

February 13, 2020

To,

Department of Corporate Relationship BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400001	Corporate Relationship Department National Stock Exchange of India Ltd. Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051
--	--

Dear Sir/Madam,

Sub.: Outcome of Board Meeting & Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
Ref.: Scrip Code - 511431/VAKRANGEE

We would like to inform you that the Board of Directors of the Company in its meeting held on February 13, 2020 has considered and approved the draft Scheme of Amalgamation, ("Scheme") under section 230-232 of the Companies Act, 2013, of Vakrangee Logistics Private Limited (VLPL) and Vakrangee Finserve Limited (VFL), (both 100% wholly owned subsidiaries) with Vakrangee Limited (VL).

The Scheme is subject to the requisite statutory/regulatory approvals including the approval of National Company Law Tribunal.

In terms of regulation 30 of the SEBI (LODR) Regulations, 2015 and SEBI circular issued there under, we are furnishing the details as under:

S. No	Particulars	Description												
1	Name of the entity(ies) forming part of the amalgamation/merger, details in brief such as, size, turnover etc.;	<p>The proposed merger is between Vakrangee Finserve Limited ("Transferor Company"/ "VFL") and Vakrangee Logistics Private Limited ("Transferor Company"/"VLPL") with Vakrangee Limited ("Transferee Company"/"VL").</p> <p>Both the Transferor Companies are Wholly Owned Subsidiary of the Transferee Company.</p> <p>Transferor Companies and Transferee Company are incorporated under Companies Act, 1956/2013, having its Registered Office at Vakrangee Corporate House, Plot No.93, Road No.16, M.I.D.C. Marol, Andheri - (E) Mumbai - 400093.</p> <p>Below are the brief details of Transferor and Transferee Companies as on 31st March, 2019.</p> <table border="1"> <thead> <tr> <th>Company name</th> <th>Net Worth</th> <th>Turnover</th> </tr> </thead> <tbody> <tr> <td>Vakrangee Limited</td> <td>Rs.25,86,54,94,000/-</td> <td>Rs.14,49,77,39,000/-</td> </tr> <tr> <td>VFL</td> <td>Rs.29,52,05,849/-</td> <td>Rs.61,93,30,307/-</td> </tr> <tr> <td>VLPL</td> <td>Rs. 9,01,33,510/-</td> <td>Rs.22,09,020.98/-</td> </tr> </tbody> </table>	Company name	Net Worth	Turnover	Vakrangee Limited	Rs.25,86,54,94,000/-	Rs.14,49,77,39,000/-	VFL	Rs.29,52,05,849/-	Rs.61,93,30,307/-	VLPL	Rs. 9,01,33,510/-	Rs.22,09,020.98/-
Company name	Net Worth	Turnover												
Vakrangee Limited	Rs.25,86,54,94,000/-	Rs.14,49,77,39,000/-												
VFL	Rs.29,52,05,849/-	Rs.61,93,30,307/-												
VLPL	Rs. 9,01,33,510/-	Rs.22,09,020.98/-												



2	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length"	<p>Both the Transferor Companies are Wholly Owned Subsidiary of the Transferee Company.</p> <p>The proposed merger does not fall within the purview of related party transactions.</p> <p>Further, as per the regulation 23(5)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the related party transaction provisions are not applicable to the proposed merger.</p>
3	Area of business of the entity(ies);	<p>Vakrangee Finserve Limited is engaged in providing financial inclusion services through its business correspondent agents.</p> <p>Vakrangee Logistics Private Limited is engaged in providing last mile delivery services of parcels on behalf of e-commerce entities and courier booking services.</p> <p>Vakrangee Limited is a unique technology driven company focused on building India's largest network of last-mile retail outlets to deliver real-time banking & Financial Services, ATM, insurance, egovernance, e-commerce and logistics services to the unserved rural, semi-urban and urban markets. The Assisted Digital Convenience stores are called as "Vakrangee Kendra" which acts as the "One-stop shop" for availing various services and products.</p>
4	Rationale for merger	<p>a) Consolidation of businesses of the Transferor Companies (all of which are wholly-owned subsidiaries of the Transferee Company and all engaged in related and supporting businesses) and the Transferee Company into a single entity which would result in the business activities to be carried out with greater focus and specialization thus, leading to the objective of achieving sustained growth.</p> <p>b) Enable the shareholders of Vakrangee Limited to get direct participation in the business of its present wholly owned subsidiaries (being VLPL and VFL).</p> <p>c) Simplified group and business structure;</p> <p>d) Elimination of multiplicity of the companies leading to synergies in operations, achieving efficiencies and economies of scale and reduction in operational costs, overheads, administrative and other expenditure.</p> <p>e) The amalgamation of the operations of the Transferor Companies into the Transferee Company will assist the Transferor Companies and its management in meeting the funding through a common funding mechanism. This will result in effective management and utilization of funds for capital expenditure and working capital. The efficiencies generated through cash management of the merged entity and access to cash flow generated by the combined business can be deployed more efficiently to fund organic and inorganic growth opportunities and to maximize shareholders value.</p> <p>f) The proposed amalgamation is in line with the global trend to achieve size, scale, integration and greater financial strength and flexibility, in the interest of maximizing shareholders value. The merged entity i.e. the Transferee Company is likely to achieve higher long-term financial returns than that could be achieved by the Transferor Companies and the Transferee Company individually.</p>



		<p>g) The Transferor Companies believe that the financial managerial and technical resources, personnel, capabilities, skills, expertise and technologies of the Transferor Companies pooled in the merged entity will lead to increased competitive strength, cost reduction and efficiencies thereby significantly contributing to future growth.</p> <p>h) The amalgamation of the operations of the Transferor Companies into the Transferee Company will result in effective management and utilization of funds for capital expenditure and working capital. The efficiencies generated through cash management of the merged entity and access to cash flow generated by the combined business can be deployed more efficiently to fund organic and inorganic growth opportunities and to maximize shareholders value.</p> <p>i) Reducing time and efforts for consolidation of financials at group level.</p>
5	In case of cash consideration - amount or otherwise share exchange ratio	<p>There is no cash consideration involved. The Transferor Companies are wholly owned subsidiary of the Transferee Company and the entire share capital of the Transferor Companies are held by the Transferee Company and its nominees.</p> <p>Therefore, upon the Scheme becoming effective, all shares held by the Transferee Company and its nominees in the share capital of the Transferor Companies as on the effective date shall stand cancelled, without any further act or deed.</p>
6	Brief details of change in shareholding pattern (if any) of listed entity	There will be no change in the shareholding pattern of the Transferee Company as no shares are being issued by the Transferee Company in connection with the Scheme.

The Board Meeting commenced at 12.00 NOON and concluded at 1.30 P.M.

Please take the above on your records.

Thanking you,

Yours faithfully,

For Vakrangee Limited

Mehul
Mehul Raval
Company Secretary
(Mem. No.: A18300)

