

May 14, 2007

Industry View
Attractive

India Software

Valuations Databank

India Software: Rupee appreciation the key risk

Key underlying trends from the recent set of F4Q07 results and management outlook for F2008 suggest continuing strength in demand, including in the financial services segment. Revenue growth guidance (US\$) has been ahead of expectations. On the cost side, the proposed wage increases for F2008 have been in line with expectations and there have been no negative surprises. Potential rupee appreciation remains the key risk, in our view, with the current rupee level being 3-5% higher than that assumed by the companies for guidance (see our note dated May 14 for more details).

Genpact files with SEC for US listing

The largest India based BPO service provider had revenues of around US\$613 million for the year ended December 2006, with 74% being contributed by GE. The company had around 28,000 employees as of March 2007, with around 70% based out of India.

Infosys BPO sets up media processing outsourcing firm

The company has entered into an alliance with TV18, an India based media company to set up Source 18. It will provide a range of services to media and entertainment companies globally.

Polaris opens development centre in Canada

The centre will be utilized as a low cost near shore facility for mission critical work for various North American clients.

We have an Attractive view on the India Software industry.

MSCI Country: India

Asia Strategist's Recommended Weight	1.8%
MSCI Asia/Pac All Country Ex Jp Weight	6.3%

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For analyst certification and other important disclosures, refer to the Disclosure Section.

+ = Analysts employed by non-U.S. affiliates are not registered pursuant to NASD/NYSE rules.

Exhibit 1

**Global Software Valuations
P/E and PEG (May 11, 2007)**

Company	Bloomberg Code	Local Curr.	Local Price	Mkt Cap. (US\$m)	Latest Reported Results	EPS (Local Curr)			P/E (x)			EPS Growth (%)			2-Year EPS CAGR	PEG
						Actual	EST (+1)	EST (+2)	Actual	EST (+1)	EST (+2)	Actual	EST (+1)	EST (+2)		
US Companies																
Accenture	ACN	US\$	38.34	29,694	Aug-06	1.63	1.91	2.23	23.5	20.1	17.2	11%	17%	17%	17%	1.18
Amdocs	DOX	US\$	36.66	8,173	Sep-06	1.67	1.88	2.22	22.0	19.5	16.5	16%	13%	18%	15%	1.27
