LETTER OF OFFER

This Document is important and requires your immediate attention.

This Letter of Offer is being sent to you as a shareholder(s) of Hughes Software Systems Limited. If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or the Manager to the Offer / Registrar to the Offer. In case you have recently sold your shares in Hughes Software Systems Limited, please hand over this Letter of Offer and the accompanying Form of Acceptance-cum-Acknowledgement, Form of Withdrawal and Transfer Deed to the member of the stock exchange through whom the sale was effected.

CASH OFFER

by

Flextronics Sales & Marketing (L-A) Ltd.

"Acquirer"

Registered Office: Suite 802, St. James Court, St. Denis Street, Port Louis, Mauritius. Tel. No. +230 208 6950 Fax No. +230 208 6951

&

Flextronics International Limited

FLEXTRONICS

"the Person Acting in Concert"

Registered Office: One Marina Boulevard, #28-00, Singapore 018989. Tel. No. +65 6890 7188; Fax No. +65 6438 5925

To acquire up to 6,834,404 fully paid up equity shares representing 20% of the Voting Capital as defined herein

of

Hughes Software Systems Limited ("HSSL" or "Target Company")

Registered office: B-25, 2nd Floor, Nirlac Centre, Qutab Institutional Area, New Delhi – 110016
Tel No + 91 11 26569332; Fax No + 91 11 26563310

at an offer price of Rs. 548/- (Rupees Five Hundred and Forty Eight only) per Equity Share (the "Offer Price")

1. The Offer is being made by Flextronics Sales & Marketing (L-A) Ltd. **("Acquirer")** and Flextronics International Limited **("Flextronics" or "PAC")**, being a person acting in concert with the Acquirer, pursuant to the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto **("SEBI (SAST) Regulations")**.
2. The Offer is not subject to a minimum level of acceptance by the shareholders of HSSL.
3. The Offer is subject to the approval of the Foreign Investment Promotion Board **("FIPB")** and the Reserve Bank of India **("RBI")** under the Foreign Exchange Management Act, 1999 **("FEMA")** required for acquiring and transferring the equity shares tendered in this Offer. The Acquirer has filed an application for the abovementioned FIPB approval on June 23, 2004 and is awaiting a response. The Acquirer will apply for the above mentioned RBI Approval upon receipt of the FIPB Approval. In case of a delay in receipt of any statutory approval(s), the Securities and Exchange Board of India **("SEBI")** has the power to grant an extension of time to the Acquirer for payment of consideration to the tendering shareholders, subject to the Acquirer agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations. Further, if a delay occurs on account of willful default or neglect or inaction or non-action by the Acquirer in obtaining the requisite approvals, Regulation 22(13) of the SEBI (SAST) Regulations will become applicable.
4. Shareholders who accept the Offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, can withdraw the same up to 3 (three) working days prior to the date of closure of the Offer, in terms of Regulations 22 (5A) of the SEBI (SAST) Regulations. (i.e. Friday, September 10, 2004).
5. The Acquirer can revise the Offer price upwards up to 7 working days prior to the date of closure of the Offer (viz. Monday, September 6, 2004). If there is any upward revision in the Offer Price by the Acquirer till the last date of revision viz. Monday, September 6, 2004, or if the Offer is withdrawn, the same would be communicated by a public announcement in the same newspapers in which the Public Announcement appeared. The Acquirer would pay such revised price for all the shares validly tendered any time during the Offer and accepted under the Offer.
6. **If there is a competitive bid(s):**

   The public offers under all the subsisting bids shall close on the same date;

   As the Offer Price cannot be revised during seven working days prior to the closing date of the offers/bids, it would, therefore, be in the interest of shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly.
7. A copy of the Public Announcement and the Letter of Offer (including Form of Acceptance-cum Acknowledgement) is also available on SEBI's web-site (www.sebi.gov.in).

MANAGER TO THE OFFER

citigroup

Citigroup Global Markets India Private Limited
Bakhtawar 4th Floor, 229 Nariman Point
Mumbai 400 021
Tel No: +91 22 5631 9982
Fax No: +91 22 5631 9803
Email: hughes.openoffer@citigroup.com
Contact Person: Mr. Nikhil Gahrotra

REGISTRAR TO THE OFFER

KARVY

Karvy Computershare Private Limited
Karvy House, 46, Avenue 4, Street No. 1
Banjara Hills, Hyderabad - 500 034
Tel No: +91 40 2332 0751-53
Fax No: +91 40 2331 1968
Email: murali@karvy.com
Contact Person: Mr. Murali Krishna

The table below summarizes the schedule of activities:

No	Activity	Date	Day
1	Public Announcement (PA) Date	June 14, 2004	Monday
2	Specified Date	July 12, 2004	Monday
3	Last date for a competitive bid	July 5, 2004	Monday
4	Date by which Letter of Offer to be dispatched to shareholders	August 13, 2004	Friday
5	Date of opening of the Offer	August 17, 2004	Tuesday
6	Last date for revising the Offer price / number of shares	September 6, 2004	Monday
7	Last date for withdrawing acceptance from the Offer	September 10, 2004	Friday
8	Date of closure of the Offer	September 15, 2004	Wednesday
9	Last date of communicating rejection / acceptance and payment of consideration for applications accepted and or return of Shares/ Share certificates for applications rejected	September 27, 2004	Monday

RISK FACTORS

Risks related to the Transaction

The successful closure of the transaction is contingent on certain closing conditions being fulfilled. Non-fulfillment of these closing conditions within the defined time frame may result in the transaction not closing successfully, which may lead to the Offer being withdrawn.

The successful closure of the purchase of 54.95% shares in HSSL by the Acquirer from the Sellers **("transaction")** is contingent upon certain closing conditions being fulfilled (including completion of this Offer as per SEBI (SAST) Regulations and receipt of approvals from the FIPB and the RBI). Should any of these closing conditions not be fulfilled within the defined time frame, the transaction may not successfully close, which may lead to the Offer being withdrawn.

Risks related to the proposed Offer

The Offer involves an offer to purchase 20% of the Voting Capital of HSSL from the public shareholders who are currently holding 45.05% of the paid-up equity capital of HSSL. Hence, there is no certainty that all the Shares tendered by the shareholders in the Offer will be accepted.

The Acquirer has entered into the Agreement to purchase 54.95% of the existing paid-up equity share capital of HSSL from the Sellers. Pursuant to and in compliance with the SEBI (SAST) Regulations, the Acquirer and the PAC are making this Offer for an additional 20% of the Voting Capital of HSSL. With 45.05% of the existing paid up capital of HSSL with the public, it is possible that equity shares representing more than 20% of the Voting Capital of HSSL are tendered by the shareholders. Hence, there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted by the Acquirer and the PAC.

The success of the Offer is contingent on the Acquirer receiving necessary approvals from the FIPB and the RBI.

The Offer is subject to the receipt of approval for the acquisition of Shares by the Acquirer under the Offer from (i) the FIPB and (ii) the RBI, under FEMA. The Acquirer may not to be able to proceed with the Offer in the event the approvals indicated above are not received in terms of Regulation 27 of SEBI (SAST) Regulations. Delay, if any, in the receipt of these approvals may delay completion of the Offer.

Risks involved in associating with the Acquirer/ PAC

The Acquirer does not have any ongoing business activities and has limited financial resources of its own.

The Acquirer has no ongoing business activities, has a share capital of only US$1 (Rs. 45.09) and is dependent on the PAC for financial resources.

The PAC has incurred losses in each of the past three years

The PAC has registered losses of US$154 million (Rs.69,325 Lacs), US$83 million (Rs. 37,629 Lacs) and US$352 million (Rs. 158,887 Lacs) for the financial years ended March 31, 2002, March 31, 2003, and March 31, 2004 respectively. There can be no assurance that the PAC will start making profits, or will not incur higher losses in the coming years.

The PAC is an Electronics Manufacturing Services company and has no prior experience of managing companies in the IT services industry.

The key services provided by the PAC include providing end-to-end operational services such as innovative product design, test solutions, manufacturing, IT expertise, network services and logistics. It has so far not offered software services to its clients, and there can be no guarantee that it will be able to do so successfully. However, the PAC believes that partnering with the Target Company will enable it to offer a complete outsourcing solution to its customers who are telecom Original Equipment Manufacturers.

1. DEFINITIONS

Acquirer	Flextronics Sales & Marketing (L-A) Ltd.
Agreement	Share Purchase Agreement dated June 12, 2004 between the Acquirer and the Sellers regarding the purchase of the Sale Shares
BSE	The Stock Exchange, Mumbai
CDSL	Central Depositary Services (India) Limited
DP	Depository Participant
DSE	Delhi Stock Exchange Association Ltd.
Eligible Persons	All owners (registered or unregistered) of Shares of Hughes Software Systems Limited (except the Sellers who are parties to the Agreement and the Acquirer and Person Acting in Concert) anytime before the closure of the Offer
EMS	Electronics Manufacturing Services
Escrow Account	Has the same meaning as defined in 7.2 (a)
FEMA	Foreign Exchange Management Act, 1999
FIPB	Foreign Investment Promotion Board
Flextronics	Flextronics International Limited, the Person Acting in Concert with the Acquirer for the purpose of the Offer
Form of Acceptance	Form of Acceptance cum Acknowledgement
Funds	Has the same meaning as defined in 7.2 (a)
HNS	Hughes Network Systems Inc.
HNS-Mauritius	HNS-Mauritius Holdings
HSSL	Hughes Software Systems Limited
Manager/Manager to the Offer	Citigroup Global Markets India Private Limited
NRI	Non Resident Indian
NSE	National Stock Exchange of India Limited
OCB	Overseas Corporate Body
OEM	Original Equipment Manufacturers
Offer	This offer for the acquisition of 6,834,404 fully paid-up equity shares of the face value of Rs.5/- each representing 20% of the Voting Capital of Hughes Software Systems Limited calculated in accordance with Regulation 21(5) of the SEBI (SAST) Regulations
Offer Price	Rs.548/- (Rs. Five Hundred and Forty Eight only) per fully paid up equity share of the face value of Rs.5/- each
Offer Shares	6,834,404 fully paid-up equity shares of Rs. 5/- each, representing in aggregate up to 20% of the Voting Capital of HSSL as defined herein
PAC	Flextronics International Limited, the Person Acting in Concert with the Acquirer for the purpose of the Offer
Public Announcement	Announcement of the Offer by Flextronics Sales & Marketing (L-A) Ltd., made by the Manager to the Offer on behalf of the Acquirer and the PAC on June 14, 2004 and any corrigendum issued in continuation thereto
RBI	Reserve Bank of India
Registrar/Registrar to the Offer	Karvy Computershare Private Limited
SEBI	Securities and Exchange Board of India
Specified Date	July 12, 2004
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto
Sellers	Hughes Network Systems Inc. and HNS-Mauritius Holdings
Share(s)	Fully paid up equity share(s) of the face value of Rs.5/- each of Hughes Software Systems Limited
Sale Shares	Fully paid up equity share(s) of face value of Rs. 5/- each of Hughes Software Systems Limited tendered by the Sellers
Target Company	Hughes Software Systems Limited
Tax Clearance Certificate	NRI/ OCBs/ foreign shareholders will be required to submit a Certificate from the Income Tax authorities, indicating the amount of tax to be deducted by the Acquirer under the Income Tax Act, 1961
Transaction	The closure of the purchase of 54.95% shares in HSSL by the Acquirer from the Sellers
Voting Capital	The expected subscribed and paid up equity share capital of HSSL as on October 15, 2004 (i.e. 30 days after the date of closure of the offer), based on the information obtained from HSSL, and assuming exercise of all employee options which are due for vesting or are exercisable up to October 15, 2004 aggregating to 202,970

CURRENCY OF PRESENTATION

In this Letter of Offer, all references to "US$" are to the United States Dollar, and to "S$" are to the Singapore Dollar. Certain financial details contained herein are denominated in United States Dollars and Singapore Dollars. Unless otherwise stated, the Rupee equivalent quoted in each case is calculated in accordance with the RBI reference rate for the US$ translation as on June 11, 2004, namely 1 US$ = Rs. 45.09 and the Bloomberg rate for the S$ translation as on June 11, 2004, being 1S$ = 26.3. Please note that all financial data contained in this Letter of Offer has, where appropriate, been rounded off to the nearest million or lac, except stated otherwise.

2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (SAST) REGULATION. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF HUGHES SOFTWARE SYSTEMS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER, PAC OR THE TARGET COMPANY WHOSE SHARES / CONTROL ARE PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, CITIGROUP GLOBAL MARKETS INDIA PRIVATE LIMITED, THE MANAGER TO THE OFFER, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED JUNE 28, 2004 TO SEBI IN ACCORDANCE WITH THE SEBI (SAST) REGULATIONS AND SUBSEQUENT AMENDMENTS THERETO. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

3. DETAILS OF THE OFFER

3.1 Background of the Offer

a. The Offer to the shareholders of HSSL is being made in accordance with, and as required under, Regulations 10 and 12 of the SEBI (SAST) Regulations, i.e. for substantial acquisition of shares and change in control, as mentioned below.

b. The name of the Acquirer is Flextronics Sales & Marketing (L-A) Ltd. and the name of the person acting in concert with the Acquirer for the purpose of the Offer (as hereinafter defined) is Flextronics International Limited. The Acquirer is a wholly owned subsidiary of the PAC. Save and except the PAC, no other person is acting in concert with the Acquirer for the purpose of the Offer.

c. The Acquirer has executed a Share Purchase Agreement dated June 12, 2004 with the Sellers **("Agreement")**, i.e. Hughes Network Systems, Inc. (registered office: 11717, Exploration Lane, Germantown, Maryland, 20876, USA, Tel No: (1) 301-601-7315, Fax No: (1) 301-428-2818) and HNS Mauritius Holdings (registered office: Kross Border Trust Services Limited, Manor House, 1st Floor, Cnr St. George / Chazal Streets, Port Louis, Mauritius, Tel No: (230)-203-6600, Fax No:-(230) 203 6550) by and under which it has agreed to purchase from the Sellers, by way of an off-market purchase, 18,667,491 fully paid up equity shares of Rs. 5/- each **("Sale Shares")** of HSSL (comprising 54.95% of the existing paid up equity share capital of the Target Company) for a consideration of Rs. 547/- per equity share, aggregating to Rs. 1,021,11,17,577 (Rupees One Thousand Twenty One Crores Eleven Lacs Seventeen Thousand Five Hundred and Seventy Seven) to be paid in cash by the Acquirer in accordance with the terms of the Agreement. The Agreement provides that the sale and purchase of the Sale Shares is subject to fulfillment of the conditions precedent specified in the Agreement which include the receipt of approvals from the FIPB and the RBI and any other regulatory approvals that may be required and the Manager to the Offer having certified that the Acquirer has fulfilled its obligations under the SEBI (SAST) Regulations. The Agreement also provides, inter alia, (i) for the Sale Shares being initially deposited in escrow, against which the Acquirer is to make payment of the purchase price for the Sale Shares to the Sellers, (ii) for the Sellers' nominated directors on the Company's board of directors resigning and the Acquirer' nominees being made directors of the Company upon the Acquirer depositing 100% of the consideration for the Offer (assuming full acceptance) in an escrow account in cash and 21 days having elapsed after the date of the Public Announcement in respect of the Offer, (iii) for certain business commitments being made by the Sellers to the Company with regard to their relationship as customers of the Company guaranteeing minimum levels of revenues for specified periods, subject to certain conditions and (iv) for extension of trademark rights to allow HSSL to continue using the Hughes trademark for a period of five years. The Agreement was preceded by an earlier agreement dated June 8, 2004 executed between the Sellers and Flextronics International Asia Pacific Limited, also a wholly owned subsidiary of the PAC which was terminated on June 12, 2004 upon the Sellers and Flextronics Sales & Marketing (L-A) Ltd. entering into the Agreement.

d. The Sellers are the promoters of HSSL. Consequent to the Agreement to acquire the Sale Shares, the Acquirer will (and consequently, the PAC, which is the holding company of the Acquirer, will indirectly) acquire control over HSSL.

e. The Acquirer and the PAC do not hold any shares in HSSL as of the date of this Offer Document. Except for the proposed acquisition of Sale Shares under the Agreement, the Acquirer and the PAC have not acquired any shares of HSSL.

f. The Acquirer, the PAC, the Sellers and / or HSSL has / have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of, or any other regulations made under the SEBI Act, 1992.

g. The Acquirer has on July 9, 2004 nominated four directors on the board of directors of HSSL, after a period of 24 days from the date of the Public Announcement, in compliance with the provisions of Regulation 22(7) of the SEBI (SAST) Regulations and other applicable provisions, if any, of law. For this purpose, the Acquirer had deposited in an escrow account in cash 100% of the consideration payable by it in respect of the Offer (assuming full acceptance for the purchase of the Offer Shares).

