCB) and Foreign Nationals.
NSDL	National Securities Depository Limited.
NSE	The National Stock Exchange of India Limited.
Promoter/ Person in Control	Marble II Pte Ltd.
Public Announcement	The public announcement dated October 01, 2018 regarding the Buyback, published on October 3, 2018 in all editions of Business Standard (English National Daily), Business Standard (Hindi National Daily) and in Bengaluru Edition of Vishwavani (Regional Language Daily) each with wide circulation.
RBI	Reserve Bank of India.
Record Date	The date for the purpose of determining the Buyback Entitlement and the names of the Eligible Sellers to whom the Letter of Offer and Tender Form will be sent, and who are eligible to participate in the Buyback Offer in accordance with the Buyback Regulations. The Record Date for the Offer is October 25, 2018.
Registrar to the Buyback/ Registrar	Integrated Registry Management Services Private Limited.
Rules	The rules notified under Companies Act, 2013.
SEBI	The Securities and Exchange Board of India.
SEBI Circulars	Tendering of Equity Shares by Equity Shareholders and settlement of the same, through the stock exchange mechanism as specified by SEBI in the circular bearing number CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, as may be amended from time to time.
Seller Member/	A stock broker (who is a member of the Stock Exchanges) of an

Seller Broker	Eligible Seller, through whom the Eligible Seller wants to participate in the Buyback.
Small Shareholder	An Equity Shareholder, who holds as on Record Date, less than or equal to 205 Equity Shares (being Equity Shares of market value not more than Rs. 2,00,000/- (Rupees Two Lakhs only), on the basis of closing price on the recognized stock exchange registering the highest trading volume, as on the Record Date i.e., October 25, 2018.)
Stock Exchanges	BSE and NSE, being the stock exchanges where the Equity Shares of the Company are listed.
Tender Form	Form of Acceptance–cum–Acknowledgement.
Tender Offer	Method of buyback as defined in Regulation 2(1)(q) of the Buyback Regulations.
Tendering Period/ Offer Period	Period of 10 working days from the Buyback Opening Date till Buyback Closing Date (both days inclusive).
TRS	Transaction Registration Slip generated by the exchange bidding system.
Working Day	Working day shall have the meaning ascribed to it under the Buyback Regulations.

3. DISCLAIMER CLAUSE

As required, a copy of this Letter of Offer has been submitted to SEBI.

It is to be distinctly understood that submission of this Letter of Offer to SEBI should not, in any way be deemed or construed that the same has been cleared or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of the Company to meet the Buyback commitments or for the correctness of the statements made or opinions expressed in this Letter of Offer. The Manager to the Buyback, JM Financial Limited, certifies that the disclosures made in this Letter of Offer are generally adequate and are in conformity with the provisions of the Companies Act and Buyback Regulations. This requirement is to facilitate Eligible Sellers to take an informed decision for tendering their Equity Shares in the Buyback.

It should also be clearly understood that while the Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in this Letter of Offer, the Manager to the Buyback is expected to exercise due diligence to ensure that the Company discharges its duty adequately in this behalf and towards this purpose, the Manager to the Buyback, JM Financial Limited, has furnished to SEBI a due diligence certificate dated October 8, 2018 in accordance with Buyback Regulations, which reads as follows:

*“We have examined various documents and materials relevant to the Buyback as part of the due diligence carried out by us in connection with the finalization of the public announcement dated October 01, 2018 (the **“Public Announcement”**) and the Draft Letter of Offer dated October 8, 2018. On the basis of such examination and the discussions with the Company, we hereby state that:*

- *The Public Announcement and the Draft Letter of Offer are in conformity with the documents, materials and papers relevant to the Buyback;*
- *All the legal requirements connected with the said offer including the SEBI (Buy Back of Securities) Regulations, 2018, as amended, have been duly complied with;*
- *The disclosures in the Public Announcement and the Draft Letter of Offer are, to the best of our knowledge, true, fair and adequate in all material respects for the Equity Shareholders of the Company to make a well informed decision in respect of the captioned Buyback;*
- *Funds used for Buyback shall be as per the provisions of the Companies Act, 2013.”*

The filing of offer document with SEBI, does not, however, absolve the Company from any liabilities under the provisions of the Companies Act, or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the proposed Buyback.

The Promoter / Board of Directors declare and confirm that no information/ material likely to have a bearing on the decision of Eligible Sellers has been suppressed/ withheld and/ or incorporated in the manner that would amount to mis-statement/ misrepresentation and in the event of it transpiring at any point of time that any information/ material has been suppressed/ withheld and/ or amounts to a mis-statement/ misrepresentation, the Promoter / Board of Directors and the Company shall be liable for penalty in terms of the provisions of the Companies Act and the Buyback Regulations.

The Promoter / Board of Directors also declare and confirm that funds borrowed from banks and financial institutions will not be used for the Buyback.

Forward Looking Statement:

This Letter of Offer contains certain forward-looking statements. These forward-looking statements generally can be identified by words or phrases such as ‘aim’, ‘anticipate’, ‘believe’, ‘expect’, ‘estimate’, ‘intend’, ‘objective’, ‘plan’, ‘project’, ‘will’, ‘will continue’, ‘will pursue’ or other words or phrases of similar import. Similarly, statements that describe our objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward looking statement.

Actual results may differ materially from those suggested by forward-looking statements due to risks and uncertainties associated with expectations relating to, inter alia, regulatory changes pertaining to the sector in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions which have an impact on business activities or investments, the monetary and fiscal policies, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of financial markets in India and globally, changes in domestic laws, regulations, and taxes and changes in competition in the sector we operate in.

4. TEXT OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS

The Buyback through Tender Offer was considered and approved by the Board of Directors of the Company at their meeting held on August 07, 2018. The relevant extracts of the Board resolutions are as follows:

A. Approval of Buyback

“RESOLVED THAT pursuant to Section 68 and all other applicable provisions, if any, of the Companies Act, 2013, as amended, (the **“Act”**), the rules made thereunder, the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (the **“Buyback Regulations”**) including any amendments, statutory modifications or re-enactments for the time being in force, Article 54A of the Articles of Association of the Company and subject to approval of the shareholders and such other approvals, permissions and consents as may be necessary and subject to such modifications, alterations and amendments, if any, as may be prescribed by the appropriate authorities, while granting such approvals, permissions and consents, which is accepted by the Board of Directors of the Company (hereinafter referred to as the **“Board”**, which expression shall include any Committee constituted by the Board to exercise its powers, including the powers conferred by this resolution), the Board hereby approves the Buyback of the fully paid-up equity shares of the Company at a price not exceeding Rs. 1,350 (Rupees one thousand three hundred fifty only) per equity share (the **“Buyback Offer Price”**) payable in cash for a total consideration not exceeding Rs. 9,882.75 Million (Rupees nine thousand eight hundred eighty two million and seventy five hundred thousands) (*excluding any expenses incurred or to be incurred for the Buyback viz. brokerage, applicable taxes such as securities transaction tax, Goods and Services tax, stamp duty, advisors fees, printing and dispatch expenses and other incidental and related expenses*), representing 25% of the paid-up equity capital and free reserves, as per the audited financial statements of the Company for the period ended 30 June 2018, (the **“Buyback Offer Size”**), through the “tender offer” method as prescribed under the **Buyback Regulations** (the process being referred to as the **“Buyback”**), on a proportionate basis, from all the existing shareholders, including the Promoter (*the term “Promoter” will be such person as have been disclosed under the filings made in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended*), holding fully paid-up equity shares of the Company as on the Record Date to be subsequently decided by the Board.

RESOLVED FURTHER THAT the Buyback shall have a reservation for small shareholders in accordance with the provisions of the Buyback Regulations.

RESOLVED FURTHER THAT it is hereby recorded that with the Buyback Offer Price and the Buyback Offer Size as approved above, the resultant Buyback equity shares shall be 7,320,555 fully paid-up equity shares (representing 3.79% of the fully paid up share capital and the specific price at which the Buyback will be made, within the Buyback Offer Price of Rs.1,350/- per equity share (**“Equity Shares”**), be determined at the time of public announcement for Buyback and the resultant Buyback equity shares be adjusted accordingly.

RESOLVED FURTHER THAT the Company shall implement the Buyback using the “Mechanism for acquisition of shares through Stock Exchange” and the Company shall approach the National Stock Exchange of India Limited and the BSE Limited for facilitating the same.

RESOLVED FURTHER THAT the Buyback is subject to the condition of maintaining the minimum public shareholding as specified under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 (“**Listing Regulations**”).

RESOLVED FURTHER THAT the Company shall earmark adequate resources of funds for the purpose of Buyback and the amount required by the Company for the Buyback is intended to be met out of the Company’s current balances of cash and cash equivalents (and not from any borrowed funds) and/ or internal accruals of the Company and on such terms and conditions as the Board may decide from time to time at its absolute discretion.

RESOLVED FURTHER THAT Mr. Subramanian Narayan, Vice President and Company Secretary be and is hereby appointed as Compliance Officer for the purposes of the Buyback.

RESOLVED FURTHER THAT Mr. Nitin Rakesh, Chief Executive Officer, Mr. V Suryanarayanan, EVP & Chief Financial Officer, Mr. Eric Winston, EVP, General Counsel and Chief Ethics & Compliance Officer and Mr. Subramanian Narayan, Vice President and Company Secretary be and are hereby severally authorized to do the following in connection with implementation of the Buyback:

- (a) negotiate, finalize the terms of appointment and appoint other intermediaries including merchant banker, solicitors, chartered accountants, advertisement agencies, consultants, registrar, brokers, printers, escrow account agents etc. as may be required from time to time and also issues notice of termination or replacement of such intermediaries required for completion of the Buyback;
- (b) decide and settle the remuneration for all such intermediaries/ agencies/ persons, including the payment of commission, brokerage, fee, charges etc. and enter into agreements/ letters in respect thereof;
- (c) make applications, statements, requisitions, including representations whether in person or otherwise, seeking permission/ consents/ approval of the appropriate authorities from time to time;
- (d) sign, execute, endorse, certify, affirm or let in evidence such letters including engagement letters, deeds, consents, announcements, advertisements, certificates, offer documents, agreements and other documents as may be required from time to time;
- (e) further delegation of the above to such persons as may be deemed fit whether by means of power of attorney or otherwise;
- (f) do all such acts, deeds, matters and things, take necessary steps as the Board may in its absolute discretion deem necessary, desirable or expedient and to settle any question that may arise in this regard and incidental thereto.

B. Declaration of Solvency

RESOLVED THAT pursuant to Section 68(6) of the Act and Regulation 8(7) of the Buyback Regulations, the draft of the declaration of solvency prepared in the specified form as placed before the meeting be and is hereby approved and Mr. Davinder Singh Brar, Chairman and Mr. Nitin Rakesh, Chief Executive Officer be and are hereby authorized to sign the same, for and on behalf of the Board and file the same with Registrar of Companies and Securities and Exchange Board of India.

RESOLVED FURTHER THAT the Board confirms that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion –

- i. that immediately following the date of the Board Meeting convened for approving the Buyback i.e. 7 August 2018 and the date on which the results of the Postal Ballot will be declared (which date is considered within 45 days from the date of the Board Meeting), there will be no grounds on which the Company can be found unable to pay its debts **;
- ii. that as regards the Company's prospects for the year immediately following the date of Board Meeting i.e. 7 August 2018 and the date of declaration of the results of the Postal Ballot (which date is considered within 45 days from the date of the Board Meeting), having regard to Board's intentions with respect to the management of the Company's business during that year, and to the amount and character of the financial resources, which will, in their view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of 1 year from that date **; and
- iii. that in forming its opinion aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Act and the Insolvency & Bankruptcy Code, 2016 (to the extent notified and in force).

****Note:** The Board, in its resolution passed in its meeting held on August 7, 2018, stated that for the purposes of calculation of the period of 1 (one) year in relation to its opinion regarding the solvency of the Company, the date of passing of the special resolution by the shareholders of the Company (by way of postal ballot) would be considered to be within 45 (forty-five) days from the passing of the resolution by the Board;. The results of the postal ballot were announced on September 28, 2018. Accordingly, the Board had at its meeting held over 17 October 2018 and 18 October 2018, based on the recommendations of the Buyback Committee, approved the following resolution substituting reference to the date of passing of the special resolution with September 28, 2018, in the said board resolution dated August 7, 2018.

"RESOLVED THAT subject to Section 68(6) of the Companies Act, 2013 and SEBI (Buy-back of Securities) Regulations, 2018, in partial modification of resolution passed by the Board of Directors in its meeting held on 7 August 2018, the following amendments be and are hereby approved to the declaration of solvency in relation to the date of declaration of results of the postal ballot, adopted by the Board at the aforesaid meeting:

- (a) that immediately following the date on which the results of the postal ballot was declared (i.e., 28 September 2018), there will be no grounds on which the Company can be found unable to pay its debts;
- (b) that as regards the Company's prospects for the year immediately following the date of declaration of the results of the Postal Ballot (i.e. 28 September 2018), having regard to Board's intentions with respect to the management of the Company's business during that year, and to the amount and character of the financial resources, which will, in their view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of 1 year from that date; and
- (c) that in forming its opinion aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Act and the Insolvency & Bankruptcy Code, 2016 (to the extent notified and in force)."

RESOLVED FURTHER THAT Board hereby confirms that there are no defaults subsisting in repayment of deposits, redemption of debentures or preference shares or repayment of term loans to any financial institutions or banks.

RESOLVED FURTHER THAT the Board hereby confirms that:

- a. all the equity shares which the Company proposes to Buyback are fully paid-up;
- b. the Company as per provisions of Section 68(8) of the Act, shall not make further issue of the same kind of shares or other specified securities within a period of six months after the completion of Buyback except by the way of bonus shares or equity shares issue to discharge subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion preference shares or debentures into equity shares;
- c. the Company shall not issue any equity shares or specified securities including by way of bonus till the date of closure of the Buyback;
- d. the Company shall not raise further capital for a period of 1 year from the closure of the Buyback, except in discharge of subsisting obligations such as exercise of stock options and restricted stock units issued to its employees;
- e. the Company shall not Buyback the locked-in equity shares and non-transferable equity shares, if any, till the pendency of the lock-in or till the equity shares become transferable;
- f. the Company shall not Buyback its equity shares from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback;
- g. the Company shall not directly or indirectly purchase its own equity shares:
 - i. through any subsidiary company including its own subsidiary companies; or
 - ii. through any investment company or group of investment companies
- h. That the Company shall not make any offer of Buyback within a period of one year reckoned from the date of closure of this Buyback Offer
- i. That the aggregate amount of the Buyback i.e., Rs. 9,882.75 million (Rupees nine thousand eight hundred and eighty-two million and seven fifty thousand) does not exceed 25% of the paid-up equity capital and free reserves, as per the audited financial statements of the Company for the quarter ended 30 June 2018;
- j. the funds borrowed from banks and financial institutions will not be used for the Buyback;
- k. the Company shall not make any offer of Buyback within a period of 1 year reckoned from the date of closure of the Buyback;
- l. there is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Act, as on date
- m. the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up equity share capital and free reserves after the Buyback;

- n. That the Company has been in compliance with Sections 92,123,127 and 129 of the Act
- o. The Company will not withdraw the Buyback Offer after the Draft Letter of Offer is filed with SEBI.

C. Constitution of Buyback Committee

RESOLVED THAT a Buyback Committee be constituted comprising of Mr. Narayanan Kumar, Director, Mr. Nitin Rakesh, Chief Executive Officer, Mr. Amit Dixit, Director and Mr. Amit Dalmia, Director and further, the Buyback Committee is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, usual or proper, to be in the best interests of the shareholders, including but not limited to:

- a. Finalizing the terms of the Buyback like Buyback price, record date, entitlement ratio, the timeframe for completion of Buyback;
- b. Appointing, authorizing to enter into agreements with Merchant Banker, Legal advisors and issue necessary instructions for the implementation of Buyback;
- c. Preparation, signing, publishing and filing of the public announcement, the draft letter of offer/ letter of offer with the Securities and Exchange Board of India, the stock exchanges and other appropriate authorities;
- d. making all applications to the appropriate authorities for their requisite approvals including approvals as may be required from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules, regulations framed thereunder;
- e. dealing with stock exchanges (including their clearing corporations), where the equity shares of the Company are listed, and to sign, execute, and deliver such documents as may be necessary or desirable in connection with implementing the Buyback using the "Mechanism for acquisition of shares through Stock Exchange" notified by the SEBI;
- f. enter into escrow arrangements as required in terms of the Buyback Regulations;
- g. opening, operation and closure of all necessary accounts including escrow account, special payment account, demat escrow account as required in terms of the Buyback Regulations;
- h. arranging for bank guarantees as may be necessary for the Buyback in accordance with the applicable law;
- i. obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law;
- j. extinguishment of dematerialized shares and physical destruction of share certificates in respect of the equity shares bought back by the Company and filing of certificates of extinguishment required to be filed in connection with the Buyback on behalf of the Company and/ or the Board, as required under applicable law;
- k. do all such acts, matters and things incidental and in connection with the Buyback and sign, execute and deliver such documents as may be necessary or

desirable and execution of documents under the Common Seal of the Company as may be required;

- I. to settle and resolve any queries or difficulties raised by SEBI, stock exchanges, Registrar of Companies and any other authorities whatsoever in connection to any matter incidental to and ancillary to the Buyback;

RESOLVED FURTHER THAT the quorum for any meeting of the Buyback Committee will be presence of any 2 members of the Buyback Committee.

RESOLVED FURTHER THAT the Buyback Committee shall have the power and authority to delegate all or any of the authorities conferred upon it to any director/ officer(s) and/or representatives of the Company, in order to give effect to the aforesaid resolutions and to revoke and substitute such delegation/ sub- delegation of authority from time to time.

RESOLVED FURTHER THAT Mr. Subramanian Narayan, Vice President and Company Secretary, will act as secretary to the Buyback Committee.

RESOLVED FURTHER THAT Mr. Nitin Rakesh, Chief Executive Officer and Mr. Subramanian Narayan, Vice President and Company Secretary be and are hereby severally authorized to make all necessary regulatory filings, including filing necessary e-form with the Registrar of Companies, Karnataka and to do all such acts, deeds and things as may be necessary to give effect to the above resolution

5. DETAILS OF THE PUBLIC ANNOUNCEMENT

As per Regulation 7(i) of the Buyback Regulations, the Company has made a Public Announcement dated October 01, 2018 in relation to the Buyback which was published on October 03, 2018 in the following newspapers:

Name of the Newspaper	Language	Editions
Business Standard	English	All
Business Standard	Hindi	All
Vishwavani	Kannada	Bengaluru

(A copy of Public Announcement is available on SEBI website at www.sebi.gov.in)

The Public Announcement was issued within two (2) working days from the date of passing the special resolution by the shareholders of the Company approving Buyback through postal ballot, the result of which were declared on September 28, 2018.

The Company will publish further notices or corrigenda, if any, in the aforementioned newspapers.

