PUBLIC ANNOUNCEMENT UNDER REGULATION 15(1) OF THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011

OPEN OFFER FOR ACQUISITION OF UPTO 77,38,087 EQUITY SHARES FROM PUBLIC SHAREHOLDERS OF ACCEL FRONTLINE LIMITED ("TARGET COMPANY" or "AFL") BY CAC CORPORATION ("ACQUIRER" or "CAC") PURSUANT TO AND IN COMPLIANCE WITH REGULATIONS 3(1) AND 4 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AS AMENDED THERETO

1. Offer Details

1.1. **Offer Size:** Up to 77,38,087 fully paid-up Equity Shares of face value Rs. 10/- each of the Target Company ("Equity Share"), representing 26% of the fully diluted Voting Equity Share Capital of the Target Company ("Equity Share Capital").

1.2. **Offer Price / Consideration:** Rs. 45/- (Rupees Forty Five only) per fully paid Equity Share of face value Rs. 10/- each of the Target Company, aggregating to Rs.34,82,13,915/- (Rupees Thirty Four Crore Eighty Two Lacs Thirteen Thousand Nine Hundred Fifteen only).

1.3. **Mode of Payment:** The Offer Price will be paid in Cash, in accordance with Regulation 9(1)(a) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto [**"SEBI (SAST) Regulations"**].

1.4. **Type of Offer:** Triggered Offer pursuant to the acquisition of Equity Shares by way of the Shareholders' Agreement ("SHA") and the Issue of Equity Shares on a preferential basis ("Preferential issue") by way of the Share Subscription Agreement ("SSA"), accompanied by Change in Control, in compliance with Regulation 3(1) and 4 of the SEBI (SAST) Regulations.

1.5. **Offer subject to Minimum Level of Acceptance:** This Offer is not subject to any minimum level of acceptance in terms of Regulation 19(1) of the SEBI (SAST) Regulations.

1.6. **Competing Offer:** This is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.

2. Transaction which has triggered the open offer obligations (Underlying Transaction)

Details of underlying transaction						
Type of Transaction (Direct / Indirect)	**Mode of Transaction (Agreement / Allotment / Market Purchase)**	**Shares / Voting rights acquired / proposed to be acquired**		**Total consideration for shares / voting rights (VR) acquired**	**Mode of Payment (Cash / securities)**	**Regulation which has been triggered**
		Number	% vis-a-vis total equity / voting capital*			
Direct Acquisition (by way of SHA)	Secondary Sale of Shares by Promoters	75,00,000	25.20% of the fully diluted Equity Share Capital*	Rs. 33,75,00,000	Cash	Regulation 3(1) and 4 of the SEBI (SAST) Regulations
Direct Acquisition (by way of SSA)	Preferential Issue of Equity Shares	55,00,000	18.48% of the fully diluted Equity Share Capital*	Rs. 24,75,00,000	Cash	

** Fully Diluted Equity Share Capital (including Preferential Issue): 2,97,61,873 Equity Shares of Rs.10/- each*

Note: *The total consideration for the Preferential Issue of Equity Shares has been calculated at the Offer Price which meets the pricing norms as on the relevant date, i.e. December 9, 2013, in accordance with SEBI (ICDR) Regulations, 2009.*

3. Acquirers / Person Acting in Concert ("PAC"):

Details	**Acquirer**	**PAC**
Name of Acquirer / PAC	CAC Corporation	None
Address	24-1, Hakozaki-cho, Nihonbashi, Chuo-ku, Tokyo 103-0015, Japan Tel.: +81-3-6667-8000, Fax: +81-3-5641-3200 ; E-mail: rohara@cac.co.jp	NA
Name (s) of persons in control / promoters of acquirers / PAC where PAC are companies	CAC is a professionally managed company. The shares of CAC Corporation are widely held by institutional and individual shareholders. There are no identified promoters or controlling shareholders of CAC. The Directors of the Acquirer are Toshio Shimada, Akihiko Sako, Kazuki Kawamata, Toshihiro Adachi, Hirokazu Nagakura, Mitsuyo Hanada, Shigeru Matsushima, Michitaka Hirose and Yukiko Kuroda	NA
Name of the Group, if any to which the Acquirer / PAC belongs to	None	NA
Pre Transaction Shareholding Number (%age of total share capital)	-Nil-	NA
Proposed Shareholding after the acquisition of shares which triggered the open offer	1,30,00,000 Equity Shares of Rs. 10/- each constituting 43.68% of the Voting Rights / Equity Share Capital of the Target Company on a fully diluted basis*	NA
Any other interest in the TC	-Nil-	NA

**Under the SHA, the Acquirer shall acquire such minimum number of Equity Shares that represent 51% (fifty one percent) of the fully diluted Equity Share Capital of the Target Company ("Threshold Shareholding"). As agreed between the Acquirer and the Sellers, pursuant to acquisition of shares under the SHA, the SSA and the Open Offer, the aggregate number of Equity Shares to be sold by the Sellers to CAC shall be increased by such number of Equity Shares which would enable CAC to achieve the Threshold Shareholding.*

4. Details of selling Shareholders:

Name of Sellers	Part of Promoter Group (Yes/No)	Details of Shares / Voting Rights held by the Selling Shareholders			
		Pre Transaction		Post Transaction*	
		Number	In %	Number	In %*
1. Accel Limited (Seller 1)	Yes	1,42,97,191	58.93%	77,97,191	26.20%
2.Mr, N. R. Panicker (Seller 2)	Yes	10,72,500	4.42%	3,72,500	1.25%
3. Accel Systems Group Inc, USA (Seller 3)	Yes	4,83,085	1.99%	1,83,085	0.62%
Total		**1,58,52,776**	**65.34%**	**84,27,051**	**28.07%**

** Post Transaction, shareholding of Sellers is calculated on a fully diluted share capital, i.e., including the Preferential Issue*

Note: *Incremental shares required by CAC to reach Threshold Shareholding shall be sold by Seller 1 only*

5. Target Company

5.1. Name: Accel Frontline Limited

5.2. Registered Office: No. 75, Nelson Manickam Road, Aminjikarai, Chennai 600 029, Tamil Nadu

5.3. Stock Exchanges where Listed: National Stock Exchange of India Limited (NSE) and BSE Limited (BSE)

6. Other Details

6.1. We hereby state that the details of the Open Offer shall be published vide Detailed Public Statement as required by Regulation 13(4) of the SEBI (SAST) Regulations, on or before Monday, December 16, 2013.

6.2. The Acquirer, CAC Corporation and each of its Directors undertake that they are fully aware of and will comply with the obligations of Acquirer, laid down in SEBI (SAST) Regulations and declare that they have adequate financial resources in terms of Regulation 25(1) of the SEBI (SAST) Regulations to meet the Offer Obligations.

ISSUED BY THE MANAGER TO THE OFFER

MEGHRAJ

Meghraj Capital Advisors Private Limited
SEBI Regn. No.: MB/INM000001220

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For and on behalf of the Acquirer:
CAC Corporation
24-1, Hakozaki-cho, Nihonbashi, Chuo-ku, Tokyo 103-0015, Japan

Place: Mumbai
Date: December 9, 2013