

## Mphasis Limited

Bagmane World Technology Center, Marathalli Outer Ring Road, Doddanakhundi Village,  
 Mahadevapura, Bangalore - 560 048, India. CIN:L30007KA1992PLC025294,  
 Telephone : +91 80 6750 5000; Fax : +91 80 6695 9943; Website : [www.mphasis.com](http://www.mphasis.com);  
 e-mail: investor.relations@mphasis.com

### NOTICE OF POSTAL BALLOT

(Pursuant to Section 110 of the Companies Act, 2013)

To,  
 The Members of Mphasis Limited,

NOTICE is hereby given pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), read together with the Companies (Management and Administration) Rules, 2014, the following Special Business is proposed to be passed by the Members through Postal Ballot:

**To consider, and, if thought fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:**

**RESOLVED THAT** in terms of Regulation 23 of Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, ("**Regulation**") and applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder, including any statutory modification(s) or re-enactment thereof and other applicable provisions of law, if any, and such other consents and permissions, if any, as may be required in this regard, approval of the members be and is hereby accorded to the Company to enter into an *Amended and Re-stated Standard Services Agreement ("HPE Agreement")* with Hewlett Packard Enterprise Co., Palo Alto, USA ("**HPE**"), for availing and/or rendering services to HPE, its subsidiaries, group companies, and associates, on the following key terms and conditions:

Nature of Transactions	Transactions/contract/arrangements relating to transfer, providing, exchange or receipt of all or any of, goods, resources, obligations for services in relation to information technology and/or Information Technology Related Services
Name of the Related Party	HPE, its subsidiaries and associates
Tenor	Initial term of 5 years, which shall automatically renew for 3 consecutive terms of 2 years
Monetary Value	The monetary value of services is determined by the rate table, where applicable, and in other cases the value will be determined when the Statement of Works (SOWs) are negotiated and finalized pursuant to HPE Agreement.
Minimum Revenue Commitments by HPE (USD Mln)	\$990 Mln in 5 years
Other terms	Mphasis shall participate in HPE's Preferred Provider Program where the pricing will be based on the agreed volume discounts except for agreed part of the business.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to decide either by itself or through delegation to Committee(s) or Chief Executive Officer, upon the exact terms and conditions of the HPE Agreement including the renewals thereon, upon the exact nature and value and other terms and conditions, of the transfer, providing, exchange, or receipt of all or any of, goods, resources, obligations to be transacted with HPE, from time to time, as referred hereinabove.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to settle any question, difficulty or doubt that may arise with regard to giving effect to the above resolution and to do or cause to be done all such acts, deeds and things and make such changes to the terms and conditions as may be considered necessary, expedient or desirable and execute such addendum agreements, documents and writings and to make such filings as may be necessary or desirable, in order to give effect to this resolution in the best interest of the Company.

By **order of the Board**

**A. Sivaram Nair**

EVP, Company Secretary,  
General Counsel & Ethics Officer

Date : 15 April 2016  
Place: Bangalore

**Registered Office:**

Bagmane World Technology Center,  
Marathalli Outer Ring Road, Doddanakhundi Village,  
Mahadevapura, Bangalore - 560 048  
CIN : L30007KA1992PLC025294  
Telephone : 91 80 6695 5000  
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Website : [www.mphasis.com](http://www.mphasis.com)  
e-mail : [investor.relations@mphasis.com](mailto:investor.relations@mphasis.com)

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Notes:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 and the reasons for the proposed Special Business is annexed herewith.
2. The Board of Directors in its meeting held on 15 April 2016 has appointed Mr. S P Nagarajan (CP No.4738), Practicing Company Secretaries, as the Scrutinizer for conducting the postal ballot and e-voting process in a fair and transparent manner.
3. The Postal Ballot Notice is being sent to the Members whose names appear on the Register of Members/List of Beneficial Owners furnished by the depositories as on Friday, 15 April 2016, being the Cut Off date fixed for the purpose of voting. The Postal Ballot Notice is being sent to Members in electronic form to the e-mail address registered with the Depository Participant (in case of electronic shareholding)/ the Company's Registrar and Share Transfer Agents (in case of physical shareholding). For Members whose email IDs are not registered, physical copies of the Postal Ballot Notice and the Postal Ballot Form are being sent along-with a self-addressed Business Reply envelope. The shareholders as on the Cut Off date will be considered for the purpose of voting. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only and is not entitled to vote.
4. The Company is pleased to provide remote e-voting facility (e-voting) to its members to enable them to cast their votes electronically for the resolution proposed to be passed through postal ballot. The members desirous of availing this e-voting facility are requested to read the instructions in relation to e-voting given hereunder and comply with the instructions to cast their vote electronically. Members who are not able to avail the remote e-voting facility may cast their votes through postal ballot form, being dispatched along with this notice.

