PUBLIC ANNOUNCEMENT TO THE EQUITY SHAREHOLDERS OF

KALE CONSULTANTS LIMITED

(Registered Office: Kale Enclave, 685/2B & C, 1st Floor, Sharada Arcade, Satara Road, Pune - 411 037)

This Public Announcement (the "PA") is being issued by Ambit Corporate Finance Private Limited (the "Manager to the Offer"/"Ambit"), to the equity shareholders of Kale Consultants Limited ("KCL" or the "Target Company") on behalf of Accelya Holding World S.L. ("Accelya") (hereinafter referred to as the "Acquirer") pursuant to and in compliance with Regulations 10 & 12, and other applicable provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto, up to the date of this PA (the "SEBI Takeover Code").

The Offer and its background

1. This offer (the "**Offer**") is being made by the Acquirer to the equity shareholders, other than the Sellers (as defined below), of the Target Company. There are no persons acting in concert with the Acquirer for the purpose of the Offer. Due to the operation of Regulation 2(1)(e)(2) of the SEBI Takeover Code, there could be persons who could be deemed to be acting in concert with the Acquirer. However, such persons are not persons acting in concert for the purposes of this Offer.
2. On September 9, 2010, the Acquirer has entered into a Share Purchase Agreement (the "**Share Purchase Agreement**" or "**SPA**") for acquisition of 5,669,478 equity shares of the Target Company (the "Sale Shares") from the following existing shareholders of the Target Company (the "Sellers").

   Proposed acquisition of Sale Shares under the SPA is as follows:

	Name of the Seller	Equity shares of KCL held as on the date of SPA	Equity shares of KCL proposed to be sold under the SPA
1	Mr. Narendra Harihar Kale	1,394,200	1,394,200
2	Mr. Sudhir Harihar Kale	825,200	825,200
3	Mrs. Nanda Narendra Kale	828,900	828,900
4	Ms. Neha Narendra Kale	12,500	12,500
5	Mr. Vipul Prashad Jain	2,018,216*	2,018,216*
6	Mrs. Shibani Vipul Jain	590,462	590,462
	Total	5,669,478	5,669,478

   * Includes 130,000 equity shares held by Vipul Prashad Jain HUF

   The Sellers are the present promoters of the Target Company as defined under the SEBI Takeover Code. The purchase price for all the Sale Shares is ₹ 172 per Sale Share, payable in cash. The gross purchase consideration for the Sale Shares works out to ₹ 975,150,216 (Rupees Nine Hundred Seventy Five Million One Hundred Fifty Thousand and Two Hundred Sixteen Only) (the "**Gross Purchase Consideration**"). The Sellers constitute the entire present Promoter Group of the Target Company and their combined existing holding of 5,669,478 equity shares constitutes 37.92% of the currently issued equity share capital of the Target Company and 35.61% of the Fully Diluted Equity Capital (defined hereinafter) of the Target Company.

   As on the date of this PA, 1,095,000 Sale Shares are locked in for three years from the respective dates of allotment, in terms of applicable provisions of the erstwhile Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines 2000. These locked in Sale Shares would be transferred to the Acquirer, subject to the residual lock-in period continuing in the hands of the Acquirer.

