

March 23, 2022

**To**  
**BSE Limited**  
**Phiroze Jeejeebhoy**  
**Towers Dalal Street**  
**Mumbai- 400001**  
*Scrip code: 541770*

**National Stock Exchange of India Limited**  
**The Exchange Plaza**  
**Bandra Kurla Complex Bandra (East)**  
**Mumbai- 400051**  
*Scrip code: CREDITACC*

Dear Sir/Madam,

**Sub: Notice of the Meeting of the Equity Shareholders being convened pursuant to the Order of the Hon'ble National Company Law Tribunal, Bengaluru Bench, dated February 25, 2022, in the matter of Scheme of Amalgamation between Madura Micro Finance Limited and CreditAccess Grameen Limited and their respective Shareholders and Creditors:**

Pursuant to the Order dated February 25, 2022 in the Company Scheme Application No.CA(CAA) No.60/BB/2021 ("Order"), passed by the Hon'ble National Company Law Tribunal, Bengaluru Bench ("the NCLT"), a meeting of the Equity Shareholders of CreditAccess Grameen Limited ("the Company") will be held on **Monday, April 25, 2022 at 11:00 AM** (IST) through Video Conferencing/Other Audio Visual Means ("NCLT convened meeting") to consider and approve the Scheme of Amalgamation between Madura Micro Finance Limited ("Transferor Company") and CreditAccess Grameen Limited ("Transferee Company") and their respective shareholders and creditors ("Scheme").

Pursuant to the aforesaid Order, Notice of the NCLT convened meeting, together with the explanatory statement and other documents accompanying the same, is being sent through electronic mode to those Members whose names appear in the register of members/ list of beneficial owners as received from Registrar and Transfer Agent (RTA) as on Friday, March 11, 2022, and whose email addresses are registered with the Company/ Depositories. Further, for members whose email address are not registered, the hard copies of notice together with the explanatory statement and other documents accompanying the same, are being sent through registered post, to their respective last known addresses.

The Hon'ble NCLT has appointed Mr. Saji P. John, Advocate, as the Chairman and Mr. Naman Gurumurthi Joshi, Practicing Company Secretary, as the Scrutinizer of the said NCLT convened meeting, including for any adjournment(s) thereof.

In accordance with the said Order and applicable sections/rules/regulations made under the Companies Act, SEBI LODR Regulations and SEBI Circulars, the Company is providing remote e-voting facility to all the equity shareholders to consider and approve the Scheme. Accordingly, e-voting by the equity shareholders of the Company shall be carried out as under:

- i. through remote e-voting prior to the Meeting commencing from Monday, March 28, 2022 at 9.00 a.m. IST and ending at 5.00 p.m. IST on Sunday, April 24, 2022; and
- ii. through e-voting facility made available during the Meeting through VC/OAVM.

The voting rights of equity shareholders shall be in proportion to their equity shareholding in the Company as on the close of business on Tuesday, March 22, 2022 ("cut-off date").

A copy of the Notice of the NCLT convened meeting dated March 23, 2022, along with the Explanatory Statement and other Annexures *inter-alia* containing the copy of Scheme and Abridged Prospectus in terms of the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, of the Transferor Company is enclosed herewith for your information and records.

Further, the notice along with explanatory statement and other annexures are also available on the website of the Company at [www.creditaccessgrameen.in](http://www.creditaccessgrameen.in)

Please take this intimation on record.

Thanking you,

**Yours' Truly**  
**For CreditAccess Grameen Limited**



**M. J Mahadev Prakash**  
**Head – Compliance, Legal & Company Secretary**

*Encl.: As above*



## **CREDITACCESS GRAMEEN LIMITED**

Regd. Office: New No. 49, 46<sup>th</sup> Cross, Next to Rajalakshmi Kalyana Mantapa,  
8<sup>th</sup> Block, Jayanagar, Bengaluru - 560070 (Karnataka)

CIN: L51216KA1991PLC053425

Website: [www.creditaccessgrameen.in](http://www.creditaccessgrameen.in) Email: [cs@cagrameen.in](mailto:cs@cagrameen.in)

### **MEETING OF THE EQUITY SHAREHOLDERS OF CREDITACCESS GRAMEEN LIMITED**

*(Convened pursuant to the Order dated February 25, 2022 passed by the Hon'ble National Company Law Tribunal, Bengaluru Bench)*

<b>Day</b>	Monday
<b>Date</b>	April 25, 2022
<b>Time</b>	11:00 A.M. (IST)
<b>Venue/Mode</b>	Through video Conferencing or Other Audio-Visual Means in terms of the Order delivered by the Hon'ble National Company Law Tribunal, Bengaluru Bench, on February 25, 2022.

#### **Details of Remote E-Voting:**

<b>Commencing on</b>	Monday, March 28, 2022, at 9:00 A.M. (IST)
<b>Ending on</b>	Sunday, April 24, 2022, at 5:00 P.M. (IST)

<b>Chairman of the Meeting</b>	Mr. Saji P. John Advocate Unit No. 1002, 10 <sup>th</sup> Floor, #30, Prestige Meridian II, M.G. Road Bengaluru – 560001 Email - <a href="mailto:saji@spjlegal.com">saji@spjlegal.com</a>
<b>Scrutinizer for the Meeting</b>	Mr. Naman Gurumurthi Joshi Practicing Company Secretary 4144, Prakruthi Crystal, 4 <sup>th</sup> Floor, 4 <sup>th</sup> Phase Girinagar, Near Seetha circle, Bengaluru – 560085 Email – <a href="mailto:csnaman@ngjoshiandco.com">csnaman@ngjoshiandco.com</a>

**Documents Enclosed:**

<b>Sl. No.</b>	<b>Contents</b>	<b>Page No.</b>
1	Notice of the Meeting of the equity shareholders of CreditAccess Grameen Limited convened pursuant to the order dated February 25, 2022 passed by the Hon'ble National Company Law Tribunal, Bengaluru Bench ("NCLT").	4-19
2	Explanatory Statement under Sections 230(3), 232(1), 232(2), 102 and other applicable provisions of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.	20-49
3	Scheme of amalgamation between Madura Micro Finance Limited, CreditAccess Grameen Limited and their respective shareholders and creditors, under Sections 230-232 of the Companies Act, 2013, enclosed as <b>Annexure 1</b> .	50-67
4	Valuation Report dated November 27, 2019, issued by M/s BSR & Associates, LLP, Chartered Accountants, to CreditAccess Grameen Limited and Madura Micro Finance Limited enclosed as <b>Annexure 2</b> .	68-77
5	Certificate dated November 27, 2019, issued by Messrs. S. R. Batliboi & Co., LLP, Chartered Accountants and Certificate dated July 03, 2021, issued by M/s PKF Sridhar & Santhanam LLP, Chartered Accountants, to the effect that the accounting treatment, if any, proposed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, enclosed as <b>Annexure 3A</b> and <b>Annexure 3B</b> respectively.	78-81
6	Fairness Opinion dated November 27, 2019 issued by Systematix Corporate Services Limited, to CreditAccess Grameen Limited and Madura Micro Finance Limited, enclosed as <b>Annexure 4</b> .	82-85
7	Observation Letters dated May 07, 2021 issued by BSE Limited and National Stock Exchange of India Limited to CreditAccess Grameen Limited, enclosed as <b>Annexure 5A</b> and <b>Annexure 5B</b> , respectively.	86-89
8	Report adopted by the Board of Directors of CreditAccess Grameen Limited and Madura Micro Finance Limited pursuant to the provisions of Section 232(2)(c) of the Companies Act, 2013, enclosed as <b>Annexure 6A</b> and <b>Annexure 6B</b> respectively.	90-96
9	Abridged prospectus for Madura Micro Finance Limited (in the format specified in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018), along with the due diligence certificate dated March 17, 2022, issued by CapitalSquare Advisors Private Limited, Merchant Bankers, enclosed as <b>Annexure 7</b> .	97-111

10	Complaints Report dated December 10, 2020 submitted to BSE Limited and Complaints Report dated January 04, 2021 submitted to National Stock Exchange of India Limited, by CreditAccess Grameen Limited enclosed as <b>Annexure 8A</b> and <b>Annexure 8B</b> respectively.	112-115
11	Pre-scheme and post-scheme shareholding pattern of CreditAccess Grameen Limited and Madura Micro Finance Limited, enclosed as <b>Annexure 9</b> .	116-127
12	<p>Unaudited financial statements along with the limited review report of the statutory auditors of CreditAccess Grameen Limited and Madura Micro Finance Limited as on December 31, 2021, enclosed as <b>Annexure 10A</b> and <b>10B</b> respectively.</p> <p>The Audited Financial Statements as on March 31, 2021 of the both CreditAccess Grameen Limited and Madura Micro Finance Limited are available on the website <a href="http://www.maduramicrofinance.com">www.maduramicrofinance.com</a> and <a href="http://www.creditaccessgrameen.in">www.creditaccessgrameen.in</a> respectively.</p>	128-144
13	Copy of Form GNL-1 along with its payment challan filed by CreditAccess Grameen Limited with the Registrar of Companies enclosed as <b>Annexure 11</b> .	145-149
14	Copy of the Compliance Report certified by the Company Secretary, Chief Financial Officer and the Managing Director of CreditAccess Grameen Limited, confirming the compliance with various regulatory requirements specified for schemes of arrangement and all accounting standards, enclosed as <b>Annexure 12</b> .	150-151
15	Copy of Order dated February 25, 2022, issued by Hon'ble National Company Law Tribunal, Bengaluru Bench, with regard to Scheme of Amalgamation between Madura Micro Finance Limited, CreditAccess Grameen Limited and their respective shareholders and creditors, under Sections 230-232 of the Companies Act, 2013, enclosed as <b>Annexure 13</b> .	152-166

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH**

**CA (CAA) No.60/BB/2021**

**In the matter of the Companies Act, 2013**

**In the matter of Application under Sections 230 - 232 and other relevant provisions of the Companies Act, 2013 read with the Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016**

**AND**

**In the matter of Scheme of Amalgamation between Madura Micro Finance Limited and CreditAccess Grameen Limited and their respective Shareholders and Creditors.**

**BETWEEN**

Madura Micro Finance Limited, a public limited company incorporated under the Companies Act, 1956 having CIN U65929TN2005PLC057390, having its Registered Office at No. 36, II Main Road, Kasturba Nagar, Adyar, Chennai, Tamil Nadu 600020.

**.....Transferor/Transferor Company**

**AND**

CreditAccess Grameen Limited, a public limited company incorporated under the Companies Act, 1956 having CIN L51216KA1991PLC053425, and its Registered Office at New No. 49 (Old No.725), 46<sup>th</sup> Cross, 8<sup>th</sup> Block, Jayanagar (Next to Rajalakshmi Kalyana Mantapa), Bangalore, Karnataka 560070.

**.....Transferee/Transferee Company**

**FORM NO. CAA2**

**NOTICE CONVENING MEETING OF THE EQUITY SHAREHOLDERS OF  
CREDITACCESS GRAMEEN LIMITED**

**To**  
**The equity shareholders of**  
**CreditAccess Grameen Limited**  
**Bangalore**

**NOTICE** is hereby given that by an order dated February 25, 2022 ("**Order**"), the Hon'ble National Company Law Tribunal, Bench at Bengaluru ("**NCLT**") has directed that a meeting of the equity shareholders of CreditAccess Grameen Limited be convened, to consider, and if thought fit, to approve, with or without modifications(s) the Scheme of Amalgamation between Madura Micro Finance Limited ("**Transferor Company**") and CreditAccess Grameen Limited ("**Transferee Company**") and their respective shareholders and creditors ("**Scheme**").

**TAKE FURTHER NOTICE** that in pursuance of the said Order and as directed therein, a meeting of the equity shareholders of the Transferee Company is being convened on **Monday, the 25<sup>th</sup> day of April, 2022 at 11:00 A.M. (IST)** through video conferencing or other audio visual means ("**VC/OAVM**" and such meeting, the "**Meeting**"), without the physical presence of the equity shareholders at a common venue by following the operating procedures (with requisite modifications as may be required) referred to in General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 10/2021 dated June 23, 2021 and General Circular No. 20/2021 dated December 08, 2021 issued by the Ministry of Corporate Affairs, Government of India (collectively referred to as "**MCA Circulars**"), and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 issued by the Securities and Exchange Board of India (collectively referred to as the "**SEBI Circulars**") to consider and if thought fit, to pass, with or without modifications(s), the following resolution under Sections 230-232 of the Companies Act, 2013 ("**Act**") and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (including any statutory modification(s) thereof for the time being in force) ("**Rules**"):

**"RESOLVED THAT** pursuant to the provisions of Sections 230 - 232 of the Companies Act, 2013, and any other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and any other rules, circulars and notifications made under the Companies Act, 2013 as may be applicable, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 issued by the Securities and Exchange Board of India

*(as amended) read with the observation letters issued by BSE Limited and National Stock Exchange of India Limited both dated May 7, 2021, and relevant provisions of other applicable laws, the Memorandum of Association and the Articles of Association of CreditAccess Grameen Limited, and subject to the approval of the Bengaluru Bench of the National Company Law Tribunal and such other approvals, permissions and sanctions of regulatory or governmental and other authorities or tribunal, as may be necessary, and subject to such conditions and modifications as may be prescribed or imposed by the Bengaluru Bench of the National Company Law Tribunal, or by any regulatory or other authorities or tribunal, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of CreditAccess Grameen Limited (hereinafter referred to as the "**Board**", which term shall be deemed to mean and include one or more committee(s) constituted/to be constituted by the Board of Directors or any other person authorised by it to exercise its powers including the powers conferred by this resolution), the scheme of arrangement between CreditAccess Grameen Limited, a public listed company, having its Registered Office at New No. 49 (Old No.725), 46th Cross, 8th Block, Jayanagar (Next to Rajalakshmi Kalyana Mantapa) Bangalore, Karnataka-560070 and Madura Micro Finance Limited, a Public limited company, having its Registered Office at No. 36, II Main Road, Kasturba Nagar, Adyar, Chennai, Tamil Nadu 600020, and their respective Shareholders and Creditors ("**Scheme**"), enclosed with this notice, be and is hereby approved with or without modification and for conditions, if any, which may be required and / or imposed and / or permitted by the Bengaluru Bench of the National Company Law Tribunal, while sanctioning the Scheme and / or by any government authority.*

**RESOLVED FURTHER THAT** *for the purpose of giving effect to the above resolution and for removal of any difficulties or doubts, the Board, be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, usual or proper, and to settle any questions or difficulties or doubts that may arise, including passing of such accounting entries and/or making such adjustments in the books of accounts as considered necessary to give effect to the above resolution, settling of any questions or difficulties arising under the Scheme or in regard to and of the meaning or interpretation of the Scheme or implementation thereof or in any matter whatsoever connected therewith, and to do all acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect or to carry out such modifications/directions as may be required and/or imposed and/ or permitted by the Bengaluru Bench of the National Company Law Tribunal while sanctioning the Scheme, or by any governmental authorities, or to approve withdrawal (and where applicable, re-filing) of the Scheme at any stage for any reason including in case any changes and/or modifications are suggested/required to be made in the Scheme or any condition suggested, required or imposed, whether by any shareholder, creditor, Reserve Bank of India, Securities and Exchange Board of India, the National Company Law Tribunal, and/or any other authority, and to do all such acts, deeds and things as it may deem necessary and desirable in connection therewith and incidental thereto."*

The Hon'ble Tribunal has appointed Mr. Saji P. John to be Chairperson of the Meeting. The Tribunal has also appointed Mr. Naman Gurumurthi Joshi, Practicing Company Secretary, as the Scrutinizer for the Meeting, including for any adjournment(s) thereof.



In accordance with the Order and the provisions of (i) Section 108 and other applicable provisions of the Act; (ii) Rule 20 of the Companies (Management and Administration) Rules, 2014; (iii) Rule 6(3)(xi) of the Rules; (iv) Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("**SEBI LODR Regulations**"); and (v) Paragraph 9 of Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 (as amended from time to time) on Schemes of Arrangement by Listed Entities and Relaxation under Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957 issued by the Securities and Exchange Board of India, as amended from time to time ("**SEBI Scheme Circular**") the Transferee Company has provided remote e-voting facility so as to enable the equity shareholders to consider and approve the Scheme by way of passing the aforesaid resolution.

Accordingly, voting by the equity shareholders of the Transferee Company to the Scheme shall be carried out (a) through remote e-voting prior to the Meeting during the period commencing from Monday, March 28, 2022 at 9.00 a.m. and ending at 5.00 p.m. on Sunday, April 24, 2022 or (b) through e-voting facility made available during the Meeting through VC/ OAVM. If you opt for remote e-voting, you will nevertheless be entitled to attend and participate in the Meeting but you will not be entitled to vote again during the Meeting through VC/ OAVM. The voting rights of equity shareholders shall be in proportion to their equity shareholding in the Transferee Company as on the close of business on Tuesday, 22<sup>nd</sup> day of March, 2022 ("**Cut-off Date**"). Equity shareholders may refer to the "Notes" for further details on remote e-voting.

Since the with the Meeting is being held through VC/ OAVM, without the requirement of physical presence of the equity shareholders, there is no requirement of appointment of proxies in terms of the MCA Circulars. Accordingly, the facility of appointment of proxies by equity shareholders under Section 105 of the Act will not be available for the said Meeting and hence, the Route Map, Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Sections 112 and 113 of the Act, authorised representatives of the corporate members may be appointed for the purpose of voting through remote e-voting, for participation in the Meeting through VC/ OAVM facility and e-voting during the Meeting provided an authority letter/ power of attorney by the Board of Directors or a certified copy of the resolution passed by its Board of Directors or other governing body authorizing such representative to attend and vote at the Meeting through VC/ OAVM on its behalf along with the attested specimen signature of the duly authorized signatory(ies) who are authorized to vote is emailed to the Scrutinizer at [csnaman@ngjoshiandco.com](mailto:csnaman@ngjoshiandco.com) with a copy marked to KFin Technologies Private Limited ("**KFin**") at [www.evoting@kfintech.com](mailto:www.evoting@kfintech.com) and to the Transferee Company at [cs@cagrameen.in](mailto:cs@cagrameen.in) not later than 48 (forty-eight) hours before the time scheduled for holding the Meeting. Such corporate members are requested to refer to the "Notes" for further details.

The above Scheme, if approved by the equity shareholders, will be subject to the subsequent approval of the NCLT. The results of the Meeting shall be announced by the Chairperson or the person authorised by the Chairperson not later than 48 hours from the conclusion of the Meeting and the same shall be displayed on the website of the Transferee Company [www.creditaccessgrameen.in](http://www.creditaccessgrameen.in), on website of both the stock exchanges viz. National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of KFin, the Registrar & Share Transfer Agents ("**RTA**") of the Transferee Company, at [www.evoting.kfintech.com](http://www.evoting.kfintech.com).

The copy of the Scheme, Explanatory Statement under Sections 230(3), 232(1), 232(2), 102 and other applicable provisions of the Act read with Rule 6 of the Rules, and annexures as stated in the index are enclosed herewith. In terms of the Order, the notice of this Meeting, together with the documents accompanying the same, is being sent by electronic mode to those equity shareholders of the Transferee Company whose e-mail addresses are registered with the Transferee Company/ the relevant depository participant(s) and for the equity shareholders who have not registered their e-mail address with the Transferee Company/ the relevant depository participant(s), the notice of this Meeting, together with the documents accompanying the same, is being sent through registered post or speed post or through courier to their last known address. A copy of this Notice and the accompanying documents will also be hosted on the website of the Transferee Company at [www.creditaccessgrameen.in](http://www.creditaccessgrameen.in) and will also be available on the website of BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and also on the website of KFin at [www.evoting.kfintech.com](http://www.evoting.kfintech.com).

The Transferee Company will furnish a copy of the Scheme along with a copy of the Explanatory Statement within 1 (One) working days of any requisition of the Scheme being made by any equity shareholder, to the Transferee Company by e-mail at [cs@cagrameen.in](mailto:cs@cagrameen.in). The Scheme and the Explanatory Statement along with the enclosures as indicated in the index, can be obtained on any day except Saturday, Sunday and public holidays, free of charge at the registered office of the Transferee Company at No.49, 46th Cross, 8th Block, Jayanagar, Bengaluru – 560070.

In accordance with the provisions of Sections 230-232 of the Act, the Scheme shall be considered as approved by the equity shareholders only if the Scheme is approved by a majority of members representing 3/4<sup>th</sup> (three-fourth) in value of the equity shareholders of the Transferee Company, who vote through remote e-voting facility made available prior to the Meeting and e-voting facility made available during the Meeting through VC/ OAVM.

**By Order of the NCLT, Bengaluru**



**Date: March 23, 2022**

**Place: Bengaluru**

**M. J. Mahadev Prakash**  
**Authorized Signatory /**  
**Head – Compliance, Legal & Company Secretary**

No. 49, 46<sup>th</sup> Cross  
8<sup>th</sup> Block, Jayanagar  
Bengaluru - 560070 (Karnataka) ("**Registered Office**")  
CIN: L51216KA1991PLC053425

**Notes:**

1. Only registered equity shareholders of the Transferee Company may attend (either in person or by Authorised Representative) the said Meeting of the equity shareholders of the Transferee Company, being conducted through Video Conferencing ("**VC**") / Other Audio-Visual Means ("**OAVM**") and vote at the Meeting.
2. In view of the ongoing COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the order pronounced on February 25 2022, in Company Scheme Application No. CA(CAA) No.60/BB/2021 ("**Order**"), passed by the Hon'ble National Company Law Tribunal, Bengaluru bench ("**NCLT**"), the meeting of the equity shareholders of the Transferee Company ("**Meeting**") is being convened on Monday, the 25<sup>th</sup> day of April, 2022 at 11 A.M. through VC/OAVM without the physical presence of the equity shareholders at a common venue, as per applicable procedure (with requisite modifications as may be required) referred to in General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020 General Circular No. 39/2020 dated December 31, 2020 and General Circular No. 10/2021 dated June 23, 2021 issued by the Ministry of Corporate Affairs, Government of India (collectively referred to as "**MCA Circulars**"), and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 issued by the Securities and Exchange Board of India (collectively referred as "**SEBI Circulars**") for the purpose of considering, and if thought fit, approving the scheme of amalgamation proposed to be made between the Transferee Company, the Transferor Company and their respective shareholders and creditors, pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Act**" and such scheme, the "**Scheme**"). In accordance with the MCA Circulars, provisions of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), the Meeting is being held through VC/ OAVM. As per the Order and MCA Circulars, since the meeting is held through VC/OAVM, the venue of the Meeting is not relevant.
3. Participation of members through VC/OAVM will be reckoned for the purpose of quorum for the Meeting as per Section 103 of the Act. Further, in terms of the Order in case the required quorum for the Meeting is not present at the commencement of the Meeting, the meeting shall be adjourned by 30 (thirty) minutes, and, thereafter, the persons present and voting shall be deemed to constitute the quorum.
4. The Explanatory Statement under Sections 230(3), 232(1), 232(2) and 102 of the Act read with Rule 6 of the Rules, in respect of the business set out in the Notice, is annexed hereto.
5. Members of the Transferee Company under the category of institutional investors are encouraged to attend and vote at the Meeting through VC/OAVM. Corporate members intending to authorize their representatives to participate and vote at the Meeting are requested to send a certified

copy of the board resolution / authorization letter to the Transferee Company at [cs@cagrameen.in](mailto:cs@cagrameen.in) or upload the same on the VC portal / e-voting portal.

6. Members whose shareholding is in electronic mode are requested to direct notifications about change of address, mobile number and email IDs to their respective depository participants(s) (“**DPs**”) and also to quote folio number/client ID/DP ID, in all their correspondence with the Transferee Company/DP.
7. In compliance with Section 108 and other applicable provisions of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, Rule 6(3)(xi) of the Rules, Regulation 44 of the SEBI LODR Regulations, Paragraph 9 of the SEBI Scheme Circular and SEBI Circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 as amended from time to time, the Transferee Company has provided a facility to its members to exercise their votes electronically through the electronic voting (“**e-voting**”) facility provided by KFin Technologies Private Limited (“**KFin**”), the Registrar & Share Transfer Agents (“**RTA**”) of the Transferee Company.
8. Members who have cast their votes by remote e-voting prior to the Meeting may participate in the Meeting but shall not be entitled to cast their votes again. The instructions for remote e-voting by members holding shares in dematerialized mode and for members who have not registered their email address is provided in the e-voting section, which forms part of this Notice.
9. As the Meeting is being held through VC/OAVM, the facility for appointment of proxies by the equity shareholders is not available for the Meeting and hence, the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
10. In terms of the Order, Mr. Naman Gurumurthi Joshi has been appointed as the Scrutinizer to scrutinize the remote e-voting as well as the e-voting process at the Meeting, in a fair and transparent manner. The Scrutinizer shall submit a consolidated report on votes cast to the Chairperson of the Meeting or to the person so authorised by Chairperson within 48 (forty-eight) hours from the conclusion of the Meeting. The scrutinizer’s decision on the validity of the votes cast electronically shall be final.
11. Members holding shares as on cut-off date, i.e., **Tuesday, March 22, 2022**, may cast their votes electronically. A member will not be allowed to vote again on any resolution on which his vote has already been cast. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Transferee Company as on the cut-off date. A person who is not a member as on the cut-off date is requested to treat this Notice for information purposes only.