3.2 Details of the Proposed Offer

a. The Public Announcement announcing the Offer as per Regulation 15(1) of the SEBI (SAST) Regulations was made in the following newspapers on Monday, June 14, 2004:

Newspaper.	Language	Editions
The Economic Times	English	Mumbai, New Delhi, Ahmedabad, Pune, Bangalore, Hyderabad, Chennai and Kolkata.
Financial Express	English	Mumbai, Ahmedabad, New Delhi, Kolkata, Chandigarh, Chennai and Bangalore
JanSatta	Hindi	New Delhi and Kolkata

Subsequently, the following corrigendums to the Public Announcements (i.e. the "Announcements") were issued in the abovementioned newspapers - (a) July 26, 2004 Announcement, informing the shareholders about the revision in the offer size, clarification of treatment of dividend declared for the financial year ended March 31, 2004 and changes to schedule of activities, July 31 Announcement, informing the shareholders of revision in schedule of activities and (b) August 12, 2004 Announcement, informing the shareholders of further revision in the schedule of activities.

A copy of the Public Announcements are available on the SEBI website at http://www.sebi.gov.in/

Any decision for an upward revision in the Offer Price by the Acquirer till the last date of revision viz. September 6, 2004, or withdrawal of the Offer would be communicated by way of a public announcement in the same newspapers in which the Public Announcement had appeared. In case of an upward revision in the offer price, the Acquirer would pay such revised price for all the Shares validly tendered any time during the Offer and accepted under the Offer.

b. This Offer is being made to the public shareholders of HSSL to acquire up to 6,834,404 fully paid-up equity shares of Rs. 5/- each **("Offer Shares")**, representing in the aggregate up to 20% of the Voting Capital of HSSL at a price of Rs. 548/- (Rupees Five hundred and forty eight only) per equity share, payable in cash and subject to the terms and conditions **("Offer")**. The Public Announcement dated June 14, 2004 had stated that the Acquirer was making an offer to acquire 6,793,810 fully paid up equity shares of HSSL as on the date of the Public Announcement and that in case HSSL's total paid up capital / voting rights increases subsequent to the date of the Public Announcement, the 20% referred to above shall be computed in accordance with the SEBI (SAST) Regulations. The offer was subsequently revised vide Announcement dated July 26, 2004 to 6,834,404 fully paid up equity shares of Rs. 5/- each representing in the aggregate upto 20% of Voting Capital of HSSL, which includes a maximum of 202,970 equity shares on account of outstanding employee stock options, as per Regualtion 21(5) of the SEBI (SAST) Regulations and as per advice received from SEBI in this regard.

c. The Offer is for the fully paid up shares of HSSL and there are no partly paid up shares.

d. If there is a competitive bid:

- The public offers under all the subsisting bids shall close on the same date.
- As the Offer Price cannot be revised during 7 (seven) working days prior to the closure of the Offer / bids, it would, therefore, be in the interest of the shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly.

e. All shareholders of equity shares of HSSL (except the Acquirer, the PAC, the Sellers and parties to the Agreement), whose names appear in the register of shareholders on July 12, 2004 and also persons (except the Acquirer, the PAC, the Sellers and parties to the Agreement) who own equity shares of HSSL any time prior to the closure of the Offer, whether or not they are registered shareholders, are eligible to participate in the Offer anytime before the closure of the Offer. The Offer is not subject to a minimum level of acceptance by the shareholders of HSSL.

f. No Shares have been acquired either by the Acquirer or PAC of HSSL from the date of the Public Announcement till the date of this Letter of Offer.

g. There have been no competitive bids from the date of the Public Announcement through to the date of this Letter of Offer.

3.3 Object of the Offer and future plans

The Acquirer, Flextronics Sales & Marketing (L-A) Ltd., is a wholly owned subsidiary of the PAC, Flextronics International Limited, which is a leading Electronics Manufacturing Services **("EMS")** provider focused on delivering operational services to technology companies. The PAC is a major global company with design, engineering, manufacturing, and logistics operations in 30 countries across five continents. The PAC's ability to provide end-to-end operational services that include innovative product design, test solutions, manufacturing, IT expertise, network services and logistics has established the PAC as a leading EMS provider.

The Acquirer and the PAC expect that the innovative combination of products and services offered by the combined resources of the Acquirer, the PAC and HSSL would provide a complete outsourcing solution to telecom original equipment manufacturers. The Acquirer and the PAC would be able to provide end-to-end outsourcing services for telecom products during the development life cycle, including engineering services, system assembly and manufacturing, logistics services and after market services.

4. BACKGROUND OF THE ACQUIRER/PERSON ACTING IN CONCERT

4.1 Flextronics Sales & Marketing (L-A) Ltd. (Acquirer)

a. Flextronics Sales & Marketing (L-A) Ltd. (Acquirer) is an unlisted company incorporated on September 20, 2002, under the laws of the Republic of Mauritius. It has its registered office at Suite 802, St. James Court, St. Denis Street, Port Louis, Mauritius.

b. It is a wholly owned subsidiary of the PAC.

c. Since the Acquirer did not hold any shares in HSSL, prior to the signing of the Agreement with the Sellers, the reporting requirements under Chapter II of SEBI (SAST) Regulation are not applicable.

d. The Board of Directors of the Acquirer and their residential addresses are as listed below:

Name	Residential Address
Tommy Lo Seen Chong	62, Reverend Lebrun Street, Beau Bassin, Mauritius.
York Shin Lim Voon Kee	68, Volcy Pougnet Street, Port Louis, Mauritius.
Chuen Fah Alain Ahkong	335, Bukit Timah Road, #03-02 Wing On Life Garden, Singapore 259718.
Manny A/L Marimuthu	No.5, Lot 32, Persiaran Kuda Lari, Country Heights, Kajang, 43000, Malaysia.

None of the above directors are on the Board of Directors of the Target Company as on the date of this Letter of Offer.

e. The Acquirer's paid-up capital as on the date of Public Announcement is US$ 1 (Rs. 45.09). It has 1 (one) share of face value US$1 (Rs. 45.09).

f. The Acquirer has not commenced business operations and has not earned any income till date. Further, the financials of the Acquirer are not required to be made available separately to the public under the laws of Mauritius. However, they are reflected in the consolidated audited financials of the PAC.

g. The Acquirer has not promoted any companies in India since its inception.

4.2 Flextronics International Limited (PAC)

a. The PAC, incorporated in May 1990, has its registered/corporate office at One Marina Boulevard, #28-00, Singapore 018989, Tel. No. +65 6890 7188; Fax No. +65 6438 5925. The PAC is a leading global EMS provider focused on delivering operational services to technology companies. With fiscal year 2004 revenues of US$14.5 billion (Rs. 6,551,765 Lacs), the PAC is a major global company with design, engineering, manufacturing, and logistics operations in 29 countries and five continents. The PAC's ability to provide end-to-end operational services that include innovative product design, test solutions, manufacturing, IT expertise, network services and logistics has established it as a leading EMS provider.

b. The PAC was listed on the Nasdaq National Market in March 1994 and its shares are currently listed and traded on the same.

c. Since the PAC has not held any shares in HSSL, prior to the signing of the Agreement with the Sellers, the reporting requirements under Chapter II of SEBI (SAST) Regulations are not applicable.

d. The PAC's shareholding pattern as on December 31, 2003 is given below:

Sl. No.	Shareholder's Category	Number of Shares	% of Shares
1.	Directors / Management	17,400,213	3.3
2.	Institutional Investors	365,713,681	69.2
3.	Public	145,184,852	27.5
	Total Paid Up Capital	528,298,746	100.0

e. The Board of Directors of the PAC and their residential addresses are as listed below:

Name	Residential Address
Richard L. Sharp	201 Cyril Lane, Richmond, VA 23229 United States of America
James A. Davidson	Silver Lake Partners, 2725 Sand Hill Road, Menlo Park CA 94025
Patrick Foley	333 Twin Dolphin Drive, Redwood City, CA 94065 United States of America
Michael J. Moritz	943 Ashbury St, San Francisco, CA 94117 United States of America
Tan Lip-Bu	48 Coronation Road West, Apt. 02-03 Henley Court, Astrid Meadows, Singapore 269263
Michael E. Marks *Chief Executive Officer*	30 Trail Lane, Woodside, CA 94062 United States of America

None of the above directors are on the Board of Directors of HSSL as on the date of this Letter of Offer.

f. As on March 31, 2004 the PAC reported Total Outstanding Shares of 529.9 million, S$0.01 par value and Total Paid up Capital of US$ 5.01 billion (equivalent to Rs. 2,261,259 Lacs) (Source :- SEC Filling).

As of August 6, 2004 the closing price of the common stock of Flextronics International Limited (PAC) on the Nasdaq was $11.27 (equivalent to Rs. 523 per share). The Market capitalization of Flextronics International Limited as of this date was US$ 6.26 billion (equivalent to Rs. 2,905,875 Lacs) (Rs/US$ @Rs.46.43, as per RBI Reference Rate as on August 7, 2004) (Source: Bloomberg).

g. Brief audited / certified financial details of the PAC are as follows:

Profit & Loss Statement	**31-Mar-2002**		**31-Mar-2003**		**31-Mar-2004**	
	US$ Mn	**Rs. Lacs**	**US$ Mn**	**Rs. Lacs**	**US$ Mn**	**Rs. Lacs**
Net Sales	13,105	5,908,976	13,379	6,032,455	14,530	6,551,765
Cost of Sales	12,225	5,512,239	12,650	5,704,066	13,705	6,179,393
Restructuring and other charges	464	209,394	266	120,049	477	215,217
Gross Profit	415	187,343	462	208,340	349	157,154
Selling, general and administration expenses	444	200,013	456	205,700	487	219,718
Intangibles Amortization	13	5,688	22	9,986	37	16,555
Restructuring and other charges	110	49,615	38	17,210	63	28,426
Interest and other expenses, net	92	41,417	93	41,835	78	35,035
Profit/(Loss) on early retirement of debt	-	0	-	0	104	46,853
Profit/(Loss) before income tax	(243)	(109,389)	(147)	(66,390)	(420)	(189,432)
Benefit from income taxes	89	40,064	64	28,761	68	30,544
Net Profit/(Loss)	(154)	(69,325)	(83)	(37,629)	(352)	(158,887)

Balance Sheet As on	**31-Mar-2002**		**31-Mar-2003**		**31-Mar-2004**	
	US$ Mn	**Rs. Lacs**	**US$ Mn**	**Rs. Lacs**	**US$ Mn**	**Rs. Lacs**
Current Assets						
Cash and cash equivalents	745	335,976	424	191,191	615	277,428
Accounts receivable, less allowance for doubtful accounts	1,867	841,639	1,417	638,964	1,872	843,921
Inventories, net	1,292	582,667	1,142	514,729	1,180	531,842
Deferred income taxes	52	23,426	29	13,145	14	6,423
Other current assets	597	269,324	467	210,544	581	262,001
Total current assets	4,553	2,053,032	3,479	1,568,573	4,262	1,921,615
Property, plant and equipment, net	2,032	916,452	1,966	886,347	1,625	732,713
Deferred income taxes	313	141,130	415	187,142	605	272,698
Goodwill	1,489	671,593	2,122	956,808	2,653	1,196,405
Other intangibles, net	49	21,958	71	31,975	68	30,688
Other assets	208	93,730	342	154,056	371	167,278
Total assets	8,645	3,897,895	8,394	3,784,901	9,584	4,321,397
Current Liabilities						
Bank borrowings and current portion of long-term debt	282	127,369	52	23,665	96	43,416
Current portion of capital lease obligations	17	7,466	8	3,437	8	3,699
Accounts payable	1,963	884,950	1,602	722,307	2,145	967,259
Accrued payroll @	200	90,026	231	104,375	264	119,015
Other current liabilities	697	314,269	688	309,998	863	389,264
Total current liabilities	3,158	1,424,079	2,581	1,163,781	3,377	1,522,652
Long-term debt, net of current portion	843	380,146	1,042	469,813	1,609	725,578
Capital lease obligations, net of current portion	20	9,113	8	3,566	15	6,801
Other liabilities	168	75,574	221	99,744	216	97,190
SHAREHOLDERS' EQUITY						
Ordinary shares, S$.01 par value	3	1,372	3	1,388	3	1,414
Additional paid-in capital	4,899	2,208,872	4,949	2,231,324	5,015	2,261,259
Retained profit/(deficit)	(287)	(129,246)	(370)	(166,875)	(722)	(325,762)
Accumulated other comprehensive profit/(loss)	(160)	(72,015)	(33)	(15,069)	78	35,218
Deferred compensation	-	-	(6)	(2,772)	(7)	(2,952)
Total shareholders' equity	4,455	2,008,983	4,542	2,047,997	4,367	1,969,176
Total liabilities and shareholders' equity	8,645	3,897,895	8,394	3,784,901	9,584	4,321,397

Source: Annual report and fillings with SEC

Other Financial Data	31-Mar-2002		31-Mar-2003		31-Mar-2004	
	US$	Rs.	US$	Rs.	US$	Rs.
Dividend (%)	NA	NA	NA	NA	NA	NA
Earning Per Share	(1.01)	(45.54)	(0.31)	(13.98)	(0.16)	(7.21)
Return on Net worth	NA	NA	NA	NA	NA	NA
Book Value Per Share	8.31	374.70	8.78	395.89	9.10	410.32

*Earning Per share = PAT / No. of shares
Return on Networth = PAT / Networth
Book Value per Share = Networth / No. of Shares
Note: NA: -Not Applicable
@includes unpaid salaries, employee benefits, etc.

Results of Operations for the PAC for the financial years ended March 31, 2004, 2003, and 2002:

The following table sets forth, for the periods indicated, certain statements of operations data expressed as a percentage of net sales. The financial information and the discussion below has been extracted from Flextronics' 10-K filing for fiscal 2004 (made available as a *Document for Inspection)*, and should be read in conjunction with the consolidated financial statements and notes thereto which are a part of this filing.