   In the subsequent sections the words "Share" or "Shares" refer to the fully paid up equity shares having face value of ₹ 10 each of the Target Company.
3. Summary of key terms of the SPA :
   - The Sale Shares are proposed to be acquired, on spot delivery contract basis, in two tranches, in the following manner:
     - 1,329,940 Shares ("**First Sale Shares**") within 2 days from receipt of required approval from Reserve Bank of India ("RBI"). This tranche represents 8.35% of the Fully Diluted Equity Capital. The Acquirer undertakes that until the completion of the Offer, it shall not exercise any voting rights in respect of the First Sale Shares.
     - Balance 4,339,538 Sale Shares ("**Second Sale Shares**") will be acquired on the closing date (which is 10 business days from the satisfaction of the payment obligations by the Acquirer under the Offer, subject to satisfaction of conditions precedent, in accordance with the terms of the SPA). This tranche represents 27.26% of the Fully Diluted Equity Capital.
   - Material conditions precedent to be completed by Sellers for closing :
     - Target Company hiving off the logistics business to Kale Logistics Solutions Limited;
     - Obtaining release of pledge on 720,462 Sale Shares, which are pledged by some Sellers;
     - No objection from certain lenders of the Target Company for the change in control of the Target Company;
     - Confirmation that there has been no material adverse effect on the operations of the Target Company;
     - The charter documents of the Target Company having been amended in a manner satisfactory to the Acquirer;
     - The authorised share capital of the Target Company being increased to ₹ 200,000,000 pursuant to shareholders resolution being passed;
     - The remuneration and compensation committee of the board having notified all the employees of the Target Company of the anticipated change in control of the Target Company in terms of the SPA and of the vesting period in accordance with the provisions of the ESOP Schemes (defined hereinafter);
     - The Sellers having made reasonable efforts to organize adequate funding arrangements for the employees having the options under the ESOP Schemes in order to exercise the stock options and notify the employees accordingly.
   - Material conditions precedent to be completed by Acquirer for closing:
     - Completion of the Acquirer's obligations under the SEBI Takeover Code;
     - Receipt of RBI approval for acquisition of Shares of the Target Company under the Offer and the Sale Shares.
   - Further, following are some of the other material actions contemplated on the Closing Date:
     - Sellers shall terminate and discontinue all contracts between the Target Company and the Sellers;
     - Sellers shall cause the Target Company and each of its subsidiaries to convene a board meeting to take on record the resignation of Mr. Narendra Kale, appoint the nominees of the Acquirer (as directors of the Target Company) and the resignation of Mr. Narendra Kale as the trustee to the Kale Consultants Employee Welfare Trust;
     - Acquirer shall cause the Target Company to convene a board meeting to approve the revised employment contract between the Target Company and Mr. Vipul Jain in respect of his appointment as a managing director of the Target Company for a period of 5 years from the Closing Date, in the agreed form (subject to approval of shareholders of the Target Company);
     - Acquirer shall cause the US subsidiary of the Target Company (namely, Kale Softech Inc.), to execute a revised part time employment agreement with Mr. Narendra Kale, for a 4 year term ending on December 31, 2014.
   - If closing cannot take place by the long stop date (which is defined as a date 15 months from the SPA date or any other date which is mutually agreed between the parties), because either the Sellers or the Acquirer has failed to comply with any of their obligations under the SPA, parties may decide to proceed to closing to the extent reasonably practicable or postpone closing to such date as may be mutually agreed upon between the parties or terminate the SPA. Other than as stated above, the SPA may be terminated either by mutual consent of the parties or automatically, unless otherwise agreed between the parties in writing, if the closing is not achieved by the Long Stop Date.
   - Mr. Narendra Kale and Mr. Vipul Jain have severally agreed to indemnify and hold harmless, the Acquirer and/or at the option of the Acquirer, the Target Company or any relevant subsidiary, against any loss / claim etc., actually suffered and incurred by the Target Company and/or its subsidiaries or, as the case may be, by the Acquirer as a result of or in respect of any inaccuracy or omission in any Seller Warranty (to the extent that such inaccuracy arises out of or results from events or facts existing on or prior to the Closing Date) or the non performance or breach by the Sellers of any of their obligations, covenants and undertakings pursuant to the SPA.
   - In respect of any potential liability, arising out of the indemnification agreed by him as disclosed above, Mr. Narendra Kale has agreed to deposit, within 7 business days from Closing Date, a sum of ₹ 38,887,500/- (Rupees Thirty Eight Million Eight Hundred Eighty Seven Thousand and Five Hundred Only). If no claims arise, this full amount shall be released to Mr. Narendra Kale in two tranches within 12 months from the escrow date. If claims arise or are adjudicated, the release of the amount kept in escrow would be as per terms agreed in the SPA.
   - In an event of non compliance of any provision of the Takeover Code, the Sellers and the Acquirer have agreed that to the extent it relates to the sale and purchase of the First Sale Shares, the Parties shall reverse the said transaction and to the extent it relates to the sale and purchase of the Second Sale Shares, the SPA shall not be acted upon by the Parties.
   - The Sellers have agreed that they shall not collectively, or individually, tender or agree to tender any of the Sale Shares, for sale, to any party or during a competitive bidding process under the Takeover Code, if any.
   - Mr. Narendra Kale, Mr. Sudhir Kale and Mr. Vipul Jain, each have agreed to certain non-compete and non-solicitation undertakings, which would be valid for a period of five years from the SPA date. No separate consideration is payable by the Acquirer to them in this respect.
   - Within 20 business days from the Closing Date, Mr. Vipul Jain shall obtain necessary approvals, including that of RBI, and invest an amount up to Euro 1,875,000 to subscribe to 1.41% of the share capital of Accelya Holding (Luxembourg) SA (the parent company of the Acquirer), in accordance with agreed terms and the call option as agreed to be given by Mr Vipul Jain. Mr. Vipul Jain will also have an incentive scheme similar to that already in existence with the top managers of the Acquirer.
   - Both parties have provided certain representations and warranties to each other, which are intended to protect the rights of the receiving party.
   - The Acquirer has also provided an equity commitment letter to the Sellers confirming their financial ability towards purchase of Sale Shares under the SPA.
4. Other than as stated above, the Acquirer has neither acquired nor has been allotted any Shares of the Target Company in the last 12 months. As on the date of this PA, the Acquirer and Manager to the Offer do not hold any Shares of the Target Company.
5. The above acquisition by Acquirer would lead to a change of control of the Target Company. This Offer is being made in terms of, among others, Regulations 10 & 12 of the SEBI Takeover Code.