6. DETAILS OF THE BUYBACK

- I. The Board of Directors of Mphasis Limited (the “**Company**”) (the Board of Directors of the Company hereinafter referred to as the “**Board**”), at their meeting held on August 7, 2018 (the “**Board Meeting**”), pursuant to the provisions of Article 54A of Articles of Association of the Company and applicable provisions of the Companies Act, 2013, as amended (the “**Companies Act**”) and in compliance with the Securities & Exchange Board of India (Buyback of Securities) Regulations, 1998 (which has been repealed and replaced by the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 with effect from 11 September 2018) and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications, if any, as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions and sanctions, which may be agreed by the Board, approved the Buyback by the Company of up to 7,320,555 (Seven Million Three Hundred Twenty Thousand Five Hundred and Fifty Five) fully paid up Equity Shares representing 3.79% of the fully paid-up Equity Share capital of the Company at a price of not exceeding Rs. 1,350/- (Rupees One Thousand Three Hundred and Fifty only) per Equity Share payable in cash for an aggregate amount of up to Rs. 9,882.75 million (Rupees Nine Thousand Eight Hundred and Eighty Two Million and Seven Hundred and Fifty Thousand only), excluding any expenses incurred or to be incurred for the Buyback viz. brokerage, applicable taxes such as securities transaction tax, goods and service tax, stamp duty, advisors fees, printing and dispatch expenses and other incidental and related expenses (the “**Transaction Costs**”), which does not exceed 25% of the fully paid-up equity share capital and free reserves as per the audited financial statements of the Company as at and for the period ended June 30, 2018, through the “tender offer” method as prescribed under the Buyback Regulations on a proportionate basis, from the equity shareholders/beneficial owners of the Equity Shares of the Company as of the Record Date (the process being referred hereinafter as “**Buyback**”), subject to the approval of the equity shareholders of the Company. The equity shareholders approved the Buyback, by way of a special resolution, through postal ballot notice dated August 07, 2018 (including e-voting), the results of which were announced on September 28, 2018. The equity shareholders of the Company authorized the Board (unless repugnant to the context or meaning thereof, be deemed to include a duly authorized “**Buyback Committee**”) to finalize the terms of the Buyback, including the amount to be utilized towards the Buyback and the time frame therefor within the aforesaid limits. Subsequently, the Buyback Committee vide its resolution dated October 1, 2018 determined the final Buyback Price of Rs. 1,350/- (Rupees One Thousand Three Hundred and Fifty only) per Equity Share (the “**Buyback Price**”) and the total amount for Buyback i.e., Rs. 9,882,749,250/- (Rupees Nine Billion Eight Hundred Eighty Two Million Seven Hundred Forty Nine Thousand Two Hundred and Fifty only) (“**Buyback Size**”), excluding the Transaction Costs.
- II. The Buyback is in accordance with Article 54A of the Articles of Association of the Company, Sections 68, 69 and 70 and all other applicable provisions of the Companies Act, the Companies (Share Capital and Debenture) Rules, 2014, the Companies (Management and Administration) Rule, 2014 and the Buyback Regulations.
- III. The Buyback is subject to receipt of any approvals, permissions and sanctions of statutory, regulatory or governmental authorities as may be required under applicable laws, including SEBI and the Stock Exchanges.

- IV. The Buyback was also subject to the grant of certain exemptions and no action relief by the staff of the U.S. Securities and Exchange Commission prior to the commencement of the tendering period in order to allow the Buyback Offer to be made to U.S. Eligible Sellers without breaching the rules under the U.S. Securities Exchange Act of 1934, as amended. The staff of the SEC has granted certain exemptive and no-action relief with respect to the Buyback through its letter dated 5 November 2018, subject to satisfaction of certain conditions specified therein.
- V. This Buyback from non-resident members, Overseas Corporate Bodies (OCBs) and Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs), and members of foreign nationality, if any, etc. is subject to such approvals as may be required including approvals from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules, regulations framed thereunder, if any, and such approvals shall be required to be taken by such non-resident members.
- VI. The Buyback shall be undertaken on a proportionate basis from Eligible Sellers through Tender Offer as prescribed under Regulation 4(iv)(a) of the Buyback Regulations. Additionally, the Buyback shall be, subject to applicable laws, facilitated by tendering of Equity Shares by Eligible Sellers and settlement of the same through the stock exchange mechanism as specified by SEBI Circulars. In this regard, the Company will request the Stock Exchanges to provide the acquisition window. For the purposes of the Buyback, BSE is the Designated Stock Exchange.
- VII. The aggregate paid-up equity share capital and free reserves (including securities premium account) of the Company as at June 30, 2018, on a standalone basis, was Rs. 39,531.02 million (Rupees Thirty Nine Thousand Five Hundred Thirty One million and Two Thousand only). Under section 68(2)(c) of the Companies Act and Regulation 4(i) of the Buyback Regulations, the funds deployed for the Buyback shall not exceed 25% of the total paid-up equity share capital and free reserves (including securities premium account) of the Company for the current financial year under shareholder approval route. Accordingly, the Company has proposed to utilise the maximum amount not exceeding Rs. 9,882.75 million (Rupees Nine Thousand Eight Hundred Eighty Two Million and Seven Hundred Fifty Thousand only), excluding the Transaction Costs for the Buyback, which is within the aforesaid maximum limit of 25% of the total paid-up equity capital and free reserves (including securities premium account) of the Company as per audited standalone financial statements of the Company as at and for the quarter ended June 30, 2018.
- VIII. The funds for the implementation of the Buyback will be financed out of internal accruals of the Company. Upon completion of the Buyback, the Company shall transfer from its free reserves a sum equal to the nominal value of the Equity Shares bought back through the Buyback to the capital redemption reserve account and the details of such transfer shall be disclosed in its subsequent audited financial statements.
- IX. Marble II Pte Ltd, the Promoter and Person in Control of the Company, by its letters dated August 7, 2018 and September 14, 2018 has expressed its intention to participate in the Buyback to the extent of its entitlement in the Company and such additional equity shares as may be permitted by the law and the terms of the Buyback up to an aggregate maximum of 101,230,853 (One Hundred and One Million Two Hundred Thirty Thousand Eight Hundred Fifty Three) Equity Shares. The Promoter of the Company is already in control over the Company and therefore change in voting rights, if any, of the Promoter, due to the Buyback, will not result in change in control over the Company.

X. The aggregate shareholding of the Promoter/ Person in Control in the Company as on the date of postal ballot notice dated August 07, 2018 (“**Notice**”) is given below:

i. *Shareholding of the companies/ entities forming part of the promoter and person in control of the Company.*

Sr. No.	Name of Shareholder	Number of Equity Shares	% of Equity Share capital of the Company
1	Marble II Pte Ltd	101,230,853	52.36

For details with respect to Promoter’s shareholding post Buyback please refer to paragraph 15(X) (Capital Structure and Shareholding Pattern) on page 28 of this Letter of Offer.

ii. *Shareholding of directors of promoter (mentioned in point (i) above):*

None of the directors of the promoter of the Company hold any shares of the Company as on the date of the Notice.

iii. *Aggregate shareholding of directors of the company.*

The directors of the Company do not hold any equity shares in the Company as on the date of the Notice.

iv. *Aggregate shareholding of key managerial personnel of the Company*

Sr No	Name	Designation	No of Equity Shares Held	% shareholding
1	Mr. Subramanian Narayan	VP and Company Secretary	2,660	.*
2	Mr. Suryanarayanan V	EVP and Chief Financial Officer	20,416	0.01

*Less than 0.01%

The above mentioned key managerial personnel of the Company have not undertaken any transaction (either purchase / sale/ inter-se transfer) during the period of six months preceding August 7, 2018 being the date of the Board Meeting at which the Buyback was approved.

XI. Details of the date and price of acquisition of the Equity Shares that the Promoter intends to tender are set-out below:

Sr. No.	Date of Acquisition/ Sale	No. of Equity Shares	Cost of Acquisition/ (Sale Price) per Equity Share (Rs.)	Cost of Acquisition/ (Sale Consideration) (Rs. in Lakhs)	Nature of Transaction
1	24 August 2016	2,178	457.54	9.97	Acquisition from public shareholders under open offer
2	1 September 2016	127,106,266	430.00	546,556.94	Acquisition of Equity Shares from the erstwhile promoters of the Company namely, EDS Asia Pacific Holdings (83,002,201 Equity Shares), EDS World Corporation (Far East) LLC (44,104,064 Equity Shares) and EDS World Corporation (Netherlands) LLC (1 Equity Share).
3	2 June 2017	(10,416,776)	(635.00)	(66,146.53)	Shares tendered under the earlier buy-back offer of the Company.
4	14 May 2018	(15,460,815)	(960.1)*	(148,437.23)	Open Market Sale.
	Total	101,230,853		331,983.15	

* Represents average sale price

Note: Figures in brackets denotes reduction in stake of Marble II Pte Ltd.

- XII. Post Buyback non-Promoter shareholding of the Company shall not fall below the minimum level required as per the Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended.

7. AUTHORITY FOR THE BUY BACK

The Buyback is being undertaken by the Company in accordance with Article 54A of the Articles of Association of the Company, the provisions of Sections 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, the Rules thereunder and the Buyback Regulations. The Buyback is subject to such other approvals and permissions, as may be required from statutory, regulatory or governmental authorities under the applicable law, which may be agreed to by the Board and/ or any Committee thereof.

The Board of Directors at their meeting held on August 7, 2018 passed a resolution approving Buyback of Equity Shares of the Company and sought approval of Equity Shareholders, by a special resolution, through postal ballot notice dated August 07, 2018. The results of the postal ballot were announced on September 28, 2018 (which is deemed to be the date of passing of the Special Resolution by the shareholders) whereby the Shareholders of the Company approved the Buyback by way of a special resolution.

8. NECESSITY OF THE BUY BACK

- I. The Buyback is being undertaken by the Company to effectively utilize surplus cash by rewarding the equity shareholders. The Buyback of Equity Shares will result in reduction of the paid up equity share capital which may be accompanied by likely increase in Return on Capital Employed. The Company believes that the Buyback may create long term value for the equity shareholders. The Buyback through Tender Offer as specified under the Buyback Regulations gives an option to existing equity shareholders to either receive the surplus cash by participating in the Buyback or remain invested and enjoy percentage increase in the shareholding in the post Buyback capital without any additional investments.
- II. The Buyback through Tender Offer, *inter-alia*, offers the following advantages:–
 - i. The Buyback helps the Company to distribute surplus cash to its shareholders in proportion to their shareholding;
 - ii. The Buyback involves allocation of 15% reservation to Small Shareholders subject to their entitlement. The Company believes that this reservation for Small Shareholders would benefit a large number of public shareholders, who would get classified as “Small Shareholders”;
 - iii. The Buyback may help in improving return on equity and other financial ratios, by a reduction in the equity base, thereby leading to long term increase in shareholders’ value;
 - iv. The Buyback gives an option to the existing shareholders to either participate in the Buyback and receive cash in lieu of equity shares accepted under the Buyback or not participate in the Buyback and enjoy a resultant increase in their percentage shareholding in the Company post the Buyback.

9. MAXIMUM NUMBER OF SECURITIES THAT THE COMPANY PROPOSES TO BUYBACK

The Company proposes to Buyback not exceeding 7,320,555 (Seven Million Three Hundred Twenty Thousand Five Hundred and Fifty Five) Equity Shares of face value of Rs. 10/- (Rupees Ten only) each of the Company.

10. BUYBACK PRICE AND BASIS OF DETERMINING THE PRICE OF THE BUYBACK

- I. The Buyback Price of Rs. 1,350 (Rupees One Thousand Three Hundred and Fifty only) has been arrived at after considering various factors including the volume weighted average market price of the equity shares and the net worth of the Company.
- II. The Buyback Price represents :
 - i. Premium of 22.80% on BSE and 29.23% on NSE over the volume weighted average market price of the Equity Shares on BSE and NSE, respectively, for 90 (ninety) days preceding the date of intimation to the Stock Exchanges of the Board Meeting to consider the proposal of the Buyback;
 - ii. Premium of 19.99% on BSE and 20.27% on NSE over the volume weighted average market price of the Equity Shares on BSE and NSE respectively, for the 60 (sixty) days preceding the date of intimation to the Stock exchanges of the Board Meeting to consider the proposal of the Buyback; and
 - iii. Premium of 18.60% on BSE and 17.00% on NSE over the volume weighted average market price of the Equity Shares on BSE and NSE, respectively, for the 14 (fourteen) days preceding the date of intimation to the Stock Exchanges of the Board Meeting to consider the proposal of the Buyback; and
 - iv. Premium of 14.88% on BSE and 14.53% on NSE over the closing market price of the Equity Shares on BSE and NSE, respectively, as on the date of intimation of the Board Meeting for considering the Buyback.
- III. The closing market price of the Equity Shares as on the date of intimation to the BSE and the NSE for the Board Meeting for considering the Buyback, being August 02, 2018, was Rs. 1,175.10 and Rs. 1,178.75 on the BSE and the NSE respectively.
- IV. The Buyback Price is higher by 556.06% and 567.71% over the book value per Equity Share as on June 30, 2018 and March 31, 2018, respectively, of the Company on a standalone basis, which was Rs. 205.77 and Rs. 202.18 per Equity Share, respectively.
- V. The Basic EPS of the Company prior to the Buyback for three months ended June 30, 2018 was Rs 8.83 per Equity Share and Rs 13.36 per Equity Share on standalone basis and consolidated basis, respectively. The Basic EPS of the Company prior to the Buyback for the financial year ended March 31, 2018 was Rs 37.69 per Equity Share and Rs 42.66 per Equity Share on standalone basis and consolidated basis, respectively. Assuming full acceptance under the Buyback, the EPS of the Company for the three months ended June 30, 2018 will be Rs. 9.18 per

Equity Share and Rs 13.89 per Equity Share post the Buyback, on standalone basis and consolidated basis, respectively.

- VI. The return on net worth of the Company on a standalone basis was 4.29%* and 18.94% as on June 30, 2018 and March 31, 2018 respectively which will increase to 5.71%* and 25.35% respectively post Buyback assuming full acceptance of the Buyback.

**Not annualized*

11. MANAGEMENT DISCUSSION AND ANALYSIS AND THE LIKELY IMPACT OF BUY BACK ON THE COMPANY

- I. The Buyback is not likely to cause any material impact on the profitability/ earnings of the Company except to the extent of reduction in the amount available for investment, which the Company could have otherwise deployed towards generating investment income. Assuming that the response to the Buyback is to the extent of 100% (full acceptance) from all the Eligible Sellers up to their Buyback Entitlement, the funds deployed by the Company towards the Buyback would be Rs. 9,882,749,250/- (Rupees Nine Billion Eight Hundred Eighty Two Million Seven Hundred Forty Nine Thousand Two Hundred and Fifty only) excluding the Transaction Costs. This shall impact the investment income earned by the Company, on account of reduced funds available for investments.
- II. The Buyback is expected to result in overall enhancement of value for Equity Shareholders and is not expected to impact, in any manner, either the growth opportunities of the Company or its cash requirements for business operations.
- III. Marble II Pte Ltd, the Promoter and Person in Control of the Company, has expressed its intention vide its letters dated August 7, 2018 and September 14, 2018 to participate in the Buyback. The extent of its participation in the Buyback has been detailed in paragraph 6(XI) (Details of the Buyback) on page 19 of this Letter of Offer.
- IV. Consequent to the Buyback and based on the number of shares bought back within each category of shareholders, the shareholding pattern of the Company would undergo a change. Assuming response to the Buyback is to the extent of 100% (full acceptance) from all the Eligible Sellers upto their Buyback Entitlement, the aggregate shareholding of the Promoter may increase to 52.59% post the Buyback from 52.34% as at the date of the PA.
- V. Assuming response to the Buyback is to the extent of 100% (full acceptance) from all the Equity Shareholders up to their Buyback Entitlement, the aggregate shareholding of the public in the Company post Buyback may decrease to 47.41% from 47.64% as at the date of the Notice.
- VI. The Promoter of the Company is already in control over the Company and therefore change in voting rights, if any, of the Promoter, due to the Buyback, will not result in change in control over the Company or otherwise affect the existing management structure of the Company.

- VII. Consequent to the Buyback and based on the number of Equity Shares bought back from the Non-Resident Shareholders, Indian financial institutions, banks, mutual funds and the public including other bodies corporate, the shareholding of each such person shall undergo a change.
- VIII. The post Buyback, the debt-equity ratio of the Company will be less than 2:1, as prescribed by Section 68(2)(d) of the Companies Act, 2013 and Regulation 4(ii) of the Buyback Regulations, even if the response to the Buyback is to the extent of 100% (full acceptance) from the Eligible Sellers.
- IX. The Promoter and Promoter Group of the Company shall not deal in the Equity Shares of the Company on Stock Exchanges or off market, including by way of inter-se transfer(s) of Equity Shares among the Promoter and Promoter Group during the period from the date of passing the board resolution i.e. August 7, 2018 till the closing of the Offer, i.e. December 20, 2018.
- X. The Company shall not raise further capital for a period of one (1) year from the expiry of the Buyback Period, except in discharge of its subsisting obligations such as exercise of stock options and restricted stock units issued to its employees.
- XI. The Company has not issued any Equity Shares or other specified securities from the date of receipt of approval of the shareholders for the Buyback and shall not issue any equity shares or other specified securities including by way of bonus, employees' stock options till the date of expiry of the Buyback Period under the Buyback Regulations.
- XII. Salient financial parameters consequent to the Buyback based on audited financial statements of the Company as at and for the three months ended June 30, 2018 are as under:

Parameter (based on audited financial statements for three months ended June 30, 2018)	Standalone		Consolidated	
	Pre Buyback	Post Buyback	Pre Buyback	Post Buyback
Networth* (Rs. Lakhs)	397,785.8	298,958.3 ⁽¹⁾	573,642.7	474,815.2 ⁽¹⁾
Return on Networth*(%) ⁽²⁾	4.29%	5.71%	4.50%	5.44%
Basic Earnings per Share (Rs.) ⁽³⁾⁽⁶⁾	8.83	9.18	13.36	13.89
Book Value per Share* (Rs.) ⁽⁴⁾⁽⁶⁾	205.77	160.74	296.74	255.29
Total Debt**/ Equity Ratio* ⁽⁵⁾	Nil	Nil	Nil	Nil
P/E as per latest audited financial Results ⁽⁷⁾	131.33	126.35	86.79	83.50

*Net worth excludes revaluation reserves and miscellaneous expenditure to the extent not written off

**Total debt (excluding working capital loans classified as current liabilities)

Notes:

- (1) Net worth post buy back = Net worth pre buy back minus funds to be utilised for the buy back.
- (2) Return on Net worth = Profit after tax/ Net worth. This is not annualized.
- (3) Earnings per share for the three months ended June 30,2018 has not been annualised and has been computed as Profit/(loss) after tax/Number of weighted average shares.
- (4) Book value per Share = Net worth/ Number of shares outstanding.
- (5) Total Debt/ Net worth = Total debt/ Net worth (Total debt excludes working capital loans classified as current liabilities).
- (6) Basic Earnings per Share and Book Value per Share post buy back has been computed after reducing proposed equity shares to be bought back from weighted average outstanding shares for the three months ended June 30,2018

(7) P/E= Market Price per Equity Share on National Stock Exchange of India Limited ("NSE") as on October 1, 2018/Earnings per share ("EPS") for the three months period ended June 30,2018. EPS for three months period ended June 30, 2018 has not been annualized.

XIII. Salient financial parameters consequent to the Buyback based on audited financial statements of the Company as at and for the financial year ended March 31, 2018 are as under:

Parameter (based on audited financial statements for the twelve months ended March 31,2018)	Standalone		Consolidated	
	Pre Buyback	Post Buyback	Pre Buyback	Post Buyback
Networth* (Rs. Lakhs)	390,742.4	291,914.9 ⁽¹⁾	548,178.2	449,350.7 ⁽¹⁾
Return on Networth*(%) ⁽²⁾	18.94%	25.35%	15.28%	18.64%
Basic Earnings per Share (Rs.) ⁽³⁾⁽⁶⁾	37.69	39.14	42.66	44.31
Book Value per Share* (Rs.) ⁽⁴⁾⁽⁶⁾	202.18	156.99	283.65	241.66
Total Debt**/ Equity Ratio ⁽⁵⁾	Nil	Nil	Nil	Nil
P/E as per latest audited financial Results ⁽⁷⁾	30.78	29.63	27.19	26.18

*Net worth excludes revaluation reserves and miscellaneous expenditure to the extent not written off

**Total debt (excluding working capital loans classified as current liabilities)

Notes:

(1) Net worth post buy back = Net worth pre buy back minus funds to be utilised for the buy back.

(2) Return on Net worth = Profit after tax/ Net worth.

(3) Earnings per share has been computed as Profit/(loss) after tax/Number of weighted average shares.

(4) Book value per Share = Net worth/ Number of shares outstanding.

(5) Total Debt/ Net worth = Total debt/ Net worth (Total debt excludes working capital loans classified as current liabilities.)

(6) Basic Earnings per Share and Book Value per Share post buy back has been computed after reducing proposed equity shares to be bought back from weighted average outstanding shares for the year ended March 31, 2018.