BearingPoint *	BE	US\$	7.10	1,431	Dec-05	0.18	0.29	0.42	39.0	24.3	17.1	333%	60%	42%	51%	0.48
Cognizant Solutions	CTSH	US\$	80.65	12,314	Dec-06	1.55	2.20	2.89	52.0	36.7	27.9	48%	42%	31%	37%	1.00
Computer Sciences *	CSC	US\$	56.43	9,775	Mar-06	3.11	3.62	4.14	18.1	15.6	13.6	19%	16%	15%	15%	1.01
EDS	EDS	US\$	28.14	15,325	Dec-06	0.99	1.58	1.73	28.4	17.8	16.3	65%	60%	9%	32%	0.55
Infosys - ADR	INFY	US\$	52.05	28,819	Mar-07	1.62	2.02	2.43	32.1	25.7	21.5	48%	25%	20%	22%	1.15
Keane	KEA	US\$	14.14	829	Dec-06	0.77	0.72	0.79	18.4	19.6	17.9	13%	-6%	10%	1%	15.22
Patni - ADR	PTI	US\$	25.05	1,732	Dec-06	1.25	1.53	1.85	20.0	16.4	13.6	33%	22%	21%	21%	0.76
Satyam - ADR	SAY	US\$	24.62	8,213	Mar-07	1.04	1.24	1.46	23.7	19.9	16.8	41%	19%	18%	19%	1.07
Wipro - ADR	WIT	US\$	16.53	23,800	Mar-07	0.48	0.58	0.70	34.7	28.4	23.5	38%	22%	21%	21%	1.32
WNS	WNS	US\$	26.2	1,043	Mar-06	0.47	0.68	0.92	55.8	38.5	28.5	NM	45%	35%	40%	0.97
European Companies																
Cap Gemini	CAP	Euro	54.58	10,903	Dec-06	2.64	2.68	3.42	20.7	20.4	16.0	132%	2%	28%	14%	1.47
Logica PLC	LOG	GBp	184.50	4,172	Dec-05	8.90	10.70	12.80	20.7	17.2	14.4	39%	20%	20%	20%	0.87
TietoEnator	TIE1V	Euro	23.78	2,527	Dec-06	1.06	1.35	1.49	22.5	17.6	16.0	-35%	28%	10%	19%	0.94
Indian Companies																
HCL Tech	HCLT	INR	330.50	5,181	Jun-06	11.34	15.89	19.11	29.1	20.8	17.3	15%	40%	20%	30%	0.70
Hexaware	HEXW	INR	166.10	575	Dec-06	8.99	10.69	13.55	18.5	15.5	12.3	20%	19%	27%	23%	0.68
i-flex	IFLX	INR	2361.10	4,766	Mar-07	34.22	49.46	62.92	69.0	47.7	37.5	21%	45%	27%	36%	1.34
Infosys - Local	INFO	INR	2000.15	27,039	Mar-07	66.86	83.55	100.10	29.9	23.9	20.0	48%	25%	20%	22%	1.07
MindTree Consulting	MTCL	INR	778.85	713	Mar-07	27.71	28.67	35.21	28.1	27.2	22.1	60%	3%	23%	13%	2.14
Mphasis BFL Group	BFL	INR	318.60	1,267	Mar-07	8.55	12.97	15.85	37.3	24.6	20.1	NM	52%	22%	36%	0.68
Patni - Local	PATNI	INR	468.25	1,569	Dec-06	25.83	31.58	38.10	18.1	14.8	12.3	33%	22%	21%	21%	0.69
Polaris	POL	INR	165.05	394	Mar-07	10.17	13.07	15.77	16.2	12.6	10.5	371%	29%	21%	25%	0.51
Satyam - Local	SCS	INR	454.35	7,346	Mar-07	21.45	25.52	30.15	21.2	17.8	15.1	41%	19%	18%	19%	0.96
TCS	TCS	INR	1252.70	29,708	Mar-07	42.22	53.94	65.36	29.7	23.2	19.2	43%	28%	21%	24%	0.95
Tech Mahindra *	TECHM	INR	1511.45	4,440	Mar-07	46.96	66.15	98.25	32.2	22.8	15.4	151%	41%	49%	45%	0.51
Wipro - Local	WPRO	INR	545.70	19,040	Mar-07	19.68	24.01	29.04	27.7	22.7	18.8	38%	22%	21%	21%	1.06