12. Once the vote on a resolution is cast by the shareholder either through remote e-voting or at the Meeting, he/she shall not be allowed to change it subsequently.
13. The facility for e-voting at the Meeting will also be made available. Members present at the meeting through VC/OAVM and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the Meeting.
14. The results of the remote e-voting and e-voting at the Meeting shall be declared within 48 hours of conclusion of the Meeting, which will be published on the website of the Transferee Company, KFin and on the websites of the stock exchanges, where the equity shares of the Transferee Company are listed.
15. In terms of the Order, the notice of this Meeting, together with the documents accompanying the same, is being sent by electronic mode to those equity shareholders of the Transferee Company whose e-mail addresses are registered with the Transferee Company/ the relevant depository participant(s) and for the equity shareholders who have not registered their e-mail address with the Transferee Company/ the relevant depository participant(s), the notice of this Meeting, together with the documents accompanying the same, is being sent through registered post or speed post or through courier to their last known address.
16. We urge members to support our commitment to environmental protection by choosing to receive the Transferee Company's communication through email. Members holding shares in demat mode, who have not registered/updated their email addresses are requested to register/update their email addresses as per the instructions provided by your respective DPs or the RTA.
17. Members may also note that the Notice of the Meeting will also be available on the Transferee Company's website, [www.creditaccessgrameen.in](http://www.creditaccessgrameen.in) websites of the stock exchanges, i.e. BSE Limited and National Stock Exchange of India Limited, at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of RTA, [www.evoting.kfintech.com](http://www.evoting.kfintech.com)
18. In accordance with the Order, the Notice convening the aforesaid Meeting will be published through advertisement in Financial Express in English language and a Kannada translation thereof in Vishwavani newspapers, indicating the day, date, time and link of the Meeting being held though VC/ OAVM and stating that the copies of the Scheme, the Explanatory Statement required to be furnished pursuant to Sections 230 - 232 of the Act shall be provided free of charge at the registered office of the Transferee Company. As the Meeting is being held through VC/ OAVM, the Proxy Form will not be made available, in terms of the MCA Circulars.

19. Members who have acquired shares after the dispatch of this Notice and before the cut-off date may approach the Transferee Company/ RTA for issuance of User ID and Password for exercising their votes by electronic means.
20. Further, details to be included in terms of the Rules, the Act and the SEBI Scheme Circular, are included in the Explanatory Statement.

### **PROCEDURE FOR REMOTE E-VOTING AND ATTENDING THE MEETING THROUGH VC/OAVM**

- i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI LODR Regulations and in terms of SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting facility provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KFin, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.
- ii. However, pursuant to the SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual DEMAT account holders, by way of single login credential, through their DEMAT accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.
- iii. Individual Demat account holders would be able to cast their vote without having to register again with the e-Voting Service Provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.
- iv. The remote e-voting period commences on **Monday, March 28, 2022 (9:00 a.m. IST)** and ends on **Sunday, April 24, 2022 (5:00 p.m. IST)**. The remote e-voting module will be disabled by KFin thereafter.
- v. Any person holding shares in physical form and non-individual shareholders, who acquire shares of the Transferee Company and becomes a Member of the Transferee Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@Kfintech.com](mailto:evoting@Kfintech.com). However, if he / she is already registered with KFin for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.
- vi. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Transferee Company and becomes a Member of the Transferee Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login

method for remote e-Voting and joining virtual Meeting for Individual shareholders holding securities in demat mode.”

vii. The details of the process and manner for remote e-Voting and Meeting are explained herein below:

**Step 1:** Access to depositories e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2:** Access to KFin e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.

**Step 3:** Access to join virtual Meetings (Meeting) of the Transferee Company on KFin system to participate meeting and vote at the meeting.

**Details on Step 1:**

**I. Login method for remote e-Voting for Individual shareholders holding securities in Demat mode.**

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p><b>1. User already registered for IDeAS facility:</b></p> <ul style="list-style-type: none"> <li>a. Visit URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>b. Click on the “Beneficial Owner” icon under “Login” under ‘IDeAS’ section.</li> <li>c. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting”</li> <li>d. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.</li> </ul> <p><b>2. User not registered for IDeAS e-Services</b></p> <ul style="list-style-type: none"> <li>a. To register click on link: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>b. Select “Register Online for IDeAS” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>c. Proceed with completing the required fields.</li> <li>d. Follow steps given in points 1</li> </ul> <p><b>3. Alternatively by directly accessing the e-Voting website of NSDL</b></p> <ul style="list-style-type: none"> <li>a. Open URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a></li> <li>b. Click on the icon “Login” which is available under ‘Shareholder/Member’ section.</li> </ul>

	<ul style="list-style-type: none"> <li>c. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen.</li> <li>d. Post successful authentication, you will be requested to select the name of the company and the e-Voting Service Provider name, i.e., KFin.</li> <li>e. On successful selection, you will be redirected to KFin e-Voting page for casting your vote during the remote e-Voting period.</li> </ul>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p><b>1. Existing user who have opted for Easi / Easiest</b></p> <ul style="list-style-type: none"> <li>a. Visit URL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or</li> <li>b. URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>c. Click on New System Myeasi</li> <li>d. Login with your registered user id and password.</li> <li>e. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFin e-Voting portal.</li> <li>f. Click on e-Voting service provider name to cast your vote.</li> </ul> <p><b>2. User not registered for Easi/Easiest</b></p> <ul style="list-style-type: none"> <li>a. Option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>b. Proceed with completing the required fields.</li> <li>c. Follow the steps given in point 1</li> </ul> <p><b>3. Alternatively, by directly accessing the e-Voting website of CDSL</b></p> <ul style="list-style-type: none"> <li>a. Visit URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>b. Provide your demat Account Number and PAN No.</li> <li>c. System will authenticate user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account.</li> <li>d. After successful authentication, user will be provided links for the respective ESP, i.e., KFin where the e-Voting is in progress.</li> </ul>
<p>Individual Shareholder login through their demat accounts / Website of DP</p>	<ul style="list-style-type: none"> <li>a. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility.</li> <li>b. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</li> <li>c. Click on options available against company name or e-Voting service provider – KFin and you will be redirected to e-Voting website of KFin for casting your vote during the remote e-Voting period without any further authentication.</li> </ul>

**Important note:** Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.



Helpdesk for Individual Shareholders holding securities in Demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

## Details on Step 2:

### II. Login method for e-Voting for shareholders other than Individual's shareholders holding securities in demat mode and shareholders holding securities in physical mode.

#### A. Members whose email IDs are registered with the Transfree Company/ DPs, will receive an email from KFin which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

- i. Launch internet browser by typing the URL: <https://evoting.kfintech.com/>
- ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting the vote.
- iii. After entering these details appropriately, click on "LOGIN".
- iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the "EVEN" i.e., 'CreditAccess Grameen Limited- Court Convened Meeting" and click on "Submit"
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

- viii. Members holding multiple folios/Demat accounts shall choose the voting process separately for each folio/ Demat accounts.
- ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- x. You may then cast your vote by selecting an appropriate option and click on "Submit".
- xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the MEETING through VC / OAVM on its behalf and to cast its vote through remote e-voting. together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id [csnaman@ngjoshiandco.com](mailto:csnaman@ngjoshiandco.com) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com). The scanned image of the above-mentioned documents should be in the naming format "Corporate Name, Even No."

**B. Members whose email IDs are not registered/updated with the Transferee Company/DPs, and consequently the Notice of Meeting and e-voting instructions cannot be serviced, will have to follow the following process:**

- i. Members who have not registered/updated their email address and in consequence the Notice of meeting and e-voting instructions cannot be serviced, may temporarily get their email address and mobile number provided with KFin, by accessing the link: <https://karisma.kfintech.com/emailreg>. Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).
- ii. Alternatively, member may send an e-mail request at the email id [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Notice of Meeting and the e-voting instructions.
- iii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.
- iv. Shareholders may also visit the website of the Transferee Company [www.creditaccessgrameen.in](http://www.creditaccessgrameen.in) or the website of the RTA [evoting.kfintech.com](http://evoting.kfintech.com) for downloading the Notice of the Meeting.

**Details on Step 3:**

**II. Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the MEETING of the Transferee Company through VC/OAVM and e-Voting during the Meeting.**

- i. Member will be provided with a facility to attend the Meeting through VC / OAVM platform provided by KFin. Members may access the same at <https://eMeetings.kfintech.com/> by using the e-voting login credentials provided in the email received from the Transferee Company/KFin. After logging in, click on the Video Conference tab and select the EVENT of the Transferee Company. Click on the video symbol and accept the Meeting etiquettes to join the Meeting. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned above.
- ii. Facility for joining meeting though VC/ OAVM shall open at least 15 minutes before the commencement of the Meeting.
- iii. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.
- iv. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- v. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the Meeting. E-voting during the Meeting is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.
- vi. A Member can opt for only single mode of voting i.e., through Remote e-voting or e-voting at the Meeting. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the Meeting shall be treated as invalid.
- vii. Facility of joining the Meeting through VC / OAVM shall be available for at least 2,000 members on first come first serve basis.
- viii. Institutional Members are encouraged to attend and vote at the Meeting through VC / OAVM.

- A. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com> (KFin Website) or contact at [evoting@kfintech.com](mailto:evoting@kfintech.com) or call KFin's toll free No. 1-800-3454-001 for any further clarifications.
- B. In case a person has become a Member of the Transferee Company after dispatch of Meeting Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:
- i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number + Folio No. or DP ID Client ID to 9212993399.
    1. Example for NSDL:
    2. MYEPWD <SPACE> IN12345612345678
    3. Example for CDSL:
    4. MYEPWD <SPACE> 1402345612345678
    5. Example for Physical:
    6. MYEPWD <SPACE> XXXX1234567890
  - ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com/> the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
  - iii. Members who may require any technical assistance or support before or during the Meeting are requested to contact KFin at toll free number 1-800-309-4001 or write to them at [evoting@kfintech.com](mailto:evoting@kfintech.com).
  - iv. **Questions prior to NCLT Meeting:** Shareholders who would like to express their views/ask questions during the meeting may log into <https://emeetings.kfintech.com> with the e-voting credentials and click on "Post your Questions" may post their queries/views/questions in the window provided by mentioning the name, demat account number/folio number, email id, mobile number. The posting of the questions shall commence on **Wednesday, April 20, 2022, at 9:00 AM (IST) and will be closed on Saturday, April 23, 2022, at 5:00 PM. IST.**
  - v. **Speaker Registration:** The Members who wish to speak during the meeting may register themselves as speakers for the NCLT meeting to express their views. They can visit <https://emeetings.kfintech.com> and login through the user id and password provided in the mail received from KFin. On successful login, select 'Speaker Registration' which will be opened on Wednesday, April 20, 2022, at 9:00 AM IST and will be closed on Saturday, April 23, 2022, at 5:00 PM. IST. Members shall be provided a 'Queue Number' before the meeting. The Company reserves the right to restrict the speakers at the NCLT meeting to only those Members who have registered themselves, depending on the availability of time for the meeting.

The Results declared along with the Scrutinizer's Report shall be placed on the Transferee Company's website [www.creditaccessgrameen.in](http://www.creditaccessgrameen.in) and on the website of the KFin/RTA <https://evoting.kfintech.com> within 48 Hours from the conclusion of the Meeting and shall also be communicated to the stock exchanges where the Transferee Company's shares are listed and also displayed on the notice board at the registered office of the Transferee Company.

**By Order of NCLT, Bengaluru**



**Date: March 23, 2022**

**Place: Bangalore**

**M. J. Mahadev Prakash**

**Authorized Signatory /**

**Head – Compliance, Legal & Company Secretary**

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH**

**CA (CAA) No.60/BB/2021**

**In the matter of the Companies Act, 2013;**

**AND**

**In the matter of Application under Sections 230 - 232 and other relevant provisions of the Companies Act, 2013;**

**AND**

**In the matter of Scheme of Amalgamation between Madura Micro Finance Limited and CreditAccess Grameen Limited and their respective Shareholders and Creditors.**

**BETWEEN**

Madura Micro Finance Limited, a public limited company incorporated under the Companies Act, 1956 having CIN U65929TN2005PLC057390, having its Registered Office at No. 36, II Main Road, Kasturba Nagar, Adyar, Chennai, Tamil Nadu 600020.

**.....Transferor/Transferor Company**

**AND**

CreditAccess Grameen Limited, a public limited company incorporated under the Companies Act, 1956 having CIN L51216KA1991PLC053425, and its Registered Office at New No. 49 (Old No.725), 46th Cross, 8th Block, Jayanagar (Next to Rajalakshmi Kalyana Mantapa) Bangalore, Karnataka 560070

**.....Transferee/Transferee Company**

**EXPLANATORY STATEMENT UNDER SECTIONS 230(3) AND 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6(3) OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 TO THE NOTICE OF THE TRIBUNAL CONVENED MEETING OF THE EQUITY SHAREHOLDERS OF CREDITACCESS GRAMEEN LIMITED**

1. This explanatory statement is being furnished pursuant to Sections 230(3), 232(1), 232(2) and 102 of the Companies Act, 2013 ("**Act**") read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("**Rules**" and such explanatory statement, the "**Explanatory Statement**").
2. This Explanatory Statement is a statement accompanying the notice convening the meeting of the equity shareholders of the Transferee Company (*as defined hereinafter*), pursuant to an order dated February 25 2022, passed by the Bengaluru Bench of the National Company Law Tribunal ("**NCLT**") in the abovementioned company Scheme application No. CA (CAA)No.60/BB/2021("**Order**"). The meeting of the equity shareholders of CreditAccess Grameen Limited is scheduled to be held on Monday, 25<sup>th</sup> day of April, 2022 at 11.00 AM, through video conferencing or other audio-visual means ("**VC/ OAVM**" and such meeting, the "**Meeting**") to consider, and if thought fit, to approve, with or without modification(s), the scheme of amalgamation between Madura Micro Finance Limited ("**Transferor Company**") and CreditAccess Grameen Limited ("**Transferee Company**") and their respective shareholders and creditors pursuant to the provisions of Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("**Act**" and such scheme, the "**Scheme**"). Capitalized terms used herein but not defined shall have the meaning assigned to them in the Scheme.
3. The proposed Scheme was placed before the audit committee ("**Audit Committee**") of the Transferee Company at its Meeting held on November 27, 2019. On the basis of its evaluation and independent judgment and consideration of the Valuation Report dated November 27, 2019 submitted by BSR & Associates, LLP, Chartered Accountants ("**Valuation Report**") and the Fairness Opinion dated November 27 2019, issued by Systematix Corporate Services Limited, a SEBI Registered Merchant Banker, explaining the rationale for its opinion as to the fairness of the Share Exchange Ratio ("**Fairness Opinion**"), the Audit Committee approved and recommended the Scheme to the board of directors ("**Board of Directors** ") of the Transferee Company.
4. The Board of Directors of the Transferee Company, at their Meeting held on November 27 2019, considered the Valuation Report, the Fairness Opinion and the independent recommendations of the Audit Committee and on the basis of their independent judgment, approved the Scheme, subject to the approval of the equity shareholders and creditors of the Transferee Company.
5. The Scheme, *inter-alia*, provides for the amalgamation of the Transferor Company with the Transferee Company and the dissolution of the Transferor Company without winding up and cancellation of the equity shares held by the Transferee Company in the Transferor Company. A copy of the Scheme, setting out the terms and conditions of the amalgamation of the Transferor

Company with the Transferee Company, and which has been, *inter-alia* approved by the Audit Committee and the Board of Directors of the Transferee Company at their respective meetings held on November 27, 2019 and which was subsequently modified on January 22, 2020 and October 23, 2020 is enclosed as **Annexure 1**.

6. In terms of the Order, the quorum for the Meeting shall be 40% in total value of the shareholders either personally present or through proxy. As the Meeting is being held by VC/ OAVM (in terms of the Order), in accordance with the MCA Circulars, equity shareholders are not required to be physically be present at the Meeting venue, and no proxies may be appointed. In case the quorum as noted above for the Meeting is not present at the commencement of the meeting, the meeting shall be adjourned by 30 (thirty) minutes, and, thereafter, the persons present and voting shall be deemed to constitute the quorum. Further, in terms of the Order, the NCLT, has appointed Mr. Saji P. John as the Chairperson of the Meeting. The NCLT has also appointed Mr. Naman Gurusurthi Joshi, Practicing Company Secretary, as the Scrutinizer for the Meeting, including for any adjournment(s), if any thereof.
7. In accordance with the provisions of Sections 230-232 of the Act, the Scheme shall be considered as approved by the equity shareholders only if the Scheme is approved by a majority of persons representing 3/4<sup>th</sup> (three-fourth) in value of the equity shareholders of the Transferee Company, who votes through remote e-voting facility made available prior to, and e-voting facility made available during the Meeting through VC/ OAVM.
8. The Transferee Company has filed the Scheme with the Registrar of Companies, Bengaluru in Form No. GNL-1.

**9. Details as per Rule 6(3) of the Rules:**

**(i) Details of the Order of the NCLT directing the calling, convening and conducting of the Meeting:**

Please refer to paragraph no. 1 of this Explanatory Statement for date of the Order and the date, time and venue of the Meeting.

**(ii) Details of the Transferee Company and the Transferor Company:**

Sl. No.	Particulars	Transferee Company	Transferor Company
1	Corporate Identification Number	L51216KA1991PLC053425	U65929TN2005PLC057390
2	Permanent Account Number	AAECS7201G	AAECM4849A
3	Date of Incorporation	12/06/1990	02/09/2005
4	Type of Company	Public Limited Company	Public Limited Company



5	Registered office address and e-mail address	New No.49(OldNo725) 46th Cross,8th Block, Jayanagar Bangalore-560070 <a href="mailto:cs@cagrameen.in">cs@cagrameen.in</a>	No. 36, II Main Road, Kasturba Nagar, Adyar, Chennai-600020 <a href="mailto:secretarial@mmfl.in">secretarial@mmfl.in</a>
6	Name of the Stock Exchange(s) where securities of Company(ies) are listed	i. BSE Limited; and ii. National Stock Exchange of India Limited	Unlisted Company ( <i>Non-Convertible Debentures are listed on BSE Limited</i> )

**(iii) Other Particulars of the Transferee Company as per Rule 6(3) of the Rules:**

**a. Summary of the main business carried on by the Transferee Company and the main objects as per the Memorandum of Association:**

(A) The Transferee Company is primarily engaged in the business of providing financial services and is the largest microfinance institution in India. The Transferee Company offers a variety of financial and non-financial services including group lending (such as Income Generation Loans, Emergency Loans, Family Welfare Loans and Home Improvement Loans), retail finance (such as the Grameen Vikas Loan, the Grameen Udyog Loan, the Grameen Suvidha Loan and the Grameen Savaari Loan) and distributor products (such as insurance and the National Pension Scheme).

(B) The main objects of the Transferee Company as stated in its Memorandum of Association have been set out herein below:

- a. To provide financial service to the general public including poor and needy who do not have access to the Banking system and small and micro enterprises including formation of self-help groups and micro credit.*
- b. To carry on all or any of the business of financiers of industrial, commercial and other enterprises and general financiers, lease financiers, promoters, brokers, and dealers of and in shares, stocks, debentures, securities, bonds, obligations, claims, licenses, and charges, financier for land, building, house, lease, negotiable instruments, decrees, book-debts, patents, factories, mines, industrial undertakings, business concerns, warehouses, property and rights of all kinds, agricultural land, farms, gardens, flats, showrooms, offices, residential units, shops and godowns, business of insurance agents, trust company, safe deposit company and such other business and acts required in connection therewith and to receive moneys on deposit or borrow and raise money provided that the company shall not carry on the business of Banking as defined under the Banking Regulation Act, 1949 and any business as prohibited under section 3 of the Prize chits and money circulation Scheme (Banking) Act 1978.*
- c. To carry on the business of consultants in capital market, to act as advisors to issues and others, whether by way of public offer or otherwise, of shares, stocks, debentures,*

*bonds, units, participation certificates, deposit certificates, notes, bills, warrants, or any other instrument whether or not transferable or negotiable, commercial or other paper or scrip, to act as agents of and/or dealers in the securities, to act as discount houses for any of the securities, to act as financial consultants, joint managers, lead Managers, Co-Managers, advisers and counselors in investment and capital markets, to underwrite, sub-underwrite, or to provide stand by or procurement arrangement, to issue guarantees or to give any other commitments for subscribing or agreeing to subscribe or procure or agree to procure subscription for the securities, to manage portfolio investments, to provide financial and investment assistance for the purposes herein, to act as issue house, registrars to issue, transfer agents, for the securities, to manage and administer computer centers and clearing houses for the securities, to form syndicates or consortia of manager, agents and purchasers for or of any of the securities, to act as brokers, dealers and agents in connection with the securities, bullions and precious metals, to syndicate any financial arrangements whether in domestic market or in international market and whether by way of loan or guarantees or export and to undertake the work of factoring of bills and other commercial papers, and to arrange and/or co-ordinate documentation and negotiation in this regard subject to the provisions of securities contracts act and SEBI.*

*d. To carry on the sale and / or distribution of telecommunication products including SIM cards.*

- (C) Clause III B (20) of the Memorandum of Association of Transferee Company permits the arrangement envisaged under the Scheme.

**b. Details of change of name, registered office and objects of the Transferee Company during the last five years:**

- (A) The Transferee Company was incorporated under the Companies Act, 1956 vide Certificate of Incorporation dated June 12, 1991 as Sanni Collection Private Limited. Thereafter, vide fresh Certificate of Incorporation dated March 14, 2008, the name of the Transferee Company was changed to Grameen Financial Services Private Limited. Further, vide fresh Certificate of Incorporation dated November 13, 2014, the name of the Transferee Company was changed to Grameen Koota Financial Services Private Limited. Subsequently, the Transferee Company was converted into a Public Limited company vide fresh Certificate of Incorporation dated December 18, 2017 and the name of the Transferee Company was changed to Grameen Koota Financial Services Limited. Finally, vide fresh Certificate of Incorporation dated January 12, 2018, the name of the Transferee Company was changed to its current name 'CreditAccess Grameen Limited'.
- (B) There has been no change in the registered office and objects of the Transferee Company during previous five years.

**c. Details of the capital structure of the Transferee Company including authorised, issued, subscribed and paid up share capital**

(A) The authorized, issued, subscribed and paid-up share capital of the Transferee Company as on date is as under:

Particulars	Value
<b>Authorized Share Capital:</b>	
16,00,00,000 (Sixteen Crores) equity shares of Rs. 10 (Rupees Ten only) each	Rs. 160,00,00,000 (Rupees One Hundred and Sixty Crores only)
<b>Issued, Subscribed and Paid-up Share Capital:</b>	
15,58,66,346 (Fifteen Crores Fifty-Eight Lakhs Sixty-Six Thousand Three Hundred and Forty-Six) fully paid up equity shares of Rs. 10 (Rupees Ten only) each	Rs.155,86,63,460 (Rupees One Hundred and Fifty-Five Crores Eighty-Six Lakhs Sixty-Three Thousand Four Hundred and Sixty only)

(B) The expected post-Scheme capital structure of the Transferee Company will be as follows:

Upon the Scheme becoming effective, the authorized capital of the Transferee Company will stand increased to Rs. 170,00,00,000 (Rupees One Hundred and Seventy Crores only) comprising of 17,00,00,000 (Seventeen Crore) equity shares of Re. 10 (Rupee Ten) each, in accordance with the provisions of the Act and pursuant to the Scheme.

New shares will be issued to the shareholders of the Transferor Company, whose names are registered in the register of members of the Transferor Company on the Record Date, as per the share exchange ratio and accordingly, the issued, subscribed and paid-up share capital of the Transferee Company will be changed to that extent.

**d. Details of the promoters and directors of the Transferee Company along with their addresses:**

(A) The details of the Promoters of the Transferee Company as on date are as set forth below:

Name of the Promoter	CreditAccess India N. V.
Address	WTC Amsterdam Tower C-10, Strawinskyiaan 1043, 1077 XX Amsterdam, the Netherlands

(B) The Transferee Company has 7 (Seven) Directors as on date. The details of Directors are set forth below:

Sl. No.	Directors	Designation	Address
1.	Mr. George Joseph	Chairman & Lead Independent Director	Melazhakath Arakkulam Idukki - 685591, Kerala
2.	Mr. Manoj Kumar	Independent Director	Flat No.24, Tower 05, Pebble Bay Apartments, Rajmahal Vilas Extension II, Bengaluru - 560094
3.	Ms. Sucharita Mukherjee	Independent Director	No.05, Flat No A1,1st Floor, Anugraha Apartments,4th Seaward Road, Valmiki Nagar, Thiruvanmiyur, Chennai - 600041
4.	Ms. Lilian Jessie Paul	Independent Director	Villa 1, Prestige Cedars, No.07, Convent Road, Richmond Town, Bangalore - 560025
5.	Mr. Sumit Kumar	Nominee Director	B-1/1501, World Spa, Sector 30, Gurgaon-122001
6.	Mr. Massimo Vita	Nominee Director	Polo Resident Building Unit # 3A, 20 SOI POLP, Wireless Road Lumpini, Pathumwan, Bangkok - 10330
7.	Mr. Udaya Kumar Hebbar	Managing Director & CEO	#1001/C-2 South City Apartment, Bannerghatta Road, Arekere Mico Layout, Bangalore - 560076

**e. If the Scheme of Compromise or Arrangement relates to more than one company, the fact and details of any relationship subsisting between such companies who are parties to such Scheme of Compromise or Arrangement, including holding, subsidiary or of associate companies:**

76.30% (Seventy-Six-point Three Zero percent) paid-up equity capital of the Transferor Company is held by the Transferee Company and accordingly, the Transferor Company is a Subsidiary of the Transferee Company.