(7) Market Price per Equity Share on NSE as on October 1,2018/ EPS for year ended March 31,2018

12. SOURCES OF FUNDS FOR THE BUY BACK

- I. Assuming full acceptance, the funds that would be utilized by the Company for the purpose of the Buyback would be Rs. 9,882,749,250/- (Rupees Nine Billion Eight Hundred Eighty Two Million Seven Hundred Forty Nine Thousand Two Hundred and Fifty only) excluding the Transaction Costs.
- II. The funds for the implementation of the Buyback will be financed out of internal accruals of the Company. The Company shall transfer from its free reserves a sum equal to the nominal value of the Equity Shares bought back through the Buyback to the capital redemption reserve account and the details of such transfer shall be disclosed in its subsequent audited financial statements.
- III. The funds borrowed, if any, from banks and financial institutions will not be used for the Buyback.
- IV. The ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up equity share capital and free reserves after the Buyback (or such other higher ratio of the debt to capital and free reserves for the Company that has been notified under the Companies Act) (as on date no such higher ratio has been prescribed by the Companies Act).

13. DETAILS OF THE ESCROW ACCOUNT AND THE AMOUNT DEPOSITED THEREIN

- I. In accordance with the Regulation 9(xi) of the Buyback Regulations, the Company has appointed Kotak Mahindra Bank Limited, a banking company incorporated under the Companies Act, 1956 and registered as a banking company within the meaning of the Banking Regulation Act, 1949, and having its registered office at 27, BKC,C27,G Block, Bandra Kurla Complex, Bandra East Mumbai-400051 as the Escrow Agent for the aforementioned Buyback. The Company, the Manager to the Buyback and the Escrow Agent have entered into an Escrow Agreement dated October 5, 2018 pursuant to which the Escrow Account in the name and style “MPHASIS –BUY-BACK – ESCROW ACCOUNT” bearing account number 8211937696 has been opened with the Escrow Agent.
- II. In accordance with Regulation 9(xi)(c)(ii) of the Buyback Regulations, the Company undertakes to issue a bank guarantee (to be issued by Kotak Mahindra Bank Limited) for an amount of Rs. 1,138,274,925 (Rupees One billion one hundred thirty eight million two hundred seventy four thousand and nine hundred twenty five) (“**Bank Guarantee**”) being equivalent to 25% upto Rs.100 crores and 10% thereafter of the total consideration payable by the Company under the Buyback Offer, assuming full acceptance, in favour of the Manager to the Offer on or before opening of the Buyback Offer. Further, the Company undertakes to deposit cash of Rs. 98,827,493 (Rupees ninety eight million eight hundred twenty seven thousand four hundred and ninety three) in the Escrow Account, constituting 1% of the total consideration payable by the Company under the Buyback Offer, assuming full acceptance, in compliance with the provisions of Regulation 9(xi)(h) of the Buyback Regulations.
- III. The Manager to the Offer has been empowered to operate the Escrow Account in accordance with the Buyback Regulations.
- IV. The Bank Guarantee shall be valid for at least thirty (30) days from the expiry of the Buyback Period.
- V. Kotak Mahindra Bank Limited is not an associate or part of the group of the Company.

14. FIRM FINANCING ARRANGEMENTS

- I. The Company has adequate and firm financial resources to fulfil the obligations under the Buyback and the same has been certified by Gnaneshwar & Co., Chartered Accountants (*ICAI Firm Registration Number: 008544S*), located at No. 461, Prasanna Villas, Ground Floor, 2nd Cross, 4th Block, HBR Layout, 1st Stage, Bengaluru - 560043, India vide its certificate dated November 09, 2018.
- II. Based on the aforementioned certificate, the Manager to the Buyback has satisfied itself that firm arrangements for fulfilling the obligations under the Buyback are in place and that the Company has the ability to implement the Buyback in accordance with the Buyback Regulations.

15. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

- I. The capital structure of the Company as on the date of the Public Announcement, i.e. October 01, 2018 is as follows :

(Rs. In Lakhs)

Sr. No.	Particulars	Pre Buyback
1	Authorized Share Capital:	
	245,000,000 Equity Shares of Rs. 10 each	24,500
	Total	24,500
2	Issued Capital :	
	193,437,408 Equity Shares of Rs. 10 each ⁽¹⁾	19,343.74
3	Subscribed and Paid-up Capital	
	193,417,108 Equity shares of Rs. 10 each fully paid-up ⁽¹⁾	19,341.71
	Add: Amount originally paid-up on forfeited shares	0.71
	Total	19,342.42

Note:

1. The difference between the issued and paid up capital is on account of 20,300 bonus shares kept in abeyance

- II. Subsequent to the 3 (three) months period ended on 30 June 2018, and until the receipt of the approval of the shareholders for the Buyback, the Company has allotted 12,247 (Twelve Thousand Two Hundred and Forty Seven) equity shares on account of exercise of Restricted Stock Units under Restricted Stock Units Plan 2014, 21,000 (Twenty One Thousand) equity shares on account of exercise of Restricted Stock Units under Restricted Stock Units Plan 2015 and 70,710 (Seventy Thousand Seven Hundred and Ten) equity shares on account of exercise of stock options under Employee Stock Options Plan 2016, thus aggregating to allotment of 1,03,957 (One Lakh Three Thousand Nine Hundred and Fifty Seven) equity shares.
- III. The Company has not issued any Equity Shares or other specified securities from the date of receipt of approval of the shareholders for the Buyback and shall not issue any equity shares or other specified securities including by way of bonus, employees' stock options till the date of expiry of the Buyback Period under the Buyback Regulations.

- IV. Assuming full acceptance in the Buyback, the capital structure of the Company post Buyback would be as follows :

(Rs. In Lakhs)

Sr. No.	Particulars	Post Buyback
1	Authorized Share Capital:	
	245,000,000 Equity Shares of Rs. 10 each	24,500
	Total	24,500
2	Issued Capital:	
	186,116,853 equity shares of Rs. 10 each ⁽¹⁾	18,611.69
	Subscribed and Paid-up Capital	
	186,096,553 equity shares of Rs. 10 each fully paid-up ⁽¹⁾	18,609.65
	Add: Amount originally paid-up on forfeited shares	0.71
	Total	18,610.36

Note:

1. The difference between the issued and paid up capital is on account of 20,300 bonus shares kept in abeyance
2. The above capital structure of the Company post Buyback has been computed by reducing the Buyback Size of 7,320,555 Equity Shares from the capital structure of the Company as on the date of the Public Announcement (Assumed full acceptance of Equity Shares in the Buyback as per the Buyback Entitlement)

- V. The details of Buyback programmes undertaken by the Company in the last 3 (three) years:

Sr No	Opening Date	Closing Date	Method of Buyback	Equity Shares Bought back
1	May 12,2017	May 25,2017	Tender Offer	17,370,078

- VI. There are no partly paid up Equity Shares or calls in arrears or preference shares as on the date of this Letter of Offer.

- VII. There are no locked-in equity shares.

- VIII. As on the date of the Public Announcement, there are no outstanding instruments convertible into Equity Shares except 4,841,325 (Four Million Eight Hundred Forty One Thousand Three Hundred Twenty Five) outstanding instruments, being employee stock options and restricted stock units, convertible into equity shares.

The exercise price for such employee stock options and restricted stock units outstanding as at the date of the PA is provided below -

Stock Option Plan	No. of options outstanding (as on the date of Public Announcement)	Exercise Price per option /unit (Rs.)
Employee Stock Option plan 1998 (Ver II)	47,000	34.38
Restricted Stock Units Plan 2014	18,402	10.00
Restricted Stock Units Plan 2015	47,836	10.00
Employee Stock Options Plan 2016	3,295,181	500.00
Employee Stock Options Plan 2016	145,946	575.00
Employee Stock Options Plan 2016	1,286,960	650.00
Total	4,841,325	

- IX. There is no amount under calls in arrears
- X. The shareholding pattern of the Company pre Buyback, taken as on the Record Date as well as post the Buyback is as follows:

Category of Shareholder	Pre Buyback		Post Buyback ⁽¹⁾	
	Number of Shares	% to the existing Equity Share capital	Number of Shares	% to post Buyback Equity Share capital
Promoter and Promoter Group	101,230,853	52.34	97,861,253	52.59
Foreign Investors (Including Non-Resident Indians, FIIs, FPIs, Foreign Nationals, and Overseas Corporate Bodies)	55,759,022	28.83	88,235,300	47.41
Financial Institutions/Banks, Alternative Investment Funds NBFCs & Mutual Funds	15,871,775	8.21		
Others (Public, Bodies Corporate, Clearing Members, Trusts and HUF)	20,555,458	10.63		
Total	193,417,108	100.00	186,096,553	100.00

1. Assuming response to the Buyback is to the extent of 100% (full acceptance) from all the Equity Shareholders of the Equity Shares up to their Buyback Entitlement.

- XI. There is no pending scheme of amalgamation or compromise or arrangement pursuant to any provisions of the Companies Act.
- XII. No Equity Share of the Company have been purchased/ sold by the Promoter of the Company during six (6) months preceding the date of the Board Meeting/ Notice i.e. August 7, 2018, except as follows:

Name	Aggregate no. of shares purchased or (sold)	Nature of transaction	Maximum price (Rs.)	Date of maximum price	Minimum price (Rs.)	Date of minimum price
MARBLE II PTE LTD	(15,460,815)	Sold in Market	960.1*	14 May 2018	960.1*	14 May 2018

* represents average sale price

XIII. No Equity Shares of the Company have been purchased/ sold by the Promoter Company during twelve (12) months preceding the date of the Public Announcement i.e. October 01, 2018, except the following:

Name	Aggregate no. of shares purchased or (sold)	Nature of transaction	Maximum price (Rs.)	Date of maximum price	Minimum price (Rs.)	Date of minimum price
MARBLE II PTE LTD	(15,460,815)	Market Sale	960.1*	14 May 2018	960.1*	14 May 2018

* represents average sale price

XIV. The directors of the Marble II Pte Ltd, which is the Promoter and Person in Control of the Company, have not purchased or sold equity shares of the Company for a period of six (6) months preceding the date of the Board Meeting/ Notice i.e. August 7, 2018.

XV. The directors of the Marble II Pte Ltd, which is the Promoter and Person in Control of the Company, have not purchased or sold equity shares of the Company for a period of twelve (12) months preceding the date of the Public Announcement i.e. October 1, 2018.

16. BRIEF INFORMATION OF THE COMPANY

I. History of the Company

Mphasis Limited was incorporated on August 10, 1992 (presently registered with the Registrar of Companies, Karnataka) as a public limited company under the name and style 'BFL Software Limited'. The name of the Company was changed to Mphasis BFL Limited" on July 25, 2000 and eventually, the name of the Company was changed to Mphasis Limited on November 24, 2006. The registered office of the Company is situated at Bagmane World Technology Center, Marathahalli Outer Ring Road, Doddanakundhi Village, Mahadevapura, Bengaluru, 560048, India. The Corporate Identity Number of the Company is L30007KA1992PLC025294.

Mphasis Limited is a leading IT solutions provider, offering Applications, Business Process Outsourcing (BPO) and Infrastructure services globally through a combination of technology knowhow, domain and process expertise.

The Equity Shares of the Company are listed on the BSE (Scrip Code: 526299) and the NSE (Symbol: MPHASIS), and are permitted to trade on MSEI (Symbol: MPHASIS), under the ISIN: INE356A01018, and are not currently suspended from trading on any of the Stock Exchanges. The Equity Shares are frequently traded in

terms of Regulation 2(1)(j) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.

In June 2006, Electronics Data Systems Corporation (EDS) acquired a majority holding in the equity capital of the Company and the Company was a subsidiary of EDS. In August 2008 EDS was acquired by the Hewlett-Packard Company; consequently, the Company became a subsidiary of Hewlett-Packard (HP). As a result of the completion of the sale and purchase of shares pursuant to the Share Purchase Agreement executed on April 4, 2016 for sale of shares in the Company by EDS Asia Pacific Holdings, EDS World Corporation (Far East) LLC and EDS World Corporation (Netherlands) LLC (“Erstwhile Promoters”) to Marble II Pte. Ltd. and consequent to the change in the control, Marble II Pte. Ltd acquired the entire stake from the Erstwhile Promoters on September 1, 2016

II. Growth of Business

For the three month period ended June 30, 2018 and for the financial years ended March 31, 2018, March 31, 2017 and March 31, 2016, the Company recorded total income of Rs. 186,549.7 lakhs, Rs. 670,793.3 lakhs, Rs. 631,496.3 lakhs and Rs. 627,210.2 lakhs respectively, and profit after tax of Rs. 25,831.0 lakhs, 83,749.9 lakhs, Rs. 79,157.6 lakhs, and Rs. 63,150.7 lakhs respectively, on a consolidated basis. On standalone basis, for the three month period ended June 30, 2018 and for the financial years ended March 31, 2018, March 31, 2017 and March 31, 2016, the Company recorded total income of Rs. 85,271.5 lakhs, Rs. 339,648.7 lakhs, Rs. 320,513.7 lakhs and Rs. 308,183.7 lakhs respectively, and profit after tax of Rs. 17,070.6 lakhs, 73,989.1 lakhs, Rs. 62,501.0 lakhs, and Rs. 45,713.6 lakhs respectively.

Source: The financial information for the three month period ended June 30, 2018 and for the financial years ended March 31, 2018 and March 31, 2017 have been extracted from the audited financial statements for each of such respective periods. The financial information for the financial year ended March 31, 2016 has been extracted from the comparative information (restated to Ind AS) disclosed in the audited financial statements for the financial years ended March 31, 2017.

III. The details of changes in the share capital of the Company since incorporation as certified by the Company is as follows:

Date of allotment of shares	Number of equity shares allotted	Face Value (Rs.)	Issue Price (INR) ⁽¹⁾	Total Consideration (INR)	Nature of Consideration	Cumulative Number of Equity Shares	Cumulative Equity Share Capital	Type of Issue
10-Aug-92	700	10	10.00	7,000	Other than cash	700	7,000	Subscribers to Memorandum
18-Sep-93	4,500,000	10	10.00	45,000,000	Cash	4,500,700	45,007,000	Public Issue
18-Sep-93	1,499,300	10	10.00	14,993,000	Cash	6,000,000	60,000,000	Preferential Allotment to Bangur Group
5-Sep-96	(16,600)	(10)	NA	NA	NA	5,983,400	59,834,000	Forfeiture of shares
16-Nov-98	500	10	NA	NA	Other than cash	5,983,900	5,983,9000	Annulment of forfeited shares
23-Jun-98	3,333,333	10	75	249,999,975	Cash	9,317,233	93,172,330	Preferential Allotment to Baring India Investment Limited
9-Nov-99 to 10-Dec-99	24,600	10	275	6,765,000	Cash	9,341,833	93,418,330	ESOP

Date of allotment of shares	Number of equity shares allotted	Face Value (Rs.)	Issue Price (INR) ⁽¹⁾	Total Consideration (INR)	Nature of Consideration	Cumulative Number of Equity Shares	Cumulative Equity Share Capital	Type of Issue
15-Jun-00	6,500,000	10	1127	7,325,500,000	Other than cash (refer note 2)	15,841,833	158,418,330	Preferential Allotment to Mphasis Holdings Limited
20-Jun-00	1,900	10	NA	NA	Other than cash	15,843,733	158,437,330	Annulment of forfeited shares
1-April-00 to 5-Sept-00	9,500	10	275	2,612,500	Cash	15,853,233	158,532,330	ESOP
14-Jul-01	1,285,715	10	350	450,000,250	Cash	17,138,948	171,389,480	Preferential Allotment to Winterfall Limited
1 April-01 to 31 March-02	4,000	10	275	1,100,000	Cash	17,142,948	171,429,480	ESOP
1 April-02 to 31 Mar-03	164,968	10	317	52,358,546	Cash	17,307,916	17,307,9160	ESOP
1 April-03 to 31 March- 04	824,014	10	248	204,475,420	Cash	18,131,930	181,319,300	ESOP
9-Jul-03	17,309,638	10	NA	NA	Other than cash (refer note 3)	35,441,568	354,415,680	Bonus
9-Oct-03	1,500	10	NA	NA	Other than cash	35,443,068	354,430,680	Release of Bonus Abeyance Shares
26-Feb-04	2,800	10	NA	NA	Other than cash	35,445,868	354,458,680	Release of Bonus Abeyance Shares
1 April-04 to 31 Mar- 05	1,622,800	10	93	151,377,330	Cash	37,068,668	370,686,680	ESOP
3-Jun-04	35,544,081	10	NA	NA	Other than cash (refer note 4)	72,612,749	726,127,490	Bonus
6-Jul-04	2,338,778	10	610	1,427,356,213	Other than cash (refer note 5)	74,951,527	749,515,270	Preferential Allotment to Kshema Technologies Limited
16-Sep-04	3,526,562	10	610	2,152,260,788	Other than cash (refer note 6)	78,478,089	784,780,890	Preferential Allotment to Minority Shareholders of Msource Corporation, USA
11-Oct-04	11,200	10	NA	NA	Other than cash	78,489,289	784,892,890	Release of Bonus Abeyance Shares
9-Dec-04	109,919	10	610	67,083,565	Other than cash (refer note 7)	78,599,208	785,992,080	Preferential Allotment to option holders of Msource Corporation, USA
11-Jan-05	700	10	NA	NA	Other than cash	78,599,908	785,999,080	Release of Bonus Abeyance Shares
1 April-05 to 31 March 2006	2,283,486	10	58	132,864,541	Cash	80,883,394	808,833,940	ESOP
10-Sep-05	3,500	10	NA	NA	Other than cash	80,886,894	808,868,940	Release of Bonus Abeyance Shares
15-Nov-05	80,124,266	10	NA	NA	Other than cash (refer note 8)	161,011,160	1,610,111,600	Bonus
1 April 2006 to 31 March	3,053,293	10	110	334,848,861	Cash	164,064,453	1,640,644,530	ESOP

Date of allotment of shares	Number of equity shares allotted	Face Value (Rs.)	Issue Price (INR) ⁽¹⁾	Total Consideration (INR)	Nature of Consideration	Cumulative Number of Equity Shares	Cumulative Equity Share Capital	Type of Issue
2007								
26-Apr-06	6,300	10	NA	NA	Other than cash	164,070,753	1,640,707,530	Release of Bonus Abeyance Shares
16-Jan-07	700	10	NA	NA	Other than cash	164,071,453	1,640,714,530	Release of Bonus Abeyance Shares
20-Feb-07	300	10	NA	NA	Other than cash	164,071,753	1,640,717,530	Release of Bonus Abeyance Shares
1 April 2007 to 31 March 2008	539,554	10	138	74,539,385	Cash	164,611,307	1,646,113,070	ESOP
6-Aug-07	44,104,065	10	NA	NA	Other than cash (refer note 9)	208,715,372	2,087,153,720	Merger-EDS India Private Ltd
14-Aug-07	7,700	10	NA	NA	Other than cash	208,723,072	2,087,230,720	Release of Bonus Abeyance Shares
1-Oct-07	700	10	NA	NA	Other than cash	208,723,772	2,087,237,720	Release of Bonus Abeyance Shares
4-Apr-08	2,100	10	NA	NA	Other than cash	208,725,872	2,087,258,720	Release of Bonus Abeyance Shares
1 April 2008 to 31 Oct 2008	197,292	10	116	22,857,880	Cash	208,923,164	2,089,231,640	ESOP
1 November 2008 to 31 October 2009	646,257	10	123.98	80,123,197	Cash	209,569,421	2,095,694,210	ESOP
20-Nov-08	1,400	10	NA	NA	Other than cash	209,570,821	2,095,708,210	Release of Bonus Abeyance Shares
1 November 2009 to 31 October 2010	350,692	10	127.36	44,663,286	Cash	209,921,513	2,099,215,130	ESOP
25-May-10	2,500	10	NA	NA	Other than cash	209,924,013	2,099,240,130	Release of Bonus Abeyance Shares
1 November 2010 to 31 October 2011	110,632	10	118	13,032,570	Cash	210,034,645	2,100,346,450	ESOP
18-Oct-10	700	10	NA	NA	Other than cash	210,035,345	2,100,353,450	Release of Bonus Abeyance Shares
18-Oct-11	700	10	NA	NA	Other than cash	210,036,045	2,100,360,450	Release of Bonus Abeyance Shares
1 November 2011 to 31 October 2012	70,812	10	85	6,075,467	Cash	210,106,857	2,101,068,570	ESOP
1 November 2012 to 31 October 2013	19,542	10	97	1,896,133	Cash	210,126,399	2,101,263,990	ESOP
31-May-13	700	10	NA	NA	Other than cash	210,127,099	2,101,270,990	Release of Bonus Abeyance Shares
1 November	7,722	10	107	827,700	Cash	210,134,821	2,101,348,210	ESOP

