

21 April, 2017

✓ The Manager, Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G - Block,
Bandra Kurla Complex,
Bandra East, Mumbai 400 051

Deputy General Manager,
Corporate Relationship Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai 400 001

Dear Sir,

Sub: Submission of Recommendation of Committee of Independent Directors pursuant to Regulation 26(7) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

Ref: *Public Announcement dated 4 February, 2017 and Detailed Public Statement dated 9 February, 2017 made by Sky Bidco S.L.U. (Acquirer) together with Canary Topco Limited (PAC1), Canary Holdco Limited (PAC 2), Canary Finco Limited (PAC 3), Canary Midco Limited (PAC 4) and Sky Holdco Limited (PAC 5) (collectively PACs) as the persons acting in concert with the Acquirer to the public shareholders of Accelya Kale Solutions Limited to acquire up to 37,82,966 equity shares of the face value Rs. 10 (Rupees Ten only) each of the Company at an offer price of Rs. 1,250 (Rupees One Thousand Two Hundred and Fifty only) per share payable in cash*

We enclose herewith a copy of the written reasoned recommendation approved by the Committee of Independent Directors, pursuant to Regulation 26(7) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. The reasoned recommendation has been published today in the Business Standard - English National Daily, Business Standard - Hindi National Daily (all editions), Navshakti - Marathi Daily (Mumbai edition) and Kesari - Marathi Daily (Pune edition).

We are sending scanned copy of the written reasoned recommendation by email to the following email id:


1. **BSE Limited** - corp.relations@bseindia.com
2. **National Stock Exchange of India Limited** - takeover@nse.co.in

As required by BSE Limited, we have also uploaded a copy of the reasoned recommendation on BSE portal (listing.bseindia.com/) under the head Corporate Announcements.

We are sending a copy of recommendation to BSE Limited, National Stock Exchange of India Limited, SEBI and Citigroup Global Markets India Private Limited, the Manager to the Open Offer as required by the said Regulation.

We request you to kindly take the above on record.

Thanking you,
For Accelya Kale Solutions Limited



Ninad Umfanikar
Company Secretary

Encl: As above.

Recommendations of the Committee of Independent Directors (IDC) pursuant to Regulation 26(7) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, to the equity shareholders of Accelya Kale Solutions Limited on the Open Offer made by Sky Bidco S.L.U. (Acquirer) together with Canary Topco Limited (PAC1), Canary Holdco Limited (PAC 2), Canary Finco Limited (PAC 3), Canary Midco Limited (PAC 4) and Sky Holdco Limited (PAC 5) (collectively PACs) as the persons acting in concert with the Acquirer

1	Date	20 April, 2017
2	Name of the Target Company (TC)	Accelya Kale Solutions Limited
3	Details of the Offer pertaining to TC	The Open Offer is for the acquisition of up to 37,82,966 equity shares at a price of Rs. 1,250 (Rupees One Thousand Two Hundred and Fifty only) per fully paid up equity share of face value Rs. 10 (Rupees Ten only) each of the TC representing 25.34% of the fully diluted voting share capital of the TC from the equity shareholders of the TC by Sky Bidco S.L.U. (Acquirer) together with Canary Topco Limited (PAC1), Canary Holdco Limited (PAC 2), Canary Finco Limited (PAC 3), Canary Midco Limited (PAC 4) and Sky Holdco Limited (PAC 5) (collectively PACs) as the persons acting in concert with the Acquirer. Payment to be made in cash to all shareholders whose tender under the Open Offer is accepted.
4	Name(s) of the acquirer and PAC with the acquirer	Acquirer: Sky Bidco S.L.U. PACs: Canary Topco Limited Canary Holdco Limited Canary Finco Limited Canary Midco Limited Sky Holdco Limited
5	Name of the Manager to the offer	Citigroup Global Markets India Private Limited 1202, 12th Floor, First International Financial Centre, G-Block, Bandra-Kurla Complex, Bandra East, Mumbai 400051 Contact Person: Mr. Amish Thakkar Tel.: +91-22-61759999 Fax: +91-22-61759898 Email: accelyakale.openoffer@citi.com



6	Members of the Committee of Independent Directors	Mr. Sekhar Natarajan (Chairman) Mr. K. K. Nohria Mr. Nani Javeri Ms. Sangeeta Singh
7	IDC Member's relationship with the TC (Director, Equity shares owned, any other contract / relationship), if any	All the members of Committee of Independent Directors (IDC) are the Independent Directors on the Board of the TC. They do not have any other contract or relationship with the TC.
8	Trading in the Equity shares/other securities of the TC by IDC Members	None of the IDC members have traded in the equity shares of the TC in the preceding twelve months
9	IDC Member's relationship with the acquirer (Director, Equity shares owned, any other contract / relationship), if any.	None of the IDC members are directors or equity shareowners of the Acquirer or PACs. They also do not have any other contract/relationship with the Acquirer or PACs.
10	Trading in the Equity shares/other securities of the acquirer by IDC Members	None of the IDC members have owned or traded in equity shares /other securities of the Acquirer/PACs.
11	Recommendation on the Open offer, as to whether the offer is fair and reasonable	<p>The IDC has perused the Letter of Offer and other documents as released and published by Citigroup Global Markets India Private Limited on behalf of the Acquirer and the PACs. The IDC also appointed Price Waterhouse & Co LLP ("PWC") and Keynote Corporate Services Ltd. ("Keynote") as advisors for determining the fairness and reasonableness of the offer price. Both PWC and Keynote have provided their written opinion dated 25 March, 2017.</p> <p>Based on the above, the IDC is of the opinion that the open offer price is in accordance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("SAST Regulations") and also fair and reasonable.</p> <p>However, IDC would like to draw the attention of shareholders to the fact that the closing share price on NSE as on 19 April, 2017 being Rs. 1,559.70 per share which is substantially higher than the Open Offer price of Rs. 1,250 per share. Therefore the IDC is of the view that shareholders of the TC should independently evaluate the Open Offer and take their own informed decisions in respect of the Open Offer.</p>



12	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 shareholder)	<ol style="list-style-type: none"> 1. The IDC has reviewed the (a) Public Announcement dated 4 February, 2017; (b) Detailed Public Statement dated 9 February, 2017 and (c) the draft Letter of Offer dated 17 February, 2017 filed with the Securities and Exchange Board of India. 2. The IDC had sought external advice from PWC and Keynote, who have provided their written opinion dated March 25, 2017 that the Open Offer price is in accordance with the SAST Regulations and is also fair and reasonable. 3. Based on all these reviews, the IDC is of the opinion that the offer price offered by the Acquirer is in line with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. 4. The Open Offer is for acquisition of publicly held equity shares. The shareholders have an option to tender the shares or to remain invested. 5. The closing share price on NSE as on 19 April 2017 is Rs. 1,559.70 per share which is substantially higher than the Open Offer price of Rs. 1,250 per share.
13	Details of Independent Advisors, if any.	<ol style="list-style-type: none"> 1. Price Waterhouse & Co LLP 3rd Floor, 252, Veer Savarkar Marg Shivaji Park, Dadar (W), Mumbai 400 020. 2. Keynote Corporate Services Limited The Ruby, 9th Floor, Senapati Bapat Marg, Dadar (W), Mumbai - 400028.
14	Any other matter(s) to be highlighted	NIL

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 the TC under the Takeover Code.

For Accelya Kale Solutions Limited



Sekhar Natarajan
Chairman - Committee of Independent Directors

Place: Mumbai

Date: 20 April, 2017

Accelya Kale Solutions Limited (formerly known as Kale Consultants Limited) CIN: L74140PN1986PLC041033
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