5. The Members can opt for only one mode of voting, i.e., either by physical ballot or e-voting. The Members are encouraged to opt for the e-voting facility. **In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through physical Postal Ballot Forms will be treated as invalid.**
6. Members desiring to exercise their vote by physical postal ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the form duly completed and signed, in the enclosed self-addressed Business Reply Envelope to the Scrutinizer not later than close of working hours (i.e. 17:00 Hours IST) on Saturday, 21 May 2016. The postage will be borne by the Company.
7. The Scrutinizer will submit his report to the Chairman or any director after the completion of scrutiny, and the result of the voting by postal ballot will be announced before 5:00 pm on or before Monday, 23 May, 2016 at the Registered Office of the Company at Bagmane World Technology Center, Marathalli Outer Ring Road, Doddanakhundi Village, Mahadevapura, Bangalore – 560 048, India. The result of the Postal Ballot will also be published in the Newspaper within 48 hours of the declaration of the results and will be placed on the web-site of the Company at [www.mphasis.com](http://www.mphasis.com) for information of members besides being communicated to the Stock Exchanges on which the shares are listed. The date of declaration of the postal ballot results will be taken to be the date of passing of the resolution.
8. The business reply envelopes are to be strictly used only for the purpose of the proposed Postal Ballot and not otherwise.

#### **VOTING THROUGH ELETRONIC MEANS**

1. The remote e-voting period commences on Thursday, 21 April 2016 and ends on Saturday, 21 May 2016 at 5:00 pm. During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on, being the cut-off date Friday, 15 April 2016, may cast their vote by remote e-voting. The remote e-voting module shall be forthwith blocked by NSDL after 5:00 pm on Saturday, 21 May 2016. Vote casted once by the member shall not be allowed to be changed subsequently.
2. Any queries or grievances in relation to the electronic voting may be addressed to Mr. A Sivaram Nair, EVP, and Company Secretary, General Counsel and Ethics officer at the registered office of the Company or may be e-mailed to [sivaram.nair@mphasis.com](mailto:sivaram.nair@mphasis.com).
3. **The process and manner for remote e-voting are as under:**
  - a) In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
    - (i) Open e-mail and open PDF file viz; “remote e-voting.pdf” with your Client ID or Folio No. as the password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
    - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
    - (iii) Click on Shareholder - Login
    - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
    - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note the new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
  - (vii) Select "EVEN" of "Mphasis Limited".
  - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
  - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer, Mr. S P Nagarajan through e-mail to [cs@nagarajansp818.com](mailto:cs@nagarajansp818.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- b) In case a member receives physical copy of the Postal Ballot Notice [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:
- (i) Initial password is provided as below in the Postal Ballot Form:

<u>EVEN (E-VOTING EVENT NUMBER)</u>	<u>USER ID</u>	<u>PASSWORD/PIN</u>
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  - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
4. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e -voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free No.: 1800-222-990.
5. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
6. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
7. The voting rights of members shall be in proportion to their shares held in the Company as on the cut-off date, i.e. Friday 15 April 2016.
8. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to vote. A person who is not a member as on the cutoff date should treat this Notice for information purposes only.
9. Mr. S P Nagarajan ( CP No.4738) has been appointed as the Scrutinizer to scrutinize the voting and remote e -voting process in a fair and transparent manner.
10. Members who have registered their e-mail ids for receipt of documents in electronic mode have been sent link to postal ballot notice by email from NSDL. Such members are expected to vote by electronic mode. However if they wish to vote through a physical ballot, they may download the ballot form from [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or seek a duplicate form from the Registrar and Share Transfer Agents, Integrated Enterprises (India) Limited, 30 Ramana Residency, 4<sup>th</sup> Cross, Sampige Road, Malleswaram, Bangalore – 560 003, fill in the details and send the same addressed to the scrutinizer by post to Integrated Enterprises (India) Limited at the address given above.

## **EXPLANATORY STATEMENT PURSUANT TO SECTIONS 102 AND 110 OF THE COMPANIES ACT, 2013 TO THE ACCOMPANYING POSTAL BALLOT NOTICE DATED 15 APRIL 2016**

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Marble II Pte. Ltd. (the “**Acquirer**”) together with Marble I Pte. Ltd. (“**PAC 1**”) and Blackstone Capital Partners (Cayman II) VI L.P. (“**PAC 2**”) (collectively the “**PACs**”) have made a Public Announcement (“**PA**”) on 4 April 2016 and Detailed Public Statement (“**DPS**”) on 12 April 2016 for an open offer to public shareholders as per the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (“**Regulations**”), pursuant to the Acquirer having entered into a Share Purchase Agreement (“**SPA**”) on 4 April 2016 for acquisition of shares of the Company from EDS Asia Pacific Holdings, EDS World Corporation (Far East) LLC and EDS World Corporation (Netherlands) LLC (“**Sellers**”). The Sellers are step-down subsidiaries of Hewlett Packard Enterprises Co., Palo Alto, USA, (“**HPE**”).