Date of allotment of shares	Number of equity shares allotted	Face Value (Rs.)	Issue Price (INR) ⁽¹⁾	Total Consideration (INR)	Nature of Consideration	Cumulative Number of Equity Shares	Cumulative Equity Share Capital	Type of Issue
2013 to 31 March 2014								
1 April 2014 to 31 March 2015	6,002	10	110	661,480	Cash	210,140,823	2,101,408,230	ESOP
1 April 2015 to 31 March 2016	46,294	10	20	924,028	Cash	210,187,117	2,101,871,170	ESOP
1 April 2016 to 31 March 2017	229,963	10	11	2,537,926	Cash	210,417,080	2,104,170,800	ESOP
2-Jun-17	(17,370,078)	10	Refer Note 10	(11,029,999,530)	Cash	193,047,002	1,930,470,020	Buyback of shares
3 June 2017 to 22 May 2018	236,313	10	147	34,827,146	Cash	193,283,315	1,932,833,150	ESOP
23-May-18	700	10	NA	NA	Other than cash	193,284,015	1,932,840,150	Release of Bonus Abeyance Shares
24 May 2018 to 25 Sept 2018	133,093	10	346	46,018,440	Cash	193,417,108	1,934,171,080	ESOP

Notes:

1. The Issue price for ESOP represents average exercise/grant price.
2. Issued for a consideration other than cash to Mphasis Holdings Limited in lieu of 100% Common Stock/Common Stock equivalents of Mphasis Corporation, USA, pursuant to the MOU entered into on 6 February 2000 between the Company and Mphasis Corporation.
3. Bonus issue in the ratio 1:1 authorized by the Shareholders through a special resolution passed in Annual General Meeting of the Shareholders of the Company held on June 2, 2003.
4. Bonus issue in the ratio 1:1 authorized by the Shareholders through a special resolution passed in Extra Ordinary General Meeting of the Shareholders of the Company held on May 12, 2004.
5. Issued for a consideration other than cash to the selling shareholders of Kshema Technologies Limited for acquisition of Kshema Technologies Limited
6. Issued for a consideration other than cash to the selling shareholders for acquisition of Common Stock and Preferred Stock of Msource Corporation, USA pursuant to the approval received from FPIB vide their letter reference N.FCII:276(2004)/244(2004) dated 9 September 2004.
7. Issued for a consideration other than cash to erstwhile option holders of the merged subsidiary Msource Corporation, USA pursuant to the approval received from FIPB vide their letter No.FCII: 276(2004)/244(2004) dated 9 September 2004.
8. Bonus issue in the ratio 1:1 authorised by the Shareholders through a special resolution passed in Extra Ordinary General Meeting of the Shareholders of the Company held on 29 September 2005.
9. Equity Shares allotted to the shareholders of EDS Electronic Data Systems (India) Private Limited pursuant to the scheme of merger between the Company and EDS Electronic Data Systems (India) Private Limited, approved by the High Court of Karnataka vide order dated June 19, 2007 and High Court of Judicature at Bombay vide order dated February 2, 2007.
10. 17,370,078 equity shares were bought back by the Company from its shareholders through the tender offer route at a price of Rs. 635 (Six Hundred and Thirty Five Only) per share for a total consideration amount Rs.11,029,999,530/- excluding Transaction Costs.

IV. The Details of the Board of Directors of the Company as on date of the this Letter of Offer are as follows:

Sr. No	Name, Qualification, Occupation, Age and DIN	Designation	Date of Appointment/ Reappointment ⁽¹⁾	Other Directorships
1	Name: Amit Dalmia Qualification: B.Com (Honours), CA, CS, CWA Occupation: Corporate Executive Age: 43 Years DIN: 05313886	Non – Independent Director	August 7, 2018	<ul style="list-style-type: none"> • SH Kelkar and Company Limited
2	Name: Amit Dixit Qualification: MBA, MS in Engineering,	Non – Independent Director	September 1, 2016	<ul style="list-style-type: none"> • Midday Infomedia Limited • Jagran Media Network Investment Private Limited

Sr. No	Name, Qualification, Occupation, Age and DIN	Designation	Date of Appointment/ Reappointment ⁽¹⁾	Other Directorships
	B. Tech Occupation: Investor Age: 45 Years DIN: 01798942			<ul style="list-style-type: none"> • Jagran Prakshan Limited • Hindustan Powerprojects Private Limited • Blackstone Advisors India Private Limited • Intelenet Global Services Private Limited • IBS Software Pte Limited • Comstar Automotive Technologies Private Limited
3	Name: David Lawrence Johnson Qualification: B.A and MBA Occupation: Corporate Executive Age: 65 Years DIN: 07593637	Non – Independent Director	August 7, 2018	<ul style="list-style-type: none"> • Cylance Inc • Cloudreach, Inc • New Frontier Corp
4	Name: Davinder Singh Brar Qualification: B.E. (Electrical) & Masters in Business Administration Occupation: Professional Age: 66 Years DIN: 00068502	Chairman of the Board & Independent Director	September 5, 2015	<ul style="list-style-type: none"> • Maruti Suzuki India Limited • Suraj Hotels Private Limited • Madhubani Investments Private Limited • Suraj Overseas Private Limited • Green Valley Land & Development Private Limited • Davix Management Services Private Limited • GVK Biosciences Private Limited • GVKDavix Research Services Private Limited • Wockhardt Limited • Mountain Trail Foods Private Limited • Excelra Knowledge Solutions Private Limited(Previously known as GVK Informatics Private Limited) • GVK Davix Technologies Pvt Ltd
5	Name: Jan Kathleen Hier Qualification: Bachelor in Economics & Post Graduate Occupation: Professional Age: 64 Years DIN: 07360483	Independent Director	December 11, 2015	<ul style="list-style-type: none"> • Bicycle Financial Inc – Partner • XO Group Inc
6	Name: Narayanan Kumar Qualification: Electronics Engineering Graduate Occupation: Industrialist Age: 68 Years DIN: 00007848	Independent Director	September 5, 2015	<ul style="list-style-type: none"> • Bharti Infratel Limited • Entertainment Network (India) Limited • Times Innovative Media Limited • MRF Limited • Take Solutions Limited • eG Innovations Private Limited • eG Innovations Pte Limited • Madhuram Narayanan Centre for Exceptional Children (Sec.8 Co.) • N K Trading and Consultancy Private Limited • Aegon Life Insurance Company Limited • L&T Technology Services Limited • Larsen & Toubro Limited • Singapore India Partnership Foundation (Sec.8 Co.) <p>Trusteeships:</p> <ul style="list-style-type: none"> • WWF-India • The Indian Education Trust • CII Foundation

Sr. No	Name, Qualification, Occupation, Age and DIN	Designation	Date of Appointment/ Reappointment ⁽¹⁾	Other Directorships
7	Name: Nitin Rakesh Qualification: Bachelor's Degree in Engineering and Masters' in Management Occupation: Corporate Executive Age: 46 Years DIN: 00042261	Chief Executive Officer and Executive Director	January 29, 2017	• NIL
8	Name: Paul James Upchurch Qualification: Bachelors of Science in Information and Decision Sciences Occupation: Professional Age: 50 Years DIN: 07593638	Non – Independent Director	July 26, 2017	• NIL
9	Name: Marshall Jan Lux Qualification: MBA -Harvard Business School Occupation: Professional Age: 59 Years DIN: 08178748	Non-Independent Director	August 7, 2018	<ul style="list-style-type: none"> • Health Markets Inc. • Mortgage Contract Services • Strategic Funding Services • Guardian Annuities • Paradigm Quest

Note:

(1) Represents the date of re-appointment for instances where directors have been re-appointed.

V. The details of changes in the Board of Directors during the last three (3) years preceding the date of the Public Announcement are as under:

Name of the Director	Appointment/ Resignation	Effective Date	Reasons
Chandrakant D Patel Non Executive Director DIN 06436184	Resignation	26 October 2015	Due to Director's other professional commitments
Shankar Maitra Non Executive Director DIN:06748985	Resignation	26 October 2015	Due to Director's other professional commitments
Friedrich Froeschl Chairman of the Board DIN 02601362	Resignation	29 October 2015	Pre-Occupation & other Professional commitments
Jan Kathleen Hier Independent Director DIN: 07360483	Appointment	11 December 2015	-
James Mark Merritt Vice Chairman and Non- Executive Director DIN 06500079	Resignation	1 September 2016	Due to Director's other professional commitments
Lakshmikanth K Ananth Non Executive Director DIN 06508596	Resignation	1 September 2016	Due to Director's other professional commitments
Stefan Antonio Lutz Non Executive Director DIN:06810434	Resignation	1 September 2016	Due to Director's other professional commitments

Name of the Director	Appointment/ Resignation	Effective Date	Reasons
Mary Teresa Hassett Non Executive Director DIN: 06983782	Resignation	1 September 2016	Due to Director's other professional commitments
Amit Dixit Non Executive Director DIN: 01798942	Appointment	1 September 2016	-
Amit Dalmia Non Executive Director DIN 05313886	Appointment	1 September 2016	-
David Lawrence Johnson Non Executive Director DIN 07593637	Appointment	1 September 2016	-
Paul James Upchurch Non Executive Director DIN 07593638	Appointment	1 September 2016	-
Balu Ganesh Ayyar Chief Executive Officer & Wholetime Director DIN 02511209	Ceased to be a Director	29 January 2017	Expiry of Term as CEO
Nitin Rakesh Chief Executive Officer & Wholetime Director DIN 00042261	Appointment	29 January 2017	-
Dario Zamarian Non Executive Director DIN 07599359	Resignation	6 August 2018	Due to Director's other professional commitments
Marshall Jan Lux Non Executive Director DIN 08178748	Appointment	7 August 2018	-

- VI. The Buyback will not result in any benefit to any directors of the Company/ Promoter / Person in Control of the Company/ group companies except to the extent of the cash consideration received by them from the Company pursuant to their respective participation in the Buyback in their capacity as Equity Shareholders of the Company, and the change in their shareholding as per the response received in the Buyback, as a result of the extinguishment of Equity Shares which will lead to reduction in the equity share capital of the Company post Buyback.
- VII. The Board of Directors of the Company does not hold any Equity Shares as on the date of the Public Announcement.

17. FINANCIAL INFORMATION ABOUT THE COMPANY

- I. The salient financial information of the Company prepared under Ind AS as extracted from the audited standalone financial statements of the Company as at and for the three months ended June 30, 2018 are as under:

(Rs. In lakhs unless otherwise stated)

Particulars	Three Months Ended
	June 30, 2018 (Audited)
Total Income ⁽¹⁾	85,271.5
Total Expenses (Excluding Finance Cost & Depreciation but including exceptional item)	61,658.4
Finance Cost ⁽²⁾	282.2
Depreciation	886.0
Profit before tax (after exceptional item)	22,444.9
Provision for tax (including Deferred Tax)	5,374.3
Profit/ (Loss) after tax	17,070.6
Equity Share Capital	19,331.9
Reserves & Surplus ⁽³⁾	378,453.9
Net worth ⁽³⁾	397,785.8
Total debt (excluding working capital loans classified as current liabilities)	—

Notes:

(1) Includes Net Sales/Income from operations and other Income.

(2) Finance Cost includes interest and exchange difference to the extent considered as an adjustment to borrowing costs.

(3) Excluding revaluation reserves and miscellaneous expenditure to the extent not written off.

The salient financial information of the Company prepared under Ind AS as extracted from the audited standalone financial statements of the Company as at and for the financial years ended March 31, 2018, March 31, 2017 and March 31, 2016 are as under:

(Rs. In lakhs unless otherwise stated)

Particulars	For the Year Ended		
	31-Mar-18	31-Mar-17	31-Mar-16
	(Audited)	(Audited)	(Audited)
Total Income ⁽¹⁾	339,648.7	320,513.7	308,183.7
Total Expenses (Excluding Finance Cost and Depreciation but including exceptional item)	242,898.6	235,000.5	243,949.8
Finance Cost ⁽²⁾	523.8	240.1	642.7
Depreciation	3,178.9	2,637.8	2,876.1
Profit before tax (after exceptional items)	93,037.4	82,635.3	60,715.1
Provision for tax (including Deferred Tax)	19,058.3	20,134.3	15,001.5

Particulars	For the Year Ended		
	31-Mar-18	31-Mar-17	31-Mar-16
	(Audited)	(Audited)	(Audited)
Profit/ (Loss) after tax	73,989.1	62,501.0	45,713.6
Equity Share Capital	19,326.7	21,042.4	21,019.4
Reserves & Surplus ⁽³⁾	371,415.7	448,490.2	429,385.8
Net worth ⁽³⁾	390,742.4	469,532.6	450,405.2
Total debt (excluding working capital loans classified as current liabilities)	-	-	-

Source: The financial information for the three month period ended June 30, 2018 and for the financial years ended March 31, 2018 and March 31, 2017 have been extracted from the audited financial statements for each of such respective periods. The financial information for the financial year ended March 31, 2016 has been extracted from the comparative information (restated to Ind AS) disclosed in the audited financial statements for the financial years ended March 31, 2017.

Notes:

- (1) Includes Net Sales/ Income from operations and other income
(2) Finance costs includes interest and exchange difference to the extent considered as an adjustment to borrowing costs
(3) Excluding revaluation reserves and miscellaneous expenditure to the extent not written off.

Key Financial Ratios:

Particulars	Three Months Ended	Year Ended		
	30-Jun-18	31-Mar-18	31-Mar-17	31-Mar-16
	(Audited)	(Audited)	(Audited)	(Audited)
Key Ratios				
Earnings per Share – Basic (Rs.) ⁽¹⁾	8.83 ⁽¹⁾	37.69	29.76	21.78
Earnings per Share – Diluted (Rs.) ⁽²⁾	8.75 ⁽²⁾	37.63	29.71	21.75
Book Value Per Share (Rs.) ⁽³⁾	205.77	202.18	223.14	214.29
Return on Net worth (%) ⁽⁴⁾	4.29% ⁽⁴⁾	18.94%	13.31%	10.15%
Debt-Equity ratio ⁽⁵⁾	Nil	Nil	Nil	Nil
Total Debt/ Net worth ⁽⁶⁾	Nil	Nil	Nil	Nil

Notes:

- (1) Earnings per Share (Basic) = Profit/(loss) after tax/Number of weighted average shares. Earnings per share (Basic) for three months ended 30-June-18 has not been annualised.
(2) Earnings per Share (Diluted) = Profit/(loss) after tax/Number of weighted average shares + shares issuable from stock options. Earnings per share (Diluted) for three months ended 30-June-18 has not been annualised.
(3) Book value per Share = Net worth (Excluding revaluation reserves and miscellaneous expenditure to the extent not written off) / Number of shares outstanding.
(4) Return on Net worth = Profit after tax/ Net worth. Net worth excludes revaluation reserve and miscellaneous expenditure to the extent not written off. Return on Net worth for three months ended 30-June-18 has not been annualised.
(5) Debt-Equity Ratio = Total Debt/ Shareholders' fund (Net worth excludes revaluation reserve) (Debt excludes working capital loans).
(6) Total Debt/ Net worth = Total Debt/ Net worth (Net worth excludes revaluation reserve) (Debt excludes working capital loans).

- II. The salient financial information of the Company prepared under Ind AS as extracted from the audited consolidated financial statements of the Company as at and for the three months ended June 30,2018:

(Rs. In lakhs unless otherwise stated)

Particulars	Three Months Ended
	30-Jun-18
	(Audited)
Total Income ⁽¹⁾	186,549.7
Total Expenses (Excluding Finance Cost & Depreciation but including exceptional item)	150,020.2
Finance Cost ⁽²⁾	448.9
Depreciation	1,790.4
Profit before tax (after exceptional items)	34,290.2
Provision for tax (including Deferred Tax)	8,459.2
Profit/ (Loss) after tax	25,831.0
Equity Share Capital	19,331.9
Reserves & Surplus ⁽³⁾	554,310.8
Net worth ⁽³⁾	573,642.7
Total debt (excluding working capital loans classified as current liabilities)	-

Notes:

(1) Includes Net sales/income from operations and other income.

(2) Finance cost includes interest and exchange difference to the extent considered as on adjustment to borrowing costs

(3) Excluding revaluation reserves and miscellaneous expenditure to the extent not written off.

The salient financial information of the Company prepared under Ind AS as extracted from the audited consolidated financial statements of the Company as at and for the financial years ended March 31, 2018, March 31, 2017 and March 31, 2016 are as under:

(Rs. In lakhs unless otherwise stated)

Particulars	For the Year Ended		
	31-Mar-18	31-Mar-17	31-Mar-16
	(Audited)	(Audited)	(Audited)
Total Income ⁽¹⁾	670,793.3	631,496.3	627,210.2
Total Expenses (Excluding Finance Cost & Depreciation but including exceptional item)	549,654.2	512,272.9	523,693.4
Finance Cost ⁽²⁾	1,299.6	1,387.5	2,416.4
Depreciation	7,082.1	7,914.9	12,107.8
Profit before tax (after exceptional items)	112,757.4	109,921.0	88,992.6
Provision for tax (including Deferred Tax)	29,007.5	30,763.4	25,841.9
Profit/ (Loss) after tax	83,749.9	79,157.6	63,150.7
Equity Share Capital	19,326.7	21,042.4	21,019.4
Reserves & Surplus ⁽³⁾	528,851.5	594,198.2	564,483.6
Net worth ⁽³⁾	548,178.2	615,240.6	585,503.0
Total debt (excluding working capital loans classified as current liabilities)	-	-	17,888.9

Source: The financial information for the three month period ended June 30, 2018 and for the financial years ended March 31, 2018 and March 31, 2017 have been extracted from the audited financial statements for each of such respective periods. The financial information for the financial year ended March 31, 2016 has been extracted from the comparative information (restated to Ind AS) disclosed in the audited financial statements for the financial years ended March 31, 2017.

Notes:

- (1) Includes Net Sales/Income from operations and other income.
(2) Finance Cost includes interest and exchange difference to the extent considered as an adjustment to borrowing costs.
(3) Excluding revaluation reserves and miscellaneous expenditure to the extent not written off.

Key Financial Ratios:

Particulars	Three Months Ended	Year Ended		
	30-Jun-18	31-Mar-18	31-Mar-17	31-Mar-16
	(Audited)	(Audited)	(Audited)	(Audited)
Key Ratios				
Earnings per Share – Basic (Rs.) ⁽¹⁾	13.36 ⁽¹⁾	42.66	37.69	30.09
Earnings per Share – Diluted (Rs.) ⁽²⁾	13.23 ⁽²⁾	42.59	37.63	30.04
Book Value Per Share (Rs.) ⁽³⁾	296.74	283.65	292.39	278.56
Return on Net worth (%) ⁽⁴⁾	4.50% ⁽⁴⁾	15.28%	12.87%	10.79%
Debt-Equity ratio ⁽⁵⁾	Nil	Nil	Nil	3.06%
Total Debt/ Net worth ⁽⁶⁾	Nil	Nil	Nil	3.06%

Notes:

- (1) Earnings per Share (Basic) = Profit/(loss) after tax/Number of weighted average shares. Earnings per share (Basic) for three months ended 30-June-18 has not been annualised.
(2) Earnings per Share (Diluted) = Profit/(loss) after tax/Number of weighted average shares + shares issuable from stock options. Earnings per share (Diluted) for three months ended 30-June-18 has not been annualised.
(3) Book value per Share = Net worth (Excluding revaluation reserves and miscellaneous expenditure to the extent not written off) / Number of shares outstanding.
(4) Return on Net worth = Profit after tax/ Net worth. Net worth excludes revaluation reserve and miscellaneous expenditure to the extent not written off. Return on networth for the three months ended 30-June-2018 has not been annualised.
(5) Debt-Equity Ratio = Total Debt/ Shareholders fund. (Net worth excludes revaluation reserve)(Debt excludes working capital loans).
(6) Total Debt/ Net worth = Total Debt/ Net worth.(Net worth excludes revaluation reserve) (Debt excludes working capital loans).