Offer Price

6. The Offer is for acquisition of 3,184,250 Shares (the "**Offer Size**") from the existing shareholders of the Target Company, other than the Sellers, representing 20% of the Fully Diluted Equity Capital of the Target Company, at a price of ₹ 172 per Share (Rupees One Hundred and Seventy Two only), payable in cash (the "**Offer Price**"). This Offer is not subject to any minimum level of acceptance.
7. The Shares are listed on the Bombay Stock Exchange Limited ("**BSE**"), the National Stock Exchange of India Limited ("NSE") and the Pune Stock Exchange Limited ("PSE"). Based on the information available, the Shares are frequently traded on the BSE and NSE, within the meaning of explanation (i) to Regulation 20(5) of SEBI Takeover Code. There is no trading on PSE. The Shares are most frequently traded on NSE.

i.	Negotiated price under the SPA	: ₹ 172 per Sale Share
ii.	Highest price paid by the Acquirer for acquisitions including by way of allotment in a public or rights or preferential issue during the 26 weeks prior to the date of PA	: Not Applicable
iii.	The average of the weekly high and low of the closing prices of Shares on NSE during the 26 weeks preceding the date of PA*	: ₹ 121.17 per Share
iv.	The average of the daily high and low prices of Shares on NSE during the 2 weeks preceding the date of PA*	: ₹ 140.75 per Share

   * Source: www.nseindia.com

   The Offer Price of ₹ 172 per Share is justified in terms of Regulation 20(4) of the SEBI Takeover Code, since it is highest of i, ii, iii and iv above, as required under the SEBI Takeover Code.
8. If the Acquirer acquires any Shares after the date of this PA and up to 7 working days prior to the closure of the Offer at a price higher than the Offer Price, then the highest price paid for such acquisition shall be payable for all the valid acceptances under the Offer.
9. To the extent of the Offer Size and in accordance with this PA and the Letter of Offer to be sent to the equity shareholders of the Target Company (the "Letter of Offer"), the Shares of the Target Company that are validly tendered & accepted pursuant to this Offer are proposed to be acquired by the Acquirer. If the aggregate of the valid responses to the Offer exceeds the Offer Size, then the Acquirer shall accept the valid acceptances received on a proportionate basis from each shareholder as per Regulation 21(6) of the SEBI Takeover Code.
10. This is not a competitive bid.

Information about the Acquirer

11. Accelya Holding World S.L. was incorporated on February 15, 2007 under the laws of Spain as Forestburg S.L. The name was changed to Clearing World S.L. on June 20, 2007 and subsequently, to the present name on November 16, 2007. The head / registered office of Accelya is situated at Avenida Diagonal 567, 3rd Floor, Barcelona, Spain 08029 (Tel.: +34 93 4878647, Fax. No.: +34 93 4881084, Website - www.accelya.com).
12. Accelya primarily provides critical business transaction processing and business process outsourcing services to the airline and travel industry. Accelya offers electronic invoicing, message switching and EDI, business intelligence, revenue accounting & recovery services, credit card processing services, etc. The Accelya business is more than 30 years old. This business was earlier known as ADP Travel Clearing and was part of Automatic Data Processing, Inc. In 2007, this business was acquired by Chequers Capital from Automatic Data Processing, Inc. Accelya has operational presence, directly and through its subsidiaries, in Spain, France, Hungary, Portugal, United Kingdom, Mexico, South Africa and Tunisia.
13. Presently, the entire issued and subscribed equity share capital of Accelya consists of 641,000 equity shares of face value of Euro 1 each, aggregating Euros 641,000 (₹ 37,889,510). The equity shares of Accelya are not listed on any stock exchange. *(In this PA, the Rupee equivalent quoted for Euro is calculated in accordance with the RBI reference rate as on September 9, 2010 i.e. One Euro = ₹ 59.11 Source: www.rbi.org.in)*
14. Accelya's 100% share capital is owned by Accelya Holding (Luxembourg) SA. 97.54% of the share capital of Accelya Holding (Luxembourg) SA is held by Chequers Capital XV FCPR, a fund managed by Chequers Partenaires SA (a Europe based private equity investment firm focused on acquiring controlling positions in well-established mid-sized companies in the frame of leveraged buy-outs). The balance 2.46% share capital of Accelya Holding (Luxembourg) SA is held by management shareholders.
15. As on the date of this PA, the Board of Directors of Accelya comprises Philippe Lesueur, Francisco Mora, representing Accelya Holding (Luxembourg) SA, and José María Portabella. None of these persons are on the board of the Target Company.
16. Consolidated audited financials of Accelya for the year ended June 30, 2009 and June 30, 2008 and certified financials for 9 months period ended March 31, 2010 are as follows:

Particulars	Euro (in Mn except for per share data)			₹ (in Mn except for per share data)		
	9 Months period ended March 31, 2010*	FY 2009	FY 2008	9 Months period ended March 31, 2010	FY 2009	FY 2008
Total Income	38.47	56.95	54.22	2,273.96	3,366.32	3,204.94
Profit before tax	3.37	4.11	13.52	199.20	242.94	799.17
Profit after tax	2.49	3.04	8.81	147.18	179.69	520.76
Paid up equity share capital	0.64	0.64	0.64	37.83	37.83	37.83
Networth	18.19	15.48	13.21	1,075.21	915.02	780.84
Earnings Per Share ("EPS")	3.89	4.74	13.74	229.94	280.18	812.17
Return on Networth (%)	13.69%	19.64%	66.69%	13.69%	19.64%	66.69%
Book value per equity share	28.38	24.15	20.61	1,677.54	1,427.51	1,218.26

*(*Source: Limited Review Report dated June 19, 2010 given by KPMG Auditores, S.L.)*

Information about the Target Company

(The information under this section has been sourced from KCL and from public sources)

17. KCL was incorporated as a private limited company on September 25, 1986, under the Companies Act, 1956 in the State of Maharashtra. The promoters of KCL entered into a memorandum of understanding on September 20, 1986 with the partners of Kale Consultants ("KC") a partnership firm registered in February, 1980 under the Partnership Act, 1932 for takeover of computer software related business of KC. Subsequently, a transfer deed was executed on January 30, 1987 and the business of KC was transferred to KCL. KCL became a deemed public limited company on October 29, 1997 and the name was changed to its present name on August 17, 1999. The registered office of KCL is situated at Kale Enclave, 685/2B & C, 1st Floor, Sharada Arcade, Satara Road, Pune - 411 037; Tel: +91 20 6608 3777, Fax: +91 20 2423 1639. The corporate office of KCL is situated at Modi House, 1st Floor, Naupada, Eastern Express Highway, Thane (W) - 400 602, India, Tel: +91 22 6780 8888, Fax: +91 22 6780 8899.
18. KCL primarily provides revenue accounting, cargo, financial management, consulting and analytics solutions to airline industry. It provides end-to-end platform for travel operators and delivers software products, technology, managed process, hosting and consulting services. KCL has five subsidiary companies located in India, US and UK and one joint venture located in India.
19. The Shares of KCL are currently listed on the National Stock Exchange Limited, the Bombay Stock Exchange Limited and the Pune Stock Exchange Limited.
20. The present authorised share capital of KCL comprises 15,000,000 Shares aggregating to ₹ 150,000,000. As on the date of this PA, the present subscribed and paid up capital of the Target Company comprises of 14,953,076 Shares aggregating ₹ 149,536,810 (includes 1100 forfeited shares amounting to ₹ 6,050). There are 142,171 outstanding options which have been granted under Kale Consultants Limited ESOP Scheme, 2003 and 826,000 options under Kale Consultants Limited ESOP Scheme, 2006 (together the "ESOP Schemes"). Accordingly, the fully expanded equity and voting share capital is calculated as the sum of the present subscribed and paid up capital and the currently outstanding options i.e. 15,921,247 Shares ("Fully Diluted Equity Capital").
21. As on the date of this PA, there are no partly paid-up equity shares or outstanding convertible instruments, other than 968,171 outstanding options under the ESOP Schemes. There are additional 472,653 options under the ESOP Schemes, which are presently not granted.
22. Audited consolidated financials of KCL for the years ended March 31, 2010 and March 31, 2009 are as follows:

Particulars	₹ in Mn. except for per Share data	
	FY 2010	FY 2009
Total Income	1,669.47	1,461.28
Profit after tax after minority interest and prior period items	260.29	165.65
Paid up equity share capital	138.15	133.62
Net Worth	1,223.38	976.27
Basic Earnings per Share (₹)	19.45	12.40
Diluted Earnings per Share (₹)	18.09	12.40
Return on Networth (%)	21.27%	16.97%
Book value per Share (₹)	88.56	73.07

(Source: Annual Reports of KCL)

23. As on the date of this PA, the Board of Directors of KCL comprises Mr. Narendra Kale (Chairman), Mr. Vipul Prashad Jain (Managing Director), Mr. K. K. Nohria (Director), Mr. Prabhakar Deodhar (Director) and Mr. Pravin Gandhi (Director).