Consolidated Statement of Operations Data:	2004	2003	2002
Net sales	100%	100%	100%
Cost of sales	94.3	94.5	93.3
Restructuring and other charges	3.3	2	3.5
Gross profit	2.4	3.5	3.2
Selling, general and administrative expenses	3.4	3.4	3.4
Intangibles amortization	0.3	0.2	0.1
Restructuring and other charges	0.4	0.3	0.8
Interest and other expense, net	0.5	0.7	0.8
Loss on extinguishment of debt	0.7	—	—
Loss before income taxes	(2.9)	(1.1)	(1.9)
Benefit from income taxes	(0.5)	(0.5)	(0.7)
Net loss	(2.4%)	(0.6%)	(1.2%)

Net sales

Net sales for fiscal year 2004 totaled US$14.5 billion, representing an increase of US$1.2 billion, or 9%, from US$13.4 billion in fiscal year 2003. The increase in net sales was attributed to the addition of new customer programs and increased customer demand on existing programs, as a consequence of a recovery in worldwide economic conditions in many markets during fiscal year 2004.

Net sales for fiscal year 2003 totaled US$13.4 billion, representing an increase of US$0.3 billion, or 2%, from US$13.1 billion in fiscal year 2002. The increase in net sales in fiscal year 2003 was attributed to new customer programs, offset slightly by a net reduction in demand from existing customers, as a consequence of the continued downturn in worldwide economic conditions during fiscal year 2003.

Gross profit

Gross margin for fiscal year 2004 decreased 110 basis points to 2.4% from 3.5% in fiscal year 2003. The 110 basis point decrease in gross margin was primarily attributed to the 130 basis point increase in restructuring and other charges, offset by a 20 basis point decrease in other cost of sales. The restructuring and other charges were related to the consolidation and closure of various facilities, which is described in more detail below in the section entitled, "*Restructuring and other charges* ". The 20 basis point reduction in other cost of sales resulted primarily from better absorption of fixed costs that resulted from the restructuring activities and increased net sales.

Gross margin for fiscal year 2003 increased 30 basis points to 3.5% compared to 3.2% in fiscal year 2002. The 30 basis point increase in gross margin was primarily attributed to the 150 basis point reduction in restructuring and other charges, offset by a 120 basis point increase in other cost of sales. The restructuring and other charges were related to the consolidation and closure of various facilities, which is described in more detail below in the section entitled, "*Restructuring and other charges* ".The 120 basis point increase in other cost of sales resulted from the (i) industry pricing pressures as a consequence of excess capacity, (ii) under-absorbed fixed costs caused by under utilization of capacity, resulting in part from the continued decline in demand for customers' products and (iii) changes in product mix (higher concentration of consumer-related products and a demand driven reduction of information technology and communications infrastructure products). Each of these three factors were a consequence of the continued downturn in worldwide economic conditions during fiscal year 2003.

Restructuring and other charges

In recent years, the PAC has initiated a series of restructuring activities in light of the global economic downturn. These activities, which are intended to realign its global capacity and infrastructure with demand from its OEM customers and thereby improve its operational efficiency, include:

- reducing excess workforce and capacity,
- consolidating and relocating certain manufacturing facilities to lower-cost regions, and
- consolidating and relocating certain administrative facilities.

The restructuring costs include employee severance, costs related to leased facilities, owned facilities that are no longer in use and are to be disposed of, leased equipment that is no longer in use and will be disposed of, and other costs associated with the exit of certain contractual agreements due to facility closures. The overall impact of these activities is that the PAC has shifted its manufacturing capacity to locations with higher efficiencies and, in some instances, lower costs, and is better utilizing its overall existing manufacturing capacity. This has enhanced the PAC's ability to provide cost-effective manufacturing service offerings, which enables it to retain and expand its existing relationships with customers and attract new business. The PAC's restructuring activities are substantially complete as of March 31, 2004, and it believes that it is realizing the anticipated benefits from these efforts. The PAC continues to monitor its operational efficiency and may utilize similar measures in the future to realign its operations relative to future customer demand. As a result, the PAC may be required to take additional charges in the future. The PAC cannot predict the timing or amount of any future restructuring charges. If the PAC is required to take additional restructuring charges in the future, it could have a material adverse impact on its operating results, financial position and cash flows.

During fiscal year 2004, the PAC recognized restructuring charges of approximately US$540.3 million, which related to the closures and consolidations, and impairment of certain long-lived assets, at various manufacturing facilities. Restructuring charges recorded by reportable geographic region amounted to US$215.4 million, US$111.3 million and US$213.6 million, for the Americas, Asia and Europe, respectively. The involuntary employee terminations identified by reportable geographic region amounted to 2,083 and 3,093 for the Americas and Europe, respectively. Approximately US$477.3 million of the restructuring charges were classified as a component of cost of sales.

During fiscal year 2003 the PAC recognized restructuring charges of approximately US$297.0 million related to the closures and consolidations of various manufacturing facilities, and other charges of US$7.4 million related to the impairment of investments in certain technology companies. Restructuring and other charges recorded by reportable geographic region amounted to US$174.5 million, US$1.8 million and US$128.1 million, for the Americas, Asia and Europe, respectively. The involuntary employee terminations identified by reportable geographic region amounted to 2,922, 4,896 and 290 for the Americas, Europe and Asia, respectively. Approximately US$266.2 million of the amount relating to facility closure was classified as a component of cost of sales.

During fiscal 2002, the PAC recognized restructuring charges of approximately US$530.0 million related to closures of several manufacturing facilities, and other charges of US$44.4 million related primarily to the impairment of investments in certain technology companies. The restructuring and other charges recorded by reportable geographic region amounted to US$265.8 million, US$70.7 million and US$237.9 million, for the Americas, Asia and Europe, respectively. The involuntary employee terminations identified by reportable geographic region amounted to 5,844, 5,345 and 2,202 for the Americas, Europe and Asia, respectively. Approximately US$464.4 million of the charges relating to facility closures were classified as a component of cost of sales. The restructuring charges recognized in fiscal year 2002 included approximately US$66.5 million of inventory impairment charges resulting from customer contracts that were terminated by the PAC as a result of various facility closures.

The PAC believes that the potential savings in cost of goods sold achieved through lower depreciation and reduced employee expenses will be offset in part by reduced revenues at the affected facilities. In addition, the PAC may incur further restructuring charges in the future as it continues to reconfigure its operations in order to address excess capacity concerns, which may materially affect its results of operations in future periods.

Refer to Note 9, "Restructuring and Other Charges," of the Notes to Consolidated Financial Statements in Item 8, "Financial Statements and Supplementary Data" of the 10-K filing, for further discussion of the PAC's restructuring activities.

Selling, general and administrative expenses

Selling, general and administrative expenses, or SG&A, for fiscal year 2004 increased by US$31.1 million, or 6.8%, to US$487.3 million from US$456.2 million in fiscal year 2003. SG&A as a percentage of net sales in fiscal year 2004 remained flat at 3.4% from fiscal year 2003. The absolute dollar increase was primarily attributed to the continuing expansion of the PAC's ODM service offering, offset by savings generated by its control over discretionary spending combined with efficiencies generated from its restructuring activities.

SG&A for fiscal year 2003 increased to US$456.2 million from US$443.6 million in fiscal year 2002. As a percentage of net sales, SG&A in fiscal year 2003 remained flat at 3.4% from fiscal year 2002. The absolute dollar increase in SG&A in fiscal year 2003 was primarily due to various business acquisitions and strategic transactions, which were completed in the second half of fiscal year 2002 and in fiscal year 2003. Additionally, the PAC's SG&A costs increased due to the initial costs associated with its investments in resources necessary for its ODM activities. These increases were partially offset by efficiencies resulting from its restructuring activities.

Intangibles amortization

Amortization of intangible assets for fiscal year 2004 was US$36.7 million, which represents an increase of US$14.6 million from US$22.1 million in fiscal year 2003. The increase is primarily attributed to the amortization expense related to intangible assets acquired through various business acquisitions during fiscal year 2004 and in the second half of fiscal year 2003, in particular due to the completion of the PAC's assessment of the value of intangible assets acquired from Telia Companies and Xerox Corporation.

Goodwill and other intangibles amortization for fiscal year 2003 increased to US$22.1 million from US$12.6 million in fiscal year 2002. The increase was attributable to amortization expense associated with intangible assets acquired through various business acquisitions completed in the second half of fiscal year 2002 and in fiscal year 2003.

Interest and other expense, net

Interest and other expense, net for fiscal year 2004 was US$77.7 million, a decrease of US$15.1 million from US$92.8 million in fiscal year 2003. The decrease in net expense resulted from the redemption of US$150 million aggregate principal amount of the PAC's 8.75% senior subordinated notes due October 2007 in June 2003 and the repurchase of US$492.3 million aggregate principal amount of our 9.875% notes in August 2003. During fiscal year 2004, the PAC issued US$400 million aggregate principal amount of 6.5% senior subordinated notes due May 2013 and US$500 million aggregate principal amount of 1% convertible subordinated notes due August 2010.

Interest and other expense, net, for fiscal year 2003 was relatively unchanged from US$91.9 million in fiscal year 2002.

Loss on early extinguishment of debt

The PAC recognized a loss on early extinguishment of debt of US$103.9 million during fiscal year 2004. During the first quarter of fiscal year 2004, the PAC used a portion of the net proceeds from its issuance of US$400 million of 6.5% senior subordinated notes due May 2013 in May 2003 to redeem its entire US$150 million aggregate principal amount of 8.75% senior subordinated notes due October 2007. During the second quarter of fiscal year 2004, the PAC used a portion of the net proceeds from its issuance in August 2003 of the US$500 million aggregate principal amount of the 1% convertible subordinated notes due May 2013 and other sources to repurchase US$492.3 million aggregate principal amount, or 98.5% of the outstanding amount, of its 9.875% senior subordinated notes due July 2010.

Provision for income taxes

Certain of the PAC's subsidiaries have, at various times, been granted tax relief in their respective countries, resulting in lower income taxes than would otherwise be the case under ordinary tax rates.

See Note 7, "Income Taxes," of the Notes to Consolidated Financial Statements included in Item 8, "Financial Statements and Supplementary Data" of the 10-K filing, for further discussion on this subject.

The PAC's consolidated effective tax rate was a benefit of 16%, 43% and 37% for fiscal years 2004, 2003 and 2002, respectively. Excluding the restructuring and other charges as well as loss on early extinguishment of debt, the effective income tax rate was 10% for fiscal years 2004, 2003 and 2002. The consolidated effective tax rate for a particular period varies depending on the amount of earnings from different jurisdictions, operating loss carryforwards, income tax credits, changes in previously established valuation allowances for deferred tax assets based upon management's current analysis of the realizability of these deferred tax assets, as well as certain tax holidays and incentives granted to the PAC and its subsidiaries primarily in China, Hungary and Malaysia.

h. Companies promoted by PAC in India :

The PAC has not directly promoted any company in India since its inception. However, the subsidiaries of the PAC have significant/ controlling shareholding in the following companies whose financial highlights have been provided below:

Flextronics Technologies India Private Limited was incorporated on January 12, 2001 and is engaged in manufacturing and providing services of electrical and electronic goods based on the design and specification of the customer.

Rs. Lacs

	As at March 31, 2002	As at March 31, 2003	As at March 31, 2004
Networth*	49.45	1520.65	1307.47
	Year Ending March 31, 2002	**Year Ending March 31, 2003**	**Year Ending March 31, 2004**
Total Income	2,721.74	8,754.65	4,562.53
Profit After Tax	64.53	883.96	(222.04)
Earnings Per Share (Rs.)	528.06	169.89	(3.78)
Net Asset Value (Rs./share)	213.29	25.88	22.25

* excluding revaluation reserves & miscellaneous expenditure not written-off.

Avnisoft Systems Private Limited was incorporated on April 9, 2003. It is engaged in computer software designing, development and marketing and providing information technology and consultancy services in software, hardware, etc.

Rs. Lacs

	As at March 31, 2004
Networth *	0.72
	Year Ending March 31, 2004
Total Income	22.48
Profit After Tax	0.12
Earnings Per Share (Rs.)	1.16
Net Asset Value (Rs./share)	7.21

* excluding revaluation reserves & miscellaneous expenditure not written-off.

List of all the Companies promoted by the PAC, along with their jurisdiction and main areas of operation are provided in Appendix.

i. Disclosure in terms of Regulation 16(ix)

The Acquirer and the PAC do not have any plans to dispose off or otherwise encumber any assets of HSSL in the next 2 (two) years, except

(i) in the ordinary course of business of HSSL and/or

(ii) to the extent that the board of directors of HSSL consider appropriate for the purpose of restructuring and/ or rationalisation of non-core business(es) or assets.

The provisions of the relevant regulations or any other applicable laws or legislation at the relevant time will govern such approvals and decisions. The Acquirer and the PAC undertake that they shall not sell, dispose or otherwise encumber any substantial assets of HSSL except with the prior approval of HSSL's shareholders.

5. DISCLOSURE IN TERMS OF REGULATION 21(3)

The provisions of Regulation 21(3) are not applicable.

6. BACKGROUND OF THE TARGET COMPANY

a. HSSL was incorporated as Hughes Software Systems Private Ltd. on December 30, 1991. It became a deemed public limited company on April 1, 1996 and subsequently the word "Private" was deleted from its name. It was converted into a public limited company on July 1, 1999. HSSL's Shares were listed on the DSE, NSE and the BSE in November 1999.

Its registered office is situated at B-25, 2nd Floor, Nirlac Centre, Qutab Institutional Area, New Delhi – 110016.
Tel Nos. - 011 - 26569332, 26569307.