E = Morgan Stanley Research Estimates except for those marked with an asterisk (*), which are the consensus estimates as provided by IBES.

NM = Not Meaningful

Note 1: Estimates for Indian ADRs are Indian Rupee estimates converted to US\$; For HCLT and Patni US\$ estimates are converted to INR

Note 2: Morgan Stanley does not provide research coverage of the listed ADRs associated with the underlying ordinary shares listed above. As a courtesy, Morgan Stanley may include an ADR price target or an ADR share price in US dollars in its research reports. Unless otherwise stated, any ADR price target is only a conversion calculation using the appropriate currency exchange rate and ordinary shares versus ADR ratio. Investors should be aware that such calculations do not take into account any issues or risks associated with investing in an ADR, including but not limited to liquidity, voting rights, dividends, volatility, and currency or exchange rate fluctuations.

Source: Bloomberg, Morgan Stanley Research

Exhibit 2

**Global Software Valuations
Price to Revenue (May 11, 2007)**

Company	Bloomberg Code	Local Curr.	Local Price	Mkt Cap. (US\$mn)	Latest Reported Results	Revenue (US\$mn)				Price to Revenue			
						Actual (-1)	Actual	EST (+1)	EST (+2)	Actual (-1)	Actual	EST (+1)	EST (+2)
US Companies													
Accenture	ACN	US\$	38.34	29,694	Aug-06	15,547	16,646	19,105	21,398	1.9	1.8	1.6	1.4
Amdocs	DOX	US\$	36.66	8,173	Sep-06	2,039	2,480	2,889	3,238	4.0	3.3	2.8	2.5
BearingPoint *	BE	US\$	7.10	1,431	Dec-05	3,451	3,372	3,319	3,614	0.4	0.4	0.4	0.4
Cognizant Solutions	CTSH	US\$	80.65	12,314	Dec-06	886	1,424	2,084	2,918	13.9	8.6	5.9	4.2
Computer Sciences *	CSC	US\$	56.43	9,775	Mar-06	14,059	14,616	14,878	15,600	0.7	0.7	0.7	0.6
EDS	EDS	US\$	28.14	15,325	Dec-06	20,159	21,268	22,238	23,293	0.8	0.7	0.7	0.7
Infosys - ADR	INFY	US\$	52.05	28,819	Mar-07	2,307	3,367	4,355	5,477	12.5	8.6	6.6	5.3
Keane	KEA	US\$	14.14	829	Dec-06	956	948	921	931	0.9	0.9	0.9	0.9
Patni - ADR	PTI	US\$	25.05	1,732	Dec-06	450	579	677	813	3.8	3.0	2.6	2.1
Satyam - ADR	SAY	US\$	24.62	8,213	Mar-07	1,161	1,572	1,961	2,389	7.1	5.2	4.2	3.4
Wipro - ADR	WIT	US\$	16.53	23,800	Mar-07	2,571	3,621	4,641	5,705	9.3	6.6	5.1	4.2
WNS #	WNS	US\$	26.2	1,043	Mar-06	99	148	216	286	10.5	7.1	4.8	3.7
European Companies													
Cap Gemini	CAP	Euro	54.58	10,903	Dec-06	9,387	10,394	11,899	12,836	1.2	1.0	0.9	0.8
Logica PLC	LOG	Gbp	184.50	4,172	Dec-05	3,284	3,633	5,240	6,304	1.3	1.1	0.8	0.7
TietoEnator	TIE1V	Euro	23.78	2,527	Dec-06	2,263	2,223	2,282	2,369	1.1	1.1	1.1	1.1
Indian Companies													
HCL Tech	HCLT	INR	330.50	5,181	Jun-06	764	976	1,382	1,782	6.8	5.3	3.7	2.9
Hexaware	HEXW	INR	166.10	575	Dec-06	164	206	278	342	3.5	2.8	2.1	1.7
i-flex	IFLX	INR	2361.10	4,766	Mar-07	360	494	648	798	13.3	9.6	7.4	6.0
Infosys - Local	INFO	INR	2000.15	27,039	Mar-07	2,307	3,367	4,355	5,477	11.7	8.0	6.2	4.9
MindTree Consulting	MTCL	INR	778.85	713	Mar-07	109	143	183	229	6.6	5.0	3.9	3.1
Mphasis BFL Group	BFL	INR	318.60	1,267	Mar-07	306	428	586	726	4.1	3.0	2.2	1.7
Patni - Local	PATNI	INR	468.25	1,569	Dec-06	450	579	677	813	3.5	2.7	2.3	1.9
Polaris	POL	INR	165.05	394	Mar-07	200	250	297	352	2.0	1.6	1.3	1.1
Satyam - Local	SCS	INR	454.35	7,346	Mar-07	1,161	1,572	1,961	2,389	6.3	4.7	3.7	3.1
TCS	TCS	INR	1252.70	29,708	Mar-07	3,210	4,515	5,869	7,330	9.3	6.6	5.1	4.1
Tech Mahindra *	TECHM	INR	1511.45	4,440	Mar-07	301	710	1,052	1,508	14.7	6.3	4.2	2.9
Wipro - Local	WPRO	INR	545.70	19,040	Mar-07	2,571	3,621	4,641	5,705	7.4	5.3	4.1	3.3

E = Morgan Stanley Research Estimates except for those marked with an asterisk (*), which are the consensus estimates as provided by IBES.

For Infosys Est (+1) and Est (+2) refer to F2007 and F2008 respectively

Note 1: Estimates for Indian ADRs are Indian Rupee estimates converted to US\$; For HCLT and Patni US\$ estimates are converted to INR

Note 2: Morgan Stanley does not provide research coverage of the listed ADRs associated with the underlying ordinary shares listed above. As a courtesy, Morgan Stanley may include an ADR price target or an ADR share price in US dollars in its research reports. Unless otherwise stated, any ADR price target is only a conversion calculation using the appropriate currency exchange rate and ordinary shares versus ADR ratio. Investors should be aware that such calculations do not take into account any issues or risks associated with investing in an ADR, including but not limited to liquidity, voting rights, dividends, volatility, and currency or exchange rate fluctuations.

