

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

OMB APPROVAL

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hours per response: 0.5Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934
or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>Talwar Vikram</u> (Last) (First) (Middle) <u>C/O EXLSERVICE HOLDINGS, INC.</u> <u>350 PARK AVENUE</u> (Street) <u>NEW YORK NY 10022</u> (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) <u>10/19/2006</u>	3. Issuer Name and Ticker or Trading Symbol <u>ExlService Holdings, Inc. [EXLS]</u>	
		4. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>CEO and Vice Chairman</u>	5. If Amendment, Date of Original Filed (Month/Day/Year) 6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock, par value \$0.001 per share ⁽¹⁾	1,599,254	D	
Common Stock, par value \$0.001 per share ⁽¹⁾	338,818	I ⁽²⁾	By Vikram Talwar 2004 Grantor Retained Annuity Trust
Common Stock, par value \$0.001 per share ⁽¹⁾	84,000	I ⁽²⁾	By Vikram Talwar 2004 Spousal Lifetime Access Trust
Common Stock, par value \$0.001 per share ⁽¹⁾	84,000	I ⁽²⁾	By Urvashi Talwar 2004 Spousal Lifetime Access Trust

Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date				
Restricted Stock ⁽¹⁾	(3)	(3)	Common Stock, par value \$0.001 per share	75,000	(4)	D

Explanation of Responses:

- In connection with the consummation by ExlService Holdings, Inc. (the "Company") of its initial public offering, the Company will effect a two for one stock split (the "Stock Split") of all of its outstanding shares of common stock. The amounts in this Form 3 reflect such Stock Split.
- These shares are held in a trust for the benefit of the reporting person's spouse and children. The reporting person is a trustee of the Vikram Talwar Grantor Retained Annuity Trust. The reporting person and the reporting person's spouse are the trustees of the Vikram Talwar 2004 Spousal Lifetime Access Trust. The reporting person is a trustee of the Urvashi Talwar 2004 Spousal Lifetime Access Trust.
- 25 percent of the shares of restricted stock vest on November 15, 2006 and an additional 25 percent of such shares vest each anniversary of November 15, 2006.
- Not applicable

Remarks:

EXHIBIT LIST: Exhibit 24.1 -- Power of Attorney

/s/ Vikram Talwar10/19/2006

** Signature of Reporting Person

Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 5 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.

POWER OF ATTORNEY

Know all by these presents, that the undersigned hereby constitutes and appoints each of the following officers of the Company:

- (i) General Counsel,
- (ii) Corporate Secretary,
- (iii) Chief Financial Officer,
- (iv) Chief Executive Officer,
- (v) Head of Administration and Accounts, and
- (vi) Head of Investor Relations,

signing singly, the undersigned's true and lawful attorney-in-fact to:

(1) execute for and on behalf of the undersigned, in the undersigned's capacity as an officer and/or director of ExlService Holdings, Inc. (the "Company"), Forms 3, 4, and 5 in accordance with Section 16(a) of the Securities Exchange Act of 1934 and the rules thereunder;

(2) do and perform any and all acts for and on behalf of the undersigned which may be necessary or desirable to complete and execute any such Form 3, 4, or 5 and timely file such form with the United States Securities and Exchange Commission and any stock exchange or similar authority; and

(3) take any other action of any type whatsoever in connection with the foregoing which, in the opinion of such attorney-in-fact, may be of benefit to, in the best interest of, or legally required by, the undersigned, it being understood that the documents executed by such attorney-in-fact on behalf of the undersigned pursuant to this Power of Attorney shall be in such form and shall contain such terms and conditions as such attorney-in-fact may approve in such attorney-in-fact's discretion.

The undersigned hereby grants to each such attorney-in-fact full power and authority to do and perform any and every act and thing whatsoever requisite, necessary, or proper to be done in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as the undersigned might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that such attorney-in-fact, or such attorney-in-fact's substitute or substitutes, shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted. The undersigned acknowledges that the foregoing attorneys-in-fact, in serving in such capacity at the request of the undersigned, are not assuming, nor is the Company assuming, any of the undersigned's responsibilities to comply with Section 16 of the Securities Exchange Act of 1934.

This Power of Attorney shall remain in full force and effect until the undersigned is no longer required to file Forms 3, 4 and 5 with respect to the undersigned's holdings of and transactions in securities issued by the Company, unless earlier revoked by the undersigned in a signed writing delivered to the foregoing attorneys-in-fact.

IN WITNESS WHEREOF, the undersigned has caused this Power of Attorney to be executed as of this 19th day of October, 2006

/s/ Vikram Talwar

Signature

Vikram Talwar

Print Name