

Date: 4th March 2016

To

1. **The National Stock Exchange of India Ltd**
Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051
2. **The Bombay Stock Exchange Ltd**
1st Floor, New Trade Ring, Rotunda Building, PJ Towers,
Dalal Street, Fort, Mumbai – 400 001
3. **Metropolitan Stock Exchange of India Limited,**
Vibgyor Towers, 4th floor, Plot No C 62, G - Block,
Opp. Trident Hotel, Bandra Kurla Complex, Bandra (E), Mumbai – 400 098, India.

Sir/Madam,

Sub: Submission of Independent Directors Committee Recommendation dated 3rd March 2016 – Reg

Ref:

- a) Recommendations of the Committee of Independent Directors ("IDC") on the open Offer to the Shareholders of Polaris Consulting & Services Limited (Formerly known as Polaris Financial Technology Limited) under Regulation 26(7) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (SEBI SAST Regulations), as amended till date.
- b) Newspaper advertisement published in Financial Express (all editions), Jansatta (all editions) and Makkal Kural (Chennai edition) today, the 4th of March 2016

We are forwarding herewith the recommendations of the committee of Independent Directors published in the newspapers as per reference (b) cited above in compliance with Regulation 26(7) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

We are also sending a copy of these recommendations to such individuals (Securities and Exchange Board of India and the Manager to the Open Offer) as mandated under the said regulations.

We request you to kindly take the above on record.

Thanking you

Yours sincerely

For Polaris Consulting & Services Limited
(Formerly known as Polaris Financial Technology Limited)


Christina Pauline Beulah
Company Secretary
Encl: As Above



Polaris Consulting & Services Limited

Registered Office: Polaris House, 244 Anna Salai, Chennai - 600 006, India | Ph: +91-44-3987 4000, 3984 3400 | Fax: +91-44-2852 3280
Corporate Headquarters: Foundation, 34 IT Highway, Chennai - 603 103, India | Ph: +91-44-2743 5001, 3987 3000 | Fax: +91-44-2743 5166

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POLARIS CONSULTING & SERVICES LIMITED

(Formerly known as Polaris Financial Technology Limited)

CIN : L65937TN1993PLC024142

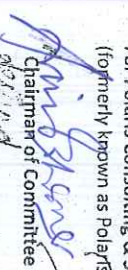
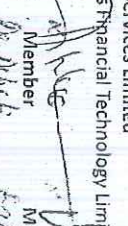
Registered Office : Polaris House, 244, Anna Salai, Chennai - 600 006

Recommendations of the Committee of Independent Directors ("IDC") on the open Offer to the Shareholders of Polaris Consulting & Services Limited (Formerly known as Polaris Financial Technology Limited) under Regulation 26(7) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (SEBI SAST Regulations), as amended till date.