WNS Revenues are after adjusting for Repair Payments

Mphasis' revenues includes EDS India

Source: Bloomberg, Morgan Stanley Research

Exhibit 3

**Global Software Calendarised Valuations
P/Es (May 11, 2007)**

Company	Bloomberg Code	Local Curr.	Local Price	Mkt Cap. (US\$m)	Latest Reported Results	EPS (Local Curr.)			P/E (x)			EPS Growth (%)			2-Year EPS CAGR	PEG
						C2005	C2006E	C2007E	C2005	C2006E	C2007E	C2005	C2006E	C2007E		
US Companies																
Accenture	ACN	US\$	38.34	29,694	Aug-06	1.52	1.72	2.02	25.2	22.2	19.0	16%	13%	17%	15%	1.48
Amdocs	DOX	US\$	36.66	8,173	Sep-06	1.50	1.72	1.97	24.5	21.3	18.7	22%	15%	14%	15%	1.46
BearingPoint *	BE	US\$	7.10	1,431	Dec-05	0.18	0.29	0.42	39.0	24.3	17.1	333%	60%	42%	51%	0.48
Cognizant Solutions	CTSH	US\$	80.65	12,314	Dec-06	1.05	1.55	2.20	76.8	52.0	36.7	50%	48%	42%	45%	1.16
Computer Sciences *	CSC	US\$	56.43	9,775	Mar-06	2.99	3.49	4.01	18.9	16.2	14.1	15%	17%	15%	16%	1.02
EDS	EDS	US\$	28.14	15,325	Dec-06	0.60	0.99	1.58	46.9	28.4	17.8	122%	65%	60%	62%	0.46
Infosys - ADR	INFY	US\$	52.05	28,819	Mar-07	1.49	1.92	2.33	35.0	27.1	22.4	112%	29%	21%	25%	1.08
Keane	KEA	US\$	14.14	829	Dec-06	0.68	0.77	0.72	20.8	18.4	19.6	10%	13%	NM	3%	6.33
Patni - ADR	PTI	US\$	25.05	1,732	Dec-06	1.25	1.53	1.85	20.0	16.4	13.6	33%	22%	21%	21%	0.76
Satyam - ADR	SAY	US\$	24.62	8,213	Mar-07	0.96	1.19	1.41	25.5	20.7	17.5	109%	23%	18%	21%	1.00
Wipro - ADR	WIT	US\$	16.53	23,800	Mar-07	0.44	0.56	0.67	37.2	29.8	24.6	95%	25%	21%	23%	1.29
WNS	WNS	US\$	26.21	1,043	Mar-06	0.31	0.63	0.86	85.9	41.8	30.5	NM	106%	37%	68%	0.61
European Companies																
Cap Gemini	CAP	Euro	54.58	10,903	Dec-06	1.14	2.64	2.68	47.9	20.7	20.4	NM	132%	2%	53%	0.39
Logica PLC	LOG	GBp	184.50	4,172	Dec-05	8.90	10.70	12.80	20.7	17.2	14.4	39%	20%	20%	20%	0.87
TietoEnator	TIE1V	Euro	23.8	2,527	Dec-06	1.62	1.06	1.35	14.7	22.5	17.6	-47%	-35%	28%	NM	NM
Indian Companies																
HCL Tech	HCLT	INR	330.50	5,181	Jun-06	10.60	13.62	17.50	31.2	24.3	18.9	14%	28%	29%	28%	0.85
Hexaware	HEXW	INR	166.10	575	Dec-06	7.51	8.99	10.69	22.1	18.5	15.5	48%	20%	19%	19%	0.96
i-flex	IFLX	INR	2,361.10	4,766	Mar-07	27.82	32.73	45.65	84.9	72.1	51.7	9%	18%	39%	28%	2.57
Infosys - Local	INFO	INR	2,000.15	27,039	Mar-07	42.37	61.40	79.38	47.2	32.6	25.2	34%	45%	29%	37%	0.88
MindTree Consulting	MTCL	INR	778.85	713	Mar-07	14.38	25.12	28.43	54.2	31.0	27.4	225%	75%	13%	41%	0.76
Mphasis BFL Group	BFL	INR	318.60	1,267	Mar-07	8.95	8.73	11.87	35.6	36.5	26.9	16%	-2%	36%	15%	2.41
Patni - Local	PATNI	INR	468.25	1,569	Dec-06	25.83	31.58	38.10	18.1	14.8	12.3	33%	22%	21%	21%	0.69
Polaris	POL	INR	165.05	394	Mar-07	3.33	8.17	12.35	49.6	20.2	13.4	-52%	145%	51%	93%	0.22
Satyam - Local	SCS	INR	454.35	7,346	Mar-07	14.24	19.90	24.50	31.9	22.8	18.5	36%	40%	23%	31%	0.73
TCS	TCS	INR	1252.70	29,708	Mar-07	27.97	39.03	51.01	44.8	32.1	24.6	27%	40%	31%	35%	0.92
Tech Mahindra *	TECHM	INR	1511.45	4,440	Mar-07	19.49	39.90	61.35	77.6	37.9	24.6	114%	105%	54%	77%	0.49
Wipro - Local	WPRO	INR	545.70	19,040	Mar-07	13.50	18.32	22.93	40.4	29.8	23.8	32%	36%	25%	30%	0.98