Its corporate office is situated at Plot 31, Electronic City, Sector 18, Gurgaon – 122015, Haryana, India.
Tel. Nos. - 0124 - 2346666, 2455555.

b. HSSL's business is the development of package software, providing software-consulting services and other ancillary products and services primarily for use in the telecommunications industry. HSSL also provides business process outsourcing services, primarily in the areas of on-line customer care.

c. HSSL has seven development centres, five in Gurgaon, one each in Bangalore and Nuremberg (Germany) and a Business Process Outsourcing centre at Gurgaon.

d. The total paid-up capital of HSSL, as on the date of the Public Announcement, was Rs. 169,845,235/-, divided into 33,969,047 fully paid-up equity shares of Rs. 5/- each, without taking into account 202,970 employee stock options due for vesting or are exercisable within a period of 30 days after the closure of the offer, i.e. October 15, 2004.

e. Share capital structure of HSSL as of June 14, 2004:

Paid up equity shares of the Target Company	No. of Shares	% of Shares
Fully paid up equity shares	33,969,047	100
Partly paid up equity shares	NIL	NIL
Total paid up equity shares	33,969,047	100
Total voting rights	33,969,047	100

Subsequently on July 27, 2004, 71,418 shares were issued against equal number of employee stock options, resulting in an increase in total paid up capital to Rs. 170,202,325 divided into 34,040,465 fully paid up equity shares of Rs.5/- each.

f. The capital build-up for HSSL since inception is as given below:

Date of allotment	No and % of shares issued	Cumulative No. Of Shares	Mode of allotment	Identity of allottees (promoters/ex-promoters/ others)
30.12.1991	20	20	Allotment to Subscribers	Subscribers to the memorandum
24.06.1993	58,87,500	5,887,520	Issue of shares	Promoters/Others
29.09.1993	1,12,480	6,000,000	Issue of shares	Promoters/Others
27.06.1994	3,00,000	6,300,000	Bonus Issue	Others*
30.06.1999	9,00,000	7,200,000	Bonus Issue	Others
20.07.1999	85,50,000	15,750,000	Bonus Issue	Promoters/Others
09.10.1999	8,75,000	16,625,000	Public Issue	Others
06.12.1999	9,700	16,634,700	Shares issued under Employees Stock Offer Plan (ESOP)	Others
20.04.2000	21,580	16,656,280	Shares issued under ESOP	Others
04.05.2000	19,690	16,675,970	Shares issued under ESOP	Others
19.06.2000	1,040	16,677,010	Shares issued under ESOP	Others

Date of allotment	No. of shares issued	Cumulative No. Of Shares	Mode of allotment	Identity of allottees (promoters/ex-promoters/ others)
24.07.2000	32,000	16,709,010	Shares issued under ESOP	Others
19.10.2000	3,940**	33,421,960**	Shares issued under ESOP	Others
08.01.2001	1,145	33,423,105	Shares issued under ESOP	Others
06.04.2001	70,012	33,493,117	Shares issued under ESOP	Others
10.07.2001	6,180	33,499,297	Shares issued under ESOP	Others
08.10.2001	1,165	33,500,462	Shares issued under ESOP	Others
09.01.2002	197	33,500,659	Shares issued under ESOP	Others
22.04.2002	93,425	33,594,084	Shares issued under ESOP	Others
10.04.2003	77,240	33,671,324	Shares issued under ESOP	Others
10.12.2003	13,655	33,684,979	Shares issued under ESOP	Others
10.03.2004	279,068	33,964,047	Shares issued under ESOP	Others
12.04.2004	5,000	33,969,047	Shares issued under ESOP	Others
27.07.2004	71,418	34,040,465	Shares issued under ESOP	Others

*Bonus shares were issued only to Future Software Pvt. Ltd. based on the approval by the shareholders of HSSL by capitalizing free reserves.

** Post Split (2:1) figures.

HSSL has complied with all the necessary provisions of the applicable regulations in relation to the issue of capital as mentioned above.

g. Till date none of the stock exchanges has ever suspended trading in shares of HSSL.

h. There are neither any partly paid-up equity shares nor outstanding convertible instruments except 1,623,776 options issued to the employees under the HSSL's Employees Stock Offer Plan, schemes 1998 and 2001, as on May 31, 2004. Out of these 202,970 options have vested or are due for vesting by October 15, 2004 (i.e. 30 days after the date of closure of the offer). Of these against 71,418 options, an equal number of shares were issued on July 27, 2004.

i. All the shares of HSSL are currently listed on The Stock Exchange, Mumbai **("BSE")** and the National Stock Exchange of India Ltd. **("NSE")**. The shares of HSSL were de-listed from the Delhi Stock Exchange ("DSE") w.e.f. January 8, 2004. HSSL has complied with all the provisions of the listing agreement entered into with the above-mentioned stock exchanges and no punitive action has been initiated by any of the stock exchanges against it.

j. HSSL has not received any directions from SEBI u/s 11B of the SEBI Act or under any of the regulations made under the SEBI Act, prohibiting them from dealing in securities. HSSL has complied with applicable provisions of Chapter II of SEBI (SAST) Regulations within the specified time, except for a delay of 203 days for the year 1999-2000, 44 days for the year 2001-2002 and 171 days for the year 1999-2000 (based on the record date) in filing returns under Regulation 8(3) of the SEBI (SAST) Regulation.

k. The details of the Board of Directors of HSSL as on the date of Public Announcement are as listed below:

Name of the Directors	Designation	Experience (Years)	Educational Qualifications	Date of Joining
Pradman Kaul	Chairman	36	BSEE, MSEE	Dec 30, 1991
Arun Kumar	Managing Director	30	B.Tech., M.S.	Jan 09, 1995
Pradeep Kaul	Director	33	BSEE, MSEE	Jan 03, 1992
Anil Sharma	Director	32	BSEE, MSEE	Dec 30, 1991
James Lucchese	Director	40	BS Management	Jan 03, 1992
Bahram Pourmand	Director	32	BSEE, MSEE	Mar 17, 1992
K.V. Ramani	Director	32	Graduate in Physics	Jan 03, 1992
T. Thomas	Director	54	Chemical Engineer	Jan 07, 1998
Amal Ganguli	Director	41	Fellow member of the Institute of Chartered Accountants of India and Fellow member of the Institute of Chartered Accountants in England and Wales	Mar 21, 2001
Vijay Dhar	Director	38	I.Sc.	Mar 21, 2001
Manoranjan Mohapatra	Alternate Director to Anil Sharma	20	B.E. (Hons)	July 10, 2001
Vinod Sood	Alternate Director to Pradeep Kaul	19	B.E.	July 10, 2001
Aadesh Goyal	Alternate Director to Bahram Pourmand	19	M.M.S.	July 10, 2001
Vimal Khanna	Alternate Director to James Lucchese	20	B.Com (H), F.C.A., M.B.A.	July 10, 2001

l. As on the date of the Public Announcement, there were no representatives of the Acquirer/ PAC on the above-mentioned board of directors of HSSL. However, on July 9, 2004, the Acquirer, in compliance with the provisions of Regulation 22(7) of the SEBI (SAST) Regulations and other applicable provisions, nominated four directors on the Board of directors of HSSL, as under:

Name of the Directors	**Designation**	**Experience (Years)**	**Educational Qualifications**	**Date of Joining**
Ashish Kumar Bhardwaj	Chairman	16	B.E., M.B.A	July 9, 2004
Ian Duncan Robertson	Director	14	B.Com, M.B.A.	July 9, 2004
Nicholas Brathwaite	Director	20	BS., MS., BSc(H), MSc.	July 9, 2004
Ronny Nilsson	Director	33	Certificate in Mechanical Engineering, Certificate in Management	July 9, 2004

Note: Pradman Kaul, Pradeep Kaul, James Lucchese, Anil Sharma and Bahram Pourmand resigned from the Board w.e.f. July 9, 2004. Manoranjan Mohapatra, Vinod Sood, Aadesh Goyal and Vimal Khanna, who were alternate directors to Anil Sharma, Pradeep Kaul, Bahram Pourmand and James Lucchese respectively also resigned from the board w.e.f July 9, 2004 and were appointed as alternate directors to Ashish Kumar Bhardwaj, Nicholas Brathwaite, Ronny Nilsson and Ian Duncan Robertson repsectively on the same date.

Vijay Dhar resigned from the Board w.e.f. June 23, 2004.

m. HSSL acquired 100% of the shareholding of Tenet Technologies Private Limited, Bangalore (“Tenet”) in November 2003, thereby making it a wholly owned subsidiary of HSSL. Subsequently, the Board of Directors in their meeting held on January 8, 2004 approved the merger of Tenet with HSSL. The process of merger of Tenet with HSSL has been initiated. The scheme of merger “Scheme” has been filed with the stock exchanges, namely NSE and BSE, (where HSSL is listed) for their approval. As per the Scheme, there would be no change in the share capital of HSSL consequent to the merger of Tenet.

n. Brief audited/ certified financial details of HSSL are as follows:

(Rs. Lacs)

Profit & Loss Statement	**Year Ending 31st March’02**	**Year Ending 31st March’03**	**Year Ending 31st March’04 (Consolidated)***
Income from operations	23,488	22,037	36,044
Other Income	1,323	867	796
Total Income	24,811	22,904	36,840
Total Expenditure	16,834	17,545	26,493
Less: Deferment of product development cost	–	1286	536
Total expenditure (net of deferment)	16,834	16,259	25,957
Profit Before Depreciation, Interest and Tax	7,977	6,645	10,882
Depreciation	2,111	2,061	2,307
Interest	–	–	1
Profit Before Tax	5,866	4,584	8,574
Provision for Tax	641	798	885
Profit After Tax	5,225	3,786	7,689

(Rs. Lacs)

Balance Sheet Statement	As at 31st March'02	As at 31st March'03	As at 31st March'04 (Consolidated)*
Sources of funds			
Paid up share capital	1,675	1,680	1,698
Reserves and Surplus** (excluding revaluation reserves)	23,017	26,121	33,334
Networth	24,692	27,801	35,032
Secured loans	–	–	3
Unsecured loans	–	–	–
Total	24,692	27,801	35,035
Uses of funds			
Net fixed assets	9,947	9,745	11,196
Deferred Tax Assets	(103)	16	117
Net current assets	14,848	16,754	21,901
Total miscellaneous expenditure not written off	–	1,286	1,821
Total	24,692	27,801	35,035

*Since HSSL acquired Tenet in November 2003, the financials are provided on a consolidated basis

**including stock options outstanding

Other Financial Data	For the year Ending 31st March'02	For the year Ending 31st March'03	For the year Ending 31st March'04
Dividend (%)	40%	40%	50%*
Earning Per Share (Rs.)	15.60	11.27	22.82
Return on Networth	23%	14%	24%
Book Value Per Share (Rs.)	74	83	103

* proposed

Source: Annual Filings, HSSL

o. **Increase in Sales in FY 2004 compared to FY 2003**

The increase was due to achievement of higher volume of sales across all streams of business. Major increase was in Services Business (Non HNS) due to higher volumes from existing customers and due to addition of new customers.

Increase in Profit after Tax in FY 2004 compared to FY 2003

The increase is primarily due to increase in the revenues, better cost management & absorption of overheads and improvement in client quality.

Decrease in Sales in FY 2003 compared to FY 2002

The decrease was primarily due to decrease in HNS business, mainly due to successful completion of some major fixed price contracts in the early part of the fiscal and general stagnancy in the global economy and continuously depressed telecom sector.

Decrease in Profit after Tax in FY 2003 compared to FY 2002

The decrease in Profit after Tax was primarily due to decrease in revenue, exchange loss, higher provisioning of bad debts and costs incurred in opening of foreign offices.

The unaudited financial results of HSSL for the quarter ended June 30, 2004 are provided hereinbelow:

(Rs. Lacs)

	Quarter ending June 30, 2004
Income from operations	10,835
Other Income	319
Total Income	11,154
Total Expenditure	7,728
Less: Deferment of product development cost	(120)
Total expenditure (net of deferment)	7,848
Profit Before Depreciation, Interest and Tax	3,306
Depreciation	571
Interest	0
Profit Before Tax	2,735
Provision for Tax	261
Profit After Tax	2,474

p. **Pre and Post-Offer shareholding of HSSL**

The equity shareholding (refer note below) in HSSL before the Offer (as on the date of the Pubic Announcement) and after the Offer (assuming full acceptance of the Offer) is given in the table below:

As on June 11, 2004

Shareholders' Category	Shareholding & voting rights prior to the agreement/ acquisition and offer	Shareholding/ voting rights agreed to be acquired which triggered off the regulations	Shareholding/ Voting rights to be acquired in the open offer (Assuming full acceptances)	Shareholding & voting rights after the acquisition and offer
	(A)	**(B)**	**(C)**	**(A)+(B)+(C)=(D)**
1) Promoter Group				
HNS-Mauritius Holdings	18,667,441 54.63%	(18,667,441) (54.63%)	NIL	NIL
Hughes Network Systems Inc.	50 0.00%	(50) (0.00%)	NIL	NIL
Others	NIL	NIL	NIL	NIL
Total	18,667,491 54.63%	(18,667,491) 54.63%	NIL	NIL
2) Acquirer/ PAC	NIL	18,667,491 54.63%	6,834,404 20.00%	25,501,895 74.63%
3) Public (other than parties to agreement, acquirers & PACs)				
Mutual Funds and UTI	2,350,976 6.88%	NIL		
Banks, FIs, Insurance Co.s, Central / State Govt. / Non-Govt. Institutions	2,373 0.01%	NIL		
FIIs	7,804,852 22.84%	NIL		
Private Corporate Bodies	2,512,992 7.35%	NIL		
Indian Public	2,342,140 6.85%	NIL		
NRI / OCBs	253,194 0.74%	NIL		
Any Other	237,999 0.70%	NIL		
Total	15,504,526 45.37%	NIL	(6,834,404) (20.00%)	8,670,122 5.37%
GRAND TOTAL (1+2+3)	34,172,017 100%	–	–	34,172,017 100%

Note: In computing the percentage shareholding of each of the various categories of the shareholders of HSSL indicated above, the employee stock options aggregating to 202,970, which have either been converted into equity shares after the date of Public Announcement or are due for vesting or are exercisable by October 15, 2004 (i.e. 30 days after the date of closure of the offer) have been taken into account. These have been treated as part of "Any Other" category of shareholders and included in the Grand Total.

The total number of shareholders (excluding employees having stock options) in the Public category (as per (3) above) as on June 11, 2004 were 16,283.

q. There has been no change in the shares held by the Promoters in HSSL since the listing of its shares in 1999 except for Eight Hundred and Twenty five (825) shares acquired by HNS-Mauritius Holdings in the earlier offer of HSSL (pursuant to the SEBI (SAST) Regulations), which closed on September 18, 2003.

r. HSSL has been complying with the Corporate Governance Requirements as are prescribed in Clause 49 of the Listing Agreement. There is no material litigation pending against HSSL.

s. Jasmeet Singh Thakral, Company Secretary is the Compliance Officer of HSSL. Address: Plot 31, Electronic City, Sector 18, Gurgaon – 122015, Haryana, India. Telephone No.: 0124 – 2455555.

