

NCLT PAVES WAY FOR VAKRANGEE LIMITED DEMERGER

MUMBAI, January 20, 2023: The Hon'ble National Company Law Tribunal (NCLT) today paves the way towards creation of two separate listed entities viz. Vakrangee Limited and VL E-Governance & IT Solutions Limited. Vakrangee Limited is already a listed entity and VL E-Governance & IT Solutions Limited to be listed as a Separate entity.

The Hon'ble NCLT, by way of its order dated January 20, 2023 ("Order") has inter alia directed the Company to convene a meeting of its equity shareholders on Friday, 3rd March, 2023 at 11.00 a.m & unsecured creditors on Friday, 3rd March, 2023 at 02.00 p.m., to approve the arrangement embodied in the Scheme under Sections 230 to 232 of the Companies Act, 2013 ("Act"), through Video Conferencing and/ or Other Audio Visual Means, without the requirement of physical presence at a common venue.

We believe the Demerger would unlock the potential of the Core Vakrangee kendra Business in the current Listed entity with existing business of Vakrangee Kendra physical outlets as well as Digital platform of BharatEasy Mobile Super app. Vakrangee Kendra Business is Retail centric Consumer facing business. It is an Asset Light, High return on capital business and thereby will get the proper representation post the Demerger. We believe this would lead to significant rerating of the core business and would maximize shareholder wealth. The Capital intensive E-Governance & IT/ITES Business would be part of the separate listed entity i.e. VL E-Governance & IT Solutions Limited.

The Demerger will enable both the Companies to enhance business operations by streamlining operations more efficient management control and outlining independent growth strategies.

The Board had approved the demerger of the Governance and IT/ITES division in November, 2021. Subsequently, in connection with the composite scheme of arrangement, the Company has obtained consent from SEBI, Stock Exchanges, and clearances from other stakeholders.

Currently, we have more than 24,887 outlets spread across 33 states / UTs, 595 districts and 5834 postal codes. Our ~82% outlets are present in deep rural Tier 4 to 6 locations.

We have a clear Focus on Market Expansion & to strengthen our first mover advantage, thereby our Plan is to achieve our Long Term Outlet expansion Target of 75,000 Next-Gen outlets within the next 12-18 Months through our Master Franchisee Initiative. We are in process of appointing District level Master franchisees across the country which would help us scale at a much faster pace and thereby achieve our Long Term targets well ahead of targeted timelines.

This will also mark our presence across 100% districts and postal codes of the country and will make us India's Largest Last Mile Rural distribution platform with a physical presence.

About Vakrangee Limited

(BSE Code: 511431; NSE Code: VAKRANGEE)

Incorporated in 1990, Vakrangee has emerged as one of India's largest Last Mile Distribution Platform with a Physical as well as Digital Eco-system in place with a PAN INDIA Presence. We are delivering real-time banking & Financial Services, ATM, insurance, e-governance, e-commerce (including Healthcare services) and logistics services to the unserved rural, semi-urban and urban markets and enabling Indians to benefit from financial, social and digital inclusion.

Vakrangee has emerged as the "Go To Market Platform" for various Business verticals including Fintech and Digital platforms. The Assisted Digital Convenience stores (Physical Outlets) are called as "Vakrangee Kendra" which acts as the "One-stop shop" for availing various services and products and Digital platform is called as BharatEasy Mobile Super app.

For further information, please contact at:

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