III. The Company shall comply with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, wherever and if applicable. The Company hereby declares that it has complied with Sections 68, 69 and 70 of the Companies Act and the Rules.

18. STOCK MARKET DATA

- I. The Equity Shares are currently listed on BSE and NSE.
- II. The high, low and average market prices in preceding three (3) financial years and the monthly high, low and average market prices for the six (6) months preceding the date of publication of Public Announcement and the corresponding volumes on NSE (stock exchange where Company's shares are most frequently traded) are as follows:

Period	High Price (Rs)	Date of High Price & Number of shares traded on that date	Low Price (Rs)	Date of Low Price & Number of shares traded on that date	Average Price (Rs)	Total Volume Traded in the period (No. of shares)
PRECEDING 3 YEARS						
April 1, 2017- March 31, 2018	934.00	February 12, 2018 (479,338)	521.55	April, 26, 2017 (208,454)	674.09	38,603,698
April 1, 2016- March 31, 2017	624.00	June 27, 2016 (526,098)	451.00	April 4, 2016 (773,713)	534.60	38,475,110
April 1, 2015 - March 31, 2016	534.35	October 29, 2015 (2,986,515)	361.05	June 3, 2015 (57,266)	431.06	50,934,561
PRECEDING 6 MONTHS						
September 2018	1,276.55	September,03 2018 (3,24,353)	1,148.10	September 27, 2018 (5,86,821)	1,220.83	74,50,007
August 2018	1,278.80	August 27, 2018 (398,354)	1,140.20	August 8, 2018 (818,298)	1,203.03	8,234,260
July 2018	1,248.45	July 25, 2018 (509,401)	1,062.00	July 3, 2018 (461,917)	1,138.62	8,099,622
June 2018	1,155.00	June 28, 2018 (492,116)	995.00	June 4, 2018 (341,355)	1,083.89	7,320,879
May 2018	1,149.90	May 18, 2018 (670,936)	960.00	May 14, 2018 (18,045,827)	1,046.04	31,299,455
April 2018	1,060.00	April 30, 2018 (361,983)	838.00	April 2, 2018 (228,650)	920.66	9,925,655

Source: nseindia.com

Note: High and Low price for the period are based on intra day prices and Average Price is based on average of closing price.

III. The high, low and average market prices in preceding three (3) financial years and the monthly high, low and average market prices for the six (6) months preceding the date of publication of Public Announcement and the corresponding volumes on BSE are as follows:

Period	High Price (Rs)	Date of High Price & Number of shares traded on that date	Low Price (Rs)	Date of Low Price & Number of shares traded on that date	Average Price (Rs)	Total Volume Traded in the period (No. of shares)
PRECEDING 3 YEARS						
April 1, 2017- March 31, 2018	932.60	February 12, 2018 (36,642)	522.30	April 26, 2017 (2,350)	673.86	4,031,115
April 1, 2016- March 31, 2017	621.75	June 27, 2016 (63,648)	425.00	November 7, 2016 (37,195)	534.34	4,249,675
April 1, 2015 - March 31, 2016	534.00	October 29, 2015 (535,653)	362.50	June 3, 2015 (7,213)	430.75	7,455,341
PRECEDING 6 MONTHS						
September 2018	1,278.00	September 03, 2018 (539,764)	1148.20	September 27, 2018 (49,490)	1,221.94	881,708
August 2018	1,275.80	August 27, 2018 (21,315)	1,143.15	August 8, 2018 (58,353)	1,203.73	484,498
July 2018	1,237.30	July 25, 2018	1,065.00	July 3, 2018	1,138.78	896,152

Period	High Price (Rs)	Date of High Price & Number of shares traded on that date	Low Price (Rs)	Date of Low Price & Number of shares traded on that date	Average Price (Rs)	Total Volume Traded in the period (No. of shares)
		(71,602)		(8,107)		
June 2018	1,150.00	June 28, 2018 (24,664)	994.35	June 4, 2018 (15,481)	1,083.65	527,149
May 2018	1,147.50	May 18, 2018 (23,964)	964.00	May 8, 2018 (9,488)	1,046.81	1,027,114
April 2018	1052.75	April 30, 2018 (13,965)	837.00	April 2, 2018 (4,740)	919.88	402,749

Source: bseindia.com

Note: High and Low price for the period are based on intra day prices and Average Price is based on average of closing price.

IV. The closing market price of the Equity Shares on BSE and NSE as on August 6, 2018, being the working day previous to the day the Board approved the proposal for Buyback, was Rs.1,175.05 and Rs.1,175.00 respectively.

V. The closing market price of the Equity Shares on BSE and NSE as on August 8, 2018, being the working day after to the day of resolution of the Board approving the proposal for Buyback, was Rs. 1,150.05 and Rs. 1,149.55 respectively.

19. DETAILS OF THE STATUTORY APPROVALS

- I. The Buyback has been approved by the Board of Directors in its meeting held on August 7, 2018 and by shareholders by a Special Resolution through Postal Ballot, the results of which were declared on September 28, 2018.
- II. The Buyback is subject to approvals, if any, required under the provisions of the Companies Act, the Buyback Regulations, and applicable rules and regulations as specified by RBI under FEMA and/ or such other applicable rules and regulations for the time being in force.
- III. This Buyback was subject to the grant of certain exemptions and no action relief by the staff of the U.S. Securities and Exchange Commission prior to the commencement of the tendering period in order to allow the Buyback Offer to be made to U.S. Eligible Sellers without breaching the rules under the U.S. Securities Exchange Act of 1934, as amended. The staff of the SEC has granted certain exemptive and no-action relief with respect to the Buyback through its letter dated 5 November 2018, subject to satisfaction of certain conditions specified therein.
- IV. Buyback from Non-Resident Shareholders will be subject to approvals, if any, of the appropriate authorities as applicable. Non-Resident Indians (“NRI”) must obtain all applicable approvals required to tender the Equity Shares held by them in this Buyback (including without limitation the approval from the RBI). It is the obligation of such Non-Resident Shareholders and NRI shareholders, to determine the applicability of such approvals, obtain such approvals and submit such approvals along with the Tender Form, so as to enable them to tender Equity Shares in the Buyback and for the Company to purchase such Equity Shares, tendered.

- V. Erstwhile Overseas Corporate Bodies (“OCBs”) are required to obtain specific prior approval from RBI for tendering Equity Shares in the Buyback Offer.
- VI. The Company shall not accept Equity Shares from Non-Resident Shareholders, NRI and OCBs in respect of whom such applicable statutory or regulatory approval is required and copies of such approvals are not submitted.
- VII. The Company will have the right to make payment to the Eligible Sellers in respect of whom no prior RBI approval is required and not to accept Equity Shares from the Eligible Sellers in respect of whom prior RBI approval is required and the copies of such approvals are not submitted.
- VIII. As on date, there are no other statutory or regulatory approval required to implement the Buyback other than those indicated above. If any statutory or regulatory approvals become applicable subsequently, the Buyback will be subject to such statutory or regulatory approvals. In the event that the receipt of any statutory/ regulatory approvals is delayed, changes to the proposed timetable of the Buyback, if any, shall be intimated to BSE and NSE.

20. DETAILS OF THE REGISTRAR TO THE BUYBACK AND COLLECTION CENTRES

I. REGISTRAR TO THE BUY BACK:

Integrated Registry Management Services Private Limited

Address: No. 30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram,

Bengaluru – 560 003, India

Tel: +91 080 2346 0815-818

Fax: +91 080 2346 0819

Email: giri@integratedindia.in

Website: www.integratedindia.in

Contact Persons: Mr Giridhar S

SEBI Registration Number: INR000000544

Corporate Identity Number: U74900TN2015PTC101466

In case of any queries, the shareholders may contact the Registrar to the Buyback during office hours i.e., 10:00 a.m. to 5:00 p.m. on all working days except Saturday, Sunday and public holidays.

II. COLLECTION CENTRES:

Eligible Sellers are requested to submit their Form(s) and requisite documents either by registered post/ courier to the Registrar to the Buyback, superscribing the envelope as “**Mphasis Buyback Offer 2018**”, or hand deliver the same to the Registrar at the address mentioned above.

THE TENDER FORM, TRS AND OTHER RELEVANT DOCUMENTS SHOULD NOT BE SENT TO THE COMPANY OR TO THE MANAGER TO THE BUYBACK.

EQUITY SHAREHOLDERS ARE ADVISED TO ENSURE THAT THE TENDER FORM, TRS AND OTHER RELEVANT DOCUMENTS ARE COMPLETE IN ALL RESPECTS; OTHERWISE SUCH DOCUMENTS ARE LIABLE TO BE REJECTED.

21. PROCESS AND METHODOLOGY FOR THE BUYBACK

- I. The Company proposes to Buyback not exceeding 7,320,555 (Seven Million Three Hundred Twenty Thousand Five Hundred Fifty Five) fully paid-up Equity Shares from the Equity Shareholders as on the Record Date, on a proportionate basis, through Tender Offer at a price of Rs. 1,350/- (Rupees One Thousand Three Hundred and Fifty only) per Equity Share, payable in cash for an aggregate amount of Rs. 9,882,749,250/- (Rupees Nine Billion Eight Hundred Eighty Two Million Seven Hundred Forty Nine Thousand Two Hundred and Fifty Only), excluding Transaction Costs. The maximum number of Equity Shares proposed to be bought back represents 3.79% of the total paid-up equity share capital of the Company as at June 30, 2018. The Buyback is in accordance with the provisions of Article 54A of the Articles of Association of the Company, Sections 68, 69, 70 and all other applicable provisions, if any, of the Companies Act and the Rules and Regulation 4(iv)(a) of the Buyback Regulations and other applicable provisions contained in the Buyback Regulations and subject to such other approvals, permissions and exemptions as may be required, from time to time from statutory authorities and/ or regulatory authorities, including but not limited to SEBI, BSE and NSE. The Buyback is also subject to the grant of certain exemptions and no action relief by the staff of the U.S. Securities and Exchange Commission prior to the commencement of the tendering period in order to allow the Buyback Offer to be made to U.S. Eligible Sellers without breaching the rules under the U.S. Securities Exchange Act of 1934, as amended. The staff of the SEC has granted certain exemptive and no-action relief with respect to the Buyback through its letter dated 5 November 2018, subject to satisfaction of certain conditions specified therein. The Buyback Size does not exceed 25.00% of the fully paid-up equity share capital and free reserves as per the audited financial statements of the Company for the three month period ended June 30, 2018.

The Company expresses no opinion as to whether Eligible Sellers should participate in the Buyback and, accordingly, Eligible Sellers are advised to consult their own advisors to consider participation in the Buyback.

- II. The aggregate shareholding of the Promoter as at the date of the Public Announcement is 101,230,853 (One Hundred One Million Two Hundred Thirty Thousand Eight Hundred Fifty Three) Equity Shares which represents 52.34% of the total subscribed and paid-up equity share capital of the Company as on the date of the PA. Marble II Pte Ltd, the Promoter of the Company, has expressed its intention by its letters dated August 7, 2018 and September 14, 2018 to participate in the Buyback to the extent of its entitlement and such additional Equity Shares as may be permitted by law and the terms of the Buyback upto an aggregate maximum of 101,230,853 (One Hundred One Million Two Hundred Thirty Thousand Eight Hundred Fifty Three) Equity Shares.
- III. Assuming response to the Buyback is to the extent of 100% (full acceptance) from all the Equity Shareholders upto their Buyback Entitlement, the post Buyback shareholding of the Promoter of the Company will increase from 52.34% as on the date of the PA to 52.59% of the post Buyback equity share capital.

IV. Record Date and Ratio of Buyback as per the Buyback Entitlement in each Category:

- (a) The Buyback Committee vide its resolution dated October 1, 2018 announced October 25, 2018 as Record Date for the purpose of determining the Buyback Entitlement and the names of the Equity Shareholders who are eligible to participate in the Buyback.
- (b) The Equity Shares proposed to be bought back as a part of this Buyback are divided into two categories:
- i. Reserved category for Small Shareholders ("**Reserved Category**"); and
 - ii. General Category for all Eligible Sellers other than Small Shareholders ("**General Category**").
- (c) As defined in the Buyback Regulations, a "Small Shareholder" means a shareholder, who holds equity shares having market value, on the basis of closing price of the shares on the recognized stock exchange in which the highest trading volume in respect of such equity shares, as on the Record Date, is not more than Rs. 2,00,000/- (Rupees Two Lakhs only). As on Record Date, the volume of Equity Shares traded on NSE was 4,69,451 Equity Shares and on BSE was 24,965 Equity Shares. Accordingly, NSE being the exchange with highest trading volume, the closing price was Rs. 972.00 and hence all Eligible Sellers holding not more than 205 Equity Shares as on the Record Date are classified as 'Small Shareholders' for the purpose of the Buyback Offer.
- (d) Based on the above definition, there are 84,594 Small Shareholders in the Company with aggregate shareholding of 6,479,338 Equity Shares as on the Record Date, which constitutes 3.35% of the outstanding number of Equity Shares of the Company as on Record Date and 88.51% of the maximum number of Equity Shares which the Company proposes to buy back as a part of this Buyback.
- (e) In compliance with Regulation 6 of the Buyback Regulations, the reservation for the Small Shareholders, will be higher of:
- (i) Fifteen percent of the number of Equity Shares which the Company proposes to Buyback i.e., 15% of 7,320,555 (Seven Million Three Hundred Twenty Thousand Five Hundred Fifty Five) Equity Shares which works out to 1,098,084 (One Million Ninety Eight Thousand Eighty Four) Equity Shares; or
 - (ii) The number of Equity Shares entitled as per their shareholding as on Record Date i.e., $(6,479,338 / 193,417,108) \times 7,320,555$ which works out to be 245,233 Equity Shares.

All the outstanding Equity Shares have been used for computing the Buyback Entitlement of Small Shareholders since Marble II Pte Ltd, the Promoter, also intends to offer Equity Shares held by it in the Buyback.

Based on the above and in accordance with Regulation 6 of the Buyback Regulations, 1,098,084 Equity Shares have been reserved for Small

Shareholders. Accordingly, General Category shall consist of 6,222,471 Equity Shares.

- (f) In order to ensure that the same Eligible Seller with multiple demat accounts/folios does not receive higher entitlement under Small Shareholder category, the Equity Shares held by such Eligible Shareholder with a common Permanent Account Number (“PAN”) shall be clubbed together for determining the category (Small Shareholder or General) and entitlement under the Buyback. In case of joint shareholding, the Equity Shares held in cases where the sequence of PANs of the joint shareholders is identical shall be clubbed together. In case of Eligible Shareholders holding Physical Shares where sequence of PAN is identical and where the PANs of all joint shareholders are not available, the registrar will check the sequence of the names of the joint shareholders and club together the Equity Shares held in such cases where the sequence of the PANs and the name of the joint shareholders are identical. The shareholding of institutional investors like mutual funds, insurance companies foreign institutional investors/ foreign portfolio investors etc. with common PAN shall not be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are held for different schemes/ sub-accounts and have different demat account nomenclature based on information prepared by the Registrar as per the shareholder records received from the depositories. Further, the Equity Shares held under the category of ‘clearing members’ or ‘corporate body margin account’ or ‘corporate body-broker’ as per the beneficial position data as on the Record Date with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are assumed to be held on behalf of clients
- (g) Based on the above Buyback Entitlements, the ratio of Buyback for both categories is decided as below:

Category of Shareholders	Ratio of Buyback
Reserved category for Small Shareholders	10 Equity Shares out of every 59 fully paid-up Equity Shares held on the Record Date.
General category for all other Eligible Sellers	24 Equity Shares out of every 721 fully paid-up Equity Shares held on the Record Date.

Note: The above ratio of Buyback is approximate and provides indicative Buyback Entitlement. Any computation of Entitlement using above Buyback ratio may provide a slightly different number than the actual entitlement due to rounding off. The actual Buyback Entitlement factor for Small Shareholders under reserved category is 0.1694747 and for other shareholders under general category it is 0.0332863

V. Fractional Entitlements:

If the Buyback Entitlement, after applying the above mentioned ratios to the Equity Shares held on Record Date, is not a round number (i.e. not in the multiple of one (1) Equity Share), then the fractional entitlement shall be ignored for computation of Buyback Entitlement to tender Equity Shares in the Buyback for both categories of Eligible Sellers.

On account of ignoring the fractional entitlement, those Small Shareholders who hold 5 or less Equity Share as on Record Date will be dispatched a Tender Form

with zero entitlement. Such Small Shareholders are entitled to tender Additional Equity Shares as part of the Buyback Offer and will be given preference in the Acceptance of one (1) Equity Share, if such Small Shareholders have tendered Additional Equity Shares. The Company shall make best efforts subject to Buyback Regulations in accepting Equity Shares tendered by such Eligible Sellers to the extent possible and permissible.

VI. Basis of Acceptance of Equity Shares validly tendered in the Reserved Category for Small Shareholders:

Subject to the provisions contained in the Letter of Offer, the Company will accept the Equity Shares tendered in the Buyback by the Small Shareholders in the Reserved Category in the following order of priority:

- (a) Full acceptance (i.e. 100%) of Equity Shares from Small Shareholders in the Reserved Category who have validly tendered their Equity Shares, to the extent of their Buyback Entitlement, or the number of Shares tendered by them, whichever is less.
- (b) Post the acceptance as described in the paragraph 21(VI)(a) above, in case, there are any Equity Shares left to be bought back from Small Shareholders in the Reserved Category, the Small Shareholders who were entitled to tender zero Equity Shares (on account of ignoring the fractional entitlement), and have tendered Additional Shares, shall be given preference and one (1) Equity Share each from the Additional Shares tendered by these Small Shareholders shall be bought back in the Reserved Category.
- (c) Post the acceptance as described in paragraphs 21(VI)(a) and 21(VI)(b) above, in case, there are any validly tendered unaccepted Equity Shares in the Reserved Category (“**Reserved Category Additional Shares**”) and Equity Shares left to be bought back in Reserved Category, the Reserved Category Additional Shares shall be accepted in a proportionate manner and the acceptances shall be made in accordance with the Buyback Regulations, i.e. valid acceptances per Eligible Seller shall be equal to the Reserved Category Additional Shares tendered by the Eligible Seller divided by the total Reserved Category Additional Shares and multiplied by the total number of Equity Shares remaining to be bought back in Reserved Category. For the purpose of this calculation, the Reserved Category Additional Shares taken into account for such Small Shareholders, from whom one (1) Equity Share has been accepted in accordance with paragraph 21(VI)(b) above, shall be reduced by one (1).
- (d) Adjustment for fractional results in case of proportionate acceptance, as described in paragraph 21(VI)(c), will be made as follows:
 1. For any Small Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of one (1) and the fractional acceptance is greater than or equal to point five zero (0.50), then the fraction would be rounded off to the next higher integer.
 2. For any Small Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of one (1) and the fractional acceptance is less than point five zero (0.50), then the fraction shall be ignored.

VII. Basis of Acceptance of Shares validly tendered in the General Category:

Subject to the provisions contained in this Letter of Offer, the Company will accept the Equity Shares tendered in the Buyback by Eligible Sellers (other than Small Shareholders) in the General Category in the following order of priority:

- (a) Full acceptance (i.e., 100%) of the Equity Shares from Eligible Sellers in the General Category who have validly tendered their Equity Shares, to the extent of their Buyback Entitlement, or the number of Equity Shares tendered by them, whichever is less.
- (b) Post the Acceptance as described in paragraph 21(VII)(a) above, in case there are any validly tendered unaccepted Equity Shares in the General Category (“**General Category Additional Shares**”) and the Equity Shares left to be bought back in the General Category, the General Category Additional Shares shall be accepted in a proportionate manner and the acceptances shall be made in accordance with the Buyback Regulations, i.e. valid acceptances per Eligible Seller shall be equal to the General Category Additional Shares validly tendered by the Eligible Seller divided by the total General Category Additional Shares and multiplied by the total number of Equity Shares remaining to be bought back in General Category
- (c) Adjustment for fractional results in case of proportionate acceptance as described in paragraph 21(VII)(a) and (b) above, will be made as follows
 - (i) For any Eligible Seller, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of one (1) and the fractional Acceptance is greater than or equal to point five zero (0.50), then the fraction would be rounded off to the next higher integer.
 - (ii) For any Eligible Seller if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of one (1) and the fractional Acceptance is less than point five zero (0.50), then the fraction shall be ignored.