7. OFFER PRICE & FINANCIAL ARRANGEMENTS

7.1 Justification of the Offer Price:

a. The shares of HSSL are listed on the BSE and the NSE. Based on the information available, the shares of HSSL are frequently traded on both the BSE and the NSE.

b. The details of trading volumes of HSSL on the BSE and the NSE are as provided below:

	Total shares traded during the six calendar months prior to the month in which the Public Announcement was made	**Total No. of listed shares**	**Annualised trading turnover as a % of total number of listed shares**	**Trading status in terms of SEBI (SAST) Regulations**
NSE	16,248,490	33,969,047	95.67%	Frequently Traded
BSE	7,224,149	33,969,047	42.54%	Frequently Traded

Sources: (www.nse-india.com, www.bseindia.com)

As the annualised trading turnover on the NSE and the BSE during the six month period prior to the date of the Public Announcement is more than 5% of the total number of listed shares, the shares of HSSL are not infrequently traded on NSE as per the Explanation (i) to Regulation 20(5) of the SEBI (SAST) Regulations, with NSE being the exchange where the shares are most frequently traded.

c. The Offer Price of Rs. 548/- (Rupees Five Hundred and Forty Eight only) per fully paid up equity share is justified in terms of Regulation 20(4) of the SEBI (SAST) Regulations as it is higher than the price computed in accordance with the parameters mentioned in Regulation 20(4) as detailed below:

i. Negotiated Price of Rs. 547/-.

ii. Highest Price paid by Acquirer/PAC for any acquisition including by way of allotment in a public or rights or preferential issue during the 26 weeks prior to the date of Public Announcement - Not Applicable.

iii. Shares of HSSL are most frequently traded on NSE. The weekly high and low of the closing prices of the shares, during the 26-week period ended June 11, 2004 (being the last trading date before the Public Announcement) on NSE, are given below:

Week #	End Date	High (Rs.)	Low (Rs.)	Average (Rs.)	Volume
1	19-Dec-04	576.55	538.50	557.53	753,353
2	26-Dec-04	577.25	544.00	560.63	434,816
3	02-Jan-04	575.85	560.90	568.38	611,740
4	09-Jan-04	600.90	552.35	576.63	1,822,608
5	16-Jan-04	584.15	543.00	563.58	427,383
6	23-Jan-04	562.90	509.10	536.00	833,885
7	30-Jan-04	579.55	539.60	559.58	549,458
8	06-Feb-04	573.80	557.00	565.40	231,322
9	13-Feb-04	573.10	557.80	565.45	209,309
10	20-Feb-04	567.95	558.25	563.10	407,391
11	27-Feb-04	649.75	585.05	617.40	1,023,973
12	05-Mar-04	652.55	616.05	634.30	564,212
13	12-Mar-04	641.00	596.85	618.93	382,111
14	19-Mar-04	618.65	607.70	613.18	369,089
15	26-Mar-04	561.80	537.85	549.83	509,544
16	02-Apr-04	547.10	516.00	532.05	672,935
17	08-Apr-04	539.05	519.00	529.03	548,632
18	17-Apr-04	519.70	493.90	506.80	2,350,815
19	23-Apr-04	538.40	500.15	519.28	801,103
20	30-Apr-04	525.30	510.30	517.80	246,589
21	07-May-04	516.40	500.90	508.65	388,040
22	14-May-04	506.55	477.30	491.93	502,586
23	21-May-04	493.90	445.95	469.93	331,987
24	28-May-04	514.15	479.25	496.70	344,489
25	04-Jun-04	517.45	481.00	499.23	257,638
26	11-Jun-04	531.50	518.35	524.93	673,482
	26 Weeks Average			**547.93**	

iv. The daily high, low and average prices of the shares of HSSL during the last 2 weeks of trading on the NSE, where shares of HSSL are most frequently traded, (as on the date of the Public Announcement) are given below:

Day #	Date	High (Rs.)	Low (Rs.)	Average	Volume
1	31-May-04	495.00	451.00	473.00	44,744
2	01-Jun-04	497.00	486.00	491.50	23,421
3	02-Jun-04	514.00	485.00	499.50	69,746
4	03-Jun-04	518.00	501.50	509.75	52,171
5	04-Jun-04	519.80	501.00	510.40	67,556
6	05-Jun-04	*	*	*	*
7	06-Jun-04	*	*	*	*
8	07-Jun-04	533.40	515.15	524.28	97,624
9	08-Jun-04	540.00	520.00	530.00	369,775
10	09-Jun-04	541.95	522.40	532.18	96,572
11	10-Jun-04	526.00	515.00	520.50	81,960
12	11-Jun-04	525.00	516.00	520.50	27,551
		2 Weeks Average		**511.16**	

*Denotes Saturday and Sunday, when no trading took place

On the basis of the above (i.e. sub-clauses (i), (ii), (iii), and (iv)), the minimum offer price as per SEBI (SAST) Regulations is Rs.547.93 per Share. The Offer price of Rs. 548/- per share is higher than the same. Accordingly, the Offer Price is justified in term of Regulation 20(11) of the SEBI (SAST) Regulations.

d. Neither the Acquirer nor the PAC shall acquire, during the Offer Period, any shares in HSSL except in compliance with the SEBI (SAST) Regulations and the details of such acquisitions shall be disclosed to the stock exchanges and to the Manager to the Offer within 24 hours thereof in terms of the SEBI (SAST) Regulation 22(17). No acquisition will be made by the Acquirer or the PAC in the open market during the last seven working days prior to the date of the closure of the Offer. If the Acquirer or the PAC acquires shares in the open market or through negotiation or otherwise, after the date of the Public Announcement at a price higher than the Offer Price, then the highest price paid for such acquisition shall be payable for all acceptances received under the Offer.

e. There is no non-compete agreement between the Acquirer/ PAC and any of the Sellers and no non compete fee has been paid or agreed to be paid by the Acquirer or the PAC to any of the Sellers.

7.2 Financial Arrangements:

a. The total fund requirement for the acquisition of 6,834,404 equity shares, representing 20% of the Voting Capital of HSSL, as of July 26, 2004 at Rs. 548/- per share is Rs. 37,453 Lacs.

The Acquirer has adequate resources to meet the financial requirements of the Offer. Firm arrangements for financial resources required to implement the Offer are already in place. The PAC has provided the funds to the Acquirer for making the Offer from the cash balance available with it. In accordance with Regulation 28 of the SEBI (SAST) Regulations, the Acquirer has made a cash deposit of US$ 83.2 million (equivalent to Rs. 38,655 Lacs based on the conversion rate as on August 10, 2004), in a bank account with Citibank, London, having its address at Citigroup Centre, Canada Square, Canary Wharf, London, E14 5LB (**"Escrow Account"**). At an exchange rate of Rs. 46.46 per US$ as on August 10, 2004, i.e. two days prior to the date of this offer document, the amount placed in the Escrow Account is in excess of Rs. 37,453 Lacs **("Funds")**, which is the amount required under the second provision to Regulation 22(7) for the Offer Shares of the SEBI (SAST) Regulations, i.e., assuming full acceptances.

b. The Manager to the Offer has been duly authorized by the Acquirer to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations. The Funds will be transferred from the aforesaid bank account to Citibank N.A., D.N. Road Branch, Fort, Mumbai in India after the requisite approval has been obtained from RBI for opening and operating an escrow account in India. The Manager to the Offer has further been duly authorised by the Acquirer to realize the value of the escrow account with Citibank N.A. in India and overseas in terms of the SEBI (SAST) Regulations.

c. In view of the above cash deposit made by the Acquirer for 100% of the total consideration required to fund the Offer for the purchase of the Offer Shares in order to fulfill the Acquirer's obligations under the SEBI (SAST) Regulations and the additional confirmations received by the Manager to the Offer from the Acquirer and the PAC, the Manager to the Offer is satisfied that firm arrangements are in place to fulfill the Acquirer's obligations in relation to the Offer in accordance with the SEBI (SAST) Regulations.

d. M/s S.P. Nagrath and Co., Chartered Accountants, having their address at A- 380, Defence Colony, New Delhi- 110024, Tel. No. +91-11-51552244; Fax No. +91-11-51552247 Membership No. 82651, have vide their certificates dated June 26, 2004 and July 23, 2004, certified the adequacy of financial resources of the Acquirer and the PAC for fulfilling their obligations under the Offer.

e. The Manager to the Offer has satisfied itself about the ability of the Acquirer and the PAC to implement the Offer in accordance with the SEBI (SAST) Regulations.

f. In the event of any shortfall in the Escrow amount arising on account of exchange rate fluctuations, the Acquirer has undertaken to provide additional funds to ensure that the Escrow Account has adequate funds to discharge its Offer obligations.

8 TERMS AND CONDITIONS OF THE OFFER

a. All Shares tendered and accepted under the Offer, will be acquired by the Acquirer, subject to the terms and conditions set out herein. All necessary requirements for the valid transfer of the Shares will be pre-conditions for valid acceptance. HSSL does not have any outstanding shares that are subject to lock-in.

b. All shareholders of equity shares of HSSL (except the Acquirer, the PAC and parties to the Agreement), whose names appear in the register of shareholders on July 12, 2004 and also persons (except the Acquirer, the PAC, the Sellers and parties to the Agreement) who own equity shares of HSSL any time prior to the closure of the Offer, whether or not they are registered shareholders, are eligible to participate in the Offer anytime before the closure of the Offer.

c. The Offer is subject to the receipt of approval for the acquisition of shares by the Acquirer under the Offer from (i) the FIPB; and (ii) the RBI, under the Foreign Exchange Management Act, 1999 and / or the regulations made there under FEMA. The Acquirer has filed an application for the abovementioned FIPB approval on June 23, 2004 and is awaiting a response. The Acquirer will apply for the abovementioned RBI Approval upon receipt of the FIPB Approval.

d. No approval other than the aforementioned approvals is required for the Acquirer/ PAC to proceed with this Offer. If any other statutory approvals become applicable, the Offer would be subject to such statutory approvals. The Acquirer will have a right not to proceed with the Offer in the event the statutory approvals indicated above are refused in terms of Regulation 27 of SEBI (SAST) Regulations. In case of a delay in receipt of any statutory approval(s), SEBI has the power to grant an extension of time to the Acquirer for payment of consideration to the tendering shareholders, subject to the Acquirer agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations.

9 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

a. The Acquirer/PACs made the Public Announcement on June 14, 2004 for the Offer. This Offer is made to all the shareholders of HSSL, other than the Acquirer, the PAC, the Sellers and other parties to the Agreement.

b. The Letter of Offer, together with the form of acceptance cum acknowledgement **("Form of Acceptance cum Acknowledgement")**, will be mailed to the public shareholders of HSSL (excluding the Acquirer, the PAC, the Sellers and parties to the Agreement), whose names appear on the register of members of HSSL and to the beneficial owners of the dematerialised shares of HSSL, whose names appear as beneficiaries in the records of the respective depositories, at the close of business on July 12, 2004 **("Specified Date")**.

c. Holders of shares in physical form who wish to tender their shares will be required to send the Form of Acceptance cum Acknowledgement, original share certificate(s), and transfer deed(s) duly signed, to the Registrar to the Offer – Karvy Computershare Private Limited, 46, Avenue 4, Street No. 1, Banjara Hills, Hyderabad 500 034. Telephone number: (040) 2331 2454, Fax number: (040) 2331 1968, either by hand delivery on weekdays, or by Registered Post, on or before the closure of the Offer, i.e., no later than September 15, 2004, in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgement.

d. The Registrar to the Offer, M/s Karvy Computershare Private Limited has opened a special depository account with Citibank N.A at the National Securities Depositary Limited **("NSDL")** called, "Escrow Account – Hughes Offer". The DPID is IN 300054 and Client ID is 10010997.

DP Name	**Citibank N.A**
DP	**IN 300054**
Client ID	**10010997**

Shareholders of HSSL having their beneficiary account with the Central Depositary Services (India) Limited **("CDSL")** must use the inter-depository delivery instruction slip for the purpose of crediting their shares in favour of the special depository account with NSDL.

e. Beneficial owners (holders of shares in dematerialized form) who wish to tender their shares will be required to send their Form of Acceptance cum Acknowledgement along with a photocopy of the delivery instruction in "Off-market" mode, or counterfoil of the delivery instructions in "Off-market" mode, duly acknowledged by the Depository Participant **("DP")**, in favour of the special depository account to the Registrar to the Offer – Karvy Computershare Private Limited, 46, Avenue 4, Street No. 1, Banjara Hills, Hyderabad 500 034. Telephone number: (040) 2331 2454, Fax number: (040) 2331 1968, either by hand delivery on weekdays or by Registered Post, on or before the closure of the Offer, i.e., no later than September 15, 2004, in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgement. The credit for the delivered shares should be received in the special depository account on or before closure of the Offer, i.e., no later than September 15, 2004.

f. In addition to the above-mentioned address, the equity shareholders of HSSL who wish to avail of, and accept the Offer can also deliver the Acceptance cum Acknowledgement Form along with all the relevant documents at any of the collection centres below in accordance with the procedure described herein. All the centres mentioned herein below would be open as follows:

Working Hours: Monday to Friday: 11.00 a.m. to 3.00 p.m. Saturday: 11 a.m. to 1 p.m.

Address	**Contact Person**	**Mode of Delivery**	**Phone No.**	**Fax**
16/22, Bake House Maharashtra Chamber of Commerce Lane, Opp. MSC Bank, Fort, Mumbai – 400 023.	Ms. Hema Ramamurthy	Hand Delivery	(022)-56382666	(022)-5633 1135
7, Andheri Industrial Estate Off. Veera Desai Road, Andheri (W), Mumbai 400 053.	Ms. Vishakha TS	Hand Delivery	(022)-2673 0799 (022)-2673 0153 (022)-2673 0292	(022)-2673 0152
T K N Complex, No. 51/2, Vanivilas Road, Opp National College, Basavanagudi, Bangalore 560 004.	Mr. Kishore	Hand Delivery	(080)-2662 1184 (080)-2662 1192	(080)-2662 1169
201-203 "Shail" Opp: Madhusudhan House, New Navrangpura Tel Exchange, Off CG Road, Ahmedabad 380 006.	Mr. Edward Raphael / Aditya Gupta	Hand Delivery	(079)-2642 0422 (079)-2640 0527	(079)-2656 5551
G1, Swathi Court,22, Vijay Raghava Road, T Nagar, Chennai 600 017.	Mr. Gunashekhar	Hand Delivery	(044)-2815 3445 (044)-2815 1034 (044)-2815 3658	(044)-2815 3181
46, Avenue 4, Street No 1, Banjara Hills, Hyderabad – 500 034.	Ms. A. Anitha	Hand Delivery/ Registered Post	(040)-2331 2454	(040)-2331 1968
49, Jatin Das Road, Near Deshpriya Park, Kolkata –700 029.	Mr. N Debnath	Hand Delivery	(033)-2464 7231 (033)-2464 4891 (033)-2463 4788	(033)-2464 4866 (033)-2463 4787
105-108, Arunachal Building, 19, Barakhamba Road, Connaught Place, New Delhi – 110 001.	Mr. Jha / Laxmi Baluni	Hand Delivery	(011)-2332 4401 (011)-2335 3835 (011)-2335 3981	(011)-2332 4621

g. All shareholders (registered or unregistered) of equity shares of HSSL (except the Acquirer, the PAC, the Sellers and parties to the Agreement), who own equity shares of HSSL anytime before the closure of the Offer are eligible to participate in the Offer anytime before the closure of the Offer.