HPE has proposed to enter into an Amended and Re-stated Standard Services Agreement (“**HPE Agreement**”) with the Company on the key terms and conditions more fully described in the resolution and this Explanatory Statement. As specified in the PA and DPS, completion of the acquisition under the SPA by the Acquirer from the Sellers is subject *inter alia* to the Company receiving approval from its Members for the HPE Agreement in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”). As HPE is the ultimate holding company of the Company as at date of the notice, HPE is a Related Party under the Listing Regulations. Subject to receipt of approval of the Members, the Company proposes to enter into the HPE Agreement with HPE after completion of the open offer process referred to above.

The Company has been rendering and availing services from HPE and its group companies (“**HPE Companies**”) in its ordinary course of business at arm’s length pursuant to a Standard Services Agreement dated 1 July 2009, as renewed from time to time (“**Existing HPE Agreement**”) and the transactions with HPE Companies are material related party transactions under the Listing Regulations, which received approval from the shareholders of the Company at the Annual General Meeting held on 9 September 2015. The proposed HPE Agreement amends and restates the existing HPE Agreement and relates to the services performed by the Company in its ordinary course of business and continues to be on an arm’s length basis. However, the approval of Members, by means of an Ordinary Resolution, under Regulation 23 of the Listing Regulations, is required as the value of services perceived under the HPE Agreement is likely to exceed 10% of the Annual Consolidated Turnover of the Company and the said HPE Agreement could be considered as a Material Related Party Contract under the Listing Regulations.

A brief summary of the contract/ arrangements/transactions with HPE are as under:

1. **Name of Related Party:**

Hewlett Packard Enterprise Co., Palo Alto, USA, and its subsidiaries, group companies, and associates

2. **Names of the director and key managerial personnel who is related, if any:**

Mr. James Mark Merritt, Mr. Stefan Antonio Lutz, Mr. Lakshmikanth K Ananth, Mr. Jeff Thomas Ricci and Ms. Mary Teresa Hassett being directors nominated by HPE may be deemed to be interested in the resolution.

3. **Nature of relationship:**

HPE is the ultimate holding Company of the Company. Companies held between HPE and Mphasis are the intermediate parent company. All other HPE Companies are associates of the Company.

4. **Nature, material terms, monetary value and particulars of the contract or arrangement:**

(a) Nature of Services

Contracts/arrangements/ transactions relating to transfer, providing, exchange or receipt of all or any of, goods, resources, obligations or services in relation to Information Technology and/or Information Technology Enabled Services.

(b) Particulars of the Contract

The Company proposes to enter Standard Services Agreement with HPE which entails HPE Companies to purchase services from the Company and its subsidiaries, on the key terms and conditions which are detailed in the resolution.

(c) Material Terms:

1. *Tenure:* The HPE Agreement to be entered between the Company and HPE shall be for the Initial term of 5 years, which shall automatically be renewed for 3 consecutive terms of 2 years.
2. *Monetary Value:* The monetary value of services is determined by the rate table, where applicable, and in other cases the value will be determined when the Statement of Works (SOWs) are negotiated and finalized. The Minimum Revenue Commitments by the Seller are detailed in the resolution. The following are details of revenue from HPE for last 3 years and nine month period ended 31 December 2015:

Particulars	Year Ended 31 October 2013	5 month Financial Year Ended 31 March 2014	Year Ended 31 March 2015	9 month Period Ended 31 December 2015
Revenues from services provided to HP Group (Rs. Million)	26,052	9,698	19,904	12,069
Percentage of Total Revenue on the Consolidated basis for the respective years	45%	37%	34%	26%

The Audit Committee has determined that the HPE Agreement is in the ordinary course of business of the Company and on an arm's length basis, and together with the Board of Directors of the Company have approved entering into HPE Agreement at their respective meetings held on 15 April 2016 and have recommend the same to Members for approval by means of an Ordinary Resolution. As required under the Listing Regulations, Related Parties, including the Sellers, shall abstain from voting on the resolution.

The draft HPE Agreement will be available for inspection at the registered office of the Company to the members on all working days from 10:00 am to 5:00 pm till Saturday, 21 May 2016.

**Interest of Directors and Key Managerial Personnel:**

Mr. James Mark Merritt, Mr. Stefan Antonio Lutz, Mr. Lakshmikanth K Ananth , Mr. Jeff Thomas Ricci and Ms. Mary Teresa Hassett being directors nominated by HPE, and their relatives, may be deemed to be interested in the resolution. None of the other directors and Key Managerial Personnel of the Company and their relatives are interested in the above resolution.

**By order of the Board**

Date : 15 April 2016  
Place: Bangalore

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

**Registered Office:**

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