Reasons for the Acquisition and Future Plans about Target Company

24. This Offer is a mandatory offer, in compliance with Regulations 10 & 12 and other applicable provisions of the SEBI Takeover Code, for the purpose of substantial acquisition of Shares and voting rights, as disclosed earlier, accompanied with change in control of the Target Company and its subsidiaries, thereby enabling the Acquirer to exercise control over the Target Company and its subsidiaries, through, inter-alia, the right to appoint directors and by virtue of its shareholding. The Acquirer will seek reconstitution of the Board of Directors of the Target Company, in accordance with the provisions contained in the SEBI Takeover Code and the Companies Act, 1956. The Acquirer reserves the right to change the name of the Target Company and its subsidiaries at a later date subject to shareholders' / other applicable regulatory approvals. On completion of the Offer, the Acquirer will be classified as promoter of the Target Company.
25. The Acquirer plans to continue the present business of the Target Company and does not have any plans to dispose off or otherwise encumber any assets of the Target Company in the next two years, except in the ordinary course of business of the Target Company, and except to the extent required for the purpose of restructuring and/or rationalization of assets, investments, liabilities, business or otherwise of the Target Company, which will be done subject to receipt of statutory approvals wherever necessary. Further, the Acquirer undertakes that it shall not sell, dispose off or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders of the Target Company.
26. The Acquirer and the Target Company are solution providers to the airline and travel industry. The Acquirer does not have an operational presence in India and the acquisition will be geographically complementary to the Accelya business. Post acquisition, the Acquirer will evaluate various business segments of the Target Company and decide on the future alignment and size of each of the businesses. In respect of business offerings, where there is an overlap with its existing activities, the Acquirer may consider realignments, at a later date. The Acquirer expects that synergies between the current operations of Accelya and the Target Company, will help Accelya in consolidating its position as a significant solution providers for back office processes related to the airline industry.

Statutory and Other Approvals required for this Offer

Statutory Approvals

27. The Offer is subject to the approval from RBI under the Foreign Exchange Management Act, 1999, ("**FEMA**") as amended from time to time, for the acquisition / transfer of Sale Shares and Shares tendered pursuant to this Offer. The Acquirer will shortly file an application with the RBI for this approval.
28. To the best of the knowledge and belief of the Acquirer, as on the date of this PA, other than the above, no statutory approvals are required to acquire the Shares tendered pursuant to this Offer. If any other statutory approvals are required or become applicable, the Offer would be subject to the receipt of such other statutory approvals. In terms of Regulation 27 of the SEBI Takeover Code, the Acquirer will not proceed with the Offer in the event that any of the required statutory approvals is refused.
29. The Acquirer shall complete all procedures relating to the Offer within a period of 15 days from the Offer Closing Date (defined hereinafter). It may be noted that if the Acquirer is unable to make payment to the shareholders who have accepted the Offer within the said period of 15 days, due to non-receipt of statutory approvals, the Securities and Exchange Board of India ("SEBI"), if satisfied that the non receipt of the statutory approvals was not due to willful default or negligence on part of the Acquirer, has a power to grant an extension of time to the Acquirer for payment of consideration to shareholders and the Acquirer shall pay interest for the delay, to the shareholders who have accepted the Offer, at such rates as may be specified by SEBI under Regulation 22(12) of the SEBI Takeover Code. Further, if the delay occurs due to willful default of the Acquirer in obtaining the requisite statutory approvals, Regulation 22(13) of the SEBI Takeover Code shall be applicable.

Other Approvals

30. Under the current loan covenants of the Target Company, no objection is required from State Bank of India and First Leasing Company of India Limited, for the proposed change of control of the Target Company.
31. To the best of the knowledge and belief of the Acquirer, as of the date of this PA, the Acquirer does not require any approvals from financial institutions or banks for the Offer.

Disclosure in terms of Regulation 21 of the SEBI Takeover Code

32. Pursuant to the acquisition under the SPA and under this Offer, the public shareholding in the Target Company will not reduce below 25%, which is the minimum level required as per the listing agreements entered into by the Target Company and notification of the Government of India, dated June 4, 2010 and August 9, 2010 amending the Securities Contracts (Regulation) Rules, 1957.

Financial Arrangements

33. The total financial resources required for this Offer, assuming full acceptance of the Offer Size at the Offer Price will be ₹ 547,691,000 (Rupees Five Hundred Forty Seven Million and Six Hundred Ninety One Thousand only) ("**Maximum Consideration**"). The Acquirer has made firm arrangements for the Maximum Consideration and proposes to fund the Offer through its financial resources consisting of internal accruals and funding from banks.
34. In accordance with Regulation 28 of the SEBI Takeover Code, an Escrow Account has been created by Accelya, which consists of a cash deposit of ₹ 136,922,750 (Rupees One Hundred Thirty Six Million Nine Hundred Twenty Two Thousand and Seven Hundred Fifty only) with Citibank N.A. at their branch located at Plot C-61, Bandra-Kurla Complex, G-Block, Bandra (East), Mumbai 400051. The cash deposit, which is equal to 25% of the Maximum Consideration payable under the Offer, is in compliance with the prescribed escrow amount in terms of Regulation 28 of the SEBI Takeover Code. The Acquirer has arranged a lien on the cash deposit in favour of the Manager to the Offer and the Manager to the Offer has been authorised to realize the value of the Escrow Account in terms of the provisions contained in the SEBI Takeover Code.
35. By way of demonstration of its ability to fulfill the financial obligations under the SEBI Takeover Code, the Acquirer has further procured a bank guarantee (the "Bank Guarantee") in favour of the Manager to the Offer. The Bank Guarantee is issued by La Caja de Ahorros y Pensiones de Barcelona (also called "la Caixa") through their branch located at Av. Diagonal, 662-664 Planta baixa 08034 – Barcelona, Spain. The Bank Guarantee is valid till March 15, 2011 and is for a sum of ₹ 410,768,250 (Rupees Four Hundred Ten Million Seven Hundred Sixty Eight Thousand and Two Hundred Fifty Only).
36. In view of the above, the Manager to the Offer is satisfied that firm arrangements for funds, required to implement the Offer at the Offer Price, through verifiable means, are in place to fulfill the financial obligations of the Acquirer under the Offer.