VIII. Basis of Acceptance of Equity Shares between Categories

- (a) After acceptances of tenders, as mentioned in paragraphs 21(VI) and 21(VII) above, there are any Equity Shares left to be bought back in one (1) category (“**Partially filled Category**”), and there are unaccepted validly tendered Equity Shares (“**Further Additional Shares**”) in the second category (“**Over Tendered Category**”), then the Further Additional Equity Shares in the Over Tendered Category shall be accepted in a proportionate manner i.e., valid Acceptances per Eligible Seller shall be equal to the Further Additional Shares validly tendered by the Eligible Shareholder in the Over Tendered Category divided by the total Further Additional Shares in the Over Tendered Category and multiplied by the total Equity Shares to be bought back in the Partially filled category.
- (b) If the Partially Filled Category is the General Category and the Over Tendered Category is the Reserved Category, then any Small Shareholder who has received a Tender Form with zero Buyback Entitlement and who has tendered Additional Shares shall be eligible for priority acceptance of one (1) Equity Share before acceptance in paragraph 21(VIII)(a) above out of the Equity Shares left to

be bought back in the Partially Filled Category, provided no acceptance could take place from such Eligible Seller in accordance with paragraph 21(VI).

- (c) Adjustment for fraction results in case of proportionate Acceptance, as defined in paragraph 21(VIII)(a) and (b) above, will be made as follows:
- i. For any Eligible Seller, if the number of Further Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of one (1) and the fractional Acceptance is greater than or equal to point five zero (0.50), then the fraction would be rounded off to the next higher integer.
 - ii. For any Eligible Seller, if the number of Further Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of one (1) and the fractional Acceptance is less than point five zero (0.50), then the fraction shall be ignored.

IX. For avoidance of doubt, it is clarified that the Equity Shares accepted under the Buyback Offer from such Eligible Seller, in accordance with above clauses, shall be lower of the following:

- (a) the number of Equity Shares tendered by the respective Eligible Seller; and
- (b) the number of Equity Shares held by respective Eligible Seller as on the Record Date.

X. For avoidance of doubt, it is clarified that the Equity Shares tendered by any Eligible Seller over and above the number of Equity Shares held by such Eligible Seller as on the Record Date shall not be considered for the purpose of Acceptance in accordance with the above.

22. PROCEDURE FOR TENDER OFFER AND SETTLEMENT

- I. The Buyback is open to all Eligible Sellers.
- II. The Company proposes to effect the Buyback through Tender Offer, on a proportionate basis. The Letter of Offer and Tender Form, outlining the terms of the Buyback as well as the detailed disclosures as specified in the Buyback Regulations, will be mailed/dispatched to Eligible Sellers.

Eligible Sellers who have registered their email ids with the depositories / the Company, shall be dispatched the Letter of Offer through electronic means. If Eligible Sellers wish to obtain a physical copy of the Letter of Offer, they may send a request to the Company or Registrar at the address or email id mentioned at the cover page of this Letter of Offer.

Eligible persons which have not registered their email ids with the depositories / the Company, shall be dispatched the Letter of Offer through physical mode.

- III. The Company will not accept any Equity Shares offered for Buyback which are under any restraint order of a Court for transfer/ sale of such shares or where loss of share certificates has been notified to the Company and the duplicate share certificate have not been issued either due to such request being under process as per the provisions of law or otherwise. The Company shall also not accept the

Equity Shares offered for Buyback where the title to such equity shares is under dispute or otherwise not clear.

- IV. The Company shall comply with Regulation 24(v) of the Buyback Regulations which states that the Company shall not buyback the locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferable.
- V. Eligible Sellers will have to transfer the Equity Shares from the same demat account in which they were holding the Equity Shares as on the Record Date and in case of multiple demat accounts, Eligible Sellers are required to tender the applications separately from each demat account.
- VI. The Company shall accept all the Equity Shares validly tendered for the Buyback by Eligible Sellers, on the basis of their Buyback Entitlement as on the Record Date and also Additional Equity Shares if any tendered by Eligible Sellers will be accepted as per paragraphs VI, VII, VIII, IX and X under paragraph 21 (Process and Methodology for the Buyback) respectively.
- VII. As elaborated under paragraph 21 (IV) above, the Equity Shares proposed to be bought as a part of the Buyback is divided into two categories; (a) Reserved Category for Small Shareholders and (b) the General Category for other Eligible Sellers, and the Buyback Entitlement of a Eligible Seller in each category shall be calculated accordingly.
- VIII. After accepting the Equity Shares tendered on the basis of Buyback Entitlement, Equity Shares left to be bought as a part of the Buyback, if any, in one category shall first be accepted, in proportion to the Equity Shares tendered, over and above their Buyback Entitlement, by Eligible Sellers in that category, and thereafter, from Eligible Sellers who have tendered over and above their Buyback Entitlement, in other category.
- IX. The Buyback shall be implemented using the Stock Exchange mechanism in accordance with SEBI Circulars and following the procedure prescribed in the Companies Act and the Buyback Regulations and as may be determined by the Board and on such terms and conditions as may be permitted by law from time to time.
- X. For implementation of the Buyback, the Company has appointed Karvy Stock Broking Limited as the registered broker to the Company (the “**Company's Broker**”) through whom the purchases and settlements on account of the Buyback would be made by the Company. The contact details of the Company's Broker are as follows:

Karvy Stock Broking Limited

Address: Karvy Millennium, PlotNo.31,
Financial District, Gachibowli Hyderabad 500 032

Tel : 1800 419 8283

Fax : +91 40 2331 1968

Contact Person: Srikrishna Gurazada; Contact No: +91 40 3321 6775

Email: service@karvy.com

Company Website: www.karvyonline.com

Sebi Registration Number : INZ000172733 NSE/BSE/MSEI - INZ000172733

- XI. The Company shall request the Stock Exchanges to provide the separate Acquisition Window to facilitate placing of sell orders by Eligible Sellers who wish to tender Equity Shares in the Buyback. The details of the platform will be specified by the Stock Exchanges from time to time.
- XII. All Eligible Sellers may place orders in the Acquisition Window, through their respective Seller Member(s).
- XIII. The reporting requirements for Non-Resident Shareholders under Reserve Bank of India, Foreign Exchange Management Act, 1999, as amended and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended, and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Eligible Seller and/or the Seller Member through which the Eligible Seller places the bid.
- XIV. During the Tendering Period, the order for selling the Equity Shares will be placed in the Acquisition Window by Eligible Sellers through their respective Seller Members during normal trading hours of the secondary market.
- XV. Seller Members can enter orders for Equity Shares in demat form as well as Equity Shares in physical form.
- XVI. Modification/ cancellation of orders and multiple bids from a single Shareholder will be allowed during the Tendering Period of the Buyback offer. Multiple bids made by single Shareholder for selling the Equity Shares shall be clubbed and considered as 'one' bid for the purposes of Acceptance.
- XVII. The cumulative quantity tendered shall be made available on NSE's and BSE's websites, www.nseindia.com and www.bseindia.com, respectively, throughout the trading session and will be updated at specific intervals during the Tendering Period.
- XVIII. All documents sent by the Eligible Sellers will be at their own risk. Eligible Sellers are advised to safeguard adequately their interests in this regard.
- XIX. **Procedure to be followed by Eligible Seller holding Equity Shares in the dematerialised form**
- a) Eligible Sellers who desire to tender their Equity Shares in the electronic/ dematerialized form under Buyback would have to do so through their respective Seller Member(s) by giving the details of Equity Shares they intend to tender under the Buyback.
- b) The Seller Member would be required to place an order/ bid on behalf of the Eligible Sellers who wish to tender Equity Shares in the Buyback using the Acquisition Window of the Stock Exchanges. Before placing the bid, the Eligible Seller would be required to transfer the tendered Equity Shares to the special account of clearing corporation (referred to as the "**Clearing Corporation**"), by using the early pay in mechanism as prescribed by the Stock Exchanges or the Clearing Corporation prior to placing the bid by the Seller Member.

- c) The details of the special account shall be informed in the issue opening circular that will be issued by the Stock Exchanges and/ or the Clearing Corporation.
- d) For custodian participant orders for demat Equity Shares, early pay-in is mandatory prior to confirmation of order/bid by custodians. The custodian shall either confirm or reject the orders not later than closing of trading hours on the last day of the tendering period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, any order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.
- e) Upon placing the order, the Seller Member shall provide TRS to the Eligible Seller. TRS will contain details of order submitted like bid ID No., DP ID, client ID, no. of Equity Shares tendered, etc.
- f) In case of Equity Shares held in physical form, Eligible Sellers who have tendered their Equity Shares in the Buyback can 'hand deliver' the Tender Form and Form SH-4 duly signed (by all Equity Shareholders in case such Equity Shares are held in joint names) in the same order in which they hold the Equity Shares and original share certificates, TRS generated by the exchange bidding system along with all relevant documents to the Registrar to the Buyback at its office provided in Paragraph 20 herein above. The TRS will be generated by the respective Selling Member. Eligible Sellers who cannot hand deliver the Tender Form and such other documents to the Registrar to the Buyback at its office provided in Paragraph 20 herein above, may send the same by registered post/ courier, at their own risk, super-scribing the envelope as "**Mphasis Buyback Offer 2018**", to the Registrar to the Buyback Offer at their office provided in Paragraph 20 herein above, so that the same are received not later than 2 (two) days from the Buyback Closing Date i.e. Saturday, December 22, 2018 (by 5 p.m.).
- g) All such Eligible Sellers shall also provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of the Tender Form to be sent. Such documents may include (but not be limited to):
 - i) Duly attested power of attorney, if any person other than the Eligible Seller has signed the Tender Form;
 - ii) Duly attested death certificate and succession certificate/ legal heirship certificate, in case any Eligible Seller has expired; and
 - iii) In case of companies, the necessary certified corporate authorizations (including board and/ or general meeting resolutions).
- h) In case of demat Equity Shares, submission of Tender Form and TRS is not required. After the receipt of the demat Equity Shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Buyback shall be deemed to have been accepted, for Eligible Sellers holding Equity Shares in demat form.**
- i) Thus, In case of non-receipt of the completed Tender Form and other documents, but receipt of Equity Shares in the special account of the Clearing Corporation and a valid bid in the exchange bidding system, the

Buyback shall be deemed to have been accepted, for demat Shareholders.

- j) The Eligible Sellers will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated buyback decided by the Company. Further, Eligible Sellers will have to ensure that they keep the saving account attached with the DP account active and updated to receive credit remittance due to acceptance of Buyback of shares by the Company.

XX. Procedure to be followed by Eligible Sellers holding Equity Shares in physical form

- a) Eligible Sellers who are holding physical Equity Shares and intend to participate in the Buyback are required to approach their respective Seller Member along with the complete set of documents for verification procedures to be carried out including the following:
 - i. The Tender Form duly signed (by all the Equity Shareholders in case Equity Shares are in joint names) the same order in which they hold the Equity Shares;
 - ii. Original share certificates;
 - iii. Valid share transfer form(s)(SH-4) duly filled and signed by the transferors (i.e. by all registered Eligible Sellers in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Company;
 - iv. Self-attested copy of the Eligible Seller's permanent account number card;
 - v. Any other relevant documents such as, but not limited to:
 - Duly attested power of attorney if any person other than the Eligible Seller has signed the relevant Tender Form;
 - Notarized copy of death certificate/ succession certificate or probated will, if the original Eligible Seller has deceased;
 - Necessary corporate authorisations, such as board resolutions etc., in case of companies;
 - vi. In addition to the above, if the address of the Eligible Seller has undergone a change from the address registered in the register of members of the Company, the Eligible Seller would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid aadhar card, voter identity card or passport.
- b) Seller Member should place bids on the Acquisition Window with relevant details as mentioned on the physical share certificate(s). Upon placing the bid, the Seller Member shall provide a TRS to the Eligible Seller. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., number of Equity Shares tendered etc.
- c) After placement of bid, as mentioned in paragraph 22(XX)(b) above, the Seller Member must ensure delivery of Tender Form, TRS, original share certificate(s), valid share transfer form(s) and other documents (as mentioned in paragraph 22(XX)(a) above) either by registered post or courier or hand delivery to the Registrar to the Buyback (at the address mentioned on the

cover page and mentioned in paragraph 20 (Details of the Registrar to the Buyback and Collection Centres) on page 43 of this Letter of Offer) not later than two (2) days from the closing date i.e., Saturday, December 22, 2018 (by 5 PM). The envelope should be superscribed as “**Mphasis Buyback Offer 2018**”. One copy of the TRS will be retained by Registrar to the Buyback and it will provide acknowledgement of the same to the Seller Member.

- d) Eligible Sellers should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares for Buyback by the Company shall be subject to verification as per the Buyback Regulations and any further directions issued in this regard. Registrar to the Buyback will verify such bids based on the documents submitted on a daily basis and till such time the Stock Exchanges shall display such bids as ‘unconfirmed physical bids’. Once, Registrar to the Buyback confirms the bids it will be treated as ‘Confirmed Bids’.
- e) All documents as mentioned above, shall be enclosed with the valid Tender Form, otherwise the Equity Shares tendered will be liable for rejection. The Equity Shares shall be liable for rejection on the following grounds amongst others: (i) If there is any other company’s equity share certificate enclosed with the Tender Form instead of the Equity Share certificate of the Company; (ii) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Sellers; (iii) If the Eligible Sellers tender Equity Shares but the Registrar does not receive the Equity Share certificate; (iv) In case the signature on the Tender Form and Form SH 4 doesn't match as per the specimen signature recorded with Company/ Registrar.
- f) In case an Eligible seller has submitted Equity Shares in physical form for dematerialization, such Eligible Seller should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Buyback Offer before Closing Date.
- g) An unregistered shareholder holding Equity Shares in physical form on the Record Date may also tender his shares for Buyback by submitting the duly executed transfer deed for transfer of shares in his name, along with the offer form and other relevant documents as required for transfer, if any.
- h) **Attention of the shareholders is invited to the amendment made to Regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018, effective December 5, 2018 pursuant to which transfers of securities cannot be processed unless the securities are held in the dematerialized form with a depository (“LODR Amendment”).**

In light of above LODR Amendment, in the event there are any clarification, circular, communication etc. issued/ provided by SEBI and/ or the Stock Exchanges confirming the applicability of the LODR Amendment to the shares tendered in a buyback tender offer or inability of the Seller member to place bids (on the Acquisition Window) of Equity Shares tendered in physical form, or otherwise, the Company reserves

the right to not accept any Equity Shares tendered in physical form by the Eligible Sellers in the Buyback Offer. Eligible Sellers who are desirous of tendering their Equity Shares held in physical form can do so only after the shares are dematerialized. Such Eligible Shareholders are advised to approach the concerned depository participant to have their Equity Shares dematerialized.

In such a scenario, the physical shares together with the Tender Form and other documents already tendered during the Tendering Period by the eligible shareholders shall be forthwith returned by the Registrar to concerned shareholders along with the necessary documents and such tender shall be considered invalid. Consequently, such shareholders will be required to dematerialize the shares by approaching the concerned Depository Participant and tender their shares again under the buyback during the Tendering Period.

For the procedure to be followed by such Eligible Sellers for tendering Equity Shares in the Buyback, after dematerialisation of Equity Shares, please refer to paragraph 22(XIX) (Procedure to be followed by Eligible Seller holding Equity Shares in the dematerialised form) beginning on page 51

XXI. For Equity Shares held by Eligible Sellers, being Non-Resident Shareholders of Equity Shares (Read with Paragraph 19 “DETAILS OF THE STATUTORY APPROVALS”):

- (a) Eligible Sellers, being Non-Resident Shareholders of Equity Shares (excluding FIIs/ FPIs) shall also enclose a copy of the permission received by them from RBI, if applicable, to acquire the Equity Shares held by them.
- (b) In case the Equity Shares are held on repatriation basis, the Eligible Seller, being a Non-Resident Shareholder, shall obtain and enclose a letter from its authorized dealer/ bank confirming that at the time of acquiring the said Equity Shares, payment for the same was made by the such Eligible Seller from the appropriate account (e.g. NRE a/c.) as specified by RBI in its approval. In case the Eligible Seller, being a Non-Resident Shareholder, is not in a position to produce the said certificate, the Equity Shares would be deemed to have been acquired on non repatriation basis and in that case the such Eligible Seller shall submit a consent letter addressed to the Company allowing the Company to make the payment on a non-repatriation basis in respect of the valid Equity Shares accepted under the Buyback.
- (c) If any of the above stated documents, as applicable, are not enclosed along with the Tender Form, the Equity Shares tendered under the Buyback Offer are liable to be rejected.

XXII. In case of non-receipt of this Letter of Offer:

- a) In case the Equity Shares are in dematerialised form: An Eligible Seller may participate in the Offer by downloading the Tender Form from the website of the Company i.e., www.mphasis.com, or by providing their application in writing on plain paper, signed by all Eligible Sellers, stating its name and address, number of Equity Shares held as on the Record Date, Client ID

number, DP Name/ ID, beneficiary account number and number of Equity Shares tendered for the Buyback.

- b) In case the Equity Shares are in physical form: An Eligible Seller may participate in the Offer by providing their application in writing on plain paper signed by all Eligible Sellers stating its name, address, folio number, number of Equity Shares held, share certificate number, number of Equity Shares tendered for the Buyback Offer and the distinctive numbers thereof, enclosing the original share certificate(s), copy of Eligible Sellers' permanent account number card(s) and executed share transfer form in favour of the Company. The transfer form SH-4 is being sent along with the Tender Form. Eligible Sellers must ensure that the Tender Form, along with the TRS and requisite documents (as mentioned in paragraph 22 above), reach the collection centres not later than two (2) days from the closing date i.e., Saturday, December 22, 2018, (by 5 PM). If the signature(s) of the Eligible Seller provided in the plain paper application differs from the specimen signature(s) recorded with the Registrar of the Company or are not in the same order (although attested), such applications are liable to be rejected under this Buyback Offer.

Please note that Eligible Seller(s) who intend to participate in the Buyback will be required to approach their respective Seller Member(s) (along with the complete set of documents for verification procedures) and have to ensure that their bid is entered by their respective Seller Member(s) in the electronic platform to be made available by BSE and NSE before the closing date.

The Company shall accept Equity Shares validly tendered by the Shareholder(s) in the Buyback on the basis of their shareholding as on the Record Date and the Buyback Entitlement. Eligible Seller(s) who intend to participate in the Buyback using the 'plain paper' option as mentioned in this paragraph are advised to confirm their entitlement from the Registrar to the Buyback Offer, before participating in the Buyback.

XXIII. Non-receipt of this Letter of Offer by, or accidental omission to dispatch this Letter of Offer to any Eligible Seller, shall not invalidate the Buyback Offer in any way.

XXIV. The acceptance of the Buyback Offer made by the Company is entirely at the discretion of the Eligible Sellers of the Company. The Company does not accept any responsibility for the decision of any Eligible Seller to either participate or to not participate in the Buyback Offer. The Company will not be responsible in any manner for any loss of share certificate(s) and other documents during transit and the Eligible Sellers are advised to adequately safeguard their interest in this regard.

XXV. Method of Settlement

Upon finalization of the basis of acceptance as per Buyback Regulations:

- a) The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market and as intimated by the Clearing Corporation from time to time, and in compliance with the SEBI Circulars.

- b) The Company will pay the consideration pertaining to the Buyback to the Company's Broker which will transfer the funds pertaining to the Buyback to the Clearing Corporation's bank account as per the prescribed schedule. For Equity Shares accepted under the Buyback, Clearing Corporation will make direct funds payout to respective Eligible Sellers. If Eligible Sellers' bank account details are not available or if the funds transfer instruction is rejected by RBI/ Bank, due to any reason, then such funds will be transferred to the concerned Seller Members settlement bank account for onward transfer to their respective shareholders.
- c) The Equity Shares bought back in demat form would be transferred directly to the demat account of the Company opened for Buyback ("**Special Demat Account**") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Special Demat Account on receipt of the Equity Shares from the clearing and settlement mechanism of the Stock Exchanges.
- d) Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Eligible Sellers would be returned to Eligible Sellers by Clearing Corporation. Any excess physical Equity Shares pursuant to proportionate acceptance/ rejection will be returned back to the Eligible Sellers directly by the Registrar. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares, in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Buyback by Eligible Sellers holding Equity Shares in the Physical form.
- e) The Eligible Sellers will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non-acceptance of shares under the Buyback.

