

October 16, 2014

The Board of Directors
Tata Consultancy Services Limited
 Nirmal Building, 9th Floor,
 Nariman Point, Mumbai 400021
 Maharashtra

Members of the Board of Directors:

We understand that **Tata Consultancy Services Limited**, a public limited company incorporated in India under the Indian Companies Act, 1956 ("TCS") proposes to enter into a Scheme of Arrangement under sections 391-394 of the Indian Companies Act, 1956 (the "Arrangement"), with **CMC Limited**, a public limited company incorporated in India under the Indian Companies Act, 1956, ("CMC") pursuant to which, among other things, CMC will merge with and into TCS (the "Merger"). The terms and conditions of the Merger are more fully set forth in the scheme of arrangement ("Scheme Document") to be filed by the abovementioned companies with the appropriate courts in India. Pursuant to the Merger we understand that the holders of equity shares, of par value Rs. 10/- each, in the capital of CMC other than TCS, (each a "CMC Equity Share" and each beneficial owner of a CMC Equity Share, a "CMC Shareholder") will be allotted 79 equity shares of Rs. 1/- each of TCS ("TCS Equity Share") for every 100 CMC Equity Shares held (the "Exchange Ratio"). We also understand that the CMC Equity Shares held by TCS shall stand cancelled and no further shares shall be issued or payment made in lieu of such cancellation of the CMC Equity Shares.

You have requested our opinion as to the fairness, from a financial point of view, to the holders of TCS Equity Shares ("TCS Shareholders") of the Exchange Ratio provided for in the Merger which has been recommended by B S R & Associates, LLP ("BSR") the independent accounting firm appointed by TCS and CMC in connection with the Merger, in its valuation report dated October 16, 2014.

In connection with this opinion, we have, among other things:

- (1) reviewed certain publicly available business and financial information relating to CMC and TCS upto June 30, 2014;
- (2) reviewed certain internal financial and operating information with respect to the business, operations and prospects of CMC provided by CMC and discussed with us by the management of TCS, including certain financial forecasts for next 5 years relating to CMC prepared by the management of CMC. We have extended these forecasts over a further period of 5 years in consultation with management of TCS (such forecasts, the "CMC Forecasts");
- (3) reviewed certain financial and operating information with respect to the business, operations and prospects of TCS, including developing forecasts for TCS in consultation with management of TCS (the "TCS Forecasts");
- (4) discussed the past and current business, operations, financial condition and prospects of CMC and TCS with members of senior management of TCS;
- (5) reviewed the trading histories for the CMC Equity Shares and the TCS Equity Shares and a comparison of such trading histories with the trading histories of other companies we deemed relevant;

T +9122 6632 8000 • F +9122 6632 8579 • CIN U74140MH1975PLC018618 • www.dsipmi.com

DSP Merrill Lynch Limited
 Mafatlal Centre, 8th Floor, Nariman Point, Mumbai 400 021 India

CERTIFIED TRUE COPY

TATA CONSULTANCY SERVICES LIMITED



SUPRAKASH MUKHOPADHYAY
 Vice President & Company Secretary



- (6) compared certain financial and stock market information of CMC and TCS with similar information of other companies we deemed relevant;
- (7) reviewed the final valuation report prepared by BSR dated October 16, 2014;
- (8) reviewed the draft Scheme Document dated October 8, 2014 and
- (9) performed such other analyses and studies and considered such other information and factors as we deemed appropriate.

In arriving at our opinion, we have assumed and relied upon, without independent verification, the accuracy and completeness of the financial and other information and data publicly available or provided to or otherwise reviewed by or discussed with us and have relied upon the assurances of the management of TCS that they are not aware of any facts or circumstances that would make such information or data inaccurate or misleading in any material respect. With respect to the CMC Forecasts, we have been advised by the management of TCS, and have assumed, with the consent of TCS, that they represent reasonable estimates as to the future financial performance of CMC. With regard to the substantial part of CMC revenues that are originated through or from TCS, we have been advised by the management of TCS, and have assumed, with the consent of TCS, that these are derived on an arms-length basis. With respect to the TCS Forecasts, we have assumed, with the consent of TCS, that they reflect reasonable estimates as to the future financial performance of TCS. We have not made or been provided with any independent evaluation or appraisal of the assets or liabilities (contingent or otherwise) of CMC or TCS, nor have we made any physical inspection of the properties or assets of CMC or TCS. We have not evaluated the solvency or fair value of CMC or TCS under either the laws of India or any other laws relating to bankruptcy, insolvency or similar matters. We have assumed, with the consent of TCS, that the Merger will be consummated in accordance with its terms, without waiver, modification or amendment of any material term, condition or agreement and that, in the course of obtaining the necessary governmental, judicial, regulatory and other approvals, consents, releases and waivers for the Merger, no delay, limitation, restriction or condition, including any divestiture requirements or amendments or modifications, will be imposed that would have an adverse effect on CMC, TCS or the contemplated benefits of the Merger. We also have assumed, at the direction of TCS, that the final Scheme Document will not differ in any material respect from the draft Scheme Document reviewed by us.