Unregistered owners can send their application in writing to the Registrar to the Offer, on a plain paper stating their name, address, number of shares held, number of shares offered, distinctive numbers, folio number, together with the original share certificate(s), valid transfer deeds and the original contract notes issued by the broker through whom they acquired their shares. Alternatively, such shareholders, if they desire, may apply on the form of acceptance cum acknowledgement obtained from the website www.sebi.gov.in. No indemnity is required from unregistered owners.

h. The Shares and all the other relevant documents should only be sent to the Registrar to the Offer and not to the Manager to the Offer, the Acquirer, the PAC or HSSL.

i. Where the Acquirer is unable to make the payment to the shareholders whose shares have been accepted before the specified period of 30 days from the date of closure of the Offer due to non-receipt of requisite statutory approvals, SEBI, if satisfied that non-receipt of requisite statutory approvals was not due to any willful default or neglect of the Acquirer or failure of the Acquirer to diligently pursue the applications for such approvals, has the power as per Regulation 22(12) of the SEBI (SAST) Regulations to grant extension of time for the purpose, subject to the Acquirer agreeing to pay interest to the shareholders for delay beyond 30 days, as may be specified by SEBI from time to time.

j. In case of non-receipt of the Letter of Offer, eligible persons may send their application to the Registrar to the Offer, on a plain paper stating their name, address, number of shares held, distinctive numbers, folio number and number of shares offered along with documents as mentioned above so as to reach the Registrar to the Offer on or before the closure of the Offer, i.e., no later than September 15, 2004, or in case of beneficial owners, they may send the application in writing to the Registrar to the Offer, on a plain paper stating their name, address, number of shares held, number of shares offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favour of the special depository account, so as to reach the Registrar to the Offer, on or before the closure of the Offer, i.e., no later than September 15, 2004.

k. In terms of Regulation 22 (5A) of the SEBI (SAST) Regulations, equity shareholders desirous of withdrawing the acceptance tendered by them in the Offer may do so up to 3 (three) working days prior to the date of closure of the Offer. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrar to the Offer at any of the collection centres mentioned above as per the mode of delivery indicated therein on or before September 10, 2004.

   i. The withdrawal option can be exercised by submitting the form of withdrawal, enclosed with the Letter of Offer.

   ii. In case of non-receipt of form of withdrawal, the withdrawal option can be exercised by making a plain paper application to the Registrar to the Offer along with the following details:

      - In case of physical shares: name, address, distinctive numbers, folio number, and number of shares tendered; and

      - In case of dematerialised shares: name, address, number of shares offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favour of the special depository account.

l. The Registrar to the Offer will hold in trust the shares/share certificates, shares lying in credit of the special depository account, Form of Acceptance cum Acknowledgement, if any, and the transfer form(s) on behalf of the shareholders of HSSL who have accepted the Offer, till the cheques/drafts for the consideration and/ or the unaccepted shares/share certificates are dispatched/returned.

m. It may be noted that in the event the record date for payment of dividend declared by HSSL for the year ended March 31, 2004, falls on a date prior to the dispatch of consideration by the Acquirer to the shareholders, the Acquirer shall not have the right to such dividend, and the same may be paid to the shareholders who have tendered the shares, subject to the acceptance by the Acquirer. Correspondingly, in the event the record date for payment for such dividend falls on or after the date of dispatch of consideration by the Acquirer to the shareholders, the Acquirer shall have the right to such dividend.

n. If the aggregate of the valid responses to the Offer exceeds the Offer size of up to 6,834,404 fully paid-up equity shares of HSSL (representing 20% of the Voting Capital of HSSL), then the Acquirer shall accept the valid applications received on a proportionate basis in accordance with Regulation 21(6) of the SEBI (SAST) Regulations. The shares of HSSL are compulsorily traded in dematerialized form and hence minimum acceptance will be one share. The market lot of the shares of HSSL is 1 share.

o. Unaccepted share certificates, transfer forms and other documents, if any, will be returned by Registered Post at the shareholders'/unregistered owners' sole risk, to the sole/first shareholder/ unregistered owners. Unaccepted shares held in dematerialised form will be credited back to the beneficial owner's depository account with the respective depository participant, as per the details furnished by the beneficial owner in the Form of Acceptance cum Acknowledgement.

p. Shareholders who have sent their shares for dematerialization need to ensure that the process of getting their shares dematerialized is completed well in time so that the credit in the special depository account is received on or before the date of closure of the Offer, i.e., no later than September 15, 2004, else their application would be rejected.

q. While tendering the shares under the Offer, Non Resident Indians ("NRIs") /Overseas Corporate Bodies ("OCBs") /foreign shareholders will be required to submit the previous RBI Approvals (specific or general) that they would have obtained for acquiring the shares of HSSL. In case previous RBI approvals are not submitted, the Acquirer reserves the right to reject such shares tendered.

While tendering shares under the Offer, NRI/ OCBs/ foreign shareholders will be required to submit a tax clearance certificate **("Tax Clearance Certificate")** from the Income Tax authorities, indicating the amount of tax to be deducted by the Acquirer under the Income Tax Act, 1961, before remitting the consideration. In case the aforesaid Tax Clearance Certificate is not submitted, the Acquirer will arrange to deduct tax at the rate as may be applicable to the category of the shareholder under the Income Tax Act, 1961, on the entire consideration amount payable to such NRI/ OCB/ foreign shareholder.

10. DOCUMENTS FOR INSPECTION

The following documents will be available for inspection to the shareholders of HSSL at its Registered Office at B-25, 2nd Floor, Nirlac Centre, Qutab Institutional Area, New Delhi – 110016, Tel No + 91 11 26569332; Fax No + 91 11 26563310 between 11 a.m. and 4 p.m. on all working days except (Saturdays and Sundays) from the date of opening of the offer till the Offer Closing Date:

a. Certificate of Incorporation, Memorandum and Articles of Association and Articles of Association of the Acquirer.

b. Certificates dated June 26, 2004 and July 23, 2004 from S.P. Nagrath & Co., Chartered Accountants, regarding the adequacy of financial resources with the Acquirer to fulfill the Offer obligation.

c. Annual Reports containing the audited financials of HSSL for the accounting years ended 31 March 2002, 31 March 2003 and 31 March 2004.

d. Annual Reports containing the audited financials of the Acquirer for the financial years ended 31 March 2003 and 31 March 2004.

e. Annual Reports containing the audited financials of the PAC for the financial years ended 31 March 2002, 31 March 2003 and 31 March 2004.

f. Copy of the PAC's audited consolidated financial statements as filed with the United States Securities and Exchange Commission, for the financial year ended March 31, 2004.

g. Copy of a certificate from Citibank N.A., London confirming the amount placed in Escrow, towards the proposed Offer, with a lien in favour of Citigroup Global Markets India Private Limited, Manager to the Offer.

h. Copy of the Agreement between the Acquirer and the Sellers, which triggered the Offer.

i. Copy of letter received from SEBI, Ref. No. CFD/DCR/TO/HB/15917/04 dated July 21, 2004, in terms of proviso to Regulation 18(2).

j. Copy of the agreement with the Depository Participant for opening a Special Depositary account for the purpose of the Offer.

k. Published copies of Public Announcements made on June 14, 2004, July 26, 2004, July 31, 2004 and August 12, 2004 by the Acquirer and the PAC.

l. Printed copy of the webpage of the National Stock Exchange and the Stock Exchange, Mumbai, containing the share price and volume data for the relevant period.

m. Copies of the applications/approvals made to/from FIPB/RBI.

11. DECLARATION BY THE ACQUIRER AND PERSON ACTING IN CONCERT

The Acquirer and the PAC accept joint and several responsibility for the information contained in this Letter of offer and also for their obligations laid down in the SEBI (SAST) Regulations and subsequent amendments made thereto. The Acquirer and the PAC are responsible for each of their obligations in terms of the SEBI (SAST) Regulations.

The Directors of the Acquirer accept full responsibility for the information contained in this Letter of Offer. The Acquirer and PAC shall be jointly and severally responsible for ensuring compliance with the SEBI (SAST) Regulations.

All information contained in this document is as on the date of the Public Announcement, unless stated otherwise.

Mr. Manny A/L Marimuthu has been authorized by the Board of Directors of both Flextronics Sales & Marketing (L-A) Ltd. and Flextronics International Limited, to sign the Letter of Offer.

For and on behalf of the Board of Directors of

Flextronics Sales & Marketing (L-A) Ltd.	**Flextronics International Limited**
sd/-	sd/-
Manny A/L Marimuthu	Manny A/L Marimuthu

Place: Mumbai

Date: August 12, 2004.

APPENDIX

LIST OF COMPANIES PROMOTED BY THE PAC

Name of Subsidiary	Jurisdiction of Organisation	Main Area of Operation
Flextronics International Andina, C.A.	Argentina	Network Services
Flextronics Beteiligungs GmbH	Austria	Finance/ Investment/ Holding Company
Flextronics Holding AG	Austria	Finance/ Investment/ Holding Company
Flextronics International GesmbH, Vienna	Austria	Finance/ Investment/ Holding Company
Flextronics International GmbH	Austria	Finance/ Investment/ Holding Company
Flextronics International GmbH & Co. Nfg. KG	Austria	Finance/ Investment/ Holding Company
Hotman-Handelsgesellschaft GmbH	Austria	Manufacturer of Electronics Products
Construtora JR Paulista Ltda.	Brazil	Network Services
Flextronics International de Amazonia Ltda.	Brazil	Manufacturer of Electronics Products
Flextronics International Equipamentos e Servicos Ltda.	Brazil	Manufacturer of Electronics Products
Flextronics International Industrial Ltda.	Brazil	Manufacturer of Electronics Products
Flextronics International Tecnologia Ltda.	Brazil	Manufacturer of Electronics Products
Flextronics Network Services Brazil Ltda.	Brazil	Network Services
Multek Brazil Ltda.	Brazil	Manufacturer of Printed Circuit Boards
The DII Group B.V.I Co., Ltd.	British Virgin Islands	Finance/ Investment/ Holding Company
Flextronics (Canada) Inc.	Canada	Sales Company
Flextronics (Canada) Ltd.	Canada	Sales Company
Telcom Global Solutions International	Cayman Islands	Finance/ Investment/ Holding Company
Telcom Global Solutions International Brasil	Cayman Islands	Finance/ Investment/ Holding Company
Broadway (Sha-jiang) Plastic Metal Fty	China	Manufacturer of Electronics Products
Broadway Haier (Qingdao) Industrial Co., Ltd	China	Manufacturer of Electronics Products
Flextronic Logistics (Shanghai) Co., Ltd	China	Logistics/ Distribution Company
Flextronics (Nanjin) Technology Co., Ltd.	China	Manufacturer of Electronics Products
Flextronics Computer (Shanghai) Co., Ltd	China	Manufacturer of Electronics Products
Flextronics Computer (Shekou) Ltd.	China	Manufacturer of Electronics Products
Flextronics Electron (Shanghai) Co., Ltd	China	Manufacturer of Electronics Products
Flextronics Enclosures (Shenzhen) Ltd.	China	Manufacturer of Electronics Products
Flextronics Enclosures (Zhuhai) Co., Ltd.	China	Manufacturer of Electronics Products
Flextronics Enclosures Systems (Changzhou) Lt.	China	Manufacturer of Electronics Products
Flextronics Enclosures Systems (Changzhou) Ltd.	China	Manufacturer of Electronics Products
Flextronics Industrial (Shenzhen) Co., Ltd.	China	Manufacturer of Electronics Products
Flextronics Industrial (Zhuhai) Co., Ltd.	China	Manufacturer of Electronics Products
Flextronics International (Beijing) Ltd.	China	Manufacturer of Electronics Products
Flextronics Logistics (Zhuhai) Co., Ltd.	China	Logistics/ Distribution Company
Flextronics Manufacturing (Zhuhai) Co., Ltd	China	Manufacturer of Electronics Products
Flextronics MFG (Shanghai) Co., Ltd.	China	Manufacturer of Electronics Products
Flextronics Plastic (Shenzhen) Ltd.	China	Manufacturer of Electronics Products
Flextronics Plastic (Zhuhai) Ltd.	China	Manufacturer of Electronics Products
Flextronics Plastic Shanghai Co., Ltd	China	Manufacturer of Electronics Products
Flextronics Technology (Shanghai) Co., Ltd	China	Manufacturer of Electronics Products
Flextronics Technology (Shenzhen) Co., Ltd.	China	Manufacturer of Electronics Products
Flextronics Technology (Zhuhai) Co., Ltd.	China	Manufacturer of Electronics Products
Multek (FTZ) Limited	China	Manufacturer of Printed Circuit Boards
Multek China Limited	China	Manufacturer of Printed Circuit Boards
Multek Electronics Limited	China	Manufacturer of Printed Circuit Boards
Multek Industries Limited	China	Manufacturer of Printed Circuit Boards
Multek Zhuhai Limited	China	Manufacturer of Printed Circuit Boards
Nanjing Flextronics Panda Mobile Terminal Co. Ltd. (65%)	China	Manufacturer of Electronics Products
Ojala Suzhou Mechanical Equipment (Suzhou) Co., Ltd.	China	Manufacturer of Electronics Products
ShenZhen Charter Plastic Metal Co., Ltd	China	Manufacturer of Electronics Products
Flextronics N.S Colombia S.A.	Colombia	Network Services
Flextronics International Denmark A/S	Denmark	Manufacturer of Electronics Products
Flextronics Network Services Denmark A/S	Denmark	Network Services
Flextronics ODM Denmark A/S	Denmark	Design Services
Flextronics Design Finland Oy	Finland	Design Services
Flextronics Holding Finland Oy	Finland	Finance/ Investment/ Holding Company
Flextronics International Finland Oy	Finland	Manufacturer of Electronics Products
Flextronics Network Services Finland Oy	Finland	Network Services
Flextronics ODM Finland Oy	Finland	Design Services
Flextronics Wireless Modules Oy	Finland	Manufacturer of Electronics Products
Ojala-Yhtyma Oy	Finland	Manufacturer of Electronics Products
CHATHAM TECHNOLOGIES HOLDING FRANCE SAS	France	Finance/ Investment/ Holding Company
Flex France S.A.	France	Finance/ Investment/ Holding Company
Flextronics International France S.A.	France	Manufacturer of Electronics Products
Flextronics Manufacturing France SNC	France	Manufacturer of Electronics Products

