



Recommendations of the Committee of Independent Directors (IDC) on the Open Offer to the Shareholders of the Target Company under Regulation 26 (7) of SEBI (Substantial Acquisition of

Name of the Target Company (TC) Details of the Offer pertaining to TC Details of the Offer pertaining to TC The Open Offer is being made by CAC Corporation (CAC/Acquirer) for acquisition of up to 77,30,087 fully paid Equity Shares of face value of Rs. 10- each representing 25% of the fully diluded voting Equity Shares of the available of the State of the Carporation (CAC/Acquirer) for the Guide voting Equity Shares of the Target Company at a price of Rs. 45- per fully paide people Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 2011 and subsequent amendments of the Carporation (CAC/Acquirer) and the Recovers' Regulations 2011 and subsequent amendments of the purpose of this Open Offer. Name of the Manager to the Offer Meghraj Capital Advisors Private Limited SEB Regn. No. IMM000001220 Unit No. 2011, 2nd Fboor, Regian House, Appassheb Marathe Marg, Babasaheb Worlikar Chowk, Prabhadevi, Mumbai-400 025 Tallov, 91-92-267445100 Email harshaligimeghrajindia.com Contact Person. Mr. Harshal Kamdar (Mobilet 91-173-8067851) Members of the Committee of Independent Directors (Please indicate the Chairperson of the Committee separately) Dick Members relationship with the TC (Director, Equity Shares owned, any other contract / relationship), if any Dick Members are Non-Executive Independent Directors of the Target Company, Non-Mr. Alok Shares in the Target Company and do not hold any Equity Shares owned, any other contract / relationship, if any Dick Members are Non-Executive Independent Directors of the Target Company has only the Acquirer (Director, Equity Shares owned, any other contract / relationship), if any Dick Members are Non-Executive Independent Offer in Signal Acquirer (Director, Equity Shares owned, any other contract / relationship), if any Dick Members are Non-Executive Independent Offer Independent Shares and Takeovers (Company), Society (Company) and the Acquirer (Director, Equity Shares owned, any other contract / relationship), if any Dick Members are Non-Executive	hares and Takeovers) Regulations, 2011 Date	January 8, 2014
Details of the Offer pertaining to TC The Open Offer is being made by CAC Corporation (CAC/Acquired from capulstion of uppor 17.38, 087 fully paid Equity Shares of face value of Rs. 104-each, representing 28% of the fully dilude value (CAC/Acquired from 18.40) and the Target Company at a price of Rs. 45/- per fully soldure Equity Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto. Name(s) of the Acquirer and PAC with the Acquirer Name of the Manager to the Offer Meghrai, Capital Advisors Private Limited Stiffs of the Dipulous of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto. Mis CAC Corporation, Japan There are no Persons Acting in Concert (PACs) for the purpose of this Open Offer. Meghrai, Capital Advisors Private Limited Stiffs of the Dipulous of the Committee of Independent Directors (Please indicate the Charipreson of the Committee of Independent Directors (Please indicate the Charipreson of the Committee of Independent Directors (Please indicate the Charipreson of the Committee of Independent Directors (Please indicate the Charipreson of the Committee of Independent Directors (Please indicate the Charipreson of the Committee of Independent Directors (Please indicate the Charipreson of the Committee of Independent Directors (Please indicate the Charipreson of the Committee of Independent Directors (Please indicate the Charipreson of Independent Directors of the Target Company of the Open Offer of Indicate Office of Independent Directors of the Target Company of the Open Offer of India (Substantial Advisor) (India (Indi		
There are no Persons Acting in Concert (PACs) for the purpose of this Open Offer. Name of the Manager to the Offer Meghraj Capital Advisors Private Limited SEBI Regn. No: INM00001 220 Unit No. 21, 24 floor, Rajan House, Appasaheb Marathe Marg, Babasaheb Worlikar Chowk, Prabhadovi, Mumbai-4002; 25 Tel No. +91-22-67445100 Emait harshal@meghrajindia.com Contact Persons. Mr. Harshala Kamdar (Mobile: +91-7738067851) Members of the Committee of Independent Directors (Please indicate the Chairperson of the Committee separately) IDC Members realtionship with the TC (Director, Equity Shares owned, any other contract / relationship), If any required to the Equity Shares of the Securities of the Target Company and do not hold any Equity Shares in the Target Company, Hone of the IDC Members have any contract / relationship, with the Acquirer with the Target Company apt present. Trading in the Equity Shares owned, any other contract / relationship with the Target Company apt present. Trading in the Equity Shares owned, any other contract / relationship with the Pacquirer share and of the Target Company apt present. Trading in the Equity Shares owned, any other contract / relationship with the Target Company apt present. Trading in the Equity Shares owned, any other contract / relationship, if any Trading in the Equity Shares owned, any other contract / relationship, if any Trading in the Equity Shares owned, any other contract / relationship, if any Trading in the Equity Shares owned, any other contract / relationship, if any Trading in the Equity Shares owned, any other contract / relationship, if any Trading in the Equity Shares owned, any other contract / relationship, if any Trading in the Equity Shares owned any other contract / relationship, if any Trading in the Equity Shares owned any other contract / relationship, if any Trading in the Equity Share howeless of the Acquirer by IDC Members Recommendation on the Open Offer, as to whether the Offer is and reasonable and in accordance with the Securitie	Details of the Offer pertaining to TC	The Open Offer is being made by CAC Corporation (CAC/Acquirer) for acquisition of up to 77,38,087 fully paid Equity Shares of face value of Rs. 10/- each, representing 26% of the fully diluted voting Equity Share Capital of the Target Company at a price of Rs. 45/- per fully paid-up Equity Share payable in cash, pursuant to Regulations 3(1) and 4 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto.
