

Press Release

Intelenet acquires 51% of the domestic BPO business of Spanco Telesystems

Marks its entry into the lucrative domestic BPO market

Mumbai, November 30, 2005 - Intelenet Global Services, a HDFC-Barclays joint venture and amongst India's leading International Business Process Outsourcing (BPO) companies has decided to acquire Sparsh, the domestic BPO business of Spanco Telesystems and Solutions Ltd.

Spanco is one of the largest domestic BPO companies in India employing over 4000 people. It operates from five locations in India and services over 40 clients, most of which are Indian blue chip companies.

According to the arrangement between the two companies, Spanco will demerge Sparsh into Intelenet's domestic subsidiary for which Intelenet will issue 49% of the post issue capital of domestic subsidiary to existing shareholders of Spanco. This company will be listed on BSE subject to necessary regulatory approvals of demerger.

This deal will help Intelenet and Spanco not only foray into the growing domestic BPO market, but also maintain a leadership position.

Commenting on the acquisition, Mr. Susir Kumar, CEO Intelenet Global Services said, "This acquisition will help us gain leadership position in the growing domestic BPO market. The domestic BPO industry in India has seen significant growth in recent years and we believe that the expertise and the relationships that Spanco has built in the domestic industry will allow us to tap this market very effectively. We will leverage expertise of our international business in the domestic BPO market to enhance end-to-end customer experience."

Mr. Kapil Puri, Chairman, Spanco Telesystems said, "We were looking to partner with a suitable partner who is committed and interested in growing the domestic BPO business in this emerging market. We felt that the partnership with Intelenet provides benefit to our clients and employees and ensures business growth

About Intelenet Global Services

Intelenet Global Services Private Limited is an Information Technology Enabled Services (ITES) provider delivering contact centre and business process outsourcing (BPO) services to global clients. Intelenet is ranked amongst the top 10 BPOs in India by NASSCOM (Apex body for IT companies in India). Intelenet is a joint venture between Housing Development Finance Corporation Limited (HDFC), and Barclays Bank plc of the UK.

Intelenet aims to be a global shared services company delivering strategic impact to its customers by integrating BPO services with IT and consulting.

Intelenet has accumulated more than 5 years of expertise delivering custom-made service solutions that are aligned to suit the outsourcing strategies of companies. With over 5,000 employees today, Intelenet currently handles over 60 million calls and processes 17 million transactions annually for 16 UK and US clients from its four delivery centres.

About Spanco Telesystems

Established in 1995, Spanco Telesystems & Solutions Ltd is a public limited company listed on the Bombay Stock Exchange and one of the leading Telecom networking and systems integration solutions company in India. It specializes in setting up call centres both for international and domestic market.

Sparsh is the domestic call centre division of Spanco Telesystems & Solutions & provides call centre & BPO services to large multinationals across telecom, banking, insurance, consumer durables, retail, media, aviation & public sectors. The services provided include customer care, order fulfilment, collections, retention and lead generation.

Sparsh has 7 centres across 5 locations - Mumbai, Pune, Kolkata, Gurgaon and Bangalore. It currently employs 4000 people & operated 2500 seats across locations, which will move up to 5000 seats by end of this year.

Some of Spanco's customers include BSNL, MTNL, Citigroup, Tata AIG, HLL etc.