Name of Subsidiary	Jurisdiction of Organisation	Main Area of Operation
France Laval S.N.C.	France	Manufacturer of Electronics Products
GROLLEAU SAS	France	Finance/ Investment/ Holding Company
Flextronics Holding Germany GmbH	Germany	Finance/ Investment/ Holding Company
Flextronics International Germany GmbH & Co. KG	Germany	Finance/ Investment/ Holding Company
Multek Technology GmbH & Co. KG	Germany	Manufacturer of Printed Circuit Boards
Antak International Ltd.	Hong Kong	Manufacturer of Electronics Products
Astron Group Limited	Hong Kong	Manufacturer of Printed Circuit Boards
Charter Pacific Industries Ltd.	Hong Kong	Manufacturer of Electronics Products
Flextronics Electronics (H.K.) Limited	Hong Kong	Manufacturer of Electronics Products
Flextronics Enclosures (Hong Kong) Limited	Hong Kong	Manufacturer of Electronics Products
Flextronics Industries (H.K.) Limited	Hong Kong	Manufacturer of Electronics Products
Flextronics Logistics (Hong Kong) Limited	Hong Kong	Logistics/ Distribution Company
Flextronics Manufacturing (HK) Limited	Hong Kong	Manufacturer of Electronics Products
Flextronics Plastics (Asia Pacific) Ltd.	Hong Kong	Manufacturer of Electronics Products
Multek Hong Kong Limited	Hong Kong	Manufacturer of Printed Circuit Boards
The DII Group (B.V.I) Company Limited	Hong Kong	Manufacturer of Printed Circuit Boards
The DII Group Asia Limited	Hong Kong	Manufacturer of Printed Circuit Boards
Vastbright PCB (Holding) Limited	Hong Kong	Manufacturer of Printed Circuit Boards
Vastbright PCB Limited	Hong Kong	Manufacturer of Printed Circuit Boards
Broadway Industrial Hungary Kft.	Hungary	Manufacturer of Electronics Products
Flextronics Hungaria Kft.	Hungary	Manufacturer of Electronics Products
Flextronics International Kft..	Hungary	Manufacturer of Electronics Products
Flextronics Logistics Kft..	Hungary	Logistics/ Distribution Company
JIT Electronics Hungary Kft..	Hungary	Manufacturer of Electronics Products
San Marco Hungary Kft..	Hungary	Manufacturer of Electronics Products
Avnisoft Systems Private Limited	India	Design Services
Flextronics Technologies (India) Pvt. Ltd.	India	Manufacturer of Electronics Products
Flextronics Network Services Indonesia	Indonesia	Network Services
Flextronics Tullamore	Ireland	Manufacturer of Electronics Products
IEC Holdings Limited	Ireland	Finance/ Investment/ Holding Company
IEC Sweden AB	Ireland	Logistics/ Distribution Company
IEC Technology Software Limited	Ireland	Logistics/ Distribution Company
Irish Express Cargo Ltd.	Ireland	Logistics/ Distribution Company
Stelton Limited	Ireland	Logistics/ Distribution Company
Flextronics Israel Ltd.	Israel	Manufacturer of Electronics Products
Flextronics Semiconductor Ltd.	Israel	Design Services
Flextronics Design Srl	Italy	Design Services
Flextronics International L'Aquila SpA	Italy	Manufacturer of Electronics Products
Flextronics Aichi K.K.	Japan	Manufacturer of Electronics Products
Flextronics Design Japan K.K.	Japan	Design Services
Flextronics Japan K.K.	Japan	Finance/ Investment/ Holding Company
Flextronics Technology Japan KK	Japan	Manufacturer of Electronics Products
Flextronics Design Korea, Ltd	Korea	Design Services
Flextronics Design Labuan Ltd.	Labuan	Sales Company
Flextronics Industries Marketing (L) Ltd	Labuan	Sales Company
Flextronics International Aguascalientes (L) Ltd	Labuan	Sales Company
Flextronics International Latin America (L) Ltd.	Labuan	Sales Company
Flextronics International Marketing (L) Ltd.	Labuan	Sales Company
Flextronics International PS (L) Limited	Labuan	Sales Company
Flextronics Sales & Marketing North Asia (L) Ltd.	Labuan	Sales Company
Palo Alto Sales Group (L) Ltd.	Labuan	Sales Company
Flextronics ODM Luxembourg S.A.	Luxembourg	Design Services
Flextronics (Malaysia) Sdn. Bhd..	Malaysia	Manufacturer of Electronics Products
Flextronics Ind. (Malaysia) Sdn. Bhd.	Malaysia	Manufacturer of Electronics Products
Flextronics International Marketing (L) Ltd.	Malaysia	Manufacturer of Electronics Products
Flextronics Logistics (Malaysia) Sdn. Bhd.	Malaysia	Logistics/ Distribution Company
Flextronics Manufacturing (M) Sdn.. Bhd..	Malaysia	Manufacturer of Electronics Products
Flextronics Network Services (Malaysia) Sdn. Bhd.	Malaysia	Network Services
Flextronics Plastics (M) Sdn. Bhd.	Malaysia	Manufacturer of Electronics Products
Flextronics Plastics (Penang) Sdn. Bhd.	Malaysia	Manufacturer of Electronics Products
Flextronics Technology (Malaysia) Sdn.. Bhd..	Malaysia	Manufacturer of Electronics Products
Flextronics Technology (Shah Alam) Sdn. Bhd.	Malaysia	Manufacturer of Electronics Products
Flextronics Technology Sdn. Bhd.	Malaysia	Manufacturer of Electronics Products
Palo Alto Sales Group	Malaysia	Sales Company
Flextronics Electronics (Mauritius) Limited	Mauritius	Sales Company
Flextronics Industries (Mauritius) Limited	Mauritius	Sales Company
Flextronics International Asia Pacific Limited	Mauritius	Sales Company
Flextronics Resources Limited	Mauritius	Sales Company
Flextronics Sales & Marketing (A-P) Ltd.	Mauritius	Sales Company

Name of Subsidiary	Jurisdiction of Organisation	Main Area of Operation
Flextronics Sales & Marketing (L-A) Ltd.	Mauritius	Sales Company
Flextronics Sales and Marketing Ltd.	Mauritius	Sales Company
Flextronics Technology (Mauritius) Limited	Mauritius	Sales Company
Flextronics Telecom Systems Ltd	Mauritius	Sales Company
Multek Technologies Limited	Mauritius	Sales Company
Natsteel Broadway (Mauritius) Ltd.	Mauritius	Sales Company
Flextronics Aguascalenties Servicios S.A. de C.V.	Mexico	Network Services
Flextronics Distribution, Inc.	Mexico	Logistics/ Distribution Company
Flextronics Holdings Mexico, S.A. de C.V.	Mexico	Finance/ Investment/ Holding Company
Flextronics International Aguascalientes (L) Ltd.	Mexico	Sales Company
Flextronics International Latin America, Ltd.	Mexico	Manufacturer of Electronics Products
Flextronics Logistics, S.A. de C.V.	Mexico	Logistics/ Distribution Company
Flextronics Manufacturing Aguascalientes S.A. de C.V.	Mexico	Manufacturer of Electronics Products
Flextronics Manufacturing Mex, S.A. de C.V.	Mexico	Manufacturer of Electronics Products
Flextronics Manufacturing Puebla, S de RL de C.V.	Mexico	Manufacturer of Electronics Products
Flextronics Network Services Mexico S.A. de C.V	Mexico	Network Services
Flextronics Plastics, S.A. de C.V.	Mexico	Manufacturer of Electronics Products
Flextronics Real Estate Puebla, S de RL de C.V.	Mexico	Finance/ Investment/ Holding Company
Flextronics Servicios Mexico, S de RL de C.V.	Mexico	Design Services
Group Flextronics, S.A. de C.V.	Mexico	Finance/ Investment/ Holding Company
Multek de Mexico, S.A. de C.V.	Mexico	Manufacturer of Printed Circuit Boards
Parque de Tecnologia Electronica, S.A. de C.V.	Mexico	Finance/ Investment/ Holding Company
DII International Holdings C.V.	Netherlands	Finance/ Investment/ Holding Company
Flextronics Central Europe B.V.	Netherlands	Finance/ Investment/ Holding Company
Flextronics International Cork B.V.	Netherlands	Finance/ Investment/ Holding Company
Flextronics International Europe B.V.	Netherlands	Finance/ Investment/ Holding Company
Flextronics International Holland B.V.	Netherlands	Finance/ Investment/ Holding Company
Flextronics Logistics B.V.	Netherlands	Logistics/ Distribution Company
Llecorcim N.V.	Netherlands	Design Services
Palo Alto Products International B.V.	Netherlands	Finance/ Investment/ Holding Company
Flextronics International Norway AS	Norway	Manufacturer of Electronics Products
Flextronics Network Services AS	Norway	Network Services
Flextronics International Poland Sp zo.o	Poland	Manufacturer of Electronics Products
Flextronics International Shared Services Poland Sp.zo.o	Poland	Manufacturer of Electronics Products
Palo Alto Products International Pte Ltd	Sinagpore	Finance/ Investment/ Holding Company
Add Plus Precision Engineering Pte Ltd	Singapore	Manufacturer of Electronics Products
Flextronics China Holding (Sinagpore) Pte Ltd	Singapore	Manufacturer of Electronics Products
Flextronics Design Asia Pte.. Ltd.	Singapore	Design Services
Flextronics Distribution Centre (S)	Singapore	Logistics/ Distribution Company
Flextronics Holding (Singapore) Pte Ltd	Singapore	Finance/ Investment/ Holding Company
Flextronics Industries Singapore Ltd.	Singapore	Finance/ Investment/ Holding Company
Flextronics International Holdings Pte.. Ltd.	Singapore	Manufacturer of Electronics Products
Flextronics International Ltd.	Singapore	Finance/ Investment/ Holding Company
Flextronics International Singapore Pte.. Ltd.	Singapore	Manufacturer of Electronics Products
Flextronics Investments (Singapore) Pte Ltd	Singapore	Manufacturer of Electronics Products
Flextronics Logistics Singapore Pte.. Ltd.	Singapore	Logistics/ Distribution Company
Flextronics Mould Manufacturing Pte. Ltd.	Singapore	Manufacturer of Electronics Products
Flextronics Network Services (Singapore) Pte. Ltd.	Singapore	Network Services
Flextronics Plastics (Singapore) Pte.. Ltd.	Singapore	Manufacturer of Electronics Products
Flextronics Technology Singapore Pte.. Ltd.	Singapore	Manufacturer of Electronics Products
Hi Skill Industries Pte.. Ltd.	Singapore	Manufacturer of Electronics Products
Li Xin Enterprise Pte.. Ltd.	Singapore	Manufacturer of Electronics Products
Li Xin Plastic Ind. Pte.. Ltd.	Singapore	Manufacturer of Electronics Products
Li Xin Precision Engineering Pte Ltd	Singapore	Manufacturer of Electronics Products
Li Xin Technology Pte.. Ltd.	Singapore	Manufacturer of Electronics Products
The DII Group Singapore Pte.. Ltd.	Singapore	Finance/ Investment/ Holding Company
Flextronics d.o.o., Ljubljana	Slovenia	Finance/ Investment/ Holding Company
Azisa (Pty) Ltd.	South Africa	Design Services
Flextronics Integration, S.L	Spain	Sales Company
Flextronics Spain, S.L	Spain	Sales Company
BlueLabs AB	Sweden	Design Services
BlueLabs East AB	Sweden	Design Services
BlueLabs Micrelectronics	Sweden	Design Services
BlueLabs North AB	Sweden	Design Services
BlueLabs South AB	Sweden	Design Services
BlueLabs Stockholm AB	Sweden	Design Services
BlueLabs West AB	Sweden	Design Services
Flextronics Group Sweden AB	Sweden	Finance/ Investment/ Holding Company
Flextronics Installation AB	Sweden	Network Services

Name of Subsidiary	Jurisdiction of Organisation	Main Area of Operation
Flextronics International Sweden AB	Sweden	Manufacturer of Electronics Products
Flextronics International, Vasteras	Sweden	Manufacturer of Electronics Products
Flextronics Network Services Enterprise AB	Sweden	Network Services
Flextronics Network Services Goteborg AB	Sweden	Network Services
Flextronics Network Services Malmo AB	Sweden	Network Services
Flextronics Network Services Nacka Strand AB	Sweden	Network Services
Flextronics Network Services Norrkoping AB	Sweden	Network Services
Flextronics Network Services Public AB	Sweden	Network Services
Flextronics Network Services Stockholm AB	Sweden	Network Services
Flextronics Network Services Sweden AB	Sweden	Network Services
Flextronics Network Services Vasteras AB	Sweden	Network Services
Multek Sweden AB	Sweden	Manufacturer of Printed Circuit Boards
Swedform AB	Sweden	Finance/ Investment/ Holding Company
Swedform Metall AB	Sweden	Manufacturer of Electronics Products
Flextronics Technology (Switzerland) GmbH	Switzerland	Finance/ Investment/ Holding Company
Flextronics Technology Holding GmbH	Switzerland	Finance/ Investment/ Holding Company
Flextronics International (Taiwan) Ltd.	Taiwan	Manufacturer of Electronics Products
Flextronics International (Thailand) Ltd.	Thailand	Manufacturer of Electronics Products
Flextronics Network Services (Thailand) Ltd.	Thailand	Network Services
Palo Alto Manufacturing (Thailand) Ltd.	Thailand	Manufacturer of Electronics Products
Flextronics International s.r.o	The Czech Republic	Manufacturer of Electronics Products
United Real Estate Brno a.s.	The Czech Republic	Finance/ Investment/ Holding Company
Flextronics International UK Ltd.	United Kingdom	Manufacturer of Electronics Products
Flextronics Semiconductor Ltd. (UK)	United Kingdom	Design Services
Flextronics Logistics U.S.A., Inc.	United States, California	Logistics/ Distribution Company
Avnisoft	United States, California	Design Services
Flextronics Design SD, Inc.	United States, California	Design Services
Flextronics Distribution, Inc.	United States, California	Logistics/ Distribution Company
Flextronics Enterprise Solutions, Inc.	United States, California	Manufacturer of Electronics Products
Flextronics International PA, Inc.	United States, California	Manufacturer of Electronics Products
Flextronics International USA, Inc.	United States, California	Manufacturer of Electronics Products
Flextronics Photonics Wave Optics, Inc.	United States, California	Design Services
Flextronics Semiconductor, Inc.	United States, California	Design Services
KMOS Semiconductor, Inc.	United States, California	Design Services
Marathon Business Park, LLC	United States, California	Finance/ Investment/ Holding Company
Multilayer Technology Inc.	United States, California	Manufacturer of Printed Circuit Boards
PIC Acquisition Corporation	United States, California	Finance/ Investment/ Holding Company
Chatham International I, Inc.	United States, Delaware	Finance/ Investment/ Holding Company
Chatham International II, Inc.	United States, Delaware	Finance/ Investment/ Holding Company
Flextronics Enclosures Systems, Inc.	United States, Delaware	Manufacturer of Electronics Products
Flextronics Enclosures, Inc.	United States, Delaware	Manufacturer of Electronics Products
Flextronics Holding U.S.A., Inc.	United States, Delaware	Finance/ Investment/ Holding Company
Flextronics International Holding Corp. & Subs	United States, Delaware	Finance/ Investment/ Holding Company
Flextronics Management Co.	United States, Delaware	Finance/ Investment/ Holding Company
Flextronics Mexico, Inc.	United States, Delaware	Finance/ Investment/ Holding Company
Flextronics US.A., Inc.	United States, Delaware	Manufacturer of Electronics Products
Multek Texas, Inc.	United States, Delaware	Manufacturer of Printed Circuit Boards
Precision Optical Systems	United States, Delaware	Design Services
Flextronics Metal Specialties, Inc.	United States, Illinois	Manufacturer of Electronics Products
Flextronics Tool & Design, Inc.	United States, Illinois	Design Services
Flextronics Photonics FICO, Inc.	United States, Massachusetts	Design Services
Flextronics Nevada, Inc.	United States, Nevada	Finance/ Investment/ Holding Company
Instrumentation Engineering, Inc.	United States, New Jersey	Design Services
Flextronics Photonics PPT, Inc.	United States, Oregon	Design Services
Flextronics Logistics, Inc.	United States, Tennessee	Logistics/ Distribution Company
Flextronics Semiconductor Design, Inc.	United States, Tennessee	Design Services
Flextronics Network Services Texas	United States, Texas	Network Services
Lightening Manufacturing Solutions Texas LLC	United States, Texas	Manufacturer of Electronics Products
Multilayer Tek L.P.	United States, Texas	Manufacturer of Printed Circuit Boards
Telcom Global Solutions Holdings, Inc.	United States, Texas	Network Services
Flextronics International Andina, C.A.	Venezuela	Network Services

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Please send this Form with enclosures to Karvy Computershare Private Limited)

OFFER	
OPENS ON	Tuesday, August 17, 2004
LAST DATE OF WITHDRAWAL	Friday, September 10, 2004
CLOSES ON	Wednesday, September 15, 2004

From:
Name:
Address:

Tel No.: Fax No.: E-mail :

To,
Flextronics Sales & Marketing (L-A) Ltd.
C/o. Karvy Computershare Private Limited
Karvy House, 46, Avenue 4, Street No. 1, Banjara Hills, Hyderabad - 500 034

Dear Sir/Madam,

Sub: Open Offer to acquire up to 6,834,404 shares of Rs. 5 each, representing 20% of the Voting Capital (as defined in the Letter of Offer) of **Hughes Software Systems Limited (HSSL)** by **Flextronics Sales & Marketing (L-A) Ltd.** (Acquirer) at a price of Rs. 548/- (Rupess Five Hundred & Forty Eight only) per fully paid up share, "Offer Price" payable in cash.

I/We refer to the Letter of Offer dated August 12, 2004 for acquiring the Shares held by me/us in **Hughes Software Systems Limited**

I/We, the undersigned, have read the Letter of Offer, understood its contents and unconditionally accepted the terms and conditions as mentioned therein.