SEBI Regn, No. 19M000001220 Unin No. 201, 2nd Floor, Rajan House, Appasaheb Marathe Marg, Babasaheb Worlikar Chowk, Prabhadevi, Mumbal-400025 Tell No. +91-22-67445100 Fax No.	Name(s) of the Acquirer and PAC with the Acquirer	There are no Persons Acting in Concert (PACs)
(Please indicate the Chairperson of the Committee separately) IDC Member's relationship with the TC (Director, Equity Shares owned, any other contract / relationship), if any IDC Member's relationship with the TC (Director, Equity Shares / other Securities of the IDC Members have any contract / relationship), if any IDC Member's relationship with the Acquirer (Director, Equity Shares / other Securities of the Target Company by IDC Members IDC Member's relationship with the Acquirer (Director, Equity Shares / other Securities of the Equity Shares / other Securities of the Acquirer (Director, Equity Shares / other Securities of the Acquirer (Director, Equity Shares / other Securities of the Acquirer (Director) IDC Members Recommendation on the Open Offer, as to whether the Offer is fair and reasonable IDC Members believe that the Open Offer is fair and reasonable and in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 In for ming the aforesaid opinion/ recommendations, IDC has considered the following: • CAC Corporation is a 46 year old company in Japan. CAC is a professionally managed listed company. CAC is also into similar business and offers range of IT services. AFL will be run as a Joint Venture providing synepsyloty between CAC and the current Promoters. The present Chairman of AFL will continue as Executive Chairman of AFL will continue as Executive Chairman of The Company. • AFL's Equity Shares are listed on NSE and BSE, Based on the pricing guidelines of the PEBBI (ICDR) Regulations 2009, the minimum applicable price for the Preferential Issue to CAC was Rs. 3.5-1 per Equity Share. However, the Preferential Issue was made to CAC at a price of Rs. 45/- per Faquity Share of Rs. 45/- per Equity Share of Rs. 45/- per Eq	Name of the Manager to the Offer	SEBI Regn. No: INM000001220 Unit No. 201, 2nd Floor, Rajan House, Appasaheb Marathe Marg, Babasaheb Worlikar Chowk, Prabhadevi, Mumbai-400 025 Tel No. +91-22-67445100 Fax No. +91-22-67445150 Email: harshal@meghrajindia.com Contact Person: Mr. Harshal Kamdar
(Director, Equity Shares owned, any other contract / relationship), if any Trading in the Equity Shares / other Securities of the Target Company by IDC Members Trading in the Equity Shares / other Securities of the Target Company by IDC Members IDC Member's relationship with the Acquirer (Director, Equity Shares word, any other contract / relationship), if any Trading in the Equity Shares / other Securities of the Equity Shares / other Securities of the Target Company since their appointment. None of the IDC Members have traded in the Equity Shares / other Securities of the Acquirer (Director, Equity Shares / other Securities of the Equity Shares / other Securities of the Acquirer ty IDC Members Recommendation on the Open Offer, as to whether the Offer is fair and reasonable Recommendation on the Open Offer, as to whether the Offer is fair and reasonable and in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 In forming the aforesaid opinion / recommendations, IDC has considered the following: • CAC Corporation is a 46 year old company in Japan. CAC is also into similar business and offers range of IT services. AFL will be run as a Joint Venture providing synergy between CAC and the current Promoters. The present Chairman of AFL will continue as Executive Chairman of the Company. • AFL's Equity Share which is a price of Rs. 45/- per Equity Share, which is a premium of 27% to the minimum preferential price. • CAC has made an Open Offer at a price of Rs. 45/- per Equity Share, which is a premium of 27% to them. • Considering the above, we are of the opinion that the Offer Price of Rs. 45/- per Equity Share which is a premium of 1 services and the pricing synergy between CAC and the current Promoters of AFL, thereby offering the same premium of 27% to them.	(Please indicate the Chairperson of the Committee	
Target Company by IDC Members Equity Shares / other Securities of the Target Company since their appointment. None of the IDC Members have any relationship with the Acquirer (Director, Equity Shares owned, any other contract / relationship), if any Trading in the Equity Shares / other Securities of the Acquirer by IDC Members Recommendation on the Open Offer, as to whether the Offer is fair and reasonable IDC Members believe that the Open Offer is fair and reasonable and in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 In forming the aforesaid opinion/recommendations along with written advice of the independent adviser, if any, can be seen by the shareholders) In forming the aforesaid opinion/recommendations, IDC has considered the following: CAC corporation is a 46 year old company in Japan. CAC is a professionally managed