XXVI. Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback. If Eligible Sellers bank account details are not available or if the fund transfer instruction is rejected by RBI or bank, due to any reasons, then the amount payable to Eligible Sellers will be transferred to the Seller Member for onward transfer to the Eligible Seller.

XXVII. Eligible Sellers who intend to participate in the Buyback should consult their respective Seller Member(s) for any cost, applicable taxes, charges and expenses (including brokerage) etc., that may be levied by the Seller Member(s) upon the selling shareholders for tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the Eligible Sellers, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Eligible Sellers.

The Equity Shares lying to the credit of the Special Demat Account and the Equity Shares bought back and accepted in physical form will be extinguished in the manner and following the procedure prescribed in the Buyback Regulations.

23. NOTE ON TAXATION

THE SUMMARY OF THE TAX CONSIDERATIONS IN THIS SECTION ARE BASED ON THE CURRENT PROVISIONS OF THE TAX LAWS OF INDIA AND THE REGULATIONS THEREUNDER, THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, WHICH ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT TAX IMPLICATIONS. IN VIEW OF THE PARTICULARISED NATURE OF TAX CONSEQUENCES, SHAREHOLDERS ARE REQUIRED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX PROVISIONS INCLUDING THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE TAX OFFICERS IN THEIR CASE, AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE COMPANY DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF SUCH ADVICE THEREFORE, SHAREHOLDERS CANNOT RELY ON THIS ADVICE AND THE SUMMARY TAX IMPLICATIONS RELATING TO THE TREATMENT OF INCOME TAX IN THE CASE OF BUY BACK OF LISTED EQUITY SHARES ON THE STOCK EXCHANGE SET OUT BELOW SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

1. GENERAL:

The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 1 until March 31. A person who is an Indian tax resident is liable to taxation in India on his worldwide income, subject to certain tax exemptions, which are provided under the Income Tax Act, 1961 ("the Income Tax Act"). A person who is treated as non-resident for Indian income-tax purposes is generally subject to tax in India only on such person's India sourced income or income received by such person in India. In case of shares of a Company, the source of income from shares would depend on the "situs" (in Latin for position or site) of such shares. As per certain judicial precedents, generally the "situs" of the shares is where company is "incorporated" and where its shares can be transferred. Accordingly, since Mphasis Limited is incorporated in India, the shares of Mphasis Limited would be "situated" in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the Income Tax Act. Further, the non-resident can avail the beneficial provisions of the Double Taxation Avoidance Agreement ('DTAA') between India and the respective jurisdiction of the shareholder subject to meeting relevant conditions and providing and maintaining necessary information and documents as prescribed under the Income Tax Act. The Income Tax Act also provides for different tax regimes/ rates applicable to the gains arising on buyback of shares, based on the period of holding, residential status and category of the shareholder, nature of the income earned, etc. The summary tax implications on buyback of listed equity shares on the stock exchange is set out below.

2. CLASSIFICATION OF SHARES AND SHAREHOLDERS

Based on the provisions of the IT Act shares can be classified under the following categories:

- Shares held as investment (Profits or gains arising from the transfer would be taxable under the head “Capital Gains”)
- Shares held as stock-in-trade (Profits or gains arising from the transfer would be taxable under the head “Profits and gains of business or profession”)

Based on the provisions of the IT Act, shareholders can inter alia be classified under the following categories:

(a) Resident shareholders being

- Individuals or Hindu Undivided Family (“HUF”)
- Others

(b) Non-Resident shareholders being

- Non-Resident Indians (NRIs)
- Foreign Portfolio Investors (FPIs)
- Foreign Companies
- Others

3. DEFINITIONS

Long-term capital asset means a capital asset which is not a short term capital asset.

Long-term capital gain means capital gain arising from the transfer of a long-term capital asset.

In case of a security (other than a unit) listed in a recognized stock exchange in India, an asset held by an assessee for a period not more than twelve months shall be considered as short-term capital asset.

Tax rates mentioned in the succeeding paragraphs do are exclusive of applicable surcharge, health and education cess.

4. SHARES HELD AS INVESTMENT

(i) Capital gains on buy back of listed shares is governed by the provisions of Section 46A of the IT Act. As per the provisions of Section 46A, buy back of share, held as investment, would attract capital gains in the hands of shareholder subject to the provisions of Section 48 of the IT Act.

However, where the transaction of sale (Buyback) of such equity share is entered into in a recognized stock exchange and such transaction is chargeable to securities transaction tax, then,

(a) the Long-Term Capital Gains (“LTCG”) (without indexation of cost of acquisition) in excess of Rs. 1 lakh arising from such transaction would be taxable @ 10% under

section 112A(2) of the IT Act provided securities transaction tax has been paid at the time of acquisition of shares (subject to notification no. 60/ 2018 dated 1st October,2018) and is also paid at the time of the sale of shares through buy back. Nonetheless, a transaction of sale need not be chargeable to securities transaction tax if it is undertaken on a recognized stock exchange located in any International Financial Services Centre and where the consideration for such transaction is paid or payable in foreign currency. Also, in case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is considered while computing the tax on such LTCG; and

(b) the Short Term Capital Gains (“STCG”) arising from such transaction would be subject to tax @15% under Section 111A of the IT Act. Further, in case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is considered while computing the tax on such STCG.

(ii) Buy back of listed shares other than through recognized stock exchange;

Resident Shareholders:

(a) For Individuals or HUF

LTCG would be taxable at lower of the following:

1. @ 20% (with indexation)
2. @ 10% (without indexation) (Refer Note a)

The benefit of maximum amount which is not chargeable to income-tax is considered while computing the tax on such LTCG. Therefore, where the total income as reduced by such LTCG is below the maximum amount which is not chargeable to income tax, then, such LTCG shall be reduced by the amount by which the total income as so reduced falls short of the maximum amount which is not chargeable to income-tax and the tax on the balance of such LTCG shall be computed at the respective rates.

STCG would be taxable at applicable slab rates.

(b) For Others

LTCG would be taxable at lower of following:

1. @ 20% (with indexation)
2. @ 10% (without indexation) (Refer Note a)

STCG would be taxable @ 30%

Non-resident Shareholders:

(a) In case of FPIs:

- FPIs are taxable as per the provisions of Section 115AD of the IT Act, as under.
- LTCG would be taxable @ 10%
- STCG would be taxable @ 30%

For the purposes of computing the capital gains neither the first proviso to Section 48 of the IT Act (providing for foreign exchange fluctuation benefit) nor the second proviso to Section 48 of the IT Act (providing for indexation benefit) would be considered.

(b) In case of NRI's governed by the provisions of Chapter XII-A

- LTCG would be taxable @ 10% under Section 115E of the IT Act. The NRI has an option (with prior intimation to the assessing officer) to be governed by the provisions of Chapter XII-A of the IT Act. However, it is imperative that the Shares of the Company were acquired in convertible foreign exchange. (Refer Note b)
- STCG would be taxable at slab rates

Please note that in case of NRIs not covered within the ambit of the above, their taxation shall be as applicable for other non-resident shareholders (i.e. paragraph (d) below).

(c) In case of Foreign Companies (excluding FPIs)

- LTCG would be taxable, depending on whether the transaction is in foreign currency or in Indian currency.
- Where transaction is in foreign currency, LTCG may be taxable @ 20% (without indexation) – however, benefit of foreign exchange fluctuation as per first proviso to Section 48 of the IT Act shall be available.
- Where transaction is not in foreign currency, then benefit of indexation would apply and tax would be calculated at lower of
 - @ 20% (with indexation)
 - @ 10% (without indexation) (Refer Note c)
- STCG would be taxable @ 40%

(d) In case of all other non-residents

- LTCG would be taxable, depending on whether the transaction is in foreign currency or in Indian Currency.
- Where the Shares are purchased in foreign currency, LTCG may be taxable @ 20% (without indexation) – however, benefit of foreign exchange fluctuation as per first proviso to Section 48 of the IT Act shall be available in such a case.
- Where the shares are not purchased in foreign currency, then benefit of indexation would apply in case of LTCG and tax would be calculated at lower of:
 - @ 20% (with indexation)

- @ 10% (without indexation) (Refer Note c)
 - STCG would be taxable as per the slab rates or maximum marginal rate as applicable.
- (e) Where the gross total income of an assessee includes any income arising from the transfer of a long term capital asset, the gross total income shall be reduced by the amount of such income and the deduction under Chapter VI-A shall be allowed as if the gross total income as so reduced were the gross total income of the assessee.

Notes To Above:

- a. The proviso to Section 112 of the IT Act provides for beneficial tax rate on LTCG of 10%, without giving indexation benefit (as per second proviso to Section 48 of the IT Act).
- b. In the case of non-resident shareholders referred to in paragraph 3(iii)(c) and 3(iii)(d) above other than NRIs covered under the provisions of Section 115E of the IT Act and FII, the first proviso to Section 48 of the IT Act (providing for foreign exchange fluctuation benefit) would apply, where shares are purchased in foreign currency.
- c. It is pertinent to note that there are conflicting views on the applicability of proviso to Section 112 of the IT Act (providing for a beneficial rate of 10% when indexation under the second proviso to Section 48 of the IT Act is not availed) to non-residents.
- d. All the above rates (especially for non-residents) are to be read subject to the provisions of Section 206AA of the IT Act and rule 37BC of the Income Tax Rules, 1962. The said section mandates furnishing of PAN to the deductor or such details as are set out in rule 37BC(2) of the Income Tax Rules, 1962, failing which the tax would be required to be deducted at a higher amount by the deductor.
- e. In case of non-residents, the TDS rate shall be increased by surcharge and cess as applicable.

5. SHARES HELD AS STOCK IN TRADE

- (i) If the shares are held as stock-in-trade by any of the Shareholders of the Company, then the gains would be characterized as business income. In such a case, the provisions of Section 46A of the IT Act would not apply.
- (ii) Resident Shareholders:
 - a. For individuals or HUF and in any other case of a resident profits would be taxable at slab rates
 - b. For domestic companies' profits, would be taxable @ 30% unless the provisions relating to minimum alternate tax (minimum alternate tax is 18.5% of book profits) apply instead. However, as per the amendments to the Finance Act, 2018, profits of a domestic company having a total turnover or gross receipts in the previous year 2016-17 not exceeding two hundred fifty crore rupees, shall be taxable at 25%.

No benefit of indexation by virtue of period of holding would be available in any case.

- (iii) Non-Resident Shareholders:

- a. For non-residents (excluding FPIs¹), taxability of profits as business income would be

¹ Securities held by FPIs to be regarded as capital asset and would be subject to capital gains tax.

subject to beneficial provisions of applicable Double Taxation Avoidance Agreement ('DTAA')

b. Where DTAA provisions are not applicable:

- For non-resident individuals or HUF profits would be taxable at slab rates
- For foreign companies, profits may be taxed in India @ 40%

6. TAX DEDUCTION AT SOURCE

(i) In case of Resident Shareholders:

In absence of any specific provision under the IT Act, the Company shall not deduct tax on the consideration payable to resident shareholders pursuant to the said Buy Back.

(ii) In case of Non-resident Shareholders

Under the tax laws, any gains paid to a non-resident is subject to deduction of tax at source unless such gains are exempt from tax. However, since the buyback is through the stock exchange, the Company will not be able to withhold any taxes, and thus, the Company believes that the responsibility of withholding/ discharge of the taxes due on such gains (if any) is solely on the custodians/ authorized dealers/brokers non-resident shareholder – with no recourse to the Company. It is therefore important that the non-resident shareholder consult their custodians/ authorized dealers/ brokers/ tax advisors appropriately and immediately pay taxes in India (either through deduction at source or otherwise). In the event the Company is held liable for the tax liability of the Shareholder, the same shall be to the account of the Shareholder and to that extent the Company is entitled to be indemnified.

The above note on taxation sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the disposal of equity shares. This note is neither binding on any authorities nor can there be any assurance that they will not take a position contrary to the comments mentioned herein. Hence, you should consult with your own tax advisors for the tax provisions applicable to your particular circumstances.

7. RATE OF SURCHARGE AND CESS:

In addition to the basic tax rate, Surcharge, Health and Education Cess are leviable as under:

7.1 Surcharge

- In case of domestic companies: Surcharge @ 12% is leviable where the total income exceeds 10 crores and @ 7% where the total income exceeds 1 crore.
- In case of companies other than domestic companies: Surcharge @ 5% is leviable where the total income exceeds 10 crores and @ 2% where the total income exceeds 1 crore.

- In case of Individuals, Hindu Undivided family, Association of Persons, and Body of Individuals: Surcharge @15% is leviable where the total income exceeds 1 crore and @ 10% where the total income exceeds 50 Lakhs.
- In case of Firms, Co-operative Societies, or Local Authorities: Surcharge @ 12% is leviable where the total income exceeds 1 crore.

7.2 Cess:

Health and Education Cess @ 4% is leviable in all cases.

Notes:

- (i) All the above benefits are as per the current tax laws. However, any further change or amendment (including retrospective changes/amendments) in the laws/regulation would impact the same.
- (ii) In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investments in the shares of the company.

The above Statement of Possible Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

24. DECLARATION BY THE BOARD OF DIRECTORS

Declaration as required under clause (ix) and clause (x) of Schedule I to the Buy Back Regulations:

The Board of Directors of the Company confirms that there are no defaults subsisting in the repayment of deposits, interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of term loans or interest payable thereon to any financial institution or banks.

The Board of Directors of the Company confirms that it has made a full inquiry into the affairs and prospects of the Company and has formed the opinion that:

1. Immediately following the date of the Board Meeting convened for approving the Buy-back i.e., August 7, 2018, and the date of declaration of results of the Postal Ballot i.e., September 28, 2018 approving the Buyback, there will be no grounds on which the Company could be found unable to pay its debts**.
2. As regards the Company's prospects for the year immediately following the date of the Board Meeting i.e., August 7, 2018, and the date of declaration of results of the Postal Ballot i.e. September 28, 2018, having regard to the Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its

liabilities as and when they fall due and will not be rendered insolvent within a period of one (1) year from that date**

3. In forming their opinion aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Companies Act and Insolvency and Bankruptcy Code, 2016 (to the extent notified and in force).

This declaration is made and issued under the authority of the Board in terms of the resolution passed at the meeting held on August 7, 2018.

****Note:** The Board, in its resolution passed in its meeting held on August 7, 2018, stated: (a) that for the purposes of calculation of the period of 1 (one) year in relation to its opinion regarding the solvency of the Company, the date of passing of the special resolution by the shareholders of the Company (by way of postal ballot) would be considered to be within 45 (forty-five) days from the passing of the resolution by the Board. The results of the postal ballot were announced on September 28, 2018. Accordingly, the Board had at its meeting held over 17 October 2018 and 18 October 2018, based on the recommendations of the Buyback Committee, approved the resolution substituting reference to the date of passing of the special resolution with September 28, 2018, in the said board resolution dated August 7, 2018.

For and on behalf of the Board of Directors of Mphasis Limited,

Sd/- Davinder Singh Brar Chairman	Sd/- Nitin Rakesh CEO and Whole-time Director
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25. AUDITORS CERTIFICATE

The text of the report dated August 7, 2018 read with clarification*** letter dated September 26, 2018, received from BSR & Co LLP, Chartered Accountants, the Statutory Auditors of the Company addressed to the Board of Directors is given below:

Quote

The Board of Directors
Mphasis Limited
Bagmane World Technology Centre,
Marathalli Outer Ring Road, Doddanakhundi Village,
Mahadevapura, Bangalore – 560 048

Dear Sirs,

Statutory Auditors' Report in respect of proposed buy back of equity shares by Mphasis Limited ('the Company') in terms of clause (xi) of Schedule I of Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, as amended (the "SEBI Buyback Regulations").

1. This report is issued in accordance with the terms of our engagement letter dated 7 August 2018. The Board of Directors of Mphasis Limited have approved a proposed Buyback of equity shares by the Company at its meeting held on 7 August 2018, in pursuance of the provisions of Section 68, 69 and 70 of the Companies Act, 2013 ('the Act') and the SEBI Buyback Regulations.

2. The accompanying Statement of permissible capital payment ('Annexure A') as at 30 June 2018 (hereinafter referred together as the "Statement") is prepared by the Management, which we have initialed for identification purposes only.

Management's Responsibility for the Statement

3. The preparation of the Statement in accordance with Section 68(2)(c) of the Companies Act, 2013 and the compliance with the SEBI Buyback Regulations, is the responsibility of the Management of the Company, including the computation of the amount of the permissible capital payment, the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Auditors' Responsibility

4. Pursuant to the requirements of the SEBI Buyback Regulations, it is our responsibility to provide reasonable assurance:
 - a) whether we have inquired into the state of affairs of the Company in relation to the audited standalone financial statements for the quarter ended 30 June 2018;
 - b) if the amount of permissible capital payment as stated in Annexure A, has been properly determined considering the audited standalone financial statements in accordance with Section 68(2)(c) of the Act; and
 - c) if the Board of Directors in their meeting dated 7 August 2018, have formed the opinion as specified in clause (x) of Schedule I to the SEBI Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from that date.
5. The standalone financial statements referred to in paragraph 4 above, which we have considered for the purpose of this report, have been audited by us, on which we have issued an unmodified audit opinion vide our report dated 7 August 2018.
6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special purposes, issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on inquiries conducted and our examination as above, we report that:
- a) We have inquired into the state of affairs of the Company in relation to its audited standalone financial statements as at and for the quarter ended 30 June 2018;
 - b) The amount of permissible capital payment (including premium) towards the proposed buy back of equity shares as computed in the Statement attached herewith is, in our view properly determined in accordance with Section 68(2) (c) of the Act. The amounts of share capital and free reserves have been extracted from the audited standalone financial statements of the Company as at and for the quarter ended 30 June 2018; and
 - c) The Board of Directors of the Company, in their meeting held on 7 August 2018 have formed their opinion as specified in clause (x) of Schedule I to the SEBI Buyback Regulations, on reasonable grounds and that the Company, having regard to its state of affairs, will not be rendered insolvent within a period of one year from the date of passing the Board meeting resolution dated 7 August 2018 and one year from the date on which the results of the postal ballot will be declared.

Restriction on Use

9. This report has been issued at the request of the Company solely for use of the Company (i) in connection with the proposed Buyback of equity shares of the Company in pursuance to the provisions of Section 68 and other applicable provisions of the Companies Act, 2013 and the SEBI Buyback Regulations, (ii) to enable the Board of Directors of the Company to include in the public announcement, draft letter of offer, letter of offer and other documents pertaining to Buyback to be sent to the shareholders of the Company or filed with (a) the Registrar of Companies, Securities and Exchange Board of India, stock exchanges, public shareholders and any other regulatory authority as per applicable law and (b) the Central Depository Services (India) Limited, National Securities Depository Limited and (iii) for providing to the managers, each for the purpose-of extinguishment of equity shares and may not be suitable for any other purpose.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration Number: 101248W/W-100022

Arjun Ramesh

Bengaluru

Partner

7 August 2018

Membership No: 218495

Annexure A

Statement of permissible capital payment (Rs. In Lakhs)

Particulars	Amount
Paid up equity share capital as on 30 June 2018* (193,313,151 equity shares of face value Rs. 10 each)	19,331.96
Free reserves as on 30 June 2018*:	
General reserve	7,420.67
Retained earnings	367,335.66
Securities premium account	1,221.95
Total	395,310.24
Maximum amount permissible for Buyback under Section 68 of the Companies Act, 2013 (25% of the total paid up capital and free reserves)	98,827.56
Amount proposed by Board Resolution dated 7 August 2018 approving the Buyback, subject to shareholders approval by special resolution, based on the audited accounts for the quarter ended 30 June 2018	98,827.56

* Calculation in respect to the Buyback is done on basis of interim condensed standalone audited financial statements of the Company as of and for the quarter ended 30 June 2018

*For Mphasis Limited
V Suryanarayanan
EVP and Chief Financial Officer
Place: Bengaluru
Date: August 7, 2018"*

Unquote

****The clarification letter dated September 26, 2018 was issued by BSR & Co. LLP, Chartered Accountants to substitute the reference to Securities & Exchange Board of India (Buyback of Securities) Regulations, 1998 in their report dated August 07, 2018 with the corresponding provisions of Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.*

26. DOCUMENTS FOR INSPECTION

The following material documents will be available for inspection by the shareholders of the Company at its Registered Office at Bagmane World Technology Center, Marathahalli Outer Ring Road, Doddanakhundi Village, Mahadevapura, Bengaluru - 560 048, India between 10 a.m. and 5.00 p.m. on all working days (Monday to Friday) during the offer period:

- (i) Copy of certificate of incorporation and Memorandum and Articles of Association of the Company.