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NM = Not Meaningful

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Source: Bloomberg, Morgan Stanley Research

Exhibit 4

**Global Software Calendarised Valuations
Price to Revenue (May 11, 2007)**

Company	Bloomberg Code	Curr.	Local Price	Mkt Cap. (US\$m)	Latest Reported Results	Revenue (US\$m)				Price to Revenue			
						C2004	C2005	C2006E	C2007E	C2004	C2005	C2006E	C2007E
US Companies													
Accenture	ACN	US\$	38.34	29,694	Aug-06	14,298	15,913	17,466	19,869	2.1	1.9	1.7	1.5
Amdocs	DOX	US\$	36.66	8,173	Sep-06	1,840	2,149	2,582	2,976	4.4	3.8	3.2	2.7
BearingPoint *	BE	US\$	7.10	1,431	Dec-05	3,451	3,372	3,319	3,614	0.4	0.4	0.4	0.4
Cognizant Solutions	CTSH	US\$	80.65	12,314	Dec-06	886	1,424	2,084	2,918	13.9	8.6	5.9	4.2
Computer Sciences *	CSC	US\$	56.43	9,775	Mar-06	13,906	14,476	14,812	15,420	0.7	0.7	0.7	0.6
EDS	EDS	US\$	28.14	15,325	Dec-06	20,630	20,159	21,268	22,238	0.7	0.8	0.7	0.7
Infosys - ADR	INFY	US\$	52.05	28,819	Mar-07	1,468	2,184	3,102	4,108	19.6	13.2	9.3	7.0
Keane	KEA	US\$	14.14	829	Dec-06	912	956	948	921	0.9	0.9	0.9	0.9
Patni - ADR	PTI	US\$	25.05	1,732	Dec-06	327	450	579	677	5.3	3.8	3.0	2.6
Satyam - ADR	SAY	US\$	24.62	8,213	Mar-07	727	1,095	1,469	1,864	11.3	7.5	5.6	4.4
Wipro - ADR	WIT	US\$	16.53	23,800	Mar-07	1,675	2,445	3,359	4,386	14.2	9.7	7.1	5.4
WNS	WNS	US\$	26.21	1,043	Mar-06	87	136	199	268	12.0	7.7	5.2	3.9
European Companies													
Cap Gemini	CAP	Euro	54.58	10,903	Dec-06	8,201	9,387	10,394	11,899	1.3	1.2	1.0	0.9
Logica PLC	LOG	Gbp	184.50	4,172	Dec-05	3,284	3,633	5,240	6,304	1.3	1.1	0.8	0.7
TietoEnator	TIE1V	Euro	23.8	2,527	Dec-06	2,066	2,263	2,223	2,282	1.2	1.1	1.1	1.1
Indian Companies													
HCL Tech	HCLT	INR	330.50	5,181	Jun-06	666	870	1,179	1,582	7.8	6.0	4.4	3.3
Hexaware	HEXW	INR	166.10	575	Dec-06	120	166	206	278	4.8	3.5	2.8	2.1
i-flex	IFLX	INR	2,361.10	4,766	Mar-07	234	342	460	610	20.4	13.9	10.4	7.8
Infosys - Local	INFO	INR	2,000.15	27,039	Mar-07	1,468	2,184	3,102	4,108	18.4	12.4	8.7	6.6
MindTree Consulting	MTCL	INR	778.85	713	Mar-07	52	96	134	173	13.8	7.5	5.3	4.1
Mphasis BFL Group	BFL	INR	318.60	1,267	Mar-07	160	219	397	547	7.9	5.8	3.2	2.3
Patni - Local	PATNI	INR	468.25	1,569	Dec-06	327	450	579	677	4.8	3.5	2.7	2.3
Polaris	POL	INR	165.05	394	Mar-07	167	200	238	285	2.4	2.0	1.7	1.4
Satyam - Local	SCS	INR	454.35	7,346	Mar-07	727	1,095	1,469	1,864	10.1	6.7	5.0	3.9
TCS	TCS	INR	1252.70	29,708	Mar-07	2,010	3,026	4,189	5,531	14.8	9.8	7.1	5.4
Tech Mahindra *	TECHM	INR	1511.45	4,440	Mar-07	217	286	608	966	20.5	15.5	7.3	4.6
Wipro - Local	WPRO	INR	545.70	19,040	Mar-07	1,675	2,445	3,359	4,386	11.4	7.8	5.7	4.3