listed company. CAC is also into similar business and offers range of IT services. AFL will be run as a Joint Venture providing synergy between CAC and the current Promoters. The present Chairman of AFL will continue as Executive Chairman of the company. **AFL's Equity Shares are listed on NSE and BSE. Based on the pricing guidelines of the SEBI (ICDR) Regulations 2009, the minimum applicable price for the Preferential Issue to CAC was Rs. 35.51 per Equity Share. However, the Preferential Issue was made to CAC at a price of Rs. 45/- per Equity Share, which is at a premium of 27% to the minimum preferential price. **CAC has made an Open Offer at a price of Rs. 45/- per share to the public shareholders of AFL, thereby offering the same premium of 27% to them. **Considering the above, we are of the opinion that the Offer Price of Rs. 45/- per Equity Share offered to the public shareholders under the Open Offer is fair and reasonable.	(Director, Equity Shares owned, any other contract /	Directors of the Target Company and do not hold any Equity Shares in the Target Company. None of the IDC Members have any contract /
(Director, Equity Shares owned, any other contract / relationship), if any Trading in the Equity Shares / other Securities of the Acquirer by IDC Members Recommendation on the Open Offer, as to whether the Offer is fair and reasonable Recommendation on the Open Offer, as to whether the Offer is fair and reasonable and in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 Summary of reasons for recommendation (IDC may also invite attention to any other place, e.g. company's website, where its detailed recommendations along with written advice of the independent adviser, if any, can be seen by the shareholders) In forming the aforesaid opinion/recommendations, IDC has considered the following: • CAC Corporation is a 46 year old company in Japan. CAC is a professionally managed listed company. CAC is also into similar business and offers range of IT services. AFL will be run as a Joint Venture providing synergy between CAC and the current Promoters, The present Chairman of HacL will continue as Executive Chairman of the company. • AFL's Equity Shares are listed on NSE and BSE. Based on the pricing guidelines of the SEBI (ICDR), Regulations 2009, the minimum applicable price for the Preferential Issue was made to CAC at a price of Rs. 45/- per Equity Share, which is at a premium of 27% to the minimum preferential price. • CAC has made an Open Offer at a price of Rs. 45/- per share to the public shareholders of AFL, thereby offering the same premium of 27% to them. • Considering the above, we are of the opinion that the Offer Price of Rs. 45/- per Equity Share offered to the public shareholders under the Open Offer is fair and reasonable.	Trading in the Equity Shares / other Securities of the Target Company by IDC Members	Equity Shares / other Securities of the Target
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 (IDC may also invite attention to any other place, e.g. company's website, where its detailed recommendations along with written advice of the independent adviser, if any, can be seen by the shareholders) CAC Corporation is a 46 year old company in Japan. CAC is also into similar business and offers range of IT services. AFL will be run as a Joint Venture providing synergy between CAC and the current Promoters. The present Chairman of AFL will continue as Executive Chairman of the company. AFL's Equity Shares are listed on NSE and BSE. Based on the pricing guidelines of the SEBI (ICDR) Regulations 2009, the minimum applicable price for the Preferential Issue to CAC was Rs. 35.51 per Equity Share. However, the Preferential Issue was made to CAC at a price of Rs. 45/- per Equity Share, which is at a premium of 27% to the minimum preferential price. CAC has made an Open Offer at a price of Rs. 45/- per share to the public shareholders of AFL, thereby offering the same premium of 27% to them. Considering the above, we are of the opinion that the Offer Price of Rs. 45/- per Equity Share offered to the public shareholders under the Open Offer is fair and reasonable. 		and reasonable and in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
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	Details of Independent Advisors if any	Open Offer is fair and reasonable.

To the best of our knowledge and belief, after making proper enquiry, the information contained in or accompanying this statement is, in all material respect, true and correct and not misleading, whether by omission of any information or otherwise, and includes all the information required to be disclosed by Accel Frontline Limited under the Takeover for Accel Frontline Limited Sd/-Mr. R. Ramaraj Chairman - Committee of Independent Directors Code. ACCEL FRONTLINE LIMITED Place : Chennai Date : January 29, 2014

Regd. Office: #75, Nelson Manickam Road, Chennai - 600 029. Email: info@accelfrontline.in Website: www.accelfrontline.in