**f. The date of the Board meeting of the Transferee Company at which the Scheme was approved by the board of directors including the name of the directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution:**

The Board of the Transferee Company unanimously approved the Scheme at their meeting dated November 27, 2019. Details of the manner in which the directors of the Transferee Company voted at this meeting are as follows:

Sl. No.	Name of the Directors	Voted in favour/ against/ abstain
1.	Mr. Paolo Bricchetti	Voted in favour
2.	Mr. R. Prabha	Voted in favour
3.	Mr. George Joseph	Voted in favour
4.	Mr. Manoj Kumar	Voted in favour
5.	Mr. Sumit Kumar	Voted in favour
6.	Mr. Udaya Kumar Hebbar	Voted in favour
7.	Mr. B R Diwakar	Voted in favour

**g. No. of secured and unsecured creditors of the Transferee Company and the amount due to them as on March 31, 2021 is as under:**

Creditors	No. of Creditors	Amount due
Unsecured Creditors	1	Rs. 25,00,00,000
Secured Creditors	61	Rs. 8,703,98,33,994

- h.** None of the Directors, the Key Managerial Personnel (as defined under the Act and Rules formed thereunder) of the Transferee Company and their respective Relatives (as defined under the Act and rules formed thereunder) have any interests, financial or otherwise in the Scheme except to their directorships/shareholding, if any in the Transferee Company and/ or the Transferor Company (as applicable).
- i.** The effect of the Scheme on the material interests of the Directors, Key Managerial Personnel and their respective relatives, is not any different from the effect on other shareholders of the Transferee Company. The details of the shareholding of the Directors and Key Managerial Personnel of the Transferee Company as on date of notice is as follows:

Sl. No.	Names and DIN	Designation	No. of shares and %	
			Transferee Company	Transferor Company
1.	Mr. George Joseph DIN:00253754	Chairman & Lead Independent Director	1,000 shares / 0%	Nil
2.	Mr. Manoj Kumar DIN:02924675	Independent Director	Nil	Nil
3.	Ms. Sucharita Mukherjee DIN:02569078	Independent Director	Nil	Nil

4.	Ms. Lilian Jessie Paul DIN: 02864560	Independent Director	Nil	Nil
5.	Mr. Sumit Kumar DIN:07415525	Nominee Director	Nil	Nil
6.	Mr. Massimo Vita DIN:07863194	Nominee Director	Nil	Nil
7.	Mr. Udaya Kumar Hebbar DIN:07235226	Managing Director & CEO	2,44,500 shares / 0.15%	Nil

**j. Disclosure about the effect of the Scheme on the following persons:**

Sl. No	Category of Stakeholder	Effect of the Scheme on Stakeholders
A	Shareholders	<p>New shares will be issued to the shareholders of the Transferor Company, whose names are registered in the register of members of the Transferor Company on the Record Date, as per the share exchange ratio.</p> <p>The equity shares of the Transferee Company to be allotted to the members of the Transferor Company shall be allotted in the following manner:</p> <p><i>"157 fully paid up Equity Share of Rs. 10/- each of Transferee Company shall be issued and allotted for every 100 fully paid up equity shares of Rs. 10/- each held in the Transferor Company."</i></p> <p>The shares allotted to shareholders of the Transferor Company by the Transferee Company as set out above shall rank <i>pari-passu</i> in all respects with the existing equity shares of the Transferee Company and shall be listed on BSE Limited and National Stock Exchange of India Limited.</p> <p>The authorised share capital of the Transferee Company will be increased to Rs.170,00,00,000 (Rupees One Hundred and Seventy Crores only) comprising of 17,00,00,000 (Seventeen Crore) equity shares of Rs. 10 (Rupees Ten Only) each, in accordance with the provisions of the Act, pursuant to</p>

		<p>the Scheme.</p> <p>The amalgamation will result in dilution of holding of the equity shareholders of the Transferee Company, and in turn result in an increase in the public float of the Transferee Company's shares. This will in turn increase the trading stock of the shares of the Transferee Company.</p>
B	Promoters	<p>Please refer to point (A) above for details regarding the effect on the shareholders.</p> <p>The promoters of the Transferee Company shall continue to remain the promoters, even after the effectiveness of the Scheme. The promoter holding will dilute to the extent of allotment of new equity shares to the existing shareholders of the Transferor Company.</p>
C	Non- Promoter Shareholders	<p>Please refer to point (A) above for details regarding the effect on the shareholders.</p>
D	Key Managerial Personnel ("KMPs"), Director(s) and their Relatives	<p>(i) The KMPs of the Transferee Company shall continue as key managerial personnel of the Transferee Company after effectiveness of the Scheme, and as such, there is no such effect of the Scheme on the KMPs or their relatives of Transferee Company</p> <p>(ii) The director(s) of the Transferee Company shall continue as director(s) of the Transferee Company after effectiveness of the Scheme, and as such, there is no such effect of the Scheme on the directors or their relatives of Transferee Company.</p>
E	Employees	<p>The Scheme will not have any effect on the employees of the Transferee Company.</p>
F	Creditors	<p>Under the Scheme, no arrangement is sought to be entered into between the Transferee Company and its creditors. The interest of the creditors of the Transferee Company shall not be impacted in any manner.</p>
G	Depositors	<p>Not Applicable. The Transferee Company does not have any Depositors.</p>

H	Debenture Holders	The Scheme will not have any effect on the Transferee Company's Debenture Holders
I	Debenture trustee	The Scheme will not have any effect on the Transferee Company's Debenture Trustees.
J	Deposit Trustee	Not Applicable. The Transferee Company does not have any Deposit Trustee.

**k. Disclosure about effect of the Scheme on material interests of Directors, Key Managerial Personnel (KMP), debenture trustee and other stakeholders of the Transferee Company:**

As per the table under paragraph 9(iii)(j) above.

**l. Investigations or proceedings, if any, pending against the Transferee Company under the Act:**

No investigation proceedings have been instituted and/ or are pending in relation to the Transferee Company under the Act.

**(iv) Other Particulars of the Transferor Company as per Rule 6(3) of the Rules:**

**a. Summary of the main business carried on by the Transferor Company and the main objects as per the Memorandum of Association:**

(A) The Transferor Company is primarily engaged in the business of providing financial services to the public, small and micro enterprises, self-help groups and micro credit including poor and needy who do not have access to formal banking system.

(B) The main objects of the Transferor Company as stated in its Memorandum of Association have been set out herein below:

*a. To provide financial service to the public including poor and needy who do not have access to the Banking system and small and micro enterprises including formation of self-help groups and micro credit.*

*b. To carry on all or any of the business of financiers of industrial, commercial and other enterprises and general financiers, lease financiers, promoters, brokers, and dealers of and in shares, stocks, debentures, securities, bonds, obligations, claims, licenses, and charges, financier for land, building, house, lease, negotiable instruments, decrees, book-debts, patents, factories, mines, industrial undertakings, business concerns, warehouses, property and rights of all kinds, agricultural land, farms, gardens, flats, showrooms, offices, residential units, shops and godowns, business of*



*insurance agents, trust company, safe deposit company and such other business and acts required in connection therewith and to receive moneys on deposit or borrow and raise money provided that the company shall not carry on the business of Banking as defined under the Banking Regulation Act, 1949 and any business as prohibited under section 3 of the Prize chits and money circulation Scheme (Banking) Act 1978.*

- c. To carry on the business of consultants in capital market, to act as advisors to issues and others, whether by way of public offer or otherwise, of shares, stocks, debentures, bonds, units, participation certificates, deposit certificates, notes, bills, warrants, or any other instrument whether or not transferable or negotiable, commercial or other paper or scrip, to act as agents of and/or dealers in the securities, to act as discount houses for any of the securities, to act as financial consultants, joint managers, lead Managers, Co-Managers, advisers and counsellors in investment and capital markets, to underwrite, sub-underwrite, or to provide stand by or procurement arrangement, to issue guarantees or to give any other commitments for subscribing or agreeing to subscribe or procure or agree to procure subscription for the securities, to manage portfolio investments, to provide financial and investment assistance for the purposes herein, to act as issue house, registrars to issue, transfer agents, for the securities, to manage and administer computer centers and clearing houses for the securities, to form syndicates or consortia of manager, agents and purchasers for or of any of the securities, to act as brokers, dealers and agents in connection with the securities, bullions and precious metals, to syndicate any financial arrangements whether in domestic market or in international market and whether by way of loan or guarantees or export and to undertake the work of factoring of bills and other commercial papers, and to arrange and/or co-ordinate documentation and negotiation in this regard subject to the provisions of securities contracts act and SEBI.*
- d. To carry on the sale and / or distribution of telecommunication products including SIM cards.*
- e. To engage in the business of producing information and education products in various forms including but not limited to web-based platforms, software, multimedia, films, village mapping activities and liaise, collaborate, enter joint ventures (other than as partner in any partnership arrangement with partnership firms contributing capital) with educational and similar institutions as deemed necessary either directly or through a subsidiary company."*

(C) Clause III B (23) of the Memorandum of Association of Transferor Company permits the arrangement envisaged under the Scheme.

**b. Details of change of name, registered office and objects of the Transferor Company during the last five years:**

(A) There has been no change in the name, registered office and objects of the Transferor Company during the last five years.

**c. Details of the capital structure of the Transferor Company including authorised, issued, subscribed and paid up share capital**

(A) The authorized, issued, subscribed and paid-up share capital of the Transferor Company as on date is as under:

Particulars	Value
<b>Authorized Share Capital:</b>	
1,00,00,000 (One Crore) equity shares of Rs. 10 (Rupees Ten only) each	Rs.10,00,00,000 (Rupees Ten Crores only)
<b>Issued, Subscribed and Paid-up Share Capital:</b>	
71,94,761 (Seventy-One Lakhs Ninety-Four Thousand Seven Hundred Sixty-One) equity shares of Rs. 10 (Rupees Ten only) each	7,19,47,610 (Rupees Seven Crores Nineteen Lakhs Forty-Seven Thousand Six Hundred and Ten only)

(B) The expected post-Scheme capital structure of the Transferor Company will be as follows:

The Scheme shall result in the amalgamation of the Transferor Company into the Transferee Company and dissolution of the Transferor Company without winding up and the consequent issuance of equity shares by the Transferee Company to the shareholders of Transferor Company. As such, pursuant to the Scheme, Transferor Company shall cease to exist.

**d. Details of the promoters and directors of the Transferor Company along with their addresses:**

(A) The details of the promoters of the Transferor Company as on date are as set forth below:

Name of the Promoter	CreditAccess Grameen Limited
Address	New No.49(Old No. 725), 46th Cross, 8 <sup>th</sup> Block, Jayanagar, Bangalore - 560070 (KA)

(B) The Transferor Company has 7 (Seven) Directors as on date. The details of Directors are set forth below:

Sl. No.	Name of the Director	Designation	Address
1.	Mr. George Joseph	Chairman & Independent Director	Melazhakath Arakkulam Idukki - 685591, Kerala
2.	Mr. Manoj Kumar	Independent Director	Flat No.24, Tower 05, Pebble Bay Apartments, Rajmahal Vilas Extension II, Bengaluru - 560094
3.	Mr. N. C. Sarabeswaran	Independent Director	27, Papanasam Sivan Salai, Palace Road, Mylapore, Chennai - 600004 Tamil Nadu
4.	Ms. Tara Thiagarajan	Non-executive Director	25, Bishop Garden, Greenways Road, R A Puram, Chennai - 600028 Tamil Nadu
5.	Mr. Frank Solomon Mohan Eddy	Non-executive Director	10/1, Ritherdon Road, Vepery, Chennai - 600007 Tamil Nadu
6.	Mr. Ram Diwakar Boddupalli	Non-executive Director	G-1004 Mantri Tranquil Apartment Kanakapura Road, Gubbalala, Bangalore - 560061 Karnataka
7.	Mr. Udaya Kumar Hebbar	Non-Executive Director	#1001/C-2 South City Apartment, Bannerghatta Road, Arekere Mico Layout, Bangalore - 560076

**e. If the Scheme of Compromise or Arrangement relates to more than one company, the fact and details of any relationship subsisting between such companies who are parties to such Scheme of Compromise or Arrangement, including holding, subsidiary or of associate companies:**

76.30% (Seventy-Six-point Three Zero percent Paid-up equity capital of the Transferor Company is held by the Transferee Company and accordingly, the Transferor Company is a Subsidiary of the Transferee Company.

**f. The date of the Board meeting of the Transferor Company at which the Scheme was approved by the board of directors including the name of the directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution**

The Board of Directors of the Transferor Company had unanimously approved the Scheme at their meeting dated November 27, 2019. Details of the manner in which the directors of the Transferor Company voted at this meeting are as follows:

Sl. No.	Name of the Directors	Voted in favour/ against/ abstain
1.	Ms. Tara Thiagarajan	Voted in favour
2.	Mr. R Ramaraj	Voted in favour
3.	Mr. N. C. Sarabeswaran	Voted in favour
4.	Mr. Ashok Mirza	Voted in favour
5.	Ms. Siva Kameswari Vissa	Voted in favour
6.	Mr. Ajit Thomas	Voted in favour
7.	Mr. F. S. Mohan Eddy	Voted in favour
8.	Ms. Kavitha Vijay	Voted in favour

**g. No. of secured and unsecured creditors of the Transferor Company and the amount due to them as on March 31, 2021 is as under:**

Creditors	No of Creditors	Amount due
Unsecured Creditors	07	Rs. 260,00,00,000
Secured Creditors	41	Rs. 18,87,31,73,048

**h.** None of the Directors, the Key Managerial Personnel (as defined under the Act and Rules formed thereunder) of the Transferor Company and their respective Relatives (as defined under the Act and rules formed thereunder) have any interests, financial or otherwise in the Scheme except to their directorships/shareholding, if any in the Transferor Company and/ or the Transferor Company (as applicable).

**i.** The effect of the Scheme on the material interests of the Directors, Key Managerial Personnel and their respective relatives, is not any different from the effect on other shareholders of the Transferor Company. The details of the shareholding of the directors and Key Managerial Personnel of the Transferor Company as on date of notice is as follows:

Sl. No.	Name and DIN	Designation	No. of shares and %	
			Transferor Company	Transferee Company
1.	Mr. George Joseph DIN:00253754	Chairman & Independent Director	Nil	1,000 shares / 0%
2.	Mr. Manoj Kumar DIN:02924675	Independent Director	Nil	Nil
3.	Mr. N. C. Sarabeswaran DIN: 00167868	Independent Director	Nil	Nil
4.	Ms. Tara Thiagarajan DIN: 02057039	Non-executive Director	8,99,345 shares / 12.50%	Nil

5.	Mr. Frank Solomon Mohan Eddy DIN: 01633183	Non-executive Director	1,95,494 shares / 2.72%	Nil
6.	Mr. Ram Diwakar Boddupalli DIN: 02775640	Non-executive Director	Nil	2,10,000 shares / 0.13%
7.	Mr. Udaya Kumar Hebbar DIN: 07235226	Non-executive Director	Nil	2,44,500 shares / 0.15%

**j. Disclosure about the effect of the Scheme on the following persons:**

Sl. No.	Category of Stakeholder	Effect of the Scheme on Stakeholders
A	Shareholders	<p>New shares will be issued to the shareholders of the Transferor Company, whose names are registered in the register of members of the Transferor Company on the Record Date, as per the share exchange ratio.</p> <p>The equity shares of the Transferee Company to be allotted to the members of the Transferor Company shall be allotted in the following manner:</p> <p><i>"157 fully paid up Equity Share of Rs. 10/- each of Transferee Company shall be issued and allotted for every 100 fully paid up equity shares of Rs. 10/- each held in the Transferor Company."</i></p> <p>The shares allotted to shareholders of the Transferor Company by the Transferee Company as set out above shall rank <i>pari-passu</i> in all respects with the existing equity shares of the Transferee Company and shall be listed on BSE Limited and National Stock Exchange of India Limited.</p> <p>The Shares held by the Transferee Company in the Transferor Company will stand cancelled pursuant to the Scheme.</p>
B	Promoters	<p>Upon the effectiveness of the Scheme, the Transferor Company shall be amalgamated with CreditAccess Grameen Limited (Transferee Company), the promoter of the Transferor Company.</p>

C	Non- Promoter Shareholders	Please refer to point (A) above for details regarding the effect on the shareholders.
D	Key Managerial Personnel (“ <b>KMPs</b> ”), Director(s) and their Relatives	<p>The directors and key managerial personnel of the Transferor Company and their respective relatives do not have any material interest, concern or any other interest in the Scheme except to the extent of their shareholding in the Transferor Company and/ or the Transferee Company, as specified above.</p> <p>Further, the directors of the Transferor Company shall cease to hold the post of directorship after dissolution of the Transferor Company upon effectiveness of the Scheme, without having any adverse effect on them.</p>
E	Employees	<p>On the Scheme becoming effective, the employees of Transferor Company who are in employment as on the Effective Date (as defined in the Scheme) shall become and shall be deemed to have become the employees of the Transferee Company, without any interruption or break of service and on terms and conditions no less favorable than those applicable to them with reference to their employment in Transferor Company on the Effective Date (as defined in the Scheme).</p> <p>In the circumstances, the rights of the staff and employees of the Transferor Company would in no way be affected by the Scheme.</p>
F	Creditors	<p>Upon effectiveness of the Scheme, all liabilities of Transferor Company shall, without any requirement of any further act, instrument or deed, be transferred to, and vested in, or be deemed to be transferred to, and vested in, the Transferee Company so as to become from the effectiveness of the Scheme, the liabilities of the Transferor Company and the Transferee Company undertakes to meet, discharge and satisfy the same.</p> <p>Under the Scheme, there is no arrangement with the creditors of the Transferor Company. Upon effectiveness of the Scheme and as provided in the Scheme, the creditors of the Transferor Company shall become the creditors of the Transferee Company. No</p>

		compromise is offered under the Scheme to any of the creditors of Transferor Company. The liability of the creditors of Transferor Company, under the Scheme, is neither being reduced nor being extinguished. The creditors of Transferor Company would in no way be affected by the Scheme.
G	Depositors	Not Applicable. The Transferor Company does not have any Depositors.
H	Debenture holders, Debenture trustee	Pursuant to the Scheme, the non-convertible debentures issued by the Transferor Company will be transferred to the Transferee Company and there will be no change in the terms and conditions of the issue and hence, the Debenture holders and debenture trustees of the Transferor Company shall not be in any way be affected by the Scheme.
I	Deposit Trustee	Not Applicable. The Transferor Company does not have any Deposit Trustee.

**k. Disclosure about effect of the Scheme on material interests of Directors, Key Managerial Personnel (KMP), debenture trustee and other stakeholders of the Transferor Company**

As per the table under clause paragraph 9(iv)(j) above.

**l. Investigations or proceedings, if any, pending against the Transferor Company under the Act:**

- (a) No investigation proceedings have been instituted and/ or are pending in relation to the Transferor Company under the Act.
- (b) However, it is disclosed that the Transferor Company has filed an application under Section 441(1) of the Act for compounding of a potential non-compliance under Section 67 and other applicable provisions of the Companies Act, 1956 in relation to equity shares being offered to the employees of the Transferor Company and certain other identified members in 2008. The matter is pending before the Regional Director, Chennai.

**m. The Transferor Company shall file Form GNL-1 with the Registrar of Companies, Chennai upon the receipt of the Order by the Hon'ble Bench of NCLT, Chennai.**

**10. Other details regarding the Scheme required as per Rule 6(3) of the Rules:**

**(i) Relationship between the Transferor Company and the Transferee Company:**

The Transferor Company is a subsidiary of the Transferee Company, and 76.30% (Seventy-Six-point Three Zero percent) of the paid-up equity share capital of the Transferor Company is held by the Transferee Company. However, in terms of the Scheme, upon effectiveness of the Scheme, all equity shares of the Transferor Company held by the Transferee Company (directly and/or through nominees) shall stand cancelled without any further application, act or deed immediately following the issuance of shares by the Transferee Company to the other shareholders of the Transferor Company, pursuant to the Scheme.

Mr. George Joseph, Mr. Manoj Kumar and Mr. Udaya Kumar Hebbar are directors in both the Transferor Company as well as the Transferee Company.

**(ii) Appointed Date, Effective Date, Record Date and Share Exchange Ratio for the Scheme:**

**Appointed Date:** means the opening of business on April 01, 2020 or such other date as may be identified by the Transferee Company and approved by the National Company Law Tribunal, Bengaluru Bench and the National Company Law Tribunal, Chennai Bench.

**Effective Date:** means the date on which the last of the conditions in Clause 18 of the Scheme have been fulfilled in accordance with the Scheme.

**Record Date:** means the date to be fixed by the Board of the Transferee Company for determining the equity shareholders of the Transferor Company to whom equity shares of the Transferee Company shall be allotted pursuant to the Scheme.

**Share Exchange Ratio:** Upon the effectiveness of the Scheme, in consideration of the transfer of and vesting of the Undertaking of the Transferor Company in the Transferee Company and in terms of the Scheme, the Transferee Company shall, without any further act, instrument or deed, issue and allot to the equity shareholders of the Transferor Company (whose names are registered in the register of members of the Transferor Company on the Record Date, equity shares of face value of Rs. 10 (Rupees ten only) each credited as fully paid up of the Transferee Company in the ratio of 157 (one hundred and fifty-seven) equity shares of the face value of Rs. 10 (Rupees ten only) each of the Transferee Company for every 100 (one hundred) equity shares of Rs. 10 (Rupees ten only) each of the Transferor Company credited as fully paid-up.

**(iii) Summary of the Valuation Report and the Fairness Opinion:**

(a) The Valuation Report dated September 27, 2019 was issued by BSR & Associate, LLP, Chartered Accountants (appointed by the Transferee Company), describing *inter-alia* the



computation of and the methodology adopted by them in arriving at the Share Exchange Ratio.

- (b) The valuers have considered the Market Price Method (“**MP**”), Discounted Cash Flows Method (“**DCF**”), Comparable Companies Method (“**CoCo**”) and Comparable Transactions Method (“**CoTrans**”) for determining the relative value of the shares of the Transferee Company and Transferor Company in order to arrive at the Share Exchange Ratio for the Scheme.
- (c) However, considering the nature of the transactions contemplated in the Scheme, the valuers have considered the Market Price, Comparable Companies - P/BV multiple and Comparable Transactions - P/BV multiple, to arrive at the value per equity share of the Transferee Company and Transferor Company.
- (d) After considering the relevant factors and circumstances as mentioned in the Valuation Report, the valuer had recommended the Share Exchange Ratio for the amalgamation of the Transferee Company and Transferor Company as under:  
  
*"157 (One Fifty-Seven Only) equity shares of CAGL of INR 10 each fully paid up for 100 (One Hundred Only) equity shares of MMFL of INR 10 each fully paid up."*
- (e) The Share Exchange Ratio has been approved by the Board of Directors and Audit Committee of both the Transferee Company as well as the Transferor Company at their respective meetings held on November 27, 2019. The Valuation report is annexed as **Annexure 2**.
- (f) A Fairness Opinion dated November 27, 2019 was issued by Systematix Corporate Services Limited, a SEBI Registered Merchant Banker, explaining the rationale for its opinion as to the fairness of the Share Exchange Ratio from a financial point of view. It is annexed as **Annexure 4**.

(iv) **Details of capital restructuring:**

Upon the effectiveness of the Scheme, in consideration of the transfer of and vesting of the Undertaking of the Transferor Company in the Transferee Company and in terms of the Scheme, the Transferee Company shall, without any further act, instrument or deed, issue and allot to the equity shareholders of the Transferor Company (whose names are registered in the register of members of the Transferor Company on the Record Date, equity shares of face value of Rs. 10 (Rupees ten only) each credited as fully paid up of the Transferee Company in the following ratio: 157 (one hundred and fifty-seven) equity shares of the face value of Rs. 10 (Rupees ten only) each of the Transferee Company for every 100 (one hundred) equity shares of Rs. 10 (Rupees ten only) each of the Transferor

Company credited as fully paid-up.

Please refer to paragraph 9(iii)(c) and paragraph 9(iv)(c) above for additional details in this regard.

**(v) Details of debt restructuring:**

There is no debt restructuring of the Transferor Company or the Transferee Company being undertaken pursuant to the Scheme.

**(vi) Summary of Accounting Treatment:**

Upon the Scheme coming into effect, the Transferee Company shall account for the amalgamation in its books of accounts, in accordance with accounting principles as laid down in Ind AS-103 notified under Section 133 of the Act and under the Companies (Indian Accounting Standards) Rules, 2015, as may be amended from time to time. Please refer to Clause 14 of the Scheme for additional details in this regard.