Other terms of this Offer

37. The Acquirer will acquire the Shares tendered in the Offer free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.
38. Eligible holders of options, granted under the ESOP Schemes, will need to exercise their options, in terms of provisions of the respective ESOP Schemes, if they wish to participate in the Offer. Shares arising out of exercise of ESOPs would be eligible for being tendered in the Offer, subject to the terms of the Offer.
39. The Offer is not conditional on any minimum level of acceptance by the shareholders of the Target Company. During the Offer period, the Acquirer may purchase additional Shares in accordance with the SEBI Takeover Code.
40. A Letter of Offer, specifying the detailed terms and conditions of this Offer, along with a Form of Acceptance-cum-Acknowledgement (the "Form of Acceptance") and a Form of Withdrawal, will be mailed to all the shareholders of the Target Company (other than the Acquirer and the Sellers) whose names appear on the register of members of the Target Company, and to the beneficial owners of the Shares of the Target Company whose names appear on the beneficial records of the respective depositories, at the close of business hours on Friday, September 24, 2010 (the "Specified Date"). All the shareholders (other than the Acquirer and the Sellers) who own Shares anytime before Wednesday, November 24, 2010 (the "Offer Closing Date") are eligible to participate in the Offer.
41. Shareholders who are holding Shares in physical form and wish to tender their Shares will be required to send the duly completed Form of Acceptance, original Share Certificate(s) and transfer form(s) duly signed & witnessed to Karvy Computershare Private Limited, acting as the Registrar to the Offer (the "Registrar to the Offer"), at any of the addresses mentioned below, in accordance with the instructions to be specified in the Letter of Offer and the Form of Acceptance so that the same are received on or before the close of business hours on the Offer Closing Date. In case of registered shareholders in whose respect, the aforesaid documents have not been received, but the original share certificate(s) and duly signed transfer form(s) have been received, the Offer shall be deemed to have been accepted.
42. For shareholders holding Shares in dematerialised form, the Registrar to the Offer has opened a special depository account. Beneficial owners who wish to accept the Offer would be required to transfer the Shares, in an off-market mode, in favour of the special depository account. Such beneficial owners are requested to fill in the following details in the delivery instructions for the purpose of crediting their Shares in the special depository account:

DP Name	Karvy Stock Broking Limited
DP ID	IN300394
Client ID	17785728
Account name	KCPL ESCROW A/c – KCL OPEN OFFER
Depository	National Securities Depository Limited

   Shareholders having their beneficiary account in Central Depository Services (India) Limited ("CDSL") have to use inter-depository delivery instruction slip for the purpose of crediting their Shares in favour of the special depository account with National Securities Depository Limited ("NSDL"). NSDL and CDSL are collectively referred to as Depositories.
43. Beneficial owners holding Shares in the dematerialised form, who wish to accept the Offer, will be required to send their duly completed Form of Acceptance to the Registrar to the Offer at any of the addresses mentioned below so that the same are received on or before the close of business on the Offer Closing Date. The Form of Acceptance should be sent along with a photocopy of the delivery instructions in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode with the above details filled in favour of special depository account mentioned above and duly acknowledged by their Depository Participant ("DP").
44. In case of non-receipt of the aforesaid documents, but receipt of the Shares in the special depository account, the Offer shall be deemed to have been accepted. Shareholders holding dematerialised Shares and wishing to participate in the Offer, should ensure the credit of the Shares in favour of the special depository account mentioned above before the close of business hours on the Offer Closing Date.
45. Details of collection centers where shareholders desirous of tendering acceptances can submit their completed Forms of Acceptance, along with the necessary document, in terms of this PA and Letter of Offer:

Sl. No.	City	Address of Collection Centres	Contact Person	Phone No.	Fax No.	Mode of delivery
1.	Mumbai (Fort)	Karvy Computershare Pvt Ltd. 24, Maharashtra Chamber. of Commerce. Lane, Opp. MSC Bank, Fort Mumbai – 400 023	Ms.Nutan Shirke	022-66381747 & 22842666	022-66331135	Hand Delivery
2.	Mumbai (Andheri)	Karvy Computershare Pvt Ltd. 7, Andheri Industrial Estate, Off. Veera Desai Road, Andheri West, Mumbai - 400059	Ms. Neelam	022-26730799	022-26730799	Hand Delivery
3.	New Delhi	Karvy Computershare Pvt Ltd. 105-108, Arunachal Bldg., 19, Barakhamba Road, Connaught Place, New Delhi -110 001	Mr. Rakesh Kr Jamwal / Vinod Singh Negi	011-43509200	011-41036370	Hand Delivery
4.	Ahmedabad	Karvy Computershare Pvt Ltd. 201-203, Shail, Opp: Madhusudhan House, Behind Girish Cold Drinks, Off C G Road, Ahmedabad - 380 006	Mr.Aditya Gupta/ Robert Joeboy	079-26400527/ 26400528/ 66614772	079-26565551	Hand Delivery
5.	Chennai	Karvy Computershare Pvt Ltd. No. 33/1, Venkatraman Street, T.Nagar, Chennai - 600017	Mr. Gunashekhar	044 – 28151793/ 28151794	044-28153181	Hand Delivery
6.	Hyderabad	Karvy Computershare Pvt Ltd. Plot No 17-24, Vithalrao Nagar, Madhapur, Hyderabad - 500 081	Ms. Rinki Sareen	040-446553000/ 23420818-23	040-23431551	Hand Delivery/ Registered Post
7.	Kolkata	Karvy Computershare Pvt Ltd. 49, Jatin Das Road, Nr.Deshpriya Park, Kolkata - 700 029	Mr. Sujit Kundu/ Mr. Debnath	033-24644891	033-24644866	Hand Delivery
8.	Bengaluru	Karvy Computershare Pvt Ltd. No.59, Skanda, Putana Road, Basavanagudi Bengaluru - 560 004	Mr. Kumaraswamy/ Ms.V Sudha	080-26621192	080-26621169	Hand Delivery
9.	Pune	Karvy Computershare Pvt Ltd. Shrinath Plaza, B Wing,Office No.16, Ground Floor, Dyaneshwar Paduka Chowk,S, No.184/4, Off: F C Road, Pune - 411 004	Ms. Sandhya Gholkar	020 25532078-25533592	020 25533742	Hand Delivery

   Working Hours: Monday to Friday 10 AM to 4 PM, Saturday 10 AM to 1 PM;

   Holidays: Sundays and Bank Holidays

   Shareholders who cannot hand deliver their documents at any of the collection centers referred to above may send the same by registered post /speed post, at their own risk, to the Registrar to the Offer at their office at Karvy Computershare Private Limited, Plot No 17-24, Vithalrao Nagar, Madhapur, Hyderabad 500 081, Tel: (040) 23420815-23; Fax No: (040) 23431551, E-mail: murali@karvy.com, Contact Person: Mr. M. Murali Krishna/ Mr. Williams, and not to any other collection centre, so that the same are received on or before the close of business hours on the Offer Closing Date.
46. In case of non-receipt of the Letter of Offer / Form of Acceptance / Form of Withdrawal eligible shareholders and unregistered owners (including beneficial owners) may download the same from SEBI's website http://www.sebi.gov.in or obtain a copy of the same by writing to the Registrar to the Offer at the collection centers set out in paragraph above clearly marking the envelope "*Kale Consultants Limited - Open Offer*" by providing suitable documentary evidence of acquisition / ownership of Shares.
47. In case of non-receipt of the Letter of Offer / Form of Acceptance / Form of Withdrawal eligible shareholders and unregistered owners (including beneficial owners) may also submit their acceptance on plain paper, as follows:
    - Shareholders holding Shares in physical form should state their name, address, folio number, number of Shares held, distinctive numbers, number of Shares offered, bank particulars along with original Share Certificate(s), duly signed & witnessed transfer form(s). The details of buyer should be left blank failing which, the same will be invalid under the Offer. Unregistered owners should also enclose original broker contract note and valid share transfer deed(s) as received from market. Unregistered shareholders should not sign the transfer deed. The transfer deed should be valid for transfer. No indemnity is required from unregistered shareholders.
    - Beneficial owners should state their name, address, DP name, DP ID, beneficiary account number, number of Shares held, number of Shares offered, bank particulars, photocopy of the delivery instructions in "Off-market" mode or a counterfoil of the delivery instructions in "Off-market" mode duly acknowledged by the DP in favour of the special depository account mentioned above, as may be relevant.