E = Morgan Stanley Research Estimates except for those marked with an asterisk (*), which are the consensus estimates as provided by IBES.

Note 1: Estimates for Indian ADRs are Indian Rupee estimates converted to US\$; For HCLT and Patni US\$ estimates are converted to INR

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WNS Revenues are after adjusting for Repair Payments

Mphasis' revenues includes EDS India

Source: Bloomberg, Morgan Stanley Research

Exhibit 5

Global Software Price Performance (May 11, 2007)

	Price (Local Currency)	1 Week	1-Fortnight	1 Month	3 Months	6 Months	9-Months	1 Year	YTD
US Companies									
Accenture	38.34	-2%	-1%	-1%	-2%	15%	34%	30%	4%
Amdocs	36.66	-2%	-3%	0%	6%	-5%	4%	-5%	-5%
BearingPoint	7.10	-3%	-6%	-8%	-14%	-16%	-11%	-25%	-10%
Cognizant Solutions	80.65	-4%	-10%	-7%	-15%	6%	21%	17%	5%
Computer Sciences	56.43	1%	1%	5%	3%	11%	18%	-4%	6%
EDS	28.14	2%	-6%	2%	4%	6%	19%	7%	2%
Infosys - ADR	52.05	-3%	-2%	0%	-14%	-3%	26%	26%	-5%
Keane	14.14	0%	1%	4%	1%	22%	-5%	-2%	19%
Patni - ADR	25.05	-5%	-3%	9%	4%	22%	64%	48%	23%
Satyam - ADR	24.62	-1%	-2%	5%	1%	13%	45%	33%	3%
Wipro - ADR	16.53	-3%	-1%	5%	-8%	15%	36%	17%	2%
WNS	26.21	-4%	-2%	-6%	-25%	-9%	2%	NA	-16%
European Companies									
Cap Gemini	54.58	-4%	-5%	-6%	13%	21%	41%	16%	15%
Logica PLC	184.50	-3%	0%	1%	8%	11%	13%	-5%	-1%
TietoEnator	23.78	0%	5%	6%	14%	10%	29%	-4%	-3%
Indian Companies									
HCL Tech	330.50	-2%	2%	15%	0%	10%	20%	12%	2%
Hexaware	166.10	-1%	-3%	0%	-7%	-3%	14%	10%	-17%
i-flex	2,361.10	0%	-5%	12%	20%	55%	81%	80%	21%
Infosys - Local	2,000.15	-3%	-1%	0%	-16%	-6%	19%	24%	-11%
MindTree Consulting	778.85	0%	-1%	-6%	NA	NA	NA	NA	NA
Mphasis BFL Group	318.60	-3%	3%	15%	2%	37%	102%	59%	5%
Patni - Local	468.25	0%	9%	17%	7%	15%	30%	23%	12%
Polaris	165.05	-3%	-14%	-2%	-28%	33%	63%	46%	-5%
Satyam - Local	454.35	-3%	-1%	0%	-6%	6%	22%	15%	-6%
TCS	1,252.70	-2%	1%	5%	-4%	18%	31%	24%	3%
Tech Mahindra	1,511.45	-8%	0%	10%	-15%	53%	NA	NA	-10%
Wipro - Local	545.70	-4%	-3%	-1%	-14%	2%	9%	1%	-10%
Stock Indices									
Dow Jones	13,326.22	0%	2%	6%	5%	10%	19%	14%	7%
NASDAQ	2,562.22	0%	0%	4%	3%	8%	24%	10%	6%
BSE	13,796.16	-1%	-3%	7%	-6%	5%	25%	10%	0%
BSE-IT	4,924.12	-3%	-1%	2%	-11%	2%	23%	20%	-7%