**(vii) Rationale and Benefits of the Scheme, as perceived by the Board of the Transferee Company:**

The Transferor Company and the Transferee Company are engaged in the business activities that are similar to each other. The Amalgamation *inter-alia* results in the following benefits:

- (A) The Amalgamation will provide the Transferee Company access to a large and unique client base of the Transferor Company, specifically in Tamil Nadu.
- (B) The Amalgamation would result in the geographical diversification of the portfolio of the Transferee Company and strengthens its leadership position in the microfinance market. The combined portfolio would approximately be Rs. 10,000 crores, with approximately 37 lakh borrowers and more than 1,300 branches spread across 13 states and 1 union territory in India (as of September 30, 2019).
- (C) The Amalgamation would create value to various stakeholders including shareholders, creditors, customers, and employees as the combined business would benefit from increased scale, wider product diversification, focused growth, stronger balance sheet and the ability to drive synergies across revenue opportunities, operating efficiencies and cost savings through economies of scale amongst others.
- (D) The Transferor Company is at the forefront of technology integration in business and data analytics and the Amalgamation would result in the Transferee Company benefiting from the business and data analytics strengths of the Transferor Company.

- (E) The Amalgamation would provide greater strength and efficiency in management and access to greater cash flow which can be deployed to efficiently fund growth.
- (F) The Transferee Company can leverage the Transferor Company's loan book, and the Transferee Company's low cost of borrowing can potentially enable repricing of liabilities of the Transferor Company, generating higher spreads for the combined organization.

The Amalgamation shall take place with effect from the Appointed Date (as defined hereinafter) in accordance with Section 2(1B) of the Income-tax Act, 1961. If any provisions of the Scheme are found to be inconsistent with Section 2(1B) of the Income-tax Act, 1961, including as a result of an amendment of law or for any other reason whatsoever, the Scheme shall stand modified to the extent necessary to comply with Section 2(1B) of the Income Tax Act, 1961.

- (viii) The pre-Scheme and post-Scheme shareholding patterns of the Transferee Company is enclosed as **Annexure 9**.
- (ix) Details of availability of the following documents for obtaining extracts from or making or obtaining copies:

**The following documents will be available for obtaining extract from or for making or obtaining copies of or for inspection by the members and creditors of the Transferee Company at its Registered Office at No. 49, 46th Cross, 8th Block, Jayanagar, Bengaluru - 560070 (Karnataka) between 10.00 A.M. to 4.00 P.M. on any working day up to the date of the Meeting:**

- (A) Certified copy of the order passed by the Bengaluru Bench of the NCLT dated February 25, 2022 directing the Transferee Company to convene the Meeting/ dispensing with the meetings of secured creditors and unsecured creditors of the Transferee Company, respectively;
- (B) Copy of the Scheme;
- (C) Copies of the Memorandum of Association and Articles of Association of the Transferee Company and Transferor Company;
- (D) Copies of the audited financial statements of the Transferee Company and the Transferor Company as on March 31, 2021, and unaudited financial statements along with limited review report of the Statutory Auditors of the Transferee Company and the Transferor Company as on December 31, 2021, as well as Limited Review Report and unaudited consolidated financial statements of the Transferee Company as on December 31, 2021;

- (E) Register of directors and key managerial personnel and their shareholding in the Transferee Company and Transferor Company;
- (F) Copies of the Observation Letters dated May 07, 2021 issued by BSE Limited and National Stock Exchange of India Limited to the Transferee Company;
- (G) Fairness Opinion dated November 27, 2019 issued by Systematix Corporate Services Limited, a SEBI registered merchant banker, to the Transferee Company and the Transferor Company;
- (H) Valuation Report dated November 27, 2019 issued by BSR & Associates, LLP, Chartered Accountants, to the Transferee Company and the Transferor Company;
- (I) Certificate dated November 27, 2019 issued by M/s. S.R. Batliboi & Co., LLP, Chartered Accountants and Certificate dated July 03, 2021 issued by M/s. PKF Sridhar & Santhanam LLP, Chartered Accountants, to the effect that the accounting treatment, if any, proposed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Act;
- (J) Complaints Report dated December 10, 2020 submitted to BSE Limited and Complaints Report dated January 04, 2021 submitted to National Stock Exchange of India Limited;
- (K) Copy of the Audit Committee Report dated November 27, 2019 of the Transferee Company;
- (L) Certified true copies of the resolutions dated November 27, 2019 and subsequent resolutions passed by the Board of Directors of the Transferee Company and Transferor Company approving/amending the Scheme, as the case may be;
- (M) Copies of the contracts of the Transferor Company and the Transferee Company which are material to the Scheme;
- (N) Copies of the reports adopted by the Board of Directors of the Transferee Company and Transferor Company pursuant to Section 232(2)(c) of the Act;
- (O) Copies of Form No. GNL-1 filed by the Transferee Company with the Registrar of Companies along with challan, evidencing filing of the Scheme; and
- (P) Abridged prospectus for the Transferor Company (in the format specified in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018).

(x) **Details of approvals, sanctions or no-objection(s) from regulatory or any other governmental authorities required, received or pending for the purpose of the Scheme:**

- (A) The equity shares of the Transferee Company are listed on BSE Limited and National Stock Exchange of India Limited. The Transferee Company had received observation letters regarding the Scheme from the National Stock Exchange of India Limited and from BSE Limited on May 07, 2021. In terms of the observation letters, BSE Limited and National Stock Exchange of India Limited conveyed their no adverse observations/no objection to the Scheme. Copies of the observation letters dated May 07, 2021 as received from the National Stock Exchange of India Limited and BSE Limited are enclosed as **Annexure 5A and Annexure 5B** respectively.
- (B) The Transferee Company being a Non-Banking Financial Company, is regulated by the Reserve Bank of India as well and accordingly, it has obtained the in-principle approval of the RBI on February 19, 2020.
- (C) The Transferor Company has approached the National Company Law Tribunal, Chennai Bench to seek necessary orders for dispensation of the meetings of its secured and unsecured creditors and to convene the meeting of the equity shareholders for approval of the Scheme. The Scheme was filed by the Transferor Company with the Chennai Bench of the NCLT on August 03, 2021, and the Chennai Bench of the NCLT is yet to give directions to convene/ dispense with the meeting of the equity shareholders/ secured creditors/ unsecured creditors (as the case may be) of the Transferor Company.
- (D) The Scheme was filed by the Transferee Company with the Bengaluru Bench of the NCLT on July 16, 2021, and the Bengaluru Bench of the NCLT has given directions to convene the meeting of the equity shareholders of the Transferee Company vide the Order pronounced on February 25, 2022.
- (E) The Scheme is subject to approval by the requisite majority of the shareholders, secured creditors and unsecured creditors (as may be applicable) of the Transferor Company and the Transferee Company in terms of the applicable provisions of the Act and the Rules. Further, in terms of the said provisions and the Order of the Bengaluru Bench of the NCLT, the consent of the secured and unsecured creditors (including debenture holders) of the Transferee Company, have been obtained and the Bengaluru Bench of the NCLT, has granted dispensation for holding their meetings.
- (F) The Scheme is conditional and subject to necessary sanctions and approvals as set out in the Scheme.
- (G) The Transferor Company is an unlisted entity. Accordingly, the applicable information

of the Transferor Company in the format specified for an abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations along with the due diligence certificate by CapitalSquare Advisors Private Limited, Merchant Bankers, is enclosed as **Annexure 7.**

(xi) **Salient features of the Scheme:**

The salient features of the Scheme are extracted below. The capitalized terms used herein below, shall have the meaning ascribed to such terms in the Scheme:

*Definitions*

**Appointed Date:** means the opening of business on April 01, 2020 or such other date as may be identified by the Transferee Company and approved by the Tribunals.

**Effective Date:** means the date on which the last of the conditions in Clause 18 of the Scheme have been fulfilled in accordance with the Scheme.

**Record Date:** means the date to be fixed by the Board of the Transferee Company for determining the equity shareholders of the Transferor Company to whom equity shares of the Transferee Company shall be allotted pursuant to this Scheme.

**Undertaking** means all the businesses, undertakings, properties, investments and liabilities of the Transferor Company on a going concern basis and includes all:

- a) assets (whether movable or immovable, present, future or contingent, tangible or intangible), electrical fittings, equipment, installations, computers, vehicles, furniture, fixtures, office equipment, investments (including share application monies, shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates, securities, benefits of assets or properties or other interest held in trust, cash balances, deposits, loans, advances, contingent rights or benefits, book debts, receivables, actionable claims, earnest moneys, financial assets, funds, benefit of any security arrangements or under any guarantees, reserves and provisions of the Transferor Company;
- b) contracts and arrangements of all kind, hire purchase contracts, rights and benefits under any agreement, all contractual rights including title, interests, refunds, other benefits (including indemnities given for the benefit of the Transferor Company), assets held by or relating to any Transferor Company employee benefit plan, derivative instruments, forward contracts, insurance claims receivable, incentives, credits, rights, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in

*connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company;*

- c) all licenses, consents, permits, approvals, registrations, exemptions, no-objection certificates, municipal permissions, registrations entitlements, assignments, permissions, incentives, subsidies, concessions, grants, rights, claims, tenancy rights, liberties, special status and other benefits or privileges and claims as to quotas, rights, engagements, arrangements, authorities, allotments, security arrangements and all other approvals of every kind, nature and description whatsoever; rights to use and avail of telephones, facsimile, email, internet, leased line connections, installations and utilities for the benefit of or used by the Transferor Company;*
- d) all tax deferrals and benefits, sales tax deferrals, tax credits, all tax liabilities and tax holiday benefit for the benefit of the Transferor Company;*
- e) all liabilities and obligations of whatsoever kind including secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, employee related liabilities, liabilities relating to payment of gratuity, pension benefits, provident fund, employee related compensations and benefits, and other liabilities (including contingent liabilities), duties and obligations of the Transferor Company;*
- f) books, records, papers, files, lists of customers, borrowers, lenders and suppliers, other customer information and all other records and documents, whether in physical or electronic form of the Transferor Company;*
- g) all intellectual property rights, claims as to any patents, brands, trademarks, licenses, marketing authorisations, approvals, marketing tangibles, designs, software, trade and service names and marks, brands, patents, copyrights, licenses, computer programs, manuals, data, catalogues, sales material whether owned by, licensed to or assigned to the Transferor Company; and*
- h) all permanent employees engaged by the Transferor Company as on the Effective Date, including all employee benefits such as provident fund, employees state insurance, gratuity fund and superannuation fund.*

## **11. Issue of Equity Shares**

*11.1. The provisions of this Part III shall operate notwithstanding anything to the contrary in any other instrument, deed or writing.*

### **11.2. Issue of New Equity Shares by the Transferee Company**

- (i) *Upon the effectiveness of the Scheme, in consideration of the transfer of and vesting of the Undertaking of the Transferor Company in the Transferee Company and in terms of the Scheme, the Transferee Company shall, without any further act, instrument or deed, issue and allot to the equity shareholders of the Transferor Company (whose names are registered in the register of members of the Transferor Company on the Record Date, equity shares of face value of Rs. 10 (Rupees ten only) each credited as fully paid up of the Transferee Company in the ratio of 157 (one hundred and fifty-seven) equity shares of the face value of Rs. 10 (Rupees ten only) each of the Transferee Company for every 100 (one hundred) equity shares of Rs. 10 (Rupees ten only) each of the Transferor Company credited as fully paid-up (the "**Share Exchange Ratio**") (the "**New Equity Shares**").*
- (ii) *Notwithstanding anything contained under the Act, pursuant to the provisions of Sections 230-232 of the Act, the existing shareholding of the Transferee Company in the Transferor Company shall stand cancelled immediately following the issuance of the New Equity Shares in accordance with the Scheme without any further act, instrument or deed.*
- (iii) *Where New Equity Shares are to be allotted to heirs, executors or administrators or as the case may be, to successors of deceased equity shareholders of the Transferor Company, the concerned heirs, executors, administrators or successors shall be obliged to produce evidence of title satisfactory to the Board of the Transferee Company.*
- (iv) *The New Equity Shares shall, in compliance with the applicable regulations, be listed and admitted to trading on the Stock Exchanges, where the equity shares of Transferee Company are listed and admitted to trading. The Transferee Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with applicable laws or regulations for complying with the listing requirements of the Stock Exchanges. The New Equity Shares shall remain frozen in the depositories system till listing/trading approvals are provided by the Stock Exchanges.*
- (v) *The New Equity Shares will be allotted in dematerialized form to the shareholders of the Transferor Company, provided that all details relating to the account with the depository participant are available to the Transferee Company. Equity shareholders of the Transferor Company who do not provide their details relating to the account with the depository participant will be distributed New Equity Shares in physical form unless such details are communicated in writing by the shareholders on or before*



- such date as may be determined by the Board of the Transferee Company.*
- (vi) *The New Equity Shares shall be subject to the memorandum of association and articles of association of the Transferee Company and shall rank pari-passu in all respects with the existing equity shares of the Transferee Company including entitlement in respect of dividends. The issue and allotment of the New Equity Shares by the Transferee Company to the members of the Transferor Company as provided in this Scheme is an integral part hereof and shall be deemed to have been carried out pursuant to and in accordance with all provisions of the Act and other applicable law.*
- (vii) *No fractional certificates, entitlements or credits shall be issued or given by the Transferee Company in respect of the fractional entitlements, if any, to which the shareholders of the Transferor Company are entitled on the issue and allotment of equity shares by the Transferee Company in accordance with this Scheme. If any members of the Transferor Company have a shareholding such that such members become entitled to a fraction of a New Equity Share, the Board of the Transferee Company may:*
- a. consolidate all such fractional entitlements, issue and allot such fractional entitlements directly to a nominee to be appointed by the Board of Directors of the Transferee Company, who shall hold such fractional entitlements with all additions or accretions thereto in trust for the benefit of the respective shareholders to whom they belong for the specific purpose of selling such fractional entitlements in the market at such price or prices and at such time or times as the nominee may in its sole discretion decide and on such sale pay to the Transferee Company the net sale proceeds thereof and any additions and accretions, whereupon the Transferee Company shall, subject to withholding tax and expenses, if any, distribute such sale proceeds to the shareholders of the Transferor Company in proportion to their respective fractional entitlements; or*
  - b. adopt any other procedure as permitted under applicable law to deal with such fractional entitlements.*

### **15. Dissolution of Transferor Company**

*On the coming into effect of this Scheme, the Transferor Company shall stand dissolved without winding-up, and the Board of the Transferor Company shall without any further act, instrument or deed be and stand dissolved.*

A copy of the Scheme is enclosed as **Annexure 1** to this Notice and Explanatory Statement. The Scheme is not prejudicial to the interest of the shareholders and creditors of the Transferee Company.

The features set out above being only the salient features of the Scheme, which are subject to details set out in the Scheme, the equity shareholders are requested to read the entire text of the Scheme (annexed herewith) to get fully acquainted with the provisions thereof and the rationale and objectives of the Scheme.

(xii) **Documents required to be circulated for the Meeting under Section 232(2) of the Act and SEBI Scheme Circular:**

As required under Section 232(2) of the Act and paragraph 8 of the SEBI Scheme Circular, the following documents are being circulated with this notice and the explanatory statement:

- (A) Scheme of amalgamation between the Transferor Company and Transferee Company, and their respective shareholders and creditors, under Sections 230-232 of the Companies Act, 2013, enclosed as **Annexure 1**.
- (B) Valuation Report dated November 27, 2019, issued by M/s BSR & Associates, LLP, Chartered Accountants, to the Transferee Company and the Transferor Company enclosed as **Annexure 2**.
- (C) Certificate dated November 27, 2019, issued by Messrs. S. R. Batliboi & Co., LLP, Chartered Accountants and Certificate dated July 03, 2021, issued by M/s PKF Sridhar & Santhanam LLP, Chartered Accountants, to the effect that the accounting treatment, if any, proposed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, enclosed as **Annexure 3A** and **Annexure 3B** respectively.
- (D) Fairness Opinion dated November 27, 2019 issued by Systematix Corporate Services Limited, to the Transferee Company and the Transferor Company, enclosed as **Annexure 4**.
- (E) Observation Letters dated May 07, 2021 issued by BSE Limited and National Stock Exchange of India Limited to the Transferee Company, enclosed as **Annexure 5A** and **Annexure 5B** respectively.
- (F) Reports adopted by the Board of Directors of the Transferee Company and Transferor Company pursuant to the provisions of Section 232(2)(c) of the Companies Act, 2013, enclosed as **Annexure 6A** and **Annexure 6B** respectively.
- (G) Abridged prospectus for the Transferor Company (in the format specified in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018), along with the due diligence certificate dated March 17, 2022, issued by CapitalSquare Advisors Private Limited, Merchant Bankers, enclosed as **Annexure 7**.

- (H) Complaints Report dated December 10, 2020 submitted to BSE Limited and Complaints Report dated January 04, 2021 submitted to National Stock Exchange of India Limited, by the Transferee Company, enclosed as **Annexure 8A** and **Annexure 8B** respectively.
- (I) Pre-scheme and post-scheme shareholding pattern of the Transferee Company and Transferor Company, enclosed as **Annexure 9** respectively.
- (J) Unaudited financial statements along with the limited review report of the statutory auditors of the Transferee Company and Transferor Company as on December 31, 2021, enclosed as **Annexure 10A** and **Annexure 10B** respectively.
- (K) Copies of Form GNL-1 filed by the Transferor Company and the Transferee Company with the Registrar of Companies, enclosed as **Annexure 11**.
- (L) Copy of the Compliance Report certified by the Company Secretary, Chief Financial Officer and the Managing Director of the Transferee Company, confirming the compliance with various regulatory requirements specified for schemes of arrangement and all accounting standards, enclosed as **Annexure 12**.
- (M) Copy of Order dated February 25, 2022, issued by Hon'ble National Company Law Tribunal, Bengaluru Bench, with regard to Scheme of Amalgamation between Madura Micro Finance Limited, CreditAccess Grameen Limited and their respective shareholders and creditors, under Sections 230-232 of the Companies Act, 2013, enclosed as **Annexure 13**.

This statement may be treated as an Explanatory Statement under Section 230(3), 232(1), 232(2) and 102 of the Act and the statement for the purposes of Rule 6(3) of the Rules.

**By Order of NCLT, Bengaluru**



**M. J. Mahadev Prakash**  
**Authorized Signatory /**  
**Head – Compliance, Legal & Company Secretary**

**Date: March 23, 2022**  
**Place: Bangalore**

No. 49, 46<sup>th</sup> Cross  
8<sup>th</sup> Block, Jayanagar  
Bengaluru -560070 (Karnataka)  
CIN: L51216KA1991PLC053425

*Encl.: As above*

## SCHEME OF AMALGAMATION

BETWEEN

MADURA MICRO FINANCE LIMITED ... TRANSFEROR COMPANY

CREDITACCESS GRAMEEN LIMITED ... TRANSFEREE COMPANY

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE  
COMPANIES ACT, 2013**Preamble**

This scheme of amalgamation ("**Scheme**", as more particularly defined hereinafter) is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 between Madura Micro Finance Limited ("**Transferor Company**"), CreditAccess Grameen Limited ("**Transferee Company**") and their respective shareholders and creditors. This Scheme provides, amongst other matters, for the amalgamation of the Transferor Company into the Transferee Company and the consequent issuance of equity shares by the Transferee Company to the shareholders of the Transferor Company under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the "**Amalgamation**").

The Transferee Company proposes to acquire 76.34% of the share capital of the Transferor Company prior to the filing of this Scheme with the Tribunal (*as defined hereinafter*).

**PART I - GENERAL****A. Description of Companies****1. Transferor Company**

1.1 The Transferor Company is a public limited company with corporate identification number U65929TN2005PLC057390 and was incorporated *vide* certificate of incorporation dated September 02, 2005 as a public company limited by shares. The registered office of the Transferor Company is located at No. 36, II Main Road, Kasturba Nagar, Adyar, Chennai, Tamil Nadu 600020. The Transferor Company is registered with the RBI (*as defined hereinafter*) as a non-deposit taking, non-banking financial company – micro finance institution. The debentures issued by the Transferor Company are listed on the BSE (*as defined hereinafter*).

1.2 The main objects of the Transferor Company as stated in its memorandum of association include:



1. *“To provide financial service to the general public including poor and needy who do not have access to the Banking system and small and micro enterprises including formation of self help groups and micro credit.*
2. *To carry on all or any of the business of financiers of industrial, commercial and other enterprises and general financiers, lease financiers, promoters, brokers, and dealers of and in shares, stocks, debentures, securities, bonds, obligations, claims, licenses, and charges, financier for land, building, house, lease, negotiable instruments, decrees, book-debts, patents, factories, mines, industrial undertakings, business concerns, warehouses, property and rights of all kinds, agricultural land, farms, gardens, flats, showrooms, offices, residential units, shops and godowns, business of insurance agents, trust company, safe deposit company and such other business and acts required in connection therewith and to receive moneys on deposit or borrow and raise money provided that the company shall not carry on the business of Banking as defined under the Banking Regulation Act, 1949 and any business as prohibited under section 3 of the Prize chits and money circulation Scheme (Banking) Act 1978.*
3. *To carry on the business of consultants in capital market, to act as advisors to issues and others, whether by way of public offer or otherwise, of shares, stocks, debentures, bonds, units, participation certificates, deposit certificates, notes, bills, warrants, or any other instrument whether or not transferable or negotiable, commercial or other paper or scrip, to act as agents of and/or dealers in the securities, to act as discount houses for any of the securities, to act as financial consultants, joint managers, lead Managers, Co-Managers, advisers and counselors in investment and capital markets, to underwrite, sub-underwrite, or to provide stand by or procurement arrangement, to issue guarantees or to give any other commitments for subscribing or agreeing to subscribe or procure or agree to procure subscription for the securities, to manage portfolio investments, to provide financial and investment assistance for the purposes herein, to act as issue house, registrars to issue, transfer agents, for the securities, to manage and administer computer centers and clearing houses for the securities, to form syndicates or consortia of manager, agents and purchasers for or of any of the securities, to act as brokers, dealers and agents in connection with the securities, bullions and precious metals, to syndicate any financial arrangements whether in domestic market or in international market and whether by way of loan or guarantees or export and to undertake the work of factoring of bills and other commercial papers, and to arrange and/or co-ordinate documentation and negotiation in this regard subject to the provisions of securities contracts act and SEBI.*
4. *To carry on the sale and / or distribution of telecommunication products including SIM cards.”*

## 2. Transferee Company

- 2.1 The Transferee Company is a public limited company with corporate identification number L51216KA1991PLC053425 and was incorporated *vide* certificate of incorporation dated June 12, 1991 as Sanni Collection Private Limited. Thereafter *vide* fresh certificate of incorporation dated March 14, 2008, the name of the Transferee Company was changed to Grameen Financial Services Private Limited. Further, *vide* fresh certificate of incorporation dated November 13, 2014, the name of the Transferee Company was changed to Grameen Koota Financial Services Private Limited. Subsequently, the Transferee Company was converted to a public limited company *vide* fresh certificate of incorporation dated December 18, 2017 and the name of the Transferee Company was changed to Grameen Koota Financial Services Limited. Finally, *vide* fresh certificate of incorporation dated January 12, 2018, the name of the Transferee Company was changed to its current name ‘CreditAccess Grameen Limited’. The registered office of the Transferee Company



is located at New No. 49 (Old No.725), 46th Cross, 8th Block, Jayanagar (Next to Rajalakshmi Kalyana Mantap) Bangalore, Karnataka 560071. The Transferee Company is registered with the RBI as a non-deposit taking, non-banking financial company – micro finance institution. The equity shares of the Transferee Company are listed on the BSE and the National Stock Exchange of India Limited.

2.2 The main objects of the Transferee Company as stated in its memorandum of association include:

1. *“To provide credit/finance to groups and/or individuals, deliver credits, thrift and savings and other financial services including housing loans (construction, purchase, extension and renovation), distribution of micro insurance, pension plans fund transfer facilities and allied services in cities, towns, villages of India with a view to provide them sustainable livelihood and enhancement of their and their family living conditions based on their needs, skills and traditional livelihood occupations and carry on the business of Micro Finance services, (mainly non-banking financial services as permitted by the Reserve Bank of India).*
2. *To carry on the business of financing development activities through long term loans and other means of financing upon such terms and conditions as the company may think fit for the purposes of (i) agricultural development including land acquisition and development, irrigation, watershed development, crop cultivation, plantation, horticulture, forestry, animal husbandry and allied activities, such as dairy, poultry, fishery, aqua culture and floriculture (ii) industrial development including, agro-processing, mining and quarrying utilities - including water, power and renewable sources of energy -manufacturing, including handicrafts, construction, trade and distribution, transport, and services of all kinds (iii) market linkage development including, provision of inputs for and marketing of output of agricultural and industrial development activities including facilities for storage, trading and transport for such inputs and outputs (iv) habitat development including, purchase, construction up gradation, extension and modification of buildings and infrastructure for residential, agricultural, commercial or industrial purposes but exclusively targeted to the poor in generation and enhancement of livelihoods in India.*
3. *To cross sell non-financial products, provide livelihood promotion and other allied services (including consulting) with a view to provide them sustainable livelihood and enhancement of their and their family’s living conditions based on their needs, skills and traditional livelihood occupations.*
4. *To create linkages with banks and national and international financial institutions and international aid/developmental organizations for the purpose of making them bankable community and making available financial products like insurance, savings, deposits, bonds and mutual funds.*
5. *To carry on and undertake the business and activities of an insurance intermediary or agent including a Corporate Agent in accordance with the provisions of the rules and regulations issued by the Insurance Regulatory and Development Authority of India for all classes of insurance business in India which includes, Life, General and Health Insurance Business.”*

## **B. Rationale for the Scheme**

1. This Scheme provides for the Amalgamation of the Transferor Company with the Transferee Company pursuant to Sections 230 to 232 and other applicable provisions of the Act.