We express no view or opinion as to any terms or other aspects of the Merger (other than the Exchange Ratio to the extent expressly specified herein), including, without limitation, the form or structure of the Merger. We were not requested to, and we did not, participate in the negotiation of the terms of the Merger, nor were we requested to, and we did not, provide any advice or services in connection with the Merger other than the delivery of this opinion. We express no view or opinion as to any such matters. Our opinion is limited to the fairness, from a financial point of view, to TCS of the Exchange Ratio provided for in the Merger and no opinion or view is expressed with respect to any consideration received in connection with the Merger by the holders of any class of securities, creditors or other constituencies of any party. In addition, no opinion or view is expressed with respect to the fairness (financial or otherwise) of the amount, nature or any other aspect of any compensation to any of the officers, directors or employees of any party to the Merger, or class of such persons, relative to the Exchange Ratio. Furthermore, no opinion or view is expressed as to the relative merits of the Merger in comparison to other strategies or transactions that might be available to TCS or in which TCS might engage or as to the underlying business decision of TCS to proceed with or effect the Merger. We are not expressing any opinion as to what the value of TCS Equity Shares actually will be when issued or the prices at which TCS Equity Shares or CMC Equity Shares will trade at any time, including following announcement or consummation of the Merger. In addition, we express no opinion or recommendation as to how any shareholder should vote or act in connection with the Merger or any related matter.

We have acted as financial advisor to the Board of Directors of TCS solely to render this opinion and will receive a fee for our services, which is payable upon the rendering of this opinion. In addition, TCS has agreed to reimburse our expenses and indemnify us against certain liabilities arising out of our engagement.

We and our affiliates comprise a full service securities firm and commercial bank engaged in securities, commodities and derivatives trading, foreign exchange and other brokerage activities, and principal investing as well as providing investment, corporate and private banking, asset and investment management, financing and financial advisory services and other commercial services and products to a wide range of companies, governments and individuals. In the ordinary course of our businesses, we and our affiliates may invest on a principal basis or on behalf of customers or manage funds that invest, make or hold long or short positions, finance positions or trade or otherwise effect transactions in equity, debt or other securities or financial instruments (including derivatives, bank loans or other obligations) of TCS, CMC and certain of their respective affiliates.


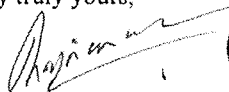
We and/or our affiliates in the past have provided, currently are providing, and in the future may provide, investment banking, commercial banking and other financial services to TCS, the promoters of TCS and other group companies of the promoters of TCS, and have received or in the future may receive compensation for the rendering of these services, including having acted or acting as a lender under certain loan facilities. Separately, we and/or our affiliates are also customers of TCS for some of our IT requirements.

It is understood that this letter is for the benefit and use of the Board of Directors of TCS in connection with and for purposes of its evaluation of the Merger and is not rendered to or for the benefit of, and shall not confer rights or remedies upon, any person other than the Board of Directors of TCS. This opinion may not be disclosed, referred to, or communicated (in whole or in part) to any third party, nor shall any public reference to us be made, for any purpose whatsoever except (i) with our prior written consent in each instance; (ii) as required to be disclosed by TCS pursuant to clauses 24(f) and 24(h) of the listing agreements between TCS and the stock exchanges and the circulars issued by the Securities and Exchange Board of India on 4 February 2013 (CIR/CFD/DIL/5/2013) and 21 May 2013 (CIR/CFD/DIL/8/2013) and (iii) as required to be disclosed to relevant judicial, regulatory or government authorities as may be mandatorily required by applicable laws. This opinion has been issued for the sole purpose listed in sub-paragraph (ii) above and shall not be valid for any other purpose.

Our opinion is necessarily based on (i) financial, economic, monetary, market and other conditions and circumstances as in effect on, and (ii) the information made available to us as of, the date hereof. It should be understood that subsequent developments may affect this opinion, and we do not have any obligation to update, revise, or reaffirm this opinion. The issuance of this opinion was approved in accordance with our internal policies.

Based upon and subject to the foregoing, including the various assumptions and limitations set forth herein, we are of the opinion on the date hereof that the Exchange Ratio provided for in the Merger is fair, from a financial point of view, to TCS Shareholders.

Very truly yours,



DSP MERRILL LYNCH LIMITED

NAME : RAJ BALAKRISHNAN