SHARES HELD IN PHYSICAL FORM

I/We, accept the Offer and enclose the original share certificate(s) and duly signed transfer deed(s) in respect of my/our shares as detailed below.

Sr. No	Folio No.	Certificate No.	Distinctive Nos.		No. of Shares
			From	To	
				Total	

Please attach additional sheets of paper and authenticate the same if the space is insufficient.

SHARES HELD IN DEMAT FORM

I/We, holding shares in demat form, accept the Offer and enclose a photocopy of the Delivery Instructions duly acknowledged by my/our DP in respect of my/our equity shares as detailed below.

DP Name	DP ID	Client ID	Name of Beneficiary	No. of Shares

I/We have done an off-market transaction for crediting the shares to the depository account with Citibank, N.A. at NSDL styled **"Escrow Account – Hughes Offer"** whose particulars are:

DP Name: Citibank N.A.	Client ID : 10010997	DP ID : IN 300054

Shareholders having their beneficiary account with CDSL will have to use inter-depository slip where available for purpose of crediting their shares in favour of the special depository account with NSDL.

Enclosures (Please tick as appropriate, if applicable)

- ☐ Power of Attorney
- ☐ No Objection Certificate & Tax Clearance Certificate under Income-tax Act, 1961, for NRIs/OCBs/Foreign Shareholders as applicable
- ☐ Death Certificate/ Succession Certificate
- ☐ Corporate authorization in case of Companies along with Board Resolution and Specimen Signatures of Authorised Signatories
- ☐ Others (please specify) : ________________________________

I/We confirm that the equity shares of **Hughes Software Systems Limited**, which are being tendered herewith by me/us under the Offer, are free from liens, charges and encumbrances of any kind whatsoever.

I/We note and understand that the original share certificate(s) and valid share transfer deed will be held in trust for me/us by the Registrar to the Offer until the time the Acquirer pays the purchase consideration as mentioned in the Letter of Offer.

I/We also note and understand that the Acquirer will pay the purchase consideration only after verification of the documents and signatures.

I/We authorise the Acquirer to send by registered post/speed post/UCP the draft/cheque, in settlement of the amount to the sole/first holder at the address mentioned above.

I/We note and understand that the Shares would lie in the Special Depository Account until the time the Acquirer makes payment of purchase consideration as mentioned in the Letter of Offer.

I/We authorise the Acquirer to accept the shares so offered which it may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I/we further authorise the Acquirer to return to me/us, equity share certificate(s) in respect of which the offer is not found valid/not accepted.

The Permanent Account No. (PAN/GIR No.) allotted under the Income Tax Act, 1961 is as under.

	1st Shareholder	2nd Shareholder	3rd Shareholder
PAN/GIR No. Ward No.			

So as to avoid fraudulent encashment in transit, shareholder(s) holding shares in physical form should provide details of bank account of the first/sole shareholder and the consideration cheque or demand draft will be drawn accordingly.

Name of the Bank ______________________ Branch ______________ City ______________

Account Number ______________________ Savings/Current/Others (please specify) ______________________

Yours faithfully,

Signed and Delivered

	FULL NAME(S) OF THE HOLDER	SIGNATURE(S)
First/Sole Holder		
Joint Holder 1		
Joint Holder 2		
Joint Holder 3		

Note: In case of joint holdings, all holders must sign. In case of body corporate, the Company seal should be affixed

Place: Date:

-- Tear along this line --

Acknowledgement Slip : Flextronics Sales & Marketing (L-A) Ltd. **Sr. No.**

Received from Mr./Ms. ____

Address ____

Physical shares: Folio No. ______________ / Demat shares: Client ID____________________ ; DP ID ______________________;

Form of Acceptance along with :

☐ Physical shares: No. of shares- ______________________ ; No. of certificates enclosed-______________________

☐ Demat shares: Copy of delivery instruction for ______________________________________ number of shares enclosed

(Tick whichever is applicable)

Signature of Official ________________ Date of Receipt __________________

Stamp of collection center

INSTRUCTIONS

1. In the case of demateralized shares, the shareholders are advised to ensure that their shares are credited in favour of the special depository account, before the closure of the Offer i.e. Monday, September 15, 2004. The Form of Acceptance-cum-Acknowledgement of such demat shares not credited in favour of the special depository account, before the closure of the Offer will be rejected.

2. **Shareholders should enclose the following :**

   I. For Equity shares held in demat form :-

   Beneficial owners should enclose

   - **Form of Acceptance-cum-Acknowledgement** duly completed and signed in accordance with the instructions contained therein, as per the records of the Depository Participant (DP).
   - **Photocopy of the delivery instruction** in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP as per the instruction in the Letter of Offer.

   II. For Equity shares held in physical form :-

   Registered shareholders should enclose

   - **Form of Acceptance-cum-Acknowledgement** duly completed and signed in accordance with the instructions contained therein, by all shareholders whose names appear on the share certificates.
   - **Original Share Certificate(s).**
   - V**alid Share Transfer form(s)** duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with **Hughes Software Systems Limited** and duly witnessed at the appropriate place. A blank Share Transfer form is enclosed along with the Letter of Offer. Attestation, where required, (thumb impressions, signature difference, etc.) should be done.

     The details of buyer should be left blank failing which the same will be invalid under the Offer. The details of the Acquirer as buyer will be filled by the Acquirer upon verification of the Form of Acceptance and the same being found valid. All other requirements for valid transfer will be preconditions for valid acceptance.

   Unregistered owners should enclose

   - **Form of Acceptance-cum-Acknowledgement** duly completed and signed in accordance with the instructions contained therein.
   - **Original Share Certificate(s).**
   - **Original broker contract note.**
   - **Valid Share Transfer form(s)** as received from the market leaving details of buyer blank. If the same is filled in then the Share(s) are liable to be rejected.

3. The share certificate(s) share transfer form(s) and the Form of Acceptance should be sent only to the **Registrar to the Offer** and not to the Manager to the Offer or the Acquirer or Target Company.

4. Shareholders having their beneficiary account in CDSL have to use "INTER DEPOSITORY DELIVERY INSTRUCTION SLIP" for the purpose of crediting their shares in favour of the special depository account with NSDL.

5. **Non-resident shareholders should enclose a copy of the permission received from RBI for the equity shares held by them in Hughes Software Systems Limited. If the shares are held under General Permission of RBI, the non resident shareholder should state that the shares are held under General Permission and whether on repatriable basis or non repatriable basis.**

6. **Non resident shareholders should enclose No Objection Certificate/Tax Clearance Certificate from the Income Tax Authorities under Income Tax Act, 1961, indicating the tax to be deducted by the Acquirer before remittance of consideration otherwise tax will be deducted at the marginal rate as may be applicable to the category of the shareholder on the consideration payable by the Acquirer.**

7. The Form of Acceptance-cum-Acknowledgement and other related documents should be submitted at any of the Collection Centers of **Karvy Computershare Private Limited** as stated in Paragraph 9 of the Letter of Offer.

8. Applicants who cannot hand deliver their documents at the Collection Centers, may send their documents only by Registered Post, at their own risk, to the Registrar to the Offer at **Karvy Computershare Private Limited,** Karvy House, 46, Avenue 4, Street No. 1, Banjara Hills, Hyderabad - 500 034 so as to reach the Registrars to the Offer on or before the last date of acceptance i.e. Wednesday, September 15, 2004.

All queries in this regard to be addressed to the Registrar to the Offer at the following address quoting your Reference Folio No./DPID/Client ID:

Karvy Computershare Private Limited
(Unit : Hughes Software Systems Limited)
Karvy House, 46, Avenue 4, Street No. 1, Banjara Hills, Hyderabad - 500 034
Tel No: +91 40 2332 0751-53 Fax No: +91 40 2331 1968
Email: murali@karvy.com

WESTERN PRESS PVT. LTD. MUMBAI 400 013. 2493 9382

FORM OF WITHDRAWAL

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Please send this Form with enclosures to Karvy Computershare Private Limited)

From:

Name:

Address:

OFFER	
OPENS ON	Tuesday, August 17, 2004
LAST DATE OF WITHDRAWAL	Friday, September 10, 2004
CLOSES ON	Wednesday, September 15, 2004

To,

Flextronics Sales & Marketing (L-A) Ltd.

C/o. Karvy Computershare Private Limited

Karvy House, 46, Avenue 4, Street No. 1, Banjara Hills, Hyderabad - 500 034

Dear Sir/Madam,

Sub: Open Offer to acquire up to 6,834,404 shares of Rs. 5 each, representing 20% of the Voting Capital (as defined in the Letter of Offer) of **Hughes Software Systems Limited (HSSL)** by **Flextronics Sales & Marketing (L-A) Ltd.** (Acquirer) at a price of Rs. 548/- (Rupess Five Hundred & Forty Eight only) per fully paid up share, “Offer Price” payable in cash.

I/We refer to the Letter of Offer dated August 12, 2004 for acquiring the equity shares held by me/us in **Hughes Software Systems Limited.**

I/We the undersigned, have read the Letter of Offer and accept unconditionally its contents including the terms and conditions and procedures as mentioned therein.

I/We have read the procedure for withdrawal of equity shares tendered by me/us in the Offer as mentioned in para 9 of the Letter of Offer and unconditionally agree to the terms and conditions mentioned therein.

I/We hereby consent unconditionally and irrevocably to withdraw my/our equity shares from the Offer and I/We further authorise the Acquirers to return to me/us, tendered equity share certificate(s)/share(s) at my/our sole risk.

I/We note that upon withdrawal of my/our equity shares from the Offer, no claim or liability shall lie against the Acquirers/ Manager to the Offer/Registrar to the Offer.

I/We note that this Form of Withdrawal should reach the Registrar to the Offer at any of the collection centres mentioned in the Letter of Offer as per the mode of delivery indicated therein on or before the last date of withdrawal.

I/We note that the Acquirers/Manager to the Offer/Registrar to the Offer shall not be liable for any postal delay/loss in transit of the equity shares held in physical form and also for the non-receipt of equity shares held in the dematerialised form in the DP account due to inaccurate/incomplete particulars/instructions.

I/We also note and understand that the Acquirers shall return Original Share Certificate(s), Share Transfer Deed(s) and equity shares only on completion of verification of the documents, signatures and beneficiary position data as available from the Depository from time to time, respectively. The particulars of tendered original share certificate(s), which I/we wish to withdraw are detailed below:

Sr. No	Folio No.	Certificate No.	Distinctive Nos.		No. of Shares
		Tendered	From	To	
		Withdrawn			
				Total	

(In case of insufficient space, please use an additional sheet and authenticate the same)

I/We hold the following equity shares in dematerialised form, have tendered the equity shares in the Offer and had done an off-market transaction for crediting the Shares to the Depository Account with Citibank N. A. at NSDL styled **“Escrow Account – Hughes Offer”** as per the following particulars:

DP Name: Citibank N.A.	Client ID : 10010997	DP ID : IN 300054

Please find enclosed a photocopy of the Depository Delivery Instruction(s) duly acknowledged by the Depository Participant.

The particulars of the account from which my/our Equity Shares have been tendered are as detailed below

DP Name	DP ID	Client ID	Name of Beneficiary	No. of Shares

I/We note that the equity shares will be credited back only to that Depository Account, from which the equity shares have been tendered and necessary standing instructions have been issued in this regard.

I/We confirm that the particulars given above are true and correct.

In case of dematerialised equity shares, I/We confirm that the signatures of the beneficiary holders have been verified by the DP as per the records maintained at their end and the same have also been duly attested by them under their seal.

Yours faithfully,

Signed and delivered	FULL NAME(S) OF THE HOLDER	SIGNATURE(S)	VERIFIED AND ATTESTED BY US. PLEASE AFFIX THE STAMP OF DP (IN CASE OF DEMAT SHARES)/ BANK (IN CASE OF PHYSICAL SHARES)
First/Sole Shareholder			
Second Shareholder			
Third Shareholder			

Note : In case of joint holding, all holders must sign. In case of body corporate, stamp of the company should be affixed and necessary Board resolution should be attached.

Place: Date:

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

Acknowledgement Slip : Flextronics Sales & Marketing (L-A) Ltd. **Sr. No.**

Received from Mr./Ms. ____________________

Address ____________________

Stamp of collection center

Physical shares: Folio No. ______________ / Demat shares: Client ID____________________ ; DP ID ____________________;

Form of Withdrawal for withdrawal of :

☐ Physical shares: No. of shares tendered ______________________No. of Shares withdrawn ______________________

☐ Demat shares: Copy of delivery instruction for shares tendered ______________________

(Tick whichever is applicable)

Signature of Official ____________________ Date of Receipt __________________

INSTRUCTIONS

1. **Shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer at any of the Collection Centers mentioned in the Letter of Offer as per the mode of delivery indicated therein on or before the last date of withdrawal i.e. Friday, September 10, 2004.**
2. Shareholders should enclose the following:-
   i. **For Equity Shares held in demat form:-**
   Beneficial owners should enclose
   - **Duly signed and completed Form of Withdrawal.**
   - **Acknowledgement slip in original/ Copy** of the submitted Form of Acceptance-cum-Acknowledgement in case delivered by Registered A.D.
   - **Photocopy of the delivery instruction** in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP.

   ii. **For Equity Shares held in physical form:-**
   Registered Shareholders should enclose:
   - **Duly signed and completed Form of Withdrawal.**
   - **Acknowledgement slip in original/ Copy** of the submitted Form of Acceptance-cum-Acknowledgement in case delivered by Registered A.D.
   - In case of partial withdrawal, Valid Share Transfer form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with **Hughes Software Systems Limited** and duly witnessed at the appropriate place.

   iii. Unregistered owners should enclose:
   - **Duly signed and completed Form of Withdrawal.**
   - **Acknowledgement slip in original/ Copy** of the submitted Form of Acceptance-cum-Acknowledgement in case delivered by Registered A.D.
3. The withdrawal of Shares will be available only for the Share certificates/the Shares that have been received by the Registrar to the Offer/ Special Depository Escrow Account.
4. The intimation of returned Shares to the Shareholders will be at the address as per the records of the Target Company/ Depository as the case may be.
5. The Form of Withdrawal should be sent only to the Registrar to the Offer.
6. In case of partial withdrawal of Shares tendered in physical form, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from the Target Company. The facility of partial withdrawal is available only to registered shareholders.
7. Shareholders holding Shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.
8. The Form of Withdrawal and other related documents should be submitted at any of the Collection Centers of **Karvy Computershare Private Limited** stated in Paragraph 9 of the Letter of Offer.
9. Applicants who cannot hand deliver their documents at the Collection Centers, may send their documents only by Registered Post, at their own risk, to the Registrar to the Offer at **Karvy Computershare Private Limited,** Karvy House, 46, Avenue 4, Street No. 1, Banjara Hills, Hyderabad - 500 034, so as to reach the Registrars on or before the last date of withdrawal i.e. Friday, September 10, 2004.

-- Tear along this line --

All queries in this regard to be addressed to the Registrar to the Offer at the following address quoting your Reference Folio No./DPID/Client ID:

Karvy Computershare Private Limited
(Unit : Hughes Software Systems Limited)
Karvy House, 46, Avenue 4, Street No. 1, Banjara Hills, Hyderabad - 500 034
Tel No: +91 40 2332 0751-53 Fax No: +91 40 2331 1968
Email: murali@karvy.com