2. The Transferor Company and the Transferee Company are engaged in business activities that are similar to each other. The Amalgamation *inter alia* results in the following benefits:
- (i) The Amalgamation will provide the Transferee Company access to a large and unique client base of the Transferor Company, specifically in Tamil Nadu.
  - (ii) The Amalgamation would result in the geographical diversification of the portfolio of the Transferee Company and strengthens its leadership position in the microfinance market. The combined portfolio would approximately be Rs. 10,000 crores, with approximately 37 lakh borrowers and more than 1,300 branches spread across 13 states and 1 union territory in India (as of September 30, 2019).
  - (iii) The Amalgamation would create value to various stakeholders including shareholders, creditors, customers, and employees as the combined business would benefit from increased scale, wider product diversification, focused growth, stronger balance sheet and the ability to drive synergies across revenue opportunities, operating efficiencies and cost savings through economies of scale amongst others.
  - (iv) The Transferor Company is at the forefront of technology integration in business and data analytics and the Amalgamation would result in the Transferee Company benefiting from the business and data analytics strengths of the Transferor Company.
  - (v) The Amalgamation would provide greater strength and efficiency in management and access to greater cash flow which can be deployed to efficiently fund growth.
  - (vi) The Transferee Company can leverage the Transferor Company's loan book, and the Transferee Company's low cost of borrowing can potentially enable repricing of liabilities of the Transferor Company, generating higher spreads for the combined organisation.

The Amalgamation shall take place with effect from the Appointed Date (*as defined hereinafter*) in accordance with Section 2 (1B) of the Income-tax Act, 1961. If any provisions of the Scheme are found to be inconsistent with Section 2 (1B) of the Income-tax Act, 1961, including as a result of an amendment of law or for any other reason whatsoever, the Scheme shall stand modified to the extent necessary to comply with Section 2 (1B) of the Income-tax Act, 1961.

### C. Parts of the Scheme

3. This Scheme is divided into the following parts:
- (i) **Part I** deals with definitions used in this Scheme and sets out the share capital of the Transferor Company and the Transferee Company;
  - (ii) **Part II** deals with the transfer and vesting of the Undertaking (*as hereinafter defined*) of the Transferor Company to the Transferee Company;
  - (iii) **Part III** deals with the issue of new equity shares by the Transferee Company to the equity shareholders of the Transferor Company;
  - (iv) **Part IV** deals with the accounting treatment for the amalgamation in the books of the Transferee Company; and



- (v) **Part V** deals with the dissolution of the Transferor Company, general terms applicable to this Scheme and other matters consequential and integrally connected thereto.

## PART I – DEFINITIONS AND SHARE CAPITAL

### 1. Definitions

- 1.1 In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings:
- (i) “**Act**” means the Companies Act, 2013 and the rules and regulations made thereunder and shall include any statutory modification or re-enactment thereof for the time being in force;
  - (ii) “**Appointed Date**” means the opening of business on April 1, 2020 or such other date as may be identified by the Transferee Company and approved by the Tribunals;
  - (iii) “**Board**” means the board of directors of the Transferor Company or the Transferee Company, as the case may be, in office at the relevant time and includes a committee duly constituted and authorized by the board of directors of the Transferor Company or the Transferee Company, as the case may be;
  - (iv) “**BSE**” means the BSE Limited;
  - (v) “**Consent**” means shall mean any approval, consent, ratification, waiver, notice or other authorization of or from or to any person;
  - (vi) “**Effective Date**” means the date on which the last of the conditions in Clause 18 have been fulfilled in accordance with this Scheme. References in this Scheme to ‘coming into effect of the Scheme’ or effectiveness of the Scheme’ shall mean the Effective Date;
  - (vii) “**Employees**” means all the permanent employees of the Transferor Company as on the Effective Date;
  - (viii) “**Funds**” has the meaning ascribed to such term in Clause 6.2;
  - (ix) “**Governmental Authority**” means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau, instrumentality, judicial, quasi-judicial or arbitral body in India or outside India and includes the Stock Exchanges;
  - (x) “**Liabilities**” has the meaning ascribed to such term in Clause 4.3(i);
  - (xi) “**New Equity Shares**” has the meaning ascribed to such term in Clause 11.2(i);
  - (xii) “**RBI**” means the Reserve Bank of India;
  - (xiii) “**Record Date**” means the date to be fixed by the Board of the Transferee Company for determining the equity shareholders of the Transferor Company to whom equity shares of the Transferee Company shall be allotted pursuant to this Scheme;
  - (xiv) “**Registrar of Companies**” means:





- (a) in relation to the Transferee Company, the registrar of companies at Bengaluru, Karnataka;
  - (b) in relation to the Transferor Company, the registrar of companies at Chennai, Tamil Nadu;
- (xv) “**Sanction Order**” means the order of the Tribunals sanctioning this Scheme;
- (xvi) “**Scheme**” means this scheme of arrangement including any amendments made in accordance with the terms hereof;
- (xvii) “**SEBI**” means the Securities and Exchange Board of India;
- (xviii) “**SEBI Scheme Circular**” means the: (a) SEBI Circular dated March 10, 2017, bearing reference number CFD/DIL3/CIR/2017/21; (b) SEBI Circular dated March 23, 2017 bearing reference number CFD/DIL3/CIR/2017/25; (c) SEBI Circular dated September 21, 2017 bearing reference number CFD/DIL3/CIR/2018/2; (d) SEBI Circular dated January 3, 2018 bearing reference number SEBI/HO/CFD/DIL3/CIR/2018/2; and (e) SEBI Circular dated January 19, 2018 bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2018/011;
- (xix) “**Share Exchange Ratio**” has the meaning ascribed to such term in Clause 11.2(i);
- (xx) “**Stock Exchanges**” means the National Stock Exchange of India Limited and the BSE;
- (xxi) “**Tribunal**” means:
- (a) in relation to the Transferee Company, the National Company Law Tribunal, Bengaluru; and
  - (b) in relation to the Transferor Company, the National Company Law Tribunal, Chennai;
- and shall include, if applicable, such other forum or authority as may be vested with the powers of a tribunal for the purposes of Section 230 to Section 232 and other applicable provisions of the Act;
- (xxii) “**Undertaking**” means all the businesses, undertakings, properties, investments and liabilities of the Transferor Company on a going concern basis and includes all:
- (a) assets (whether movable or immovable, present, future or contingent, tangible or intangible), electrical fittings, equipment, installations, computers, vehicles, furniture, fixtures, office equipment, investments (including share application monies, shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates, securities, benefits of assets or properties or other interest held in trust, cash balances, deposits, loans, advances, contingent rights or benefits, book debts, receivables, actionable claims, earnest moneys, financial assets, funds, benefit of any security arrangements or under any guarantees, reserves and provisions of the Transferor Company;

- (b) contracts and arrangements of all kind, hire purchase contracts, rights and benefits under any agreement, all contractual rights including title, interests, refunds, other benefits (including indemnities given for the benefit of the Transferor Company), assets held by or relating to any Transferor Company employee benefit plan, derivative instruments, forward contracts, insurance claims receivable, incentives, credits, rights, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company;
- (c) all licenses, consents, permits, approvals, registrations, exemptions, no-objection certificates, municipal permissions, registrations entitlements, assignments, permissions, incentives, subsidies, concessions, grants, rights, claims, tenancy rights, liberties, special status and other benefits or privileges and claims as to quotas, rights, engagements, arrangements, authorities, allotments, security arrangements and all other approvals of every kind, nature and description whatsoever; rights to use and avail of telephones, facsimile, email, internet, leased line connections, installations and utilities for the benefit of or used by the Transferor Company;
- (d) all tax deferrals and benefits, sales tax deferrals, tax credits, all tax liabilities and tax holiday benefit for the benefit of the Transferor Company;
- (e) all liabilities and obligations of whatsoever kind including secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, employee related liabilities, liabilities relating to payment of gratuity, pension benefits, provident fund, employee related compensations and benefits, and other liabilities (including contingent liabilities), duties and obligations of the Transferor Company;
- (f) books, records, papers, files, lists of customers, borrowers, lenders and suppliers, other customer information and all other records and documents, whether in physical or electronic form of the Transferor Company;
- (g) all intellectual property rights, claims as to any patents, brands, trademarks, licenses, marketing authorisations, approvals, marketing tangibles, designs, software, trade and service names and marks, brands, patents, copyrights, licenses, computer programs, manuals, data, catalogues, sales material whether owned by, licensed to or assigned to the Transferor Company; and
- (h) all permanent employees engaged by the Transferor Company as on the Effective Date, including all employee benefits such as provident fund, employees state insurance, gratuity fund and superannuation fund.

1.2 References to “Clauses”, “Sections” and “Parts”, unless otherwise stated, are references to clauses, Sections and parts of this Scheme. The headings herein shall not affect the construction of this Scheme. Any phrase introduced by the terms “including”, “include”, “in particular” or any similar expression shall be construed without limitation.



## 2. Share Capital

2.1 The share capital structure of the Transferor Company as on October 15, 2020 is as follows:

Authorized Share Capital	Rupees
1,00,00,000 (One Crore) equity shares of Rs. 10 (Rupees Ten only) each	10,00,00,000 (Rupees Ten Crores only)
Issued, Subscribed and Paid-up Share Capital	Rupees
71,94,761 (Seventy One Lakhs Ninety Four Thousand Seven Hundred Sixty One) equity shares of Rs. 10 (Rupees Ten only) each	7,19,47,610 (Rupees Seven Crores Nineteen Lakhs Forty Seven Thousand Six Hundred and Ten only)

2.2 The share capital structure of the Transferee Company as on October 15, 2020 is as follows:

Authorized Share Capital	Rupees
16,00,00,000 (Sixteen Crores) equity shares of Rs. 10 (Rupees Ten only) each	160,00,00,000 (Rupees One Hundred and Sixty Crores only)
Issued, Subscribed and Paid-up Share Capital	Rupees
15,54,75,289 (Fifteen Crores Fifty Four Lakhs Seventy Five Thousand Two Hundred and Eighty Nine) fully paid up equity shares of Rs. 10 (Rupees Ten only) each	155,47,52,890 (Rupees One Hundred and Fifty Five Crores Forty Seven Lakhs Fifty Two Thousand Eight Hundred and Ninety only)

2.3 The Transferee Company has 48,88,129 (Forty Eight Lakhs Eighty Eight Thousand One Hundred and Twenty Nine) outstanding employee stock options under CAGL Employee Stock Option Scheme – 2011, the exercise of which may result in an increase in the issued and paid-up share capital of the Transferee Company .

2.4 The equity shares of the Transferee Company are listed on the Stock Exchanges.

## 3. Date when the Scheme comes into operation

The Scheme shall become effective from the Appointed Date.

## PART II – TRANSFER AND VESTING OF THE UNDERTAKING

### 4. Transfer of Undertaking

4.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Undertaking of the Transferor Company shall be transferred to and vested in the Transferee Company as a going concern without any further act, instrument or deed so as to become, as and from the Appointed Date, the undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.

### 4.2 Transfer of Assets

(i) Upon the coming into effect of this Scheme and with effect from the Appointed Date, all the estate, assets, rights, claims, title, interest and authorities comprised in the Undertaking shall, under the Sections 230 to 232 and other applicable provisions of the Act, without any

further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company as a going concern so as to become as and from the Appointed Date, the estate, assets, rights, claims, title, interest and authorities of the Transferee Company.

- (ii) The assets of the Transferor Company as are movable in nature or are otherwise capable of transfer by delivery of possession, payment or by endorsement and delivery shall be so transferred by the Transferor Company and shall become the property of the Transferee Company with effect from the Appointed Date pursuant to Sections 230 to 232 and other applicable provisions of the Act without requiring any act, instrument or deed for transfer of the same.
- (iii) The assets of the Transferor Company including sundry debtors, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Governmental Authority or with any company or other person, other than those referred to above shall, without any further act, instrument or deed, be transferred to and vested in the Transferee Company upon the coming into effect of the Scheme and with effect from the Appointed Date pursuant to Sections 230 to 232 and other applicable provisions of the Act.
- (iv) All assets, rights, title, interest, investments and properties of the Transferor Company and any assets, right, title, interest, investments and properties acquired by the Transferor Company after the Appointed Date but prior to the Effective Date shall also, without any further act, instrument or deed stand transferred to and vested in the Transferee Company upon the coming into effect of this Scheme and with effect from the Appointed Date, pursuant to Sections 230 to 232 and other applicable provisions of the Act and all other provisions of applicable law, if any.
- (v) All immovable properties of the Transferor Company, including land together with buildings and structures standing thereon and rights and interests in immovable properties of the Transferor Company, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto, shall be vested in the Transferee Company, without any further act, instrument or deed. The Transferee Company shall be entitled to exercise all rights and privileges attached to such immovable properties and shall be liable fulfil all obligations in relation to or applicable to such immovable properties. The relevant authorities shall grant all clearances/permissions, if any, required for enabling the Transferee Company to absolutely own and enjoy such transferred immovable properties in accordance with applicable law. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by Governmental Authorities pursuant to the sanction of this Scheme and upon the Scheme becoming effective.
- (vi) All the consents, licenses, permits, entitlements, quotas, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits (including sales tax and service tax), subsidies, refunds, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, with effect from the Appointed Date including income tax and other tax benefits and exemptions shall, under the provisions of Section 230 to Section 232 and other applicable provisions of the Act shall, without any act, instrument or deed stand transferred to and vest in and be available to the Transferee



Company so as to become the consents, licenses, permits, entitlements, quotas, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits (including sales tax and service tax), subsidies, refunds, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

- (vii) Upon the coming into effect of this Scheme and with effect from the Appointed Date, pursuant to Section 230 to Section 232 and other applicable provisions of the Act, the Transferee Company will be entitled to all the trade and service names and marks, brands, patents, copyrights, licenses, marketing authorisations, approvals and marketing tangibles of the Transferor Company including registered and unregistered trademarks along with all rights of commercial nature including those attached to goodwill, title, interest, labels and brands registrations, copyrights, trademarks and all such other industrial or intellectual rights of whatsoever nature.

#### 4.3 Transfer of Liabilities

- (i) Upon the coming into effect of this Scheme and with effect from the Appointed Date, all liabilities relating to and comprised in the Undertaking including all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities, debentures, duties and obligations and undertakings of the Transferor Company of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations (the “**Liabilities**”) shall, pursuant to the sanction of this Scheme by the Tribunals and under Sections 230 to 232 and other applicable provisions of the Act, without any further act, instrument, deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, along with any charge, encumbrance, lien or security thereon, and the same shall be assumed by the Transferee Company to the extent they are outstanding on the Effective Date so as to become the liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company.
- (ii) All debts, loans and borrowings (including debentures) raised, liabilities, duties and obligations of the Transferor Company as on the Appointed Date, whether or not provided in the books of the Transferor Company, and all debts, loans raised, liabilities, duties and obligations incurred or which arise or accrue to the Transferor Company on or after the Appointed Date till the Effective Date, shall be deemed to be and shall become the debts, loans and borrowings (including debentures) raised, liabilities, duties and obligations of the Transferee Company upon the coming into effect of this Scheme and with effect from the Appointed Date. Where any such debts, loans raised, liabilities, duties or obligations of the Transferor Company have been discharged or satisfied on or after the Appointed Date and prior to the Effective Date, such discharge or satisfaction shall be deemed to be for and on account of the Transferee Company.
- (iii) All loans raised and utilised and all liabilities, duties and obligations incurred or undertaken by the Transferor Company after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and under Sections 230 to 232 and other applicable provisions of the Act, without any further act, instrument or deed be and stand transferred to and vested in or be deemed to have been transferred to and vested in the

Transferee Company and shall become the loans and liabilities, duties and obligations of the Transferee Company.

Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and the Transferee Company shall stand discharged and come to an end on the Effective Date and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company.

- (iv) Upon the coming into effect of this Scheme, the Transferee Company shall be liable to perform the Transferor Company's obligations in respect of the liabilities transferred to it in terms of this Scheme.
- (v) All debentures, bonds, notes or other similar securities of the Transferor Company whether convertible into equity or otherwise, shall, without any further act, instrument or deed become the securities of the Transferee Company and all rights, powers, duties and obligations in relation thereto shall stand transferred to and vested in or deemed to be transferred to and vested in and shall be exercisable by or against the Transferee Company as if it were the Transferor Company. The debentures of the Transferor Company which are listed on the BSE shall, upon transfer/issuance/endorsement by the Transferee Company in terms of this Scheme, subject to applicable regulations and prior approval requirements, if any, be listed and/or admitted to trading on the relevant stock exchange(s). The Board of the Transferee Company shall be authorized to take such steps and do all acts, deeds and things in relation to the foregoing.
- (vi) Clause 4.3 shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document, all of which shall stand superseded by the foregoing provisions.

#### 4.4 Encumbrances

- (i) The transfer and vesting of the assets comprised in the Undertaking to and in the Transferee Company under this Scheme shall be subject to the mortgages and charges, if any, affecting the same, as and to the extent hereinafter provided.
- (ii) All encumbrances over the Transferor Company's assets existing on the Appointed Date shall, insofar as they secure or pertain to liabilities of the Transferor Company, shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company. Such encumbrances shall not relate or attach to any of the other assets of the Transferee Company.
- (iii) If any assets of the Transferor Company have not been encumbered in respect of any liabilities transferred pursuant to this Scheme, such assets shall remain unencumbered and the existing encumbrance shall not be extended to and shall not operate over such assets. Such encumbrances shall not relate or attach to any other assets of the Transferee Company. The holders of security over the properties of the Transferee Company shall not be entitled to any additional security over the properties, assets, rights, benefits and interests of the Transferor Company and therefore, assets of the Transferor Company or



Transferee Company which are not currently encumbered shall remain free and available for creation of any security thereon in future in relation to any current or future indebtedness of the Transferee Company.

#### 4.5 **Transfer of Contracts, Deeds, etc.,**

- (i) Upon the coming into effect of this Scheme and with effect from the Appointed Date, subject to this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect against or in favour, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto.
- (ii) For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company in relation to the Undertaking shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall make applications to any governmental authority as may be necessary in this behalf.

#### 5. **Legal Proceedings**

Upon the effectiveness of this Scheme and with effect from the Appointed Date, all suits, actions, claims, legal, taxation or other proceedings by or against the Transferor Company whether civil or criminal and whether pending and/or arising on or before the Effective Date, shall be continued and/or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been originally instituted and/or pending and/or arising by or against the Transferee Company.

#### 6. **Employees**

- 6.1 Upon the coming into effect of this Scheme, all Employees as on the Effective Date shall become the permanent employees of the Transferee Company on terms and conditions not less favourable than those on which they are engaged by the Transferor Company and without any interruption of, or break in service as a result of the transfer of the Undertaking. The past services of the Employees and benefits to which the Employees are entitled in the Transferor Company be taken into account for the purpose of payment of any compensation, gratuity and other terminal benefits by the Transferee Company.
- 6.2 Insofar as the provident fund, gratuity fund, trusts, retirement fund or benefits and any other funds or benefits created by the Transferor Company for the Employees or to which the Transferor Company is contributing for the benefit of the Employees (the “Funds”) are concerned, all the contributions made to such Funds for the benefit of the Employees and the investments made by the Funds in relation to the Employees shall be transferred to the Transferee Company and shall be held for the benefit of the concerned Employees. If the Transferee Company has its own funds in



respect of any of the Funds, such contributions and investments shall, subject to the necessary approvals and permissions and at the discretion of the Transferee Company, be transferred to the relevant funds of the Transferee Company and shall be held for the benefit of the concerned Employees.

- 6.3 In relation to those Employees for whom the Transferor Company is making contributions to the government provident fund, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, such that all the rights, duties, powers and obligations of the Transferor Company in relation to such provident fund trust shall become those of the Transferee Company.

## 7. **Taxation Matters**

- 7.1 Upon the Scheme coming into effect, all taxes/ cess/ duties paid, payable, received or receivable by or on behalf of the Transferor Company, including all or any refunds, claims or entitlements as to tax credits, taxes paid in advance, and/ or taxes deducted at source, including refunds or claims pending with the revenue authorities, if any, shall, for all purposes, be treated as the taxes/cess/duties, liabilities or refunds of the Transferee Company.
- 7.2 The unutilized credits relating to excise duties paid on inputs lying to the account of Transferor Company as well as the unutilized credits relating to service tax paid on input services consumed by the Transferor Company shall be transferred to the Transferee Company automatically without any specific approval or permission as an integral part of the Scheme.
- 7.3 With effect from the Appointed Date, all income tax paid (including advance tax and self-assessment tax), income tax refund due or receivable, tax deducted at source, wealth tax, carried forward losses, depreciation, capital losses, pending balances of amortizations, tax holiday benefits, incentives, credits (including tax credits), tax losses (if available) etc., under the Income-tax Act, 1961 in respect of any assessment and/or appeal, (whether as per books or as per the Income-tax Act, 1961) and any rights / refunds under the Income-tax Act, 1961 including applications for rectification, appeals filed with tax authorities of the Transferor Company shall also pursuant to Sections 230 to 232 and other applicable provisions of the Act, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company and shall be treated as paid by the Transferee Company and it shall be entitled to claim credit, refund or adjustment for the same as may be applicable.
- 7.4 If the Transferor Company is entitled to any benefits under incentive schemes and policies, it is declared that the benefits under all such incentive schemes and policies shall be transferred to and vested in the Transferee Company.
- 7.5 Upon this Scheme being effective, the Transferee Company may revise and file its income tax returns and other statutory returns, including tax deducted / collected at source returns, service tax returns, excise tax returns, and other tax returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim refunds or credits etc. if any. Such returns may be revised and filed notwithstanding that the statutory period for such revision and filing may have expired.

## 8. **Conduct of Business**

- 8.1 With effect from the Appointed Date and up to and including the Effective Date:





- (i) The Transferor Company undertakes to carry on and shall be deemed to have carried on all its business and activities as hitherto and shall hold and stand possessed of the Undertaking on account of, and for the benefit of and in trust for, the Transferee Company;
  - (ii) All profits or income accruing or arising to the Transferor Company, all cheques or payments made out to the name of the Transferor Company, and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and income) by the Transferor Company shall, for all purposes, be treated and be deemed to be and accrue as the profits or income or as the case may be, expenditure or losses (including taxes) of the Transferee Company; and
  - (iii) Any of the rights, powers, authorities and privileges attached or related or pertaining to and exercised by or available to the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of and as an agent for the Transferee Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Undertaking that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company.
- 8.2 Notwithstanding anything contained in this Scheme, subject to applicable law, the Board of the Transferee Company shall be entitled to consider, pursue, manage, undertake and conduct the business of the Transferee Company including any corporate actions, issue of securities and bonus shares, buy back of securities, reorganization, restructuring of its business, strategic acquisition or sale of any business, joint ventures, business combinations as it may deemed pursuant and necessary in the interest of the Transferee Company or to give effect to obligations under applicable law.
9. **Saving of Concluded Transactions**
- Subject to this Scheme, the transfer and vesting of the Undertaking of the Transferor Company under this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Appointed Date or concluded after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company in accordance with this Scheme.
10. **Post Scheme Conduct of Operations**
- 10.1 Even after the Scheme becomes effective, the Transferee Company shall be entitled to operate all bank accounts of the Transferor Company and realise all monies and complete and enforce all pending contracts and transactions in respect of the Transferor Company in the name of the Transferee Company in so far as may be necessary until such time that the names of the bank accounts of the Transferor Company are replaced with that of the Transferee Company.
- 10.2 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme, if so required under any law or otherwise, take such actions and execute such instruments as may be required in order to give formal effect to the provisions hereof. The Transferee Company shall, under the provisions of Part II of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and



to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.

### **PART III - ISSUE OF EQUITY SHARES BY TRANSFEREE COMPANY**

#### **11. Issue of Equity Shares**

11.1 The provisions of this Part III shall operate notwithstanding anything to the contrary in any other instrument, deed or writing.