NA = Not Available

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Source: Bloomberg, Morgan Stanley Research

Exhibit 6

Global Software Value Traded (May 11, 2007)

Company	Average Daily Value Traded (US\$ Million)			
	1 Week	1 Month	3 Months	6 Months
US Companies				
Accenture	68.21	71.07	98.99	91.11
Amdocs	33.90	50.23	46.69	59.55
BearingPoint	15.07	22.49	25.01	20.69
Cognizant Solutions	256.92	196.11	171.62	157.41
Computer Sciences	90.43	72.75	67.62	64.34
EDS	129.10	136.60	156.78	114.82
Infosys - ADR	106.93	102.50	102.61	100.19
Keane	4.83	3.38	7.05	6.22
Patni - ADR	3.43	2.61	1.65	1.40
Satyam - ADR	15.09	19.34	22.82	22.89
Wipro - ADR	4.97	6.89	7.66	7.05
WNS	2.89	2.71	4.24	3.84
European Companies				
Cap Gemini	87.22	94.87	109.90	93.04
Logica PLC	68.43	51.75	60.60	56.64
TietoEnator	38.06	46.26	40.70	39.83
Indian Companies				
HCL Tech	7.37	13.17	14.08	12.00
Hexaware	0.26	2.53	1.42	1.53
i-flex	2.59	4.72	3.06	8.98
Infosys - Local	82.17	91.48	89.22	84.60
MindTree Consulting	27.44	21.28	NA	NA
Mphasis BFL Group	6.76	7.28	6.79	9.26
Patni - Local	2.28	2.91	2.09	3.08
Polaris	3.03	6.56	6.05	9.66
Satyam - Local	35.13	54.18	44.73	44.76
TCS	52.61	62.48	47.47	43.50
Tech Mahindra	53.85	39.77	37.57	58.38
Wipro - Local	19.80	22.00	19.86	17.57

Source: Bloomberg, Morgan Stanley Research
 NA= Not Available

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	Count	% of Total	Count	% of Total IBC	% of Rating Category
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Total	2,226		691		

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Industry Coverage:India Software

Company (Ticker)	Rating (as of)	Price (05/11/2007)
Anantha Narayan		
HCL Technologies (HCLT.BO)	E (01/30/2004)	Rs330.5
Hexaware Technologies Limited (HEXT.BO)	O (06/22/2006)	Rs166.1
Infosys Technologies (INFY.BO)	O (04/17/2006)	Rs2,000.15
MindTree Consulting Limited (MINT.BO)	U-V (04/10/2007)	Rs778.85
Mphasis BFL Group (MBFL.BO)	E (03/15/2004)	Rs318.6
Patni Computer Systems (PTNI.BO)	O (08/08/2005)	Rs468.25
Polaris Software Lab Ltd. (POLS.BO)	E (02/20/2007)	Rs165.05
Satyam Computer Services (SATY.BO)	O (03/18/2002)	Rs454.35
Tata Consultancy Services (TCS.BO)	O (09/29/2004)	Rs1,252.7
Wipro Ltd. (WIPR.BO)	E (03/22/2002)	Rs545.7
i-flex Solutions Ltd. (IFLX.BO)	E (10/31/2005)	Rs2,361.1

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