Date	3rd March 2016
Name of the Target Company	Polaris Consulting & Services Limited
Details of the Offer Pertaining to Target Company	The Open Offer is being made by the Acquirer, alongwith the PACs, to the Public Shareholders of the Target Company in accordance with regulation 31(1) and 4 of the SEBI SAST Regulations to acquire up to 26,719,942 fully paid-up equity shares of the face value of Rs. 5 each ("Equity Shares") at the Offer Price of Rs. 220.73 per Equity Share, payable in cash, constituting 26% of the Voting Share Capital of the Target Company.
Name of the Acquirer and PACs with the Acquirer	Virtusa Consulting Services Private Limited ("Acquirer") along with the persons acting in concert ("PACs") Virtusa Corporation ("PPAC 1"/ "Virtusa US") and Virtusa International B.V. ("PPAC 2"/ "Virtusa NI")
Name of the Manager to the Offer	J.P. Morgan India Private Limited (SEBI Registration Number: INM000002970) J. P. Morgan Tower, Kalina, Off C. S. T. Road, Santacruz (East), Mumbai -400 098 Tel: +91 22 6157 3000, Fax: +91 22 6157 3911 Contact Person: Mr. Akhil Mittal / Mr. Aditya Monga Email: polaris_openoffer@jpmorgan.com Website: www.jpmi.com SEBI Registration No. INM000002970
Members of the Committee of Independent Directors ("IDC")	Mr. Arvind Kumar, Chairman Dr. Ashok Jhunjhunwala, Member Mr. V Balaraman, Member
IDC Members' relationship with the Target Company (Director, Equity Shares owned, any other contract/ relationship), If any	All the Members of the IDC are duly appointed Independent Directors of the Target Company. As on date, Mr. Arvind Kumar and Dr. Ashok Jhunjhunwala hold 6,000 Equity Shares and 24,300 Equity Shares, respectively, of the Target Company. Other than as a Director of the Target Company and Equity Shareholder, as applicable, the Members of the Target Company do not have any interest in or relationship or contract with the Target Company. Further Mr. Balaraman V has made application for exercise of the 10,000 of stock options granted to him to the Company and subsequently vested.
Trading in the Equity Shares / other securities of the Target Company by IDC Members	Other than the following, the Members of the IDC have not traded in the Equity Shares/ other securities of the Target Company from 12 months prior to the date of Public Announcement till date of this recommendation: a. Mr. Arvind Kumar: (i) On 1/12/2014 sold 2,000 Equity Shares, (ii) On 23/07/2015 was allotted 5,000 Equity Shares due to exercise of his ASOP options, (iii) During the week 14/08/2015 to 21/08/2015 Sold 2,000 Equity Shares, (iv) On 15/02/2016 sold 5,000 equity shares (v) on 18/02/2016 sold 5,000 equity shares (vi) on 23/2/2016 sold 10,000 shares b. Dr. Ashok Jhunjhunwala: (i) During the period 07/11/2014 and 14/11/2014: Sold 500 Equity Shares, (ii) On 23/07/2015 was allotted 5,000 Equity Shares due to exercise of his ASOP options
IDC Members' relationship with the Acquirer/PAC (Director, Equity Shares owned, any other contract / relationship), If any.	None of the Members of the IDC hold any equity shares of the Acquirer/ PACs and no relationship/ contract exists between the Members of the IDC and the Acquirer/ PACs, in any manner whatsoever.
Trading in Equity Shares /other securities of the Acquirer / PACs by IDC Members	None of the Members of the IDC have traded in equity shares/ other securities of the Acquirer/ PACs from 12 months prior to the date of Public Announcement till the date of this recommendation.
Recommendation on the Open Offer, as to whether the offer is fair and reasonable	The IDC believes that the Open Offer is fair and reasonable and is in line with the requirements of SEBI SAST Regulations.
Summary of reasons for recommendation	The IDC has perused the Public Announcement dated November 5, 2015, Co-irrigendum to the Public Announcement dated November 13, 2015, Detailed Public Announcement dated November 16, 2015, the Draft Letter of Offer dated November 23, 2015 and Letter of Offer dated February 27, 2016 released by the Manager to the Offer for and on behalf of the Acquirer and the PACs. The IDC has taken into consideration the following for making the recommendation: a. Based on the review of documents cited above, the Offer price offered by the Acquirer/ PACs is in line with the SEBI SAST Regulations. b. The Offer Price represents a premium of 6.76% and 6.84% to the closing price on November 4, 2015 (i.e. one working day prior to the date of Public Announcement) of the Equity Shares of the Target Company on NSE and BSE, respectively. c. The Offer Price represents a premium of 4.27% and 4.41% to the highest closing price for a trailing twelve months prior to November 4, 2015, being a working day prior to the date of Public Announcement, of the Equity Shares of the Target Company on NSE and BSE, respectively. d. Vide its report (dated March 2, 2016) on the Fairness and Reasonableness of the Open Offer, SBI Capital Markets Limited, an Independent Advisor, has submitted to the IDC that they reasonably believe that the Open Offer and the Offer Price is fair and reasonable to the Public Shareholders of the Target Company. e. As on the date of this recommendation, the Offer Price represents a premium of 5.31% and 5.39% to the closing price on 2nd March 2016 of the Equity Shares of the Target Company on NSE and BSE, respectively. The IDC would, however, suggest that the Public Shareholders of the Company should independently evaluate the Open Offer and take an informed decision in respect of the Open Offer.
Details of Independent Advisors, if any	SBI Capital Markets Limited, 202, Maker Tower 'E', Cuffe Parade, Mumbai - 400 079. Website: www.sbicaps.com. SEBI Registration No. INM0000033315 Eshwar Consultants House of Corporate & IPR Laws (Provided advisory support on the applicable regulations to the IDC) #4 "Aishwarya", 128/177, 6th Street Kumaran Colony, Vadapalani, Chennai-600026
Any other matter(s) to be highlighted	In terms of the SPA Amendment Agreement dated February 25, 2016 among the Target Company, the Acquirer and the Sellers, on March 1, 2016, vide a bulk/ block deal with some of the Sellers, the Acquirer has acquired 47,679,077 Equity Shares of the Target Company at a price of Rs. 213.10 per Equity Share through open market and has acquired 54,49,250 shares through off market on March 1, 2016 and March 2, 2016 The members of the IDC, have submitted their letters of resignation dated November 4, 2015, to the Board of Directors of the TC, which resignations will take effect from the date of Closing, as defined under the Share Purchase Agreement dated November 5, 2015 which has triggered the Open Offer.

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 Committee of Independent Directors of Polaris Consulting & Services Limited under the SEBI (SAST) Regulations.

Place : Chennai
Date : 3/3/2016

For Polaris Consulting & Services Limited
(Formerly known as Polaris Financial Technology Limited)

Chairman of Committee

Member