#### **11.2 Issue of New Equity Shares by the Transferee Company**

- (i) Upon the effectiveness of the Scheme, in consideration of the transfer of and vesting of the Undertaking of the Transferor Company in the Transferee Company and in terms of the Scheme, the Transferee Company shall, without any further act, instrument or deed, issue and allot to the equity shareholders of the Transferor Company (whose names are registered in the register of members of the Transferor Company on the Record Date, equity shares of face value of Rs. 10 (Rupees ten only) each credited as fully paid up of the Transferee Company in the ratio of 157 (one hundred and fifty seven) equity shares of the face value of Rs. 10 (Rupees ten only) each of the Transferee Company for every 100 (one hundred) equity shares of Rs. 10 (Rupees ten only) each of the Transferor Company credited as fully paid-up (the “**Share Exchange Ratio**”) (the “**New Equity Shares**”).
- (ii) Notwithstanding anything contained under the Act, pursuant to the provisions of Sections 230-232 of the Act, the existing shareholding of the Transferee Company in the Transferor Company shall stand cancelled immediately following the issuance of the New Equity Shares in accordance with the Scheme without any further act, instrument or deed.
- (iii) Where New Equity Shares are to be allotted to heirs, executors or administrators or as the case may be, to successors of deceased equity shareholders of the Transferor Company, the concerned heirs, executors, administrators or successors shall be obliged to produce evidence of title satisfactory to the Board of the Transferee Company.
- (iv) The New Equity Shares shall, in compliance with the applicable regulations, be listed and admitted to trading on the Stock Exchanges, where the equity shares of Transferee Company are listed and admitted to trading. The Transferee Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with applicable laws or regulations for complying with the listing requirements of the Stock Exchanges. The New Equity Shares shall remain frozen in the depositories system till listing/trading approvals are provided by the Stock Exchanges.
- (v) The New Equity Shares will be allotted in dematerialized form to the shareholders of the Transferor Company, provided that all details relating to the account with the depository participant are available to the Transferee Company. Equity shareholders of the Transferor Company who do not provide their details relating to the account with the depository participant will be distributed New Equity Shares in physical form unless such details are communicated in writing by the shareholders on or before such date as may be determined by the Board of the Transferee Company.
- (vi) The New Equity Shares shall be subject to the memorandum of association and articles of association of the Transferee Company and shall rank *pari passu* in all respects with the



existing equity shares of the Transferee Company including entitlement in respect of dividends. The issue and allotment of the New Equity Shares by the Transferee Company to the members of the Transferor Company as provided in this Scheme is an integral part hereof and shall be deemed to have been carried out pursuant to and in accordance with all provisions of the Act and other applicable law.

- (vii) No fractional certificates, entitlements or credits shall be issued or given by the Transferee Company in respect of the fractional entitlements, if any, to which the shareholders of the Transferor Company are entitled on the issue and allotment of equity shares by the Transferee Company in accordance with this Scheme. If any members of the Transferor Company have a shareholding such that such members become entitled to a fraction of a New Equity Share, the Board of the Transferee Company may:
- (a) consolidate all such fractional entitlements, issue and allot such fractional entitlements directly to a nominee to be appointed by the Board of Directors of the Transferee Company, who shall hold such fractional entitlements with all additions or accretions thereto in trust for the benefit of the respective shareholders to whom they belong for the specific purpose of selling such fractional entitlements in the market at such price or prices and at such time or times as the nominee may in its sole discretion decide and on such sale pay to the Transferee Company the net sale proceeds thereof and any additions and accretions, whereupon the Transferee Company shall, subject to withholding tax and expenses, if any, distribute such sale proceeds to the shareholders of the Transferor Company in proportion to their respective fractional entitlements; or
  - (b) adopt any other procedure as permitted under applicable law to deal with such fractional entitlements.

## 12. Pending Share Transfers

If there are any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in the registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor or transferee of equity shares in the Transferor Company, after the effectiveness of this Scheme. The New Equity Shares to be issued in respect of any equity shares of the Transferor Company which are held in abeyance under the provisions of the Act or otherwise shall pending allotment or settlement of any underlying dispute, be held in abeyance by the Transferee Company.

## 13. Amendment to Memorandum and Articles of Association

### 13.1 Transfer of Authorized Share Capital

Upon this Scheme becoming effective and upon the vesting and transfer of the Undertaking to the Transferee Company, the entire authorized share capital of the Transferor Company shall stand transferred to the authorized share capital of the Transferee Company.



## **PART IV - ACCOUNTING TREATMENT**

### **14. Accounting treatment in the books of the Transferee Company**

Upon this Scheme coming into effect, the Transferee Company shall account for the Amalgamation in its books of accounts, in accordance with accounting principles as laid down in Ind AS-103 notified under Section 133 of the Act and under the Companies (Indian Accounting Standards) Rules, 2015, as may be amended from time to time, such that:

- (i) All the assets (including the intangible assets, whether recorded in the books of accounts of the Transferor Company or not) and liabilities of the Transferor Company transferred to and vested in the Transferee Company pursuant to this Scheme shall be recorded in the books of accounts of the Transferee Company at fair values as appearing in the consolidated financial statements of the Transferee Company.
- (ii) Any statutory reserve(s) of the Transferor Company shall be transferred to and vested in Transferee Company as they appear in the consolidated books of Transferee Company.
- (iii) The Transferee Company shall record issuance of the New Equity Shares at fair value and accordingly credit to its share capital account the aggregate face value of the New Equity Shares. The excess, if any of the fair value of the New Equity Shares over the face value of new equity shares issued shall be credited to securities premium reserve.
- (iv) Pursuant to the Amalgamation, the inter-company balances between the Transferee Company and the Transferor Company, if any appearing in the books of the Transferee Company shall stand cancelled and there shall be no further obligation in that behalf.
- (v) The value of all investments held by the Transferee Company in the Transferor Company shall stand cancelled pursuant to the Amalgamation.
- (vi) Any excess viz. fair value of New Equity Shares issued as per Clause 14(iii) over the fair value of net assets and statutory reserves taken over as per Clause 14(i) and Clause 14(ii) after giving the effect of the adjustments referred to in Clause 14(iv) and Clause 14(v), shall be treated as goodwill. However, in the event the result is deficit, it shall be credited to capital reserve.

## **PART V - DISSOLUTION OF TRANSFEROR COMPANY AND GENERAL TERMS AND CONDITIONS**

### **15. Dissolution of Transferor Company**

On the coming into effect of this Scheme, the Transferor Company shall stand dissolved without winding-up, and the Board of the Transferor Company shall without any further act, instrument or deed be and stand dissolved.

### **16. Validity of Existing Resolutions**

Upon the coming into effect of this Scheme the resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by



the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

**17. Approvals**

The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required, under any law for such consents and approvals which the Transferee Company may require to own the Undertaking and to carry on the business of the Transferor Company.

**18. Effective Date**

18.1 The coming into effect of this Scheme is conditional upon and subject to:

- (i) it being approved by the respective requisite majorities of the shareholders (including (if applicable) by way of voting through postal ballot and/ or e-voting) and creditors (where applicable) of the Transferor Company and Transferee Company as required under the Act, subject to any dispensation that may be granted by the Tribunals;
- (ii) it being sanctioned by the Tribunals in terms of Sections 230 to 232 and other applicable provisions of the Act;
- (iii) the Stock Exchanges issuing their observation/ no-objection letters and SEBI issuing its comments on the Scheme to the Transferee Company under the SEBI Scheme Circular;
- (iv) the certified copies of the Sanction Order being filed with the Registrar of Companies; and
- (v) receipt of Consents which are mutually identified by the Transferor Company and the Transferee Company as being necessary to effect the Amalgamation.

**19. Effect of Non-Receipt of Approvals**

19.1 The Boards of the Transferor Company and the Transferee Company may mutually agree to terminate this Scheme and in such cases, this Scheme shall stand terminated, revoked, cancelled and be null and void and of no effect and the Transferor Company and the Transferee Company shall, if required, file appropriate proceedings before the Tribunals in this respect.

19.2 Upon the termination, revocation or cancellation of this Scheme as set out in Clause 19.1, no rights and liabilities shall accrue to or be incurred by the Transferor Company and the Transferee Company or their shareholders or creditors or employees or any other person. In such cases, each of the Transferor Company and the Transferee Company shall bear its own costs and expenses or as may be otherwise mutually agreed.

**20. Costs, Expenses and Charges**

All costs, charges and expenses, including any taxes, stamp duties and registration fees of the Transferor Company and the Transferee Company respectively in relation to or in connection with or incidental to this Scheme and of carrying out and completing the terms of this Scheme shall be borne and paid by the Transferee Company, and the stamp duty on the orders of the Tribunals, if any and to the extent applicable, shall also be borne and paid by the Transferee Company.



# B S R & Associates LLP

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27 November 2019

The Board of Directors  
**CreditAccess Grameen Limited**  
New No. 49 (Old No725), 46th Cross, 8th  
Block, Jayanagar, (Next to Rajalakshmi  
Kalayana Mantap)  
Bengaluru KA-560071

The Board of Directors  
**Madura Micro Finance Ltd.**  
36, 2nd Main Road, Kasturba Nagar,  
Adyar, Chennai - 600020

**Sub: Recommendation of equity share exchange ratio for the proposed amalgamation of Madura Micro Finance Limited with CreditAccess Grameen Limited**

Dear Sirs,

We refer to our engagement letter dated 22 November 2019 whereby CreditAccess Grameen Limited ("CAGL") and Madura Micro Finance Limited ("MMFL") (together referred to as "Clients", the "Companies", "Businesses" or "You") have jointly requested B S R & Associates LLP ("BSR") to recommend an equity share exchange ratio in connection with the proposed amalgamation of MMFL with CAGL.

BSR hereinafter is referred to as "Valuer" or "we" or "us" and in this Valuation Report.

## **SCOPE AND PURPOSE OF THE VALUATION REPORT**

We understand that the management of the Companies (hereinafter referred to as "the Management") are contemplating the amalgamation of MMFL with CAGL under a Scheme of Amalgamation under the provisions of Sections 230-232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013. Under the proposed Scheme of Amalgamation, as consideration for the amalgamation of MMFL into CAGL, the shareholders of MMFL will be issued equity shares of CAGL ("Transaction").

BSR has been requested by the Board of Directors/ Audit Committee of the Companies to submit a letter recommending an equity share exchange ratio, as on the date of this report, in connection with the Transaction. This valuation report ("Valuation Report") may be placed before the audit committee, as per SEBI Circular CFD/DIL3/CIR/2017/21 dated 10 March 2017 and the circular no. CFD/DIL3/CIR/2017/26 dated 23 March 2017. We understand that this Valuation Report will be used by the Clients for the above mentioned purpose only and, to the extent mandatorily required under applicable laws of India, may be produced before judicial, regulatory or government authorities, in connection with the Transaction.

We understand that the appointed date for the amalgamation as per the draft scheme shall be 02 March 2020.



*Recommendation of share exchange ratio for the  
proposed amalgamation of MMFL with CAGL*

The scope of our services is to conduct a relative valuation (and not absolute) of the equity shares of CAGL and MMFL to arrive at the equity share exchange ratio of CAGL and MMFL ("Equity Share Exchange Ratio") for the proposed amalgamation in accordance with generally accepted professional standards.

This Valuation Report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such the Valuation Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

### **SOURCES OF INFORMATION**

In connection with preparing this Valuation Report, we have received the following information from the Management of the Companies ("Management"):

- Audited financial statements of the Companies and their subsidiaries for FY17, FY18 and FY19 ("Historical period");
- Provisional financial statements for the year-to-date period ended 30 September 2019
- Interviews and discussions with the Management to augment our knowledge of the operations of the Companies;
- Draft Scheme of Amalgamation dated 20 November 2019 ("Scheme");
- Shareholding pattern of the Companies as at 30 September 2019;
- Other information, explanations and representations that were required and provided by the Management;
- For our analysis, we have relied on published and secondary sources of data, whether or not made available by the Clients. We have not independently verified the accuracy or timeliness of the same; and
- Such other analysis, review and enquiries, as we considered necessary.

We have taken into consideration the current market parameters in our analysis and have made adjustments for additional facts made known to us till the date of our Valuation Report. Further, we have been informed that all material information impacting the Companies have been disclosed to us. The Management has further confirmed to us that there are no unusual/ abnormal events in the Companies since the last audited accounts till the Valuation Report date materially impacting their operating/ financial performance.

The Companies have been provided with the opportunity to review the draft Valuation Report (excluding the recommended Equity Share Exchange Ratio) as part of our standard practice to make sure that factual inaccuracies/ omissions are avoided in our final report.



## **SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS**

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The service does not represent accounting, assurance, accounting/ tax due diligence, consulting or tax related services that may otherwise be provided by us or our affiliates.

This Valuation Report, its contents and the results herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement; and (ii) the date of this Valuation Report and (iii) the latest available financial statements of the Companies and other information provided by the Management or taken from public sources till 26 November 2019.

A valuation of this nature is necessarily based on (a) prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on and (b) the information made available to us as of, the date hereof. Events occurring after the date hereof may affect this Valuation Report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Valuation Report.

The ultimate analysis will have to be influenced by the exercise of judicious discretion by the Valuer and judgment taking into accounts all the relevant factors. There will always be several factors, e.g. management capability, present and prospective competition, yield on comparable securities, market sentiment, etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a share. This concept is also recognized in judicial decisions.

The recommendation(s) rendered in this Valuation Report only represent our recommendation(s) based upon information received by the Companies till 26 November 2019 and other sources and the said recommendation(s) shall be considered to be in the nature of non-binding advice (our recommendation will however not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors). Further, the determination of Equity Share Exchange Ratio is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single Equity Share Exchange Ratio. While we have provided our recommendation of the Equity Share Exchange Ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion as to the Equity Share Exchange Ratio of the equity shares of CAGL and MMFL. You acknowledge and agree that you have the final responsibility for the determination of the Equity Share Exchange Ratio at which the proposed amalgamation shall take place and factors other than our Valuation Report will need to be taken into account in determining the Equity Share Exchange Ratio; these will include your own assessment of the Transaction and may include the input of other professional advisors.

In the course of the valuation, we were provided with both written and verbal information, including market, technical, financial and operating data. In accordance with the terms of our engagement, we have assumed and relied upon, without independent verification, (i) the accuracy of the information that was publicly available and formed a substantial basis for this





*Recommendation of share exchange ratio for the  
proposed amalgamation of MMFL with CAGL*

Valuation Report and (ii) the accuracy of information made available to us by the Companies. We have not carried out a due diligence or audit of the Companies for the purpose of this engagement, nor have we independently investigated or otherwise verified the data provided. We are not legal or regulatory advisors with respect to legal and regulatory matters for the Transaction. We do not express any form of assurance that the financial information or other information as prepared and provided by the Companies is accurate. Also, with respect to explanations and information sought from the Companies, we have been given to understand by the Companies that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness.

Our conclusions are based on these assumptions and information given by/ on behalf of the Companies. The Management have indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis/ results. Accordingly, we assume no responsibility for any errors in the information furnished by the Companies and its impact on the Valuation Report. Also, we assume no responsibility for technical information (if any) furnished by the Companies. However, nothing has come to our attention to indicate that the information provided was materially mis-stated/ incorrect or would not afford reasonable grounds upon which to base the Valuation Report. We do not imply and it should not be construed that we have verified any of the information provided to us, or that our inquiries could have verified any matter, which a more extensive examination might disclose.

In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Companies, their directors, employees or agents. In no circumstances shall the liability of a Valuer, its partners, its directors or employees, relating to the services provided in connection with the engagement set out in this Valuation Report shall exceed the amount paid to such Valuer in respect of the fees charged by it for these services.

The Valuation Report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the specified Companies will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this Valuation Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not recorded in period balance sheet of the Companies. Our conclusion of value assumes that the assets and liabilities of the Companies, reflected in their respective latest balance sheets remain intact as of the Valuation Report date.

This Valuation Report does not address the relative merits of the Transaction as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

No investigation of the Companies' claim to title of assets has been made for the purpose of this Valuation Report and the Companies' claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans



*Recommendation of share exchange ratio for the proposed amalgamation of MMFL with CAGL*

disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature. The fee for the Engagement is not contingent upon the results of the Valuation Report.

We owe responsibility to the Audit Committee/ Board of Directors of CAGL and MMFL which have retained us, and nobody else. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of the other. We do not accept any liability to any third party in relation to the issue of this Valuation Report. This Valuation Report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose. It is understood that this analysis does not represent a fairness opinion.

This Valuation Report is subject to the laws of India.

Neither the Valuation Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement. Further, it cannot be used for purpose other than in connection with the Transaction, without our prior consent. In addition, this Valuation Report does not in any manner address the prices at which equity shares will trade following consummation of the Transaction and we express no opinion or recommendation as to how the shareholders of either Company should vote at any shareholders' meeting(s) to be held in connection with the Transaction.

## BACKGROUND OF THE COMPANIES

### CreditAccess Grameen Limited (CAGL)

CAGL was founded in 1999 and is based in Bangalore, India. CAGL operates as a Non-Banking Financial Company: Micro Finance Institution ("NBFC-MFI") providing loans for women from poor and low income households in India. CAGL offers microcredit loans for income generation, home improvement, emergency, and family welfare to support their enhanced credit needs for their business.

CAGL is listed on the National Stock Exchange ("NSE") and Bombay Stock Exchange ("BSE"). The issued, subscribed and paid up equity share capital of CAGL as at 30 September 2019 is INR 1,438 million consisting of 143,796,038 equity shares of face value of INR 10 each. The shareholding pattern of CAGL as on Valuation Report date is as follows:

Category	No of Shares	% shareholding
Promoter & Promoter Group	115,109,028	80.05
Public	28,687,010	19.95
<b>Total</b>	<b>143,796,038</b>	<b>100.0</b>

Source: Management information

### Madura Micro Finance Limited (MMFL)

MMFL was incorporated in 2005 and is based in Chennai, India. MMFL operates as a NBFC-MFI in India. MMFL offers group loans, including entry level and activity term loans and women's self-help group loans, as well as individual loans primarily for retailers with small shops.



*Recommendation of share exchange ratio for the  
proposed amalgamation of MMFL with CAGL*

The issued, subscribed and paid up equity share capital of MMFL as at 30 September is INR 72 million consisting of 7,194,761 equity shares of face value of INR 10 each. The shareholding pattern of MMFL as on Valuation Report date is as follows:

Category	No of Shares	% shareholding
Ms. Tara Thiagarajan	2,330,574	32.4
A V Thomas and Co Ltd	1,159,435	16.1
Midland Rubber & Produce Company Ltd	1,159,436	16.1
Employees' Welfare Trust	364,917	5.1
Elevar Equity Mauritius	865,916	12.0
Mr. M Narayanan	373,516	5.2
Others	940,967	13.1
<b>Total</b>	<b>7,194,761</b>	<b>100.0</b>

Source: Management information

#### APPROACH & METHODOLOGY - BASIS OF TRANSACTION

The Transaction contemplates amalgamation of MMFL with CAGL. Arriving at the Equity Share Exchange Ratio for the proposed amalgamation of the above mentioned companies would require determining the value of MMFL in terms of the value of the equity shares of CAGL. These values are to be determined independently but on a relative basis, and without considering the proposed Transaction.

There are several commonly used and accepted methods for determining the value of the equity shares of a company, which have been considered in the present case by Valuer independently, to the extent relevant and applicable, including:

1. Market Price method
2. Comparable companies (CoCo) Method
3. Comparable Transaction (CoTrans) Method
4. Discounted Cash Flows method

It should be understood that the valuation of any company or its assets is inherently imprecise and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made numerous assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the Companies. In addition, this valuation will fluctuate with changes in prevailing market conditions, the conditions and prospects, financial and otherwise, of the Companies, and other factors which generally influence the valuation of companies and their assets.

The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies

adopted for a transaction of a similar nature, regulatory guidelines and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

The valuation methodologies used by BSR to arrive at the value attributable to the equity shareholders of MMFL and CAGL are discussed hereunder.

### **Market approach**

The market approach assumes that companies operating in the same industry will share similar characteristics and the company values will correlate to those characteristics. Therefore, a comparison of the subject company to similar companies whose financial information is publicly available may provide a reasonable basis to estimate the subject company's value. There are three forms of the Market Approach – Market Price Method, the Comparable Companies approach and the Comparable Transactions approach.

### **Market Price Method**

The market price of an equity share as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in. Further, in the case of a transaction, where there is a question of evaluating the shares of one company against those of another, the volume of transactions and the number of shares available for trading on the stock exchange over a reasonable period would have to be of a comparable standard.

In the present case, the equity shares of CAGL are listed on BSE and NSE and there are regular transactions in its equity shares with reasonable volume. In the circumstances and considering the allotment of shares pursuant to a scheme to the shareholders of an unlisted company by a listed company, the share price of CAGL has been considered as suggested in regulation 164 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. Accordingly, higher of the below two methods has been taken for determining the value of CAGL under the market price methodology:

- a) Average of the weekly high and low of the volume weighted average price during the last twenty six weeks preceding the Valuation Report date; and
- b) Average of the weekly high and low of the volume weighted average price during the two weeks preceding the Valuation Report date.

### **Comparable Companies (CoCo) Method**

Under Comparable Companies Method, the value of shares/ business of a company is determined based on market multiples of publicly traded comparable companies. Although no two companies are entirely alike, the companies selected as comparable companies should be engaged in the same or a similar line of business as the subject company. The appropriate multiple is generally based on the performance of listed companies with similar business models and size.

We have considered listed comparable companies in the NBFC-MFI space having similar business characteristics with MMFL. Accordingly, we have used weighted average Price to Book value (P/ BV) multiple to arrive at the valuation of MMFL.



### **Comparable Transaction (CoTrans) Method**

Under Comparable Transaction Method, the value of shares/ business of a company is determined based on market multiples of publicly disclosed transactions in the similar space as that of the subject company. Multiples are generally based on data from recent transactions in a comparable sector, but with appropriate adjustment after consideration has been given to the specific characteristics of the business being valued.

Based on our analysis of the NBFC – MFI space, we could note fair amount of transactions in various MFI's in India. Thus, for the purpose of valuation of MMFL, we have analysed and considered the P/BV multiple of suitable comparable transactions.

### **Income Approach - Discounted Cash Flows ("DCF") Method**

Discounted Cash Flow Method (DCF) is a form of the income approach that is commonly used across the industries. Under the DCF approach, forecast cash flows are discounted back to the present date, generating a net present value for the cash flow stream of the business.

The Clients have not provided any detailed forecast business plan for their respective companies for our analysis. Also, in case of NBFC's, capital equates to both debt and equity and that debt is considered akin to raw material used in day to day activities. Further, NBFC's reinvestment is towards regulatory and human capital rather than the traditional property, plant and equipment. Thus, in view of lack of reliable forecast business plan as well challenges in adopting the DCF method, we have not considered the DCF method for our analysis.

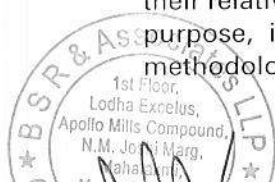
### **Net Asset Value (NAV) Method**

The asset based valuation technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis.

A scheme of amalgamation would normally be proceeded with, on the assumption that the companies amalgamate as going concerns and an actual realization of the operating assets is not contemplated. In such a going concern scenario, the relative earning power is of importance to the basis of amalgamation, with the values arrived at on the net asset basis being of limited relevance. Further, given the stage of operations of the Companies, comparable transactions at above the reported book value, we have not used the NAV method for valuation.

### **BASIS OF EQUITY SHARE EXCHANGE RATIO**

The basis of amalgamation of MMFL into CAGL would have to be determined after taking into consideration all the factors and methodologies mentioned hereinabove. Though different values have been arrived at under each of the above methodologies, for the purposes of recommending an Equity Share Exchange Ratio of equity shares, it is necessary to arrive at a single value for the equity shares of CAGL and MMFL. It is however important to note that in doing so we are not attempting to arrive at the absolute equity values of the Companies but at their relative values to facilitate the determination of a fair Equity Share Exchange Ratio. For this purpose, it is necessary to give appropriate weights to the values arrived at under each methodology.



*Recommendation of share exchange ratio for the  
proposed amalgamation of MMFL with CAGL*

The Equity Share Exchange Ratio has been arrived at on the basis of a relative equity valuation of the Companies based on the various approaches/ methods explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potentials of the businesses of the Businesses, having regard to information base, key underlying assumptions and limitations.

As considered appropriate, we have independently applied methodologies discussed above and arrived at the value per share of the Companies. We have independently assigned appropriate weightage to the value per share of CAGL and MMFL, arrived using the Market Price, Comparable Companies - P/BV multiple and Comparable Transactions - P/BV multiple, to arrive at the value per equity share of CAGL and MMFL. Further, to arrive at the consensus on the equity share exchange ratio for the proposed amalgamation, suitable minor adjustments/ rounding off have been done.

**Computation of the Share Exchange Ratio:**

Valuation Approach	CAGL		MMFL	
	Value per Share (INR)	Weightage	Value per Share (INR)	Weightage
Market Approach				
a) Market Price Method	770.5	100%	n/a	0%
b) CoCo Method	n/a	0%	1,169	50%
c) CoTrans Method	n/a	0%	1,247	50%
Income Approach	n/a	0%	n/a	0%
Asset Approach	n/a	0%	n/a	0%
<b>Relative Value per share</b>	<b>770.5</b>	<b>100%</b>	<b>1,208</b>	<b>100%</b>
<b>Exchange Ratio (Rounded off)</b>	<b>1.57</b>			

Source: BSR analysis

In view of the above, and on consideration of the relevant factors and circumstances as discussed and outlined hereinabove, we recommend the Equity Share Exchange Ratio for amalgamation of MMFL into CAGL -

**at 157 (One Fifty Seven Only) equity shares of CAGL of INR 10 each fully paid up for 100 (One Hundred Only) equity shares of MMFL of INR 10 each fully paid up.**



*Recommendation of share exchange ratio for the  
proposed amalgamation of MMFL with CAGL*

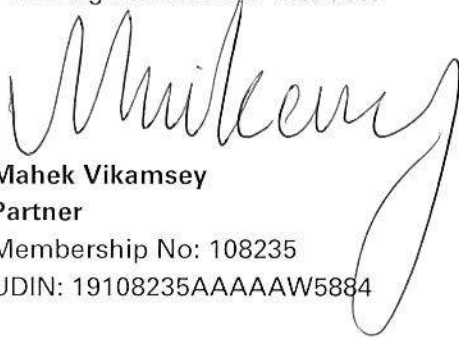
Our Valuation Report and Equity Share Exchange Ratio is based on the current equity share capital structure of CAGL and MMFL as mentioned earlier in this Report. Any variation in the equity capital of CAGL and MMFL may have material impact on the share exchange ratio.