    The acceptance should be signed by all the shareholders as per the registration details available with KCL / Depositories and should be sent to the Registrar to the Offer in an envelope clearly marked "*Kale Consultants Limited - Open Offer*" on or before the close of business on the Offer Closing Date.
48. In case any person has submitted Shares in physical form for dematerialisation and such dematerialisation has not yet been effected, the concerned shareholder may apply in the Offer as per instructions mentioned above together with a photocopy of the completed dematerialisation request form, acknowledged by shareholder's DP. Such shareholders should ensure that the process of getting the Shares dematerialised is completed well in time so that the credit of the Shares to the special depository account is completed on or before the close of business hours on the Offer Closing Date, failing which such an acceptance would be rejected. A copy of delivery instructions acknowledged by the DP in favour of the special depository account should be forwarded to the collection centre where the Form of Acceptance and other documents were tendered, before the Offer Closing Date.
49. In case any person has lodged Shares for transfer and such transfer has not yet been effected, the concerned person may apply as per instructions to be contained in the Letter of Offer, together with the acknowledgement of the lodgement of Shares for transfer. Such persons should also instruct the Target Company and/or its registrar & transfer agents to send the transferred equity share certificate(s) directly to the collection centre located at Karvy Computershare Private Limited, Plot No 17-24, Vithalrao Nagar, Madhapur, Hyderabad 500 081, Tel: (040) 23420815-23; Fax No: (040) 23431551, E-mail: murali@karvy.com, Contact Person: Mr. M. Murali Krishna/ Mr. Williams. The person should ensure that the equity share certificate(s) reach the designated collection centre on or before the close of business hours on the Offer Closing Date.
50. The Acquirer shall accept Shares upto the Offer Size, from shareholders who have validly tendered the Shares under the Offer and remit the consideration in respect thereof within 15 days from the Offer Closing Date. The information as to whether the Shares tendered under the Offer have been accepted (in full or in part) or rejected and the consideration payable would be sent by registered post / speed post. The payment instrument will be drawn in favour of the Sole / First named shareholder in case of joint registered holders / beneficial owners.
51. Shareholders, while tendering their Shares in the Offer may indicate an option to receive the payment of Offer consideration through electronic form by indicating in the space provided in the Form of Acceptance. The payment consideration for Shares accepted under the Offer, in such cases, may be made through National Electronic Clearing Services (NECS), Direct Credit, Real Time Gross Settlement (RTGS) or National Electronic Funds Transfer (NEFT), as applicable, at specified centers where clearing houses are managed by the RBI, wherever possible. In other cases, payment of consideration would be made through cheque / demand draft / pay order sent by Registered post / speed post. Shareholders who opt for receiving consideration through electronic form are requested to give the authorization for electronic mode of transfer of funds in the Form of Acceptance, provide the MICR / IFSC code of their bank branch and enclose a cancelled cheque or a photocopy of a cheque associated with the particular bank account, along with the Form of Acceptance. In case of joint holders, payments will be made in the name of the first holder/ unregistered owner.
52. For shareholders, who do not opt for electronic mode of transfer and for those shareholders, whose payment consideration is rejected / not credited through ECS / Direct Credit / RTGS / NEFT, due to any technical errors or incomplete/incorrect bank account details, payment consideration will be dispatched through Speed Post / Registered Post. Such consideration payment will be made by cheques, pay orders or demand drafts payable at par at places where the address of the shareholder is registered.
53. For the purposes of electronic transfer, in case of shareholders opting for electronic payment of consideration and for purposes printing on the cheque / demand draft / payorder for the other cases, the bank account details will be directly taken from the Depositories' database, wherever possible. A shareholder tendering Shares in the Offer, is deemed to have given consent to obtain the bank account details from the Depositories, for this purpose. Only if the required details cannot be obtained from the Depositories' database then the particulars provided by the shareholders would be used. It is advised that shareholders provide bank details in the Form of Acceptance, so that the same can be incorporated in the cheque/ demand draft/pay order, if the same data is not available from the Depositories' database. It will be the responsibility of the tendering shareholders to ensure that correct bank account details are recorded with the Depositories and mentioned in the Form of Acceptance.
54. The Registrar to the Offer will hold in trust the Shares/share certificates, Shares lying in credit of the special depository account, Form of Acceptance and the transfer form(s), if any, on behalf of the shareholders who have accepted the Offer, till the Acquirer completes the Offer obligations in accordance with the SEBI Takeover Code.
55. Any Shares that are subject matter of litigation or are held in abeyance due to pending court cases / attachment order(s) / restriction from other statutory authorities, wherein the shareholder(s) may be precluded from transferring the Shares during pendency of the said litigation are liable to be rejected if directions/orders of the Court/relevant statutory authority permitting transfer of these Shares are not received together with the Shares tendered under the Offer.
56. While tendering Shares under the Offer, shareholders are requested to provide their Permanent Account Number ("**PAN**") at the appropriate place in the Form of Acceptance