

ARCHANA SOFTWARE LIMITED

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Chennai - 600 020, Tamil Nadu, India;
Tel: +91 44 64555955; **Fax:** 044 24405166; **Email:** archanainvestors@gmail.com;
Website: www.archanasoftware.com;
Corporate Identification Number: L17120TN1994PLC029226

Recommendations of the Committee of Independent Directors (“**IDC**”) of Archana Software Limited (“**Target Company**”) under Regulation 26(7) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (“**SEBI (SAST) Regulations, 2011**”) in relation to the open offer made by Mr. Shaju Thomas (“**Acquirer 1**”) and Mrs. Linta P Jose (“**Acquirer 2**”) (**Acquirer 1 and Acquirer 2 are hereinafter collectively referred to as “Acquirers”**), to the public shareholders of the Target Company.

Date	September 07, 2023
Name of the Target Company	Archana Software Limited
Details of the Offer pertaining to Target Company	The Open Offer is being made by the Acquirers in terms of Regulations 3 and 4 of the SEBI (SAST) Regulations, 2011 for acquisition of up to 15,77,342 (Fifteen Lakhs Seventy Seven Thousand Three Hundred and Forty Two) fully paid-up equity shares of face value of ₹ 10/- each (“ Equity Shares ”), representing 26% of the total voting share capital of the Target Company on a fully diluted basis, as of the tenth working day from the closure of the tendering period of the open offer from the eligible shareholders of the Target Company for cash at a price of ₹ 3.78/- (Rupees Three and Seventy Eight Paise only) per equity share (“ Open Offer ”)
Name of the Acquirers and PAC with the acquirer	Acquirer 1 – Mr. Shaju Thomas; and Acquirer 2 – Mrs. Linta P Jose There are no PAC(s) with the Acquirers for the purpose of Open Offer.
Name of the Manager to the offer	Saffron Capital Advisors Private Limited 605, Sixth Floor, Centre Point, J. B. Nagar, Andheri (East), Mumbai - 400 059; Tel. No.: +91 22 49730394; Email id: openoffers@saffronadvisor.com Website: www.saffronadvisor.com Investor grievance id: investorgrievance@saffronadvisor.com SEBI Registration Number: INM 000011211 Contact Person: Ms. Pooja Jain/ Mr. Saurabh Gaikwad
Members of the Committee of Independent Directors (“IDC”)	a) Mr. V. Paranthaman (DIN: 07145773) - Chairperson b) Mrs. P. Parimala (DIN: 07145766) - Member c) Mr. S. Sonaachalam (DIN: 00486087) - Member
IDC Member's relationship with the Target Company (Director, Equity shares owned, any other contract / relationship), if any	i). All the IDC Members are Independent & Non-Executive Directors on the Board of the Target Company. ii). Further, the members of IDC confirm that they do not hold any Equity Shares or other securities in the Target Company. iii). Other than their position as Directors of the Target Company, there are no other contracts or relationship with the Target Company.
Trading in the Equity shares/other securities of the Target Company by IDC Members	None of the IDC Members have traded in Equity Shares / other securities of the Target Company during the: i). 12 (twelve) months prior to the date of Public Announcement (PA) dated June 29, 2023, and ii). period from the date of the PA till the date of this recommendation
IDC Member's relationship with the acquirer (Director, Equity shares owned, any other contract / relationship), if any.	None of the IDC Members holds any contracts, nor have any relationship with the Acquirers.
Trading in the Equity shares/other securities of the acquirer by IDC Members	Not Applicable
Recommendation on the Open offer, as to whether the offer, is or is not, fair and reasonable	Based on the review, i) The IDC Members are of the view that the Offer Price of ₹ 3.78/- per Equity Share is in line with the parameters prescribed by the SEBI (SAST) Regulations, 2011 and the same is fair and reasonable; ii). However, IDC Members would like to draw the attention of the shareholders that, the Equity Shares of the Target Company are trading on BSE at a price that is higher than the Offer Price; and iii) It is advised to the shareholders to independently evaluate the open offer vis-à-vis current share price and take an informed decision before participating in the Offer
Summary of reasons for recommendation	1. The IDC Members have reviewed: a) Public Announcement (“ PA ”) dated June 29, 2023; b) Detailed Public Statement (“ DPS ”) dated July 03, 2023 was published on July 04, 2023; c) Draft Letter of Offer (“ DLOF ”) dated July 10, 2023; d) Letter of Offer (“ LOF ”) dated August 30, 2023; and 2. The IDC members also noted that: a) The Equity Shares of the Target Company are infrequently traded in terms of Regulations 2(1)(j) of the SEBI (SAST) Regulations, 2011. b) The Offer Price is in accordance with Regulation 8(2) of the SEBI (SAST) Regulations, 2011. c) The Offer Price is higher than or equal to (i) negotiated price under the Share Purchase Agreement executed on June 29, 2023, i.e., ₹ 3.78/- per Equity Share and (ii) the price determined by the Acquirers and the Manager taking into account valuation parameters per Equity Share including, book value, comparable trading multiples, and such other parameters as are customary for valuation of shares. Based on above, the IDC Members are of the view that the Offer Price of ₹ 3.78/- per Equity Shares is in line with the parameters prescribed by SEBI (SAST) Regulations, 2011.
Disclosure of the voting pattern	These recommendations were unanimously approved by the Members of the IDC.
Details of Independent Advisors, if any.	None
Any other matter to be highlighted	None

Terms not defined herein carry the meaning ascribed to them in the Letter of Offer dated August 30, 2023.
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 Target Company under the Regulations.

**For and on behalf of the Committee of Independent Directors of
Archana Software Limited
sd/-**

Place: Chennai
Date: September 07, 2023

V. Paranthaman
Chairperson IDC
Communicate India