Respectfully submitted.

**For B S R & Associates LLP**

**Chartered Accountants**

Firm Registration No: 116231W



**Mahek Vikamsey**

**Partner**

Membership No: 108235

UDIN: 19108235AAAAAW5884



Date: 27 November 2019

**Independent Auditor's Report on the proposed accounting treatment specified in the Draft Scheme of Amalgamation**

The Board of Directors  
CreditAccess Grameen Limited  
New no. #49 (Old no.725), 46th Cross Road  
8<sup>th</sup> Block, Jayanagar (Next to Rajalakshmi Kalyan Mantap)  
Bangalore - 560 071

Dear Sirs/ Madams,

1. This report is issued in accordance with the terms of the Master Engagement Agreement (the "MEA") dated September 30, 2016 and the addendum to MEA dated November 18, 2019 with CreditAccess Grameen Limited (hereinafter the "Company" or "Transferee Company").
2. We, the statutory auditors of the Transferee Company, have examined the proposed accounting treatment specified in Clause 14 'Accounting Treatment in the Books of The Transferee Company' of the draft scheme of amalgamation as approved by the Board of Directors of the Company in its meeting held on November 27, 2019 for amalgamation of Madura Micro Finance Limited ("Transferor Company") into the Transferee Company and their respective shareholders and creditors in terms of provisions of Section 230 to 232 of the Companies Act, 2013 (the "Act") ("Scheme") to confirm whether the proposed accounting treatment specified in Clause 14 of the Scheme is in compliance with the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time (hereinafter referred to as the "Ind AS"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and circulars issued thereunder (the "SEBI Regulations") and other generally accepted accounting principles in India.
3. The Company had filed the Scheme with the National Stock Exchange of India Limited ("NSE") and the BSE Limited ("BSE") along with our report on the proposed accounting treatment specified therein dated November 27, 2019 (the "Original Report"). We have been informed that the Original Report did not meet the specific requirements of the NSE as communicated to the Company vide letter dated December 13, 2019. We are issuing this revised report (the "Revised Report" or "Report"), in supersession of the Original Report, which hereby stands withdrawn. This Revised Report has been issued based on an undertaking from the management that the Revised Report will be brought to the attention of all recipients of the Original Report and such Original Report shall be replaced with the Revised Report, wherever such Original Report has been used / distributed.

**Management's Responsibility**

4. The responsibility for the preparation of the Scheme and its compliance with the relevant laws and regulations, including the Ind AS, the SEBI Regulations and other generally accepted accounting principles in India, is that of the board of directors of the Transferor Company and the Transferee Company.

**Auditor's Responsibility**

5. Pursuant to the requirements of Section 230 to 232 and other applicable provisions of the Act, our responsibility is to provide a reasonable assurance in the form of an opinion, based on our examination and according to the information and explanations given to us, as to whether the proposed accounting treatment specified in Clause 14 of the Scheme complies with the Ind AS, the SEBI Regulations and other generally accepted accounting principles in India.
6. A reasonable assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the reporting criteria, mentioned in paragraph 5 above. Accordingly, we have performed the following procedures in relation to the Scheme:
  - a) Read the Scheme and the proposed accounting treatment as specified in Clause 14 of the Scheme, which is attached as Annexure 1 to this Report and initialed by us only for the purpose of identification;
  - b) Compared the accounting treatment as described in Clause 14 of the Scheme with the requirements of Ind AS 103; and



- c) Performed inquiries with the management to assess the accounting treatment and obtained necessary representations.

Our examination did not extend to any aspects of tax, legal or propriety nature of the Scheme and other compliances thereof.

Further, our scope of work did not involve us performing any audit tests in the context of our examination. We have not performed an audit, the objective of which would be to express an opinion on the specified elements, accounts or items thereof, for the purpose of this Report. Accordingly, we do not express such opinion. Our scope of work also did not include verification of compliance with other requirements of the other circulars and notifications issued by regulatory authorities from time to time and any other laws and regulations applicable to the Transferee Company or the Transferor Company. Nothing contained in this Report, nor anything said or done in the course of, or in connection with the services that are subject to this Report, will extend any duty of care that we may have in our capacity as the statutory auditors of any financial statements of the Company.

7. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

#### Opinion

9. Based on the procedures performed by us and according to the information and explanations given to us and representations obtained, we are of the opinion that the proposed accounting treatment as specified in Clause 14 of the Scheme is in compliance with Ind AS, the SEBI Regulations and other generally accepted accounting principles in India.

#### Restriction on Use

10. This Report is issued at the request of the Company and addressed to the Board of Directors of the Company, solely for the purpose to comply with the requirements of the SEBI Regulations including SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended, as well as the provisions of Section 230 to 232 and other applicable provisions of the Act for onward submission to the NSE, BSE and National Company Law Tribunal, as may be applicable and is not to be used or referred to for any other purposes. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom this Report is shown or into whose hands it may come. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

For S. R. Batliboi & Co. LLP

ICAI Firm registration number: 301003E/E300005

Chartered Accountants



per Shrawan Jalan

Partner

Membership No.: 102102

UDIN: 19102102AAABEZ6246

Mumbai

December 17, 2019

**PKF SRIDHAR & SANTHANAM LLP**

Chartered Accountants

To

**Madura Micro Finance Limited**  
**No 36, Second Main Road**  
**Kasturba Nagar, Adyar**  
**Chennai- 600 020**

**Statutory Auditors' Certificate certifying the proposed accounting treatment contained in  
the Draft Scheme of Amalgamation**

1. This certificate is issued in accordance with the terms of our engagement letter dated 22<sup>nd</sup> February 2021.
2. We, PKF Sridhar & Santhanam LLP Chartered Accountants, the Statutory Auditors of Madura Micro Finance Limited (the "Transferor Company" / the "Company"), have examined the proposed accounting treatment specified in Clause 14 with regard to the Amalgamation between Madura Micro Finance Limited and CreditAccess Grameen Limited (hereinafter referred to as the "Transferee Company"); as specified in the Draft Scheme of Amalgamation (the "Draft Scheme") between the Transferor Company and the Transferee Company in terms of the provisions of Sections 230 to 232 and other applicable provisions or the Companies Act, 2013 and rules framed thereunder with reference to its compliance with the applicable Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the rules made there under and other generally accepted accounting principles in India.

**Management's responsibility**

3. The responsibility for the preparation of the Draft Scheme, its proprietary and its compliance with the relevant laws and regulations, including the applicable Indian Accounting Standards read with the rules made there under and other generally accepted accounting principles in India as aforesaid, is that of the Boards of Directors of the companies involved. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Draft Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

**Auditor's responsibility**

4. Our responsibility is to examine and report to provide reasonable assurance as to whether the proposed accounting treatment referred to in Clause 14 of the Draft Scheme referred to above comply with the applicable Indian Accounting Standards. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.
5. We carried out our examination in accordance with the Guidance Note on reports or Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India ("ICAI") and Standards on Auditing specified under Section 143(10) of the Companies Act,

2013, in so far as applicable for the purpose of this certificate. This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control ("SQC") 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements. Further, our examination did not extend to any other parts and aspects of legal or proprietary nature in the aforesaid Scheme.

**Opinion**

7. Based on our examination of the draft scheme of amalgamation and according to the information and explanations given to us upon the Draft Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up, without any further act, instrument or deed and there is no accounting treatment prescribed under this Draft Scheme which would have any impact or need to be reflected in the books of the Transferor company.
8. For ease of references the Draft Scheme, duly authenticated on behalf of the Company is reproduced in Annexure 1 to this Certificate and is initialled by us only for the purposes of identification.

**Restriction on use**

9. This certificate is issued at the request of the Company for onward submission to Securities and Exchange Board of India, BSE Limited, the National Stock Exchange of India Limited, National Company Law Tribunal (NCLT) and other regulatory authorities for the above mentioned purpose as specified in Paragraph 2. This certificate should not be used for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom our certificate is shown or into whose hands it may come without our prior consent in writing.

**S Narasimhan**

Membership No: 206047

Partner

**SRINIVASAN**  
**NARASIMHAN**

Digitally signed by  
SRINIVASAN  
NARASIMHAN  
Date: 2021.07.03  
17:23:00 +05'30'

Place: Chennai

Date: 03 Jul 2021

UDIN: [21206047AAAACF3686](https://www.icaai.org/UDIN/21206047AAAACF3686)

November 27, 2019  
 SCSL/19-20/057

<b>The Board of Directors</b> <b>CreditAccess Grameen Limited</b> New No. 49 (Old No.725), 46th Cross, 8th Block, Jayanagar (Next to Rajalakshmi Kalyana Mantap) Bangalore - 560 071, Karnataka.	<b>The Board of Directors</b> <b>Madura Micro Finance Limited</b> 36, 2 <sup>nd</sup> Main Road Kasturba Nagar, Adyar, Chennai - 600020 Tamil Nadu
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Dear Members of the Board,

**Sub: Fairness opinion on the proposed Share Exchange Ratio for the proposed amalgamation of Madura Micro Finance Limited into and with CreditAccess Grameen Limited under Sections 230 and 232 read with relevant provisions of the Companies Act, 2013.**

**Ref.: Our Engagement Letter dated November 25, 2019.**

The Board of Directors of CreditAccess Grameen Limited (hereinafter referred to as “CAGL” or the “Transferee Company”) has appointed M/s BSR & Associates LLP, Chartered Accountants (the “Independent Valuer”) in relation to valuation of Madura Micro Finance Limited (hereinafter referred to as “MMFL” or the “Transferor Company”) and determination of Share Exchange Ratio for the purpose of MMFL’s amalgamation into and with CAGL (the “Amalgamation”) with effect from the Appointed Date of March 2, 2020. Both Transferor and Transferee are jointly referred to as the “Companies”.

Systematix Corporate Services Limited (“Systematix”), a SEBI registered Category I Merchant Banker having permanent Registration Number INM000004224 and also BSE and NSE empanelled Independent Valuer, has been appointed by Transferee Company to provide a Fairness Opinion pursuant to Regulation 11, 37 and 94 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”) read with SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 and SEBI Circular CFD/DIL3/CIR/2017/26 dated March 23, 2017 as amended from time to time (both are jointly referred to as the “SEBI Circulars”).

Our opinion is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such the opinion is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

#### **SOURCES OF INFORMATION**

The sources of information, which have been furnished to us by the Transferee Company, are as follows:



#### **Systematix Corporate Services Limited**

Registered Office : 206 - 207, Bansi Trade Centre, 581/5, M. G. Road, Indore - 452 001. Tel. : +91-0731-4068253  
 Corporate Office : The Capital, A-Wing, No. 603 - 606, 6th Floor, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051.  
 Tel : +91-22-6619 8000 / 4035 8000 Fax : +91-22-6619 8029 / 4035 8029  
 CIN : L91990MP1985PLC002969 Website : www.systematixgroup.in Email : secretarial@systematixgroup.in  
 SEBI Merchant Banking Registration No. : INM000004224



- Valuation Report dated November 27, 2019 issued by the Independent Valuer containing the valuation of equity shares of MMFL, valuation of equity shares of CAGL and Share Exchange Ratio for the proposed Amalgamation;
- Draft Scheme of Amalgamation between Transferor Company and Transferee Company as certified by the management of CAGL;
- MOA & AOA of the Transferor and the Transferee Companies;
- Audited Financials for the FY 2018-19 of the Transferor and the Transferee Companies;
- Provisional financial statements for the year-to-date period ended 30 September 2019 for the Transferor Company;
- Shareholding pattern of the Companies as at 30 September 2019;
- BSE and NSE Websites ([www.bseindia.com](http://www.bseindia.com); [www.nseindia.com](http://www.nseindia.com)) and
- Other information and explanations as provided by the Companies

In addition to the above, we have also obtained other necessary explanations and information, which we believed were relevant to the present exercise, from the management of Transferee Company.

#### **SCOPE LIMITATIONS, ASSUMPTIONS, EXCLUSIONS, LIMITATIONS AND DISCLAIMERS**

Our Opinion and analysis is limited to the extent of review of the documents as provided to us and described above.

We have relied upon the accuracy and completeness of all information and documents provided to us, without carrying out any due diligence or independent verification or validation of such information to establish its accuracy or sufficiency. We have not reviewed any financial forecasts relating to the Transferor Company and Transferee Company. We have not conducted any independent valuation or appraisal of any of the assets or liabilities of the Transferor Company and Transferee Company. In particular, we do not express any opinion as to the value of any asset of Transferor Company and Transferee Company, whether at current prices or in the future.

We do not express any opinion as to the price at which shares of Transferor Company and Transferee Company may trade at any time, including subsequent to the date of this opinion. In rendering our opinion, we have assumed, that the Scheme of Amalgamation will be implemented on the terms described therein, without any waiver or modification of any material terms or conditions, and that in the course of obtaining the necessary regulatory or third party approvals for the Scheme of Amalgamation, no delay, limitation, restriction or condition will be imposed that would have an adverse effect on Transferor Company and Transferee Company and their respective shareholders.

We do not express any opinion as to any tax or other consequences that might arise from the Scheme of Amalgamation on Transferor Company and Transferee Company and their respective shareholders, nor does our opinion address any legal, tax, regulatory or accounting



matters, as to which we understand that the Companies have obtained such advice as it deemed necessary from qualified professionals.

We assume no responsibility for updating or revising our opinion based on circumstances or events occurring after the date hereof. Our opinion is specific to the merger as contemplated in the Scheme of Amalgamation provided to us and is not valid for any other purpose.

We may currently or in the future provide, investment banking services to Transferor Company and Transferee Company and/or its subsidiaries or their respective affiliates that are unrelated to the proposed Scheme of Amalgamation, for which services we have / may receive customary fees. In addition, in the ordinary course of their respective businesses, affiliates of Systematix may actively trade in the securities of the Transferor Company or its group companies or for their own accounts and for the accounts of their customers and, accordingly, may at any time hold a position in such securities. Our engagement and the opinion expressed herein are for the use of the Board of Directors of Transferor Company in connection with the consideration of the Scheme of Amalgamation and for none other. Neither Systematix, nor its affiliates, partners, directors, shareholders, managers, employees or agents of any of them, makes any representation or warranty, express or implied, as to the information and documents provided to us, based on which the opinion has been issued. All such parties and entities expressly disclaim any and all liability for, or based on or relating to any such information contained therein.

Our opinion is not intended to and does not constitute a recommendation to any shareholder as to how such holder should vote or act in connection with the Scheme of Amalgamation or any matter related thereto.

This report may be submitted to the stock exchanges, SEBI, the National Company Law Tribunal and such other statutory authorities from whom approval is required under applicable law. The report may also be disclosed on the websites of the Transferee Company and made available to shareholders and creditors in connection with the approval process for the Scheme of Amalgamation.

The fee for this engagement is not contingent upon the results of this report.

## **BACKGROUND OF THE COMPANIES**

### **Transferor Company**

The Transferor Company is a public limited company, and is registered with the RBI (as defined hereinafter) as a non-deposit taking, non-banking financial company –micro finance institution.



### **The Transferee Company**

The Transferee Company is a public limited company and is registered with the RBI as a non-deposit taking, non-banking financial company – micro finance institution. The equity shares of the Transferee Company are listed on the BSE Limited and the National Exchange of India Limited.

### **INDEPENDENT VALUER'S RECOMMENDATION**

As stated above, we have reviewed a copy of a valuation report dated November 27, 2019 from the Independent Valuer addressed to the Board of Directors of the Transferee Company proposing the following share exchange ratio:

“157 (One Hundred and Fifty Seven) equity shares of CAGL of INR 10 each fully paid up for 100 (One Hundred) equity shares of MMFL of INR 10 each fully paid up.”


### **OUR COMMENT ON THE INDEPENDENT VALUER'S REPORT**

The fairness opinion has been prepared based on the Independent Valuer's report and our exercise of the various qualitative factors relevant to CAGL and MMFL, having regard to information base, Management representations, key underlying assumptions and limitations.

On consideration of all the relevant factors and circumstances, we believe that the Independent Valuer's proposed Share Exchange Ratio is fair including from a financial stand point.

Thanking you.

**For Systematix Corporate Services Limited**

  
Amit Kumar, SVP  
Authorised Signatory



DCS/AMAL/PB/R37/1950/2021-22

“E-Letter”

May 7, 2021

The Company Secretary,  
**CreditAccess Grameen Ltd**  
 New No. 49 (Old No. 725), 8th Block, 46th Cross, Jayanagar,  
 Next to Rajalakshmi Kalyan Mantap,  
 Karnataka, 560071

Sir,

**Sub: Observation letter regarding Draft Scheme of Amalgamation between Madura Micro Finance Limited and CreditAccess Grameen Limited and their respective shareholders and creditors.**

We are in receipt of the Draft Scheme of Amalgamation of CreditAccess Grameen Limited filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated May 7, 2021 has inter alia given the following comment(s) on the draft scheme of Reduction:

- **“Company shall duly comply with various provisions of the Circular.”**
- **“Company shall ensure that additional information and undertakings, if any, submitted by the Company, after filing the Scheme with the Stock Exchanges, and from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges.”**
- **“Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.”**
- **“It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.”**

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon’ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its ‘No adverse observation’ at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any



contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

Sd/-

**Nitinkumar Pujari**  
**Senior Manager**

**National Stock Exchange Of India Limited**

Ref: NSE/LIST/25240\_III

May 7, 2021

The Company Secretary  
CreditAccess Grameen Limited  
#49, 46<sup>TH</sup> Cross, 8<sup>TH</sup> Block  
Jayanagar, Bengaluru-560070

**Kind Attn.: Mr. M. J. Mahadev Prakash**

Dear Sir,

**Sub: Observation Letter for Draft Scheme of Amalgamation between Madura Micro Finance Limited, CreditAccess Grameen Limited and their respective shareholders and creditors**

We are in receipt of the Draft Scheme of Amalgamation between Madura Micro Finance Limited (“Transferor Company”), CreditAccess Grameen Limited (“Transferee Company”) and their respective shareholders and creditors vide application dated November 09, 2020.

Based on our letter reference no Ref: NSE/LIST/25240 submitted to SEBI and pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 (‘Circular’), kindly find following comments on the draft scheme:

- a. *The Company shall ensure that additional information, if any, submitted by the Company, after filing the Scheme with the Stock Exchange and from the date of the receipt of this letter is displayed on the website of the listed company.*
- b. *The Company shall duly comply with various provisions of the Circular.*
- c. *The Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.*
- d. *It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/ observation/ representations.*

It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/ representations.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our “No-objection” in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines / Regulations issued by statutory authorities.

The validity of this “Observation Letter” shall be six months from May 07, 2021 within which the scheme shall be submitted to NCLT.

**The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path: NEAPS > Issue > Scheme of arrangement > Reg 37(1) of SEBI LODR, 2015 > Seeking Observation letter to Compliance Status.**

Yours faithfully,  
For National Stock Exchange of India Limited

Jiten Patel  
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL [http://www.nseindia.com/corporates/content/further\\_issues.htm](http://www.nseindia.com/corporates/content/further_issues.htm)

## ANNEXURE 6A

**REPORT OF THE BOARD OF DIRECTORS OF CREDITACCESS GRAMEEN LIMITED HELD ON NOVEMBER 27, 2019 AT 10.30 AM AT THE LEELA PALACE, ADYAR SEAFACE, MRC NAGAR, CHENNAI 600028 APPROVING THE SCHEME OF AMALGAMATION AMONGST CREDITACCESS GRAMEEN LIMITED, MADURA MICRO FINANCE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS AS AMENDED BY THE MEETING OF THE BOARD OF DIRECTORS OF CREDITACCESS GRAMEEN LIMITED ON WEDNESDAY JANUARY 22, 2020 AT 1.30 PM AT THE REGISTERED OFFICE OF CREDITACCESS GRAMEEN LIMITED AT BANGALORE**

### Background:

The proposed scheme of amalgamation between Madura Micro Finance Limited ("**Transferor Company**") and CreditAccess Grameen Limited ("**Transferee Company**") and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Act**") was approved by the Board of Directors ("**Board**") of CreditAccess Grameen Limited on November 27, 2019, and amended by the Board on January 22, 2020 ("**the Scheme**").

The Scheme, inter alia, provides for the amalgamation of the Transferor Company with the Transferee Company and the dissolution of the Transferor Company without winding up and cancellation of the equity shares held by the Transferee Company in the Transferor Company. Additionally, the Scheme also provides for various other matters consequential or otherwise integrally connected with the Scheme.

The provisions of Section 232(2)(c) of the Act requires the directors of the Transferee Company to adopt a report explaining the effect of the arrangement pursuant to the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders and to lay out in particular, the share exchange ratio, specifying any special valuation difficulties, if any.

Accordingly, this report of the Board is being made in pursuance of the requirements of Section 232(2)(c) of the Act and in this connection, the following documents were presented/ shared with the Board:

- a. The Scheme;
- b. Report on recommendation of fair valuation dated November 27, 2019 issued by M/s BSR & Associates, LLP Chartered Accountants ("**Valuation Report**");
- c. Fairness opinion dated November 27, 2019 issued by Systematix Corporate Services Limited, an independent SEBI Registered Merchant Banker, providing the fairness opinion on the share exchange ratio recommended in the Valuation Report ("**Fairness Opinion**");

- d. Management presentations indicating the commercial rationale of the transactions involving MMFL and the Company and the commercial negotiations with MMFL and its shareholders -that the deal was finalized for 875 Crore and hence the corresponding exchange ratio worked out at 158 equity shares of CAGL for every 100 equity shares of MMFL;
- e. Draft certificate from S.R Batliboi & Co LLP, the statutory auditor of the Company certifying that the accounting treatment in the draft Scheme is in accordance with the accounting standards and applicable law;
- f. Undertaking from S.R Batliboi & Co LLP, the statutory auditor of the Company certifying the non-applicability of Paragraph I(A)(9)(b) of the SEBI Circular; and
- g. Recommendation of the Audit Committee of the Board.

## 2. Effect of the Scheme in terms of Section 232(2)(c) of the Act:

Sl. No	Category of Stakeholder	Effect of the Scheme on Stakeholders
A.	Shareholders	<p>New shares will be issued to the shareholders of the Transferor Company, whose names are registered in the register of members of the Transferor Company on the Record Date, as per the share exchange ratio.</p> <p>The equity shares of the Transferee Company to be allotted to the members of the Transferor Company shall be allotted in the following manner:</p> <p><i>"157 fully paid up Equity Share of Rs. 10/- each of Transferee Company shall be issued and allotted for every 100 fully paid up equity shares of Rs. 10/- each held in the Transferor Company."</i></p> <p>The shares allotted to shareholders of the Transferor Company by the Transferee Company as set out above shall rank <i>pari-passu</i> in all respects with the existing equity shares of the Transferee Company and shall be listed on BSE Limited and National Stock Exchange of India Limited.</p> <p>The authorised share capital of the Transferee Company will be increased to Rs. 170,00,00,000 (Rupees One Hundred and Seventy Crores only) comprising of 17,00,00,000 (Seventeen Crore) equity shares of Re. 10 (Rupee Ten) each, in accordance</p>

		<p>with the provisions of the Act, pursuant to the Scheme.</p> <p>The amalgamation will result in dilution of holding of the equity shareholders of the Transferee Company, and in turn result in an increase in the public float of the Transferee Company's shares. This will in turn increase the trading stock of the shares of the Transferee Company.</p>
B.	Promoters	<p>Please refer to point (A) above for details regarding the effect on the shareholders.</p> <p>The promoters of the Transferee Company shall continue to remain the promoters, even after the effectiveness of the Scheme. The promoter holding will dilute to the extent of allotment of new equity shares to the existing shareholders of the Transferor Company.</p>
C	Non- Promoter Shareholders	<p>Please refer to point (A) above for details regarding the effect on the shareholders.</p>
D	Key Managerial Personnel ("KMPs"), Director(s) and their Relatives	<p>(i) The KMPs of the Transferee Company shall continue as key managerial personnel of the Transferee Company after effectiveness of the Scheme, and as such, there is no such effect of the Scheme on the KMPs or their relatives of Transferee Company.</p> <p>The director(s) of the Transferee Company shall continue as director(s) of the Transferee Company after effectiveness of the Scheme, and as such, there is no such effect of the Scheme on the directors or their relatives of Transferee Company.</p>

### 3. Valuation:

As per the Valuation Report the Transferee Company shall issue equity shares of face value of Rs. 10/- (Rupees ten only) each credited as fully paid up of the Transferee Company in the ratio of 157 (one hundred and fifty-seven) equity shares of the face value of Rs. 10 (Rupees ten only) each of the Transferee Company for every 100 (one hundred) equity shares of Rs. 10 (Rupees ten only) each of the Transferor Company credited as fully paid-up (the "Share Exchange Ratio") (the "New Equity Shares").

