

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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

OMB APPROVAL	
OMB Number:	3235-0287
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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. Issuer Name and Ticker or Trading Symbol <u>ExlService Holdings, Inc. [ EXLS ]</u>	5. 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>
	3. Date of Earliest Transaction (Month/Day/Year) <u>11/14/2006</u>	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock, par value \$0.001 per share	11/14/2006		M		18,750	A	(1)	1,624,004	D	
Common Stock, par value \$0.001 per share	12/29/2006		G <sup>(2)</sup>		1,399,254	D	\$0	224,750	D	
Common Stock, par value \$0.001 per share	12/29/2006		G <sup>(2)</sup>		1,399,254	A	\$0	1,399,254	I	See footnote <sup>(2)</sup>

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Restricted Stock	(3)	11/14/2006		M			18,750	(4)	(4)	Common Stock, par value \$0.001 per share	18,750	(5)	56,250	D	

**Explanation of Responses:**

- As of November 14, 2006, ExlService Holdings, Inc. (the "Company") issued 18,750 shares of common stock, par value \$0.001 per share ("Common Stock"), to the reporting person upon the vesting of an equal number of shares of restricted stock previously granted to the reporting person.
- On December 29, 2006, the reporting person contributed 1,399,254 shares of Common Stock to the Talwar 1994 Trust, of which the reporting person and his spouse are trustees and in which the reporting person and his spouse share a pecuniary interest and their children have a residual interest.
- 1-for-1.
- The shares of restricted stock vested on November 14, 2006.
- Not applicable.

**Remarks:**

(6) Mr. Oseni is the Company's Head of Administration and Accounts.

/s/ Lazbart Oseni, Attorney-in-Fact (6) 01/12/2007

\*\* 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 4 (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.

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