- (ii) Copy of annual reports of the Company for the financial years ended March 31, 2018, March 31, 2017, March 31, 2016 and audited financial statements for three (3) months ended June 30, 2018.
- (iii) Copy of resolution passed by the Board of Directors at their meeting held on August 7, 2018 approving the proposal of the Buyback and a copy of the resolution passed by the Board of Directors at their meeting held on October 17, 2018 and October 18, 2018 (in relation to the matters specified under paragraph 4(B)(iii) of this letter of Offer).
- (iv) Copy of the certificate dated August 7, 2018 received from BSR & Co LLP, the Statutory Auditors of the Company, in terms of clause (xi) of Schedule I of the Buyback Regulations and their subsequent clarification letter dated September 26, 2018.
- (v) Copy of the postal ballot notice dated August 7, 2018, along with the explanatory statement.
- (vi) Copy of the special resolution passed by the shareholders of the Company by way of postal ballot on September 28, 2018.
- (vii) Copy of the resolution passed by the Buyback Committee dated October 1, 2018 approving the Public Announcement, fixing the Record Date and the Buyback Price.
- (viii) Copy of Public Announcement dated October 1, 2018 published in the newspapers on October 3, 2018 regarding Buyback.
- (ix) Copy of declaration of solvency and an affidavit as prescribed under Section 68(6) of the Companies Act.
- (x) Copy of the certificate from Gnaneshwar & Co., Chartered Accountants, dated November 09, 2018 certifying that the Company has made firm financing arrangements for fulfilling the obligations under the Buyback, in accordance with the Regulations.
- (xi) Copy of the Escrow Agreement dated October 5, 2018 between Mphasis Limited, Kotak Mahindra Bank Limited and JM Financial Limited.
- (xii) Copy of the Bank Guarantee issued by Kotak Mahindra Bank Limited in favour of the Manager to the Offer i.e., JM Financial Limited.
- (xiii) A confirmation letter by the Escrow Bank that the Escrow Account has been opened and that the Escrow Amount has been deposited.
- (xiv) Copy of the SEBI observation letter dated November 26, 2018, bearing reference SEBI/HO/CFD/DCR1/OW/P/2018/032296/1.

27. DETAILS OF THE COMPLIANCE OFFICER

Mr. Subramanian Narayan

Vice President and Company Secretary,
Mphasis Limited, Bagmane World Technology Center,
Marathahalli Outer Ring Road, Doddanakhundi Village,
Mahadevapura, Bengaluru - 560 048, India.

Tel.: +91 +91 80 6750 4613; 080 6750 4418

Fax: +91 80 6695 9943

Email: Subramanian.narayan@mphasis.com

Website: www.mphasis.com

Investors may contact the Compliance Officer for any clarification or can address their grievances, if any, during office hours i.e. 10.00 a.m. to 5.00 p.m. on all working days except Saturday, Sunday and public holidays.

28. DETAILS OF THE REMEDIES AVAILABLE TO THE EQUITY SHAREHOLDERS

- I. In case of any grievances relating to the Buyback (e.g. non-receipt of the Buyback consideration, share certificate, demat credit, etc.), the investor can approach the Compliance Officer as per the details mentioned above and/ or the Registrar to the Buyback and/ or Manager to the Buyback for redressal as per the details mentioned in paragraphs 29 and 30 of this Letter of Offer, respectively.
- II. If the Company makes any default in complying with the provisions of Sections 68, 69 and 70 of the Companies Act or the Rules made thereunder, the Company or any officer of the Company who is in default shall be punishable with imprisonment for a term and its limit, or with a fine and its limit or with both in terms of the Companies Act, as the case may be.
- III. The address of the concerned office of the Registrar of Companies is as follows:

The Registrar of Companies, Karnataka, Bengaluru

'E' Wing , 2nd Floor

Kendriya Sadan


Koramangala, Bengaluru - 560034, Karnataka, India.

29. DETAILS OF INVESTOR SERVICE CENTRE

In case of any query, the Equity Shareholders may contact the Registrar to the Buyback on any day except Saturday, Sunday and Public holidays between 10.00 a.m. to 5.00 p.m. at the following address:

	<p>Integrated Registry Management Services Private Limited 30 Ramana Residency 4th Cross, Sampige Road Malleswaram, Bengaluru – 560 003. Tel: +91 080 23460815-818 Fax: +91 080 23460819 Email: giri@integratedindia.in Website: www.integratedindia.in Contact Persons: Mr. S. Giridhar SEBI Registration. No.: INR000000544 Corporate Identity Number: U74900TN2015PTC101466</p>
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30. DETAILS OF THE MANAGER TO THE BUY BACK

	<p>JM Financial Limited 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400025, Maharashtra, India.</p> <p>Tel.: +91 22 6630 3030 Fax: +91 22 6630 3330 Contact Person: Ms. Prachee Dhuri Email: mphasis.buyback@jmfl.com Website: www.jmfl.com SEBI Registration. No.: INM000010361 Corporate Identity Number: L67120MH1986PLC038784</p>
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31. DECLARATION BY THE DIRECTORS REGARDING AUTHENTICITY OF THE INFORMATION IN THE LETTER OF OFFER.

As per Regulation 24(i)(a) of the Buyback Regulations, the Board of Directors of the Company accept the responsibility for the information contained in this Letter of Offer and confirms that the information in this Letter of Offer contain true, factual and material information and does not contain any misleading information. This Letter of Offer is issued under the authority of the Board of Directors and in terms of the resolution passed by the Board on August 7, 2018.

For and on behalf of the Board of Directors of Mphasis Limited

Sd/-	Sd/-	Sd/-
Nitin Rakesh CEO and Executive Director DIN: 00042261	Amit Dalmia Director DIN: 05313886	Subramanian Narayan Vice President and Company Secretary
Place: New York, United States	Place: Kolkata, India	Place: Bengaluru, India

Date: November 27, 2018

**TENDER FORM FOR DEMAT SHAREHOLDERS
FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT
(FOR EQUITY SHAREHOLDERS HOLDING SHARES IN DEMATERIALISED FORM)**

Bid Number: _____

Date: _____

BUYBACK OPENS ON:		December 07, 2018	
BUYBACK CLOSSES ON:		December 20, 2018	
For Registrar / collection centre use			
Inward No.	Date	Stamp	
Status (please tick appropriate box)			
<input type="checkbox"/>	Individual	<input type="checkbox"/>	FII/ FPI
<input type="checkbox"/>	Foreign Co.	<input type="checkbox"/>	NRI/OCB
<input type="checkbox"/>	Body Corporate	<input type="checkbox"/>	Bank / FI
<input type="checkbox"/>	VCF	<input type="checkbox"/>	Partnership/LLP
<input type="checkbox"/>		<input type="checkbox"/>	Insurance Co.
<input type="checkbox"/>		<input type="checkbox"/>	FVCI
<input type="checkbox"/>		<input type="checkbox"/>	Pension / PF
<input type="checkbox"/>		<input type="checkbox"/>	Others (specify)
India Tax Residency Status: Please tick appropriate box			
<input type="checkbox"/>	Resident in India	<input type="checkbox"/>	Non-Resident in India
<input type="checkbox"/>		<input type="checkbox"/>	Resident of (Shareholder to fill the country of residence)

To,
Mphasis Limited
C/o Integrated Registry Management Services Private Limited
30, Ramana Residency, 4th Cross, Sampige Road,
Malleswaram, Bengaluru - 560 003.
Tel. No.: +91 8023460815/18; Fax: +91 8023460819

Dear Sirs,

Sub: Letter of Offer dated November 27, 2018 to Buyback up to 7,320,555 Equity Shares of Mphasis Limited (the "Company") at a price of Rs. 1,350/- (Rupees One Thousand Three Hundred Fifty only) per Equity Share ("Buyback Price"), payable in cash

- I / We (having read and understood the Letter of Offer dated November 27, 2018) hereby tender / offer my / our Equity Shares in response to the Buyback on the terms and conditions set out below and in the Letter of Offer.
- I / We authorise the Company to Buyback the Equity Shares offered (as mentioned below) and to issue instruction(s) to the Registrar to the Buyback to extinguish the Equity Shares.
- I / We hereby affirm that the Equity Shares comprised in this tender / offer are offered for Buyback by me / us free from all liens, equitable interest, charges and encumbrance.
- 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 for Buyback Offer and that I / we am / are legally entitled to tender the Equity Shares for Buyback.
- I / We agree that the consideration for the accepted Shares will be paid to the Seller Member as per secondary market mechanism.
- I/We agree that the excess demat Equity Shares or unaccepted demat Shares, if any, tendered would be returned to the Seller Broker by clearing corporation in payout.
- I / We undertake to return to the Company any Buyback consideration that may be wrongfully received by me / us.
- 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 Company to effect the Buyback in accordance with the Companies Act and the Buyback Regulations.
- Details of Equity Shares held and tendered / offered for Buyback:

	In Figures	In Words
Number of Equity Shares held as on Record Date		
Number of Equity Shares Entitled for Buy Back (Buy Back Entitlement)		
Number of Equity Shares offered for Buy Back		
• Number of Equity Shares held for a period more than 12 months		
• Number of Equity Shares held for a period less than or equal to 12 months		

Note: An Equity Shareholder may tender Equity Shares over and above his / her Buyback Entitlement. Number of Equity Shares validly tendered by any Eligible Seller up to the Buyback Entitlement of such Eligible Seller shall be accepted to the full extent. The Equity Shares tendered by any Equity Shareholder over and above the Buyback Entitlement of such Equity Shareholder shall be accepted in accordance with paragraphs 21 and 22 of the Letter of Offer. Equity Shares tendered by any Equity Shareholder over and above the number of Equity Shares held by such Equity Shareholder as on the Record Date shall not be considered for the purpose of Acceptance.

----- ✂ ----- Tear along this line ----- ✂ -----

Acknowledgement Slip: MPHASIS BUYBACK OFFER 2018
(to be filled by the Equity Shareholder) (subject to verification)

STAMP OF BROKER

Folio No./DP ID.: _____ Client ID : _____

Received from Mr./Ms./M/s. _____

Form of Acceptance-cum-Acknowledgement, Original TRS along with:

No. of Equity Shares offered for Buyback (In Figures) _____ (In Words) _____

Please quote Client ID No. & DP No. for all future correspondence _____

10. Details of Account with Depository Participant (DP):

Name of the Depository (tick whichever is applicable)	NSDL <input type="checkbox"/>	CDSL <input type="checkbox"/>
Name of the Depository Participant		
DP ID No.		
Client ID No. with the DP		

11. Equity Shareholders Details:

	First/Sole Holder	Joint Holder 1	Joint Holder 2	Joint Holder 3
Full Name(s) of the Holder				
Signature(s)*				
PAN No.				
Address of the Sole/ First Equity Shareholder				
Telephone No. / Email ID				

*Corporate must affix rubber stamp and sign under valid authority. The Corporate Authorisation should be enclosed with the application form submitted.

12. **Applicable for all Non-resident shareholders**

I/We being a Non-Resident Shareholder, agree to obtain and submit all necessary approvals, if any and to the extent required from the concerned authorities including approvals from the Reserve Bank of India (“**RBI**”) under Foreign Exchange Management Act, 1999 and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended (the “**FEMA Regulations**”) and the rules and regulations framed there under, for tendering Equity Shares in the Buyback, and also undertake to comply with the reporting requirements, if applicable, under the FEMA Regulations and any other rules, regulations and guidelines, in regard to remittance of funds outside India. I / We undertake to pay income taxes in India on any income arising on such Buyback and taxable in accordance with prevailing income tax laws in India within 7th day of the succeeding month in which the Shares are bought back by the Company. I / We also undertake to indemnify the Company against any income tax liability on any income earned on such Buyback of shares by me / us. Details of bank account of the sole or first Shareholder to be incorporated in the consideration warrant (to be mandatorily filled).

Instructions

- The Buyback will open on December 07, 2018 and close on December 20, 2018.
- This Tender Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form.
- The Equity Shares tendered in the Buyback shall be rejected if (i) the shareholder is not a shareholder of the Company as on the Record Date; or (ii) if there is a name mismatch in the demat account of the shareholder; or (iii) in case of receipt of completed tender application form but non receipt of shares in the special account of the clearing corporation or non receipt of bid in the exchange bidding system.
- The Eligible Sellers will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to the Buyback being on a proportionate basis in terms of the Ratio of Buyback.
- Eligible Sellers to whom the Buyback offer is made are free to tender Equity Shares to the extent of their Buyback Entitlement in whole or in part or in excess of their entitlement.
- For the procedure to be followed by Equity Shareholders for tendering in the Buyback, please refer to section 22 of the Letter of Offer.
- All documents sent by Eligible Sellers will be at their own risk. Eligible Sellers are advised to safeguard adequately their interests in this regard.

-----✂----- Tear along this line -----✂-----

ALL FUTURE CORRESPONDENCE IN CONNECTION WITH THIS BUYBACK, IF ANY, SHOULD BE ADDRESSED TO REGISTRAR TO THE BUYBACK AT THE FOLLOWING ADDRESS QUOTING YOUR CLIENT ID AND DP ID:

Investor Service Centre, MPHASIS BUYBACK OFFER 2018
Integrated Registry Management Services Private Limited
30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bengaluru - 560 003
Tel: +91 23460815-818; Fax: +91 23460819
Email: giri@integratedindia.in; Website: www.integratedindia.in
Contact Person: Mr. S. Giridhar

12. Details of Share Certificate(s) enclosed : Total No. of Share Certificates Submitted:

Sr. No.	Folio No.	Share Certificate No.	Distinctive No(s)		No. of Shares
			From	To	
1					
2					
3					
4					
Total					

In case the number of folios and share certificates enclosed exceed 4 nos., Please attach a separate sheet giving details in the same format as above

13. Details of the bank account of the sole or first Shareholder to be incorporated in the consideration warrant (to be mandatorily filled):

Name of the Bank	Branch and City	Account Number (indicate type of account)

14. Details of other Documents (Please \checkmark as appropriate, if applicable) enclosed:

<input type="checkbox"/>	Power of Attorney	<input type="checkbox"/>	Corporate authorisation	<input type="checkbox"/>	Succession Certificate
<input type="checkbox"/>	Permanent Account Number (PAN Card)	<input type="checkbox"/>	Permanent Account Number (PAN Card)	<input type="checkbox"/>	TRS
<input type="checkbox"/>	Others (please specify): _____				

15. Equity Shareholders Details:

	First/Sole Holder	Joint Holder 1	Joint Holder 2	Joint Holder 3
Full Name(s) Of The Holder				
Signature(s)*				
PAN No.				
Address of the Sole/First Equity Shareholder				
Telephone No. / Email ID				

*Corporate must affix rubber stamp

16. **Applicable for all Non-resident shareholders –**

I/We being a Non-Resident Shareholder, agree to obtain and submit all necessary approvals, if any and to the extent required from the concerned authorities including approvals from the Reserve Bank of India (“RBI”) under Foreign Exchange Management Act, 1999 and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended (the “FEMA Regulations”) and the rules and regulations framed there under, for tendering Equity Shares in the Buyback, and also undertake to comply with the reporting requirements, if applicable, under the FEMA Regulations and any other rules, regulations and guidelines, in regard to remittance of funds outside India. I / We undertake to pay income taxes in India on any income arising on such Buyback and taxable in accordance with prevailing income tax laws in India within 7th day of the succeeding month in which the Shares are bought back by the Company. I / We also undertake to indemnify the Company against any income tax liability on any income earned on such Buyback of shares by me / us. Details of bank account of the sole or first Shareholder to be incorporated in the consideration warrant (to be mandatorily filled).

Instructions

- The Buyback will open on December 07, 2018 and close on December 20, 2018.
- This Tender Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form.
- Eligible Sellers who wish to tender their Equity Shares in response to this Buyback should deliver the following documents so as to reach before the close of business hours to the Registrar (as mentioned in the Letter of Offer) on or before December 22, 2018 by 5 PM (i) The relevant Tender Form duly signed by all Eligible Sellers in case shares are in joint names) in the same order in which they hold the Equity Shares; (ii) Original Equity Share certificates; (iii) Self attested copy of the Permanent Account Number (PAN) Card; (iv) Transfer deed (Form SH 4) duly signed (by all Eligible Sellers in case Equity Shares are held jointly) in the same order in which they hold the Equity Shares; (v) Transaction Registration Slip (TRS) generated by exchange bidding system.
- Eligible Sellers should also provide all relevant documents in addition to the above documents, which include but are not limited to: (i) Duly attested power of attorney registered with the Registrar, if any person other than the Eligible Seller has signed the relevant Tender Form; (ii) Duly attested death certificate / succession certificate in case any Eligible Seller is deceased; and (iii) Necessary corporate authorisations, such as Board Resolutions etc., in case of companies.
- Eligible Sellers to whom the Buyback offer is being made are free to tender Equity Shares to the extent of their entitlement in whole or in part or in excess of their entitlement.
- All documents sent by the seller member/ custodian will be at their own risk and the seller member/ custodian is advised to adequately safeguard their interests in this regard.
For the procedure to be followed by Equity Shareholders for tendering in the Buyback Offer, please refer to section 22 of the Letter of Offer.
- All documents as mentioned above, shall be enclosed with the valid Tender Form, otherwise the Equity Shares tendered will be liable for rejection. The Equity Shares shall be liable for rejection on the following grounds amongst others: (i) If there is any other company’s equity share certificate enclosed with the Tender Form instead of the Equity Share certificate of the Company; (ii) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Sellers; (iii) If the Eligible Sellers tender Equity Shares but the Registrar does not receive the Equity Share certificate; (iv) In case the signature on the Tender Form and Form SH 4 doesn’t match as per the specimen signature recorded with Company/Registrar; (v) Matters specified under Section 22 (xx) (h) on page 54 and 55 of the Letter of Offer.



Tear along this line



ALL FUTURE CORRESPONDENCE IN CONNECTION WITH THIS BUYBACK, IF ANY, SHOULD BE ADDRESSED TO REGISTRAR TO THE BUYBACK OFFER AT THE FOLLOWING ADDRESS QUOTING YOUR LEDGER FOLIO NO.:

Investor Service Centre, MPHASIS BUYBACK OFFER 2018
Integrated Registry Management Services Private Limited
30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bengaluru - 560 003
Tel: +91 23460815-818; Fax: +91 23460819
Email: giri@integratedindia.in; Website: www.integratedindia.in
Contact Person: Mr. S. Giridhar

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	3	0	0	0	7	K	A	1	9	9	2	P	L	C	0	2	5	2	9	4
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

Name of the company (in full) : **MPHISIS 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 Shares	Rs. 10/-	Rs. 10/-	Rs. 10/-
No. of Securities being Transferred		Consideration received (Rs.)	
In figures	In words	In words	In figures
Distinctive Number	Form		
	To		
Corresponding Certificate Nos.			

Transferor's Particulars

Registered Folio Number:

Name(s) in full :	PAN	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)
Mphasis Limited	N.A.	Address : Bagmane World Technology Center, Marathahalli Outer Ring Road, Doddanakundhi Village, Mahadevapura, Bengaluru, Karnataka - 560 048. E-mail : investor.relations@mphasis.com
Occupation (4)	Existing Folio No., if any (5)	Signature (6)
Business		

Folio No. of Transferee: _____

Specimen Signature of Transferee(s): _____

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 Transferor(s).
4. Others, Specify, _____

Stamps:

For Office Use Only

Checked by _____ Signature Talled 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. _____