No special valuation difficulties were reported by the valuers.

On November 27, 2019, the Board taking into consideration the Valuation Report and the Fairness Opinion and the management presentation (suggesting a share exchange ratio of 158 (One fifty-Eight only) equity shares of CAGL of Rs. 10 each fully paid-up for 100 (One Hundred only) equity shares of MMFL of Rs. 10 each fully paid up) approved the Scheme.

The Company filed an application with the BSE Limited and the National Stock Exchange of India Limited seeking their no-objection for the Amalgamation under Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 issued by the Securities and Exchange Board of India as amended from time to time.

Subsequently, the National Stock Exchange of India Limited pursuant to its letters dated December 23, 2019 and January 1, 2020 bearing reference number NSE/LIST/22547 directed that the share exchange ratio of 158 equity shares having a face value of Rs. 10 each of the Company for every 100 equity shares having a face value of Rs. 10 each of MMFL be revised and aligned with the share exchange ratio of 157 equity shares having a face value of Rs. 10 each of the Company for every 100 equity shares having a face value of Rs. 10 each of MMFL, as set out in the Valuation Report.

Pursuant thereto on January 22, 2020, the Board after taking into consideration the direction of the National Stock Exchange of India Limited vide its letters dated December 23, 2019 and January 1, 2020 and noting (iii) the Valuation Report; and (ii) the Fairness Opinion, unanimously recommended the share exchange ratio of 157 equity shares having a face value of Rs. 10 each of the Company for every 100 equity shares having a face value of Rs. 10 each of MMFL as the share exchange ratio for the amalgamation of MMFL into the Company.

#### **4. Adoption of the Report by the Board**

The Board has adopted this report after noting and considering the information set forth in this report.

#### **Certified True Copy**

**For and on behalf of CreditAccess Grameen Limited**



**Udaya Kumar Hebbar**  
**Managing Directors & CEO**

March 17, 2022

**REPORT OF THE BOARD OF DIRECTORS OF MADURA MICRO FINANCE LIMITED HELD ON NOVEMBER 27, 2019 AT CHENNAI, APPROVING THE SCHEME OF AMALGAMATION AMONGST CREDITACCESS GRAMEEN LIMITED, MADURA MICRO FINANCE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS**

**Background:**

The proposed scheme of amalgamation between Madura Micro Finance Limited (“**Transferor Company**”) and CreditAccess Grameen Limited (“**Transferee Company**”) and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“**Act**”) was approved by the Board of Directors (“**Board**”) of Madura Micro Finance Limited on November 27, 2019 (“**the Scheme**”).

The Scheme, *inter-alia*, provides for the amalgamation of the Transferor Company with the Transferee Company and the dissolution of the Transferor Company without winding up and cancellation of the equity shares held by the Transferee Company in the Transferor Company. Additionally, the Scheme also provides for various other matters consequential or otherwise integrally connected with the Scheme.

The provisions of Section 232(2)(c) of the Act requires the directors of the Transferee Company to adopt a report explaining the effect of the arrangement pursuant to the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders and to lay out in particular, the share exchange ratio, specifying any special valuation difficulties, if any.

Accordingly, this report of the Board is being made in pursuance of the requirements of Section 232(2)(c) of the Act and in this connection, the following documents were presented/ shared with the Board:

- a. The Scheme;
- b. Report on recommendation of fair valuation dated November 27, 2019 issued by M/s BSR & Associates, LLP Chartered Accountants (“**Valuation Report**”);
- c. Fairness opinion dated November 27, 2019 issued by Systematix Corporate Services Limited, an independent SEBI Registered Merchant Banker, providing the fairness opinion on the share exchange ratio recommended in the Valuation Report (“**Fairness Opinion**”);

**2. Effect of the Scheme in terms of Section 232(2)(c) of the Act:**

Sl. No.	Category of Stakeholder	Effect of the Scheme on Stakeholders
A.	Shareholders	<p>New shares will be issued to the shareholders of the Transferor Company, whose names are registered in the register of members of the Transferor Company on the Record Date, as per the share exchange ratio.</p> <p>The equity shares of the Transferee Company to be allotted to the members of the Transferor Company shall be allotted in the following manner:</p>

**Madura Micro Finance Limited**

Subsidiary of CA Grameen Limited



		<p><i>"157 fully paid up Equity Share of Rs. 10/- each of Transferee Company shall be issued and allotted for every 100 fully paid up equity shares of Rs. 10/- each held in the Transferor Company."</i></p> <p>The shares allotted to shareholders of the Transferor Company by the Transferee Company as set out above shall rank <i>pari-passu</i> in all respects with the existing equity shares of the Transferee Company and shall be listed on BSE Limited and National Stock Exchange of India Limited.</p> <p>The Shares held by the Transferee Company in the Transferor Company will stand cancelled pursuant to the Scheme.</p>
B.	Promoters	Upon the effectiveness of the Scheme, the Transferor Company shall be amalgamated with CreditAccess Grameen Limited (Transferee Company), the promoter of the Transferor Company.
C	Non- Promoter Shareholders	Please refer to point (A) above for details regarding the effect on the shareholders.
D	Key Managerial Personnel ("KMPs"), Director(s) and their Relatives	<p>The directors and key managerial personnel of the Transferor Company and their respective relatives do not have any material interest, concern or any other interest in the Scheme except to the extent of their shareholding in the Transferor Company and/ or the Transferee Company, as specified above.</p> <p>Further, the directors of the Transferor Company shall cease to hold the post of directorship after dissolution of the Transferor Company upon effectiveness of the Scheme, without having any adverse effect on them.</p>

### 3. Valuation:

As per the Valuation Report the Transferee Company shall issue equity shares of face value of Rs. 10/- (Rupees ten only) each credited as fully paid up of the Transferee Company in the ratio of 157 (one hundred and fifty-seven) equity shares of the face value of Rs. 10 (Rupees ten only) each of the Transferee Company for every 100 (one hundred) equity shares of Rs. 10 (Rupees ten only) each of the Transferor Company credited as fully paid-up (the "Share Exchange Ratio") (the "New Equity Shares").

No special valuation difficulties were reported by the valuers.

On November 27, 2019, the Board taking into consideration the Valuation Report and the Fairness Opinion and the management presentation (suggesting a share exchange ratio of 158 (One fifty-Eight only) equity shares of CAGL of Rs. 10 each fully paid-up for 100 (One Hundred only) equity shares of MMFL of Rs. 10 each fully paid up) approved the Scheme.

### Madura Micro Finance Limited

Subsidiary of CA Grameen Limited

RBI Regn. No. : N-07.00754 Corporate Identification No. : U65929TN2005PLC057390

Corporate Office : Karumuthu Centre, 6th Floor, No.634, Anna Salai, Nandanam, Chennai - 600 035, India.

Tel. : +91 44 4683 8989 | Email : contact@mmfl.in | Website : www.maduramicrofinance.com

Regd. Office : #36, 2nd Main Road, Kasturba Nagar, Adyar, Chennai - 600 020, India. Fax : +91 44 2441 3841

#### 4. Adoption of the Report by the Board

The Board has adopted this report after noting and considering the information set forth in this report.

**Certified True Copy**

**For and on behalf of Madura Micro Finance Limited**



**Udaya Kumar Hebbbar**  
**Director**



March 17, 2022

**Madura Micro Finance Limited**  
Subsidiary of CA Grameen Limited

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RBI Regn. No. : N-07.00754 Corporate Identification No. : U65929TN2005PLC057390  
Corporate Office : Karumuthu Centre, 6th Floor, No.634, Anna Salai, Nandanam, Chennai - 600 035, India.  
Tel. : +91 44 4683 8989 | Email : [contact@mmfl.in](mailto:contact@mmfl.in) | Website : [www.maduramicrofinance.com](http://www.maduramicrofinance.com)  
Regd. Office : #36, 2nd Main Road, Kasturba Nagar, Adyar, Chennai - 600 020, India. Fax : +91 44 2441 3841

To,

<b>The Board of Directors Madura Micro Finance Limited</b> No.36, Second Main Road, Kasturba Nagar, Adyar, Chennai-600020	<b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001.	<b>National Stock Exchange of India Limited</b> 'Exchange Plaza', C-1, Block G, BKC, Bandra (E), Mumbai - 400051, Maharashtra, India
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**Subject: Certificate of Due Diligence in terms of Para 3(a) of Part I (A) of the SEBI Circular dated March 10, 2017 and December 22, 2020**

The enclosed abridged prospectus of **Madura Micro Finance Limited** has been prepared by the companies in terms of Para 3(a) of Part I (A) of the SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 and SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 for the draft Scheme of Amalgamation between CreditAccess Grameen and Madura Micro Finance Limited and its shareholders and Creditors ("**Scheme**") and their respective shareholders under sections 230 to 232 of the Companies Act, 2013 as approved by the Board of Directors of the respective Companies in their meetings held on November 27, 2019. In this respect we confirm:

- The abridged prospectus of Madura Micro Finance Limited contains all the applicable information about the Companies as specified in Part E of Schedule VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2018 as amended up to date.
- Accuracy and adequacy of the abridged prospectus of the above Companies.

For CapitalSquare Advisors Pvt Ltd

  
**Tanmoy Banerjee**  
 Vice President

Dated: 17/03/2022

Place: Mumbai



**CAPITAL SQUARE ADVISORS PRIVATE LIMITED**

Regd. Address : 208, 2<sup>nd</sup> Floor, AARPEE Centre, MIDC Road No. 11, Andheri (E), Mumbai 400093, India.  
 Tel - +91 22 66849999 Fax - +91 22 66849998 | CIN No. U65999MH2008PTC187863 | Website : www.capitalsquare.in

This disclosure document ("**Document**") contains applicable information pertaining to the unlisted company, Madura Micro Finance Limited ("**MMFL**"), a Subsidiary Company of CreditAccess Grameen Limited ("**CA Grameen**"), and the proposed Scheme of Arrangement between CA Grameen and Madura Micro Finance Limited and its shareholders and Creditors ("**Scheme**").

This Document has been prepared in connection with the above Scheme, pursuant to the Securities and Exchange Board of India ("**SEBI**") circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 and SEBI circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ("**SEBI Circulars**").

This Document should be read together with the Scheme. **THIS DOCUMENT CONTAINS 12 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES. NO EQUITY SHARES ARE PROPOSED TO BE OFFERED PURSUANT TO THIS DOCUMENT.**

You may download the Scheme from the website of the Stock Exchanges where the equity shares of CA Grameen are listed i.e. BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**") (BSE and NSE together hereinafter referred to as the "**Stock Exchanges**").

*(Capitalised terms not defined herein shall have their meaning ascribed to them under the Scheme)*



### Madura Micro Finance Limited

**CIN:** U65929TN2005PLC057390; Date of Incorporation: 02/09/2005

Registered Office	Corporate Office	Contact Person	Email and Telephone	Website
No.36, Second Main Road, Kasturba Nagar, Adyar, Chennai- 600020	No. 634, Anna Salai, 6th Floor, Karumuttu Centre, Nandanam, Chennai- 600035	Ganesh Hegde, Company Secretary	<b>Email:</b> secretarial@mmfl.in;  <b>Tel:</b> 044-4683 8989	www.maduramicrofinance.com

### Promoter: CreditAccess Grameen Limited

#### GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision. For taking an investment decision, investors must rely on their own examination of the Company and the Scheme, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee

the accuracy or adequacy of the contents of this Abridged Prospectus. Specified attention of the investors is invited to the section titled "Risk Factors on page 11 of this Abridged Prospectus.

This being an issue and allotment of Equity Shares pursuant to the Scheme, the 'Risks in relation to the First Offer' are not applicable.

#### **DETAILS OF THE SCHEME, LISTING AND PROCEDURE**

The Scheme of Arrangement filed under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 amongst CA Grameen, MMFL and their respective shareholders and Creditors, as approved by the Board of Directors of CA Grameen and MMFL ("**Scheme**") pursuant to which MMFL will be amalgamated in to CA Grameen in exchange for which the each shareholder of MMFL shall receive equity shares of CA Grameen ("**Equity Shares**") as per the share entitlement ratio set out in the Scheme (i.e. 157 fully paid up Equity Shares of Rs. 10/- each of CA Grameen for every 100 fully paid up equity shares of Rs. 10/- each held in MMFL). The Scheme also provides for various other matters consequent and incidental thereto.

Accordingly, price band, minimum bid lot size, details of offer to the public and details of OFS by promoters, promoter group or other selling shareholders, or details of weighted average cost of acquisition of all shares transacted over the trailing eighteen months from the date of Scheme are not applicable to the proposed issue of Equity Shares.

The Equity Shares of CA Grameen are already listed on the Stock Exchanges.

#### **PROCEDURE**

Pursuant to the provisions of the Scheme, post receipt of approval of the National Company Law Tribunal ("**NCLT**") and upon filing the certified copies of the sanction order of the NCLT approving the Scheme with the Registrar of Companies, CA Grameen shall issue and allot Equity Shares to the shareholders of MMFL as per the share entitlement ratio set out in the Scheme, as on the record date to be mutually finalized by the Board of Directors of CA Grameen and MMFL. The Equity Shares so allotted shall be listed on the Stock Exchanges subject to applicable laws and receipt of requisite approvals, including exemption from rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957 ("**SCRR**") pursuant to application under rule 19(7) of the SCRR.

This being an issue and allotment of Equity Shares pursuant to the Scheme, the procedures set out under the General Information Document will not be applicable.

#### **INDICATIVE TIMELINE**

This Abridged Prospectus is filed pursuant to the Scheme, and is not an offer to the public at large. Given that the Scheme requires approval of various regulatory authorities including, the NCLT, the time frame cannot be established with certainty.

**PRICE INFORMATION OF LEAD MANAGER**

Not Applicable

**NAME OF LEAD MANAGER**

Not Applicable

**Name of Statutory Auditors** – M/s. Chaturvedi & Co., Chartered Accountants (FRN: 302137E), Chennai**Registrar** - Bigshare Services Private Limited**Syndicate Members** - Not applicable**Credit Rating Agency** - Not applicable**Debenture trustee** - Catalyst Trusteeship Limited (For NCDs)**Self-Certified Syndicate Banks** - Not applicable**Non-Syndicate Registered Brokers** – Not applicable**PROMOTERS OF THE ISSUER COMPANY**

<b>Sl. No.</b>	<b>Name</b>	<b>Individual/ Corporate</b>	<b>Experience &amp; Educational Qualification</b>
1.	CreditAccess Grameen Limited	Corporate	<p>CA Grameen is a leading Indian microfinance institution headquartered in Bengaluru, focused on providing micro-loans to women customers predominantly in rural areas across India. CA Grameen has been listed on the Stock Exchanges since 2018. Its corporate identification number is L51216KA1991PLC053425. The registered office of CA Grameen is situated at New No.49 (Old No. 725),46th Cross,8th Block, Jayanagar, Bangalore, 560071, (KA) CA Grameen is a Non-Banking Financial Company (NBFC), registered with the RBI as a NBFC-MFI.</p> <p>As of December 31, 2021, on a consolidated basis, CA Grameen is operating in 312 Districts in the 14 states (Karnataka, Maharashtra, Tamil Nadu, Chhattisgarh, Madhya Pradesh, Odisha, Kerala, Goa, Gujarat, Rajasthan, Uttar Pradesh, Bihar, Jharkhand, and West Bengal) and one union territory (Puducherry) in India through 1126 branches.</p> <p>Educational Qualification: Not applicable</p>

## BUSINESS OVERVIEW AND STRATEGY

### Company Overview:

MMFL is a Non-Banking Financial Institution (NBFC), registered with RBI as NBFC-MFI, with a mission to deliver productive and efficient capital in rural India to enable inclusive socioeconomic development. The microfinance loans are primarily targeted at Self-Help Groups (SHGs) of 10-20 women in rural and semi-urban areas.

The main business activity of the Company as per its Memorandum of Association is to provide financial service to the general public including poor and needy who do not have access to the Banking system and small and micro enterprises including formation of self-help groups and micro credit.

### Product/ Service Offering:

Microfinance loans for income generating purpose

### Revenue segmentation by product/ service offering:

Product	Portfolio	%
Income Generation Loan	2187.09	90.91%
Non-Income Generation Loan	218.63	9.09%

### Geographies served:

7 States and 1 Union territory.

### Revenue segmentation by geographies:

State	No of Branches	Portfolio	%
Tamil Nadu	250	1,387.68	57.67%
Pondicherry	5	19.69	0.82%
Karnataka	29	110.22	4.58%
Maharashtra	57	253.55	10.54%
Kerala	35	168.89	7.02%
Odisha	36	224.39	9.33%
Bihar	36	200.12	8.32%
West Bengal	19	41.67	1.73%

### Key Performance Indicators:

Portfolio – 2406 Cr, Collection efficiency – 91.29%, Network - 467 branches.

### Client Profile or Industries Served:

Rural, Semi-urban married women aged between 20 to 65 years, residing in same location within 1km radius undertaking income generation activities.

**Revenue segmentation in terms of top 5/10 clients or Industries:**

Not Applicable.

**Intellectual Property, if any:**

Not Applicable.

**Market Share:**

2.8% (MMFL - 2406Cr) (NBFC-MFI 86,984Cr) – Portfolio as of December 31, 2021.

**Manufacturing plant, if any:**

Not Applicable

**Employee Strength:**

3718 (Field:3408; Corporate: 310)

*\*All the details/data above are as on December 31, 2021:***Board of Directors**

Set forth below are the details regarding the Board of Directors of MMFL as of the date of this abridged prospectus:

<b>BOARD OF DIRECTORS</b>				
<b>Sr. No</b>	<b>Name</b>	<b>Designation</b>	<b>Experience &amp; Educational Qualification</b>	<b>Other Directorships</b>
1.	George Joseph	Chairman-Independent Director	<p>He is the Chairman of the Company. He is a banking industry veteran with diverse experience spanning over four decades.</p> <p>He retired as Chairman and Managing Director of Syndicate Bank. He was earlier associated with Canara Bank for a period of over 36 years.</p> <p><u>Educational Qualification:</u> Bachelor's degree in Commerce</p>	<p>Indian Companies:</p> <ul style="list-style-type: none"> <li>i. Wonderla Holidays Limited</li> <li>ii. CreditAccess Grameen Limited</li> <li>iii. Popular Vehicles and Services Limited</li> </ul> <p>Foreign Companies: Nil</p>



2.	N. C. Sarabeswaran	Independent Director	<p>He is an Independent Director of the Company. He is a senior partner with the audit firm Jagannath &amp; Sarabeswaran in Chennai. He has previously held board positions in a number of banks including the Vysya Bank and the Tamil Nadu Mercantile Bank, both as an RBI nominee and in an Independent capacity. He is the past President of Indo- Australian Chamber of Commerce, a bi-national Chamber headquartered in Chennai. He is also the primary Trustee of Veda Pati Nidhi Trust and runs other family Trusts catering to needs of the underprivileged.</p> <p><u>Educational Qualification</u> Chartered Accountant</p>	<p>Indian Companies: R Subbaraman &amp; Co. Private Limited</p> <p>Foreign Companies: Nil</p>
3.	Manoj Kumar	Independent Director	<p>He is an Independent Director of the Company. He has more than two decades of experience working across banking, capital markets and financial technology sectors. He is the Founder of Social Alpha, a multistage innovation curation and venture development platform for science and technology start-ups that aim to solve critical social, economic and environmental challenges.</p>	<p>Indian Companies: i. CreditAccess Grameen Limited ii. Malgharia Advisors Private Limited iii. Kanpur Flowercycling Private Limited iv. VVR Capital Advisors Private Limited</p> <p>Foreign Companies: Nil</p>

			<p>Manoj was also the Founding Trustee of Tata Institute for Genetics and Society and a Senior Advisor to Tata Trusts.</p> <p><u>Educational Qualification:</u> Master of Public Administration (MPA) Advance Management Program (AMP)</p>	
4.	F. S. Mohan Eddy	Non-Executive Director	<p>He is a Non-Executive of the Company. He is an enterprise architect with extensive experience in creating flourishing enterprises from the ground level up, across verticals from manufacturing to technology.</p> <p><u>Educational Qualification:</u> B.E in Mechanical Engineering PG Diploma in Management</p>	<p>Indian Companies:</p> <ul style="list-style-type: none"> <li>i. Neelamalai Agro Industries Limited</li> <li>ii. AV Thomas and Company Limited</li> <li>iii. Pennant application Systems Private Limited</li> <li>iv. Ensign Workflow Technologies Private Limited</li> <li>v. Madura Micro Education Private Limited</li> <li>vi. Scisphere Analytics India Private Limited</li> </ul> <p>Foreign Companies: Nil</p>
5.	Tara Thiagarajan	Non-Executive Director	<p>She is a Non-Executive Director of the Company. She has also been a postdoctoral scientist at the Center for Critical Brain Dynamics at the NIH and was a visiting Scientist at the National Center for Biological Sciences in Bangalore.</p>	<p>Indian Companies:</p> <ul style="list-style-type: none"> <li>i. Deetee Finance and Investments Private Limited</li> <li>ii. SMJ Finance and Investments Private Limited</li> <li>iii. CTM Finance and Investments Private Limited</li> <li>iv. TRT Finance and Investments Private Limited</li> </ul>

			<u>Educational Qualification:</u> B.A. in Mathematics Ph.D. in Neuroscience	v. RSA Finance and Investments Private Limited vi. Microcredit Foundation of India vii. Scimergent Analytics and Education Private Limited viii. Scisphere Analytics India Private Limited ix. Madura Micro Education Private Limited  Foreign Companies: Nil
6.	Udaya Kumar Hebbar	Non-Executive Director	He is a Non-Director of the Company. He has served as the head, commercial and banking operations at Barclays Bank PLC, Mumbai for three years. He also served at Corporation Bank for a period of over ten years. He was also associated with ICICI Bank for over eleven years.  <u>Educational Qualification:</u> Bachelor's degree in commerce Master's degree in commerce	Indian Companies: i. CreditAccess Grameen Limited ii. Alpha Micro Finance Consultants Private Limited  Foreign Companies: Nil
7.	Ram Diwakar Boddupalli	Non-Executive Director	He is a Non-executive Director in the Company. He has more than 25 years of experience in the financial services sector. Prior to joining our Company in October 2011, he	Indian Companies: MV Microfin Private Limited  Foreign Companies: CreditAccess India N. V.

		<p>worked with Small Industries Development Bank of India, ICICI Bank Limited and at ACCION International. His prior work experience also includes a five-year stint with Life Insurance Corporation of India and around three years with IFMR Capital Finance Private Limited.</p> <p><u>Educational Qualification</u> Master's degree in Commerce</p>	
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#### **OBJECTS/ RATIONALE OF THE SCHEME**

The Transferor Company and the Transferee Company are engaged in business activities that are similar to each other. The Amalgamation *inter-alia* results in the following benefits:

- (i) The Amalgamation will provide the Transferee Company access to a large and unique client base of the Transferor Company, specifically in Tamil Nadu.
- (ii) The Amalgamation would result in the geographical diversification of the portfolio of the Transferee Company and strengthens its leadership position in the microfinance market. The combined portfolio would approximately be Rs. 10,000 crores, with approximately 37 lakh borrowers and more than 1,300 branches spread across 13 states and 1 union territory in India (as of September 30, 2019).
- (iii) The Amalgamation would create value to various stakeholders including shareholders, creditors, customers, and employees as the combined business would benefit from increased scale, wider product diversification, focused growth, stronger balance sheet and the ability to drive synergies across revenue opportunities, operating efficiencies and cost savings through economies of scale amongst others.
- (iv) The Transferor Company is at the forefront of technology integration in business and data analytics and the Amalgamation would result in the Transferee Company benefiting from the business and data analytics strengths of the Transferor Company.
- (v) The Amalgamation would provide greater strength and efficiency in management and access to greater cash flow which can be deployed to efficiently fund growth.
- (vi) The Transferee Company can leverage the Transferor Company's loan book, and the Transferee Company's low cost of borrowing can potentially enable repricing of liabilities of the Transferor Company, generating higher spreads for the combined organization.

For further details, please refer to the Scheme of Amalgamation.

**Details of means of finance** –Not applicable

**Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues/ rights issues, if any of the Company in the preceding 10 years** – Not applicable

**Name of monitoring agency, if any** – Not applicable

**Terms of Issuance of Convertible Securities, if any** – Not applicable

### SHAREHOLDING PATTERN

Particulars	Value
<b>Authorized Share Capital:</b>	
1,00,00,000 (One Crore) equity shares of Rs. 10 (Rupees Ten only) each	Rs. 10,00,00,000 (Rupees Ten Crores only)
<b>Issued, Subscribed and Paid-up Share Capital:</b>	
71,94,761 (Seventy-One Lakhs Ninety-Four Thousand Seven Hundred Sixty-One) equity shares of Rs. 10 (Rupees Ten only) each	7,19,47,610 (Rupees Seven Crores Nineteen Lakhs Forty-Seven Thousand Six Hundred and Ten only)

#### 1. SHAREHOLDING AS ON DECEMBER 31, 2021:

Sr. No.	Particulars	Number of Equity Shares prior to the Scheme becoming effective (face value of Rs. 10 each)	Percentage holding prior to the Scheme becoming effective (%)
<b>A.</b>	<b>Promoter and Promoter Group</b>		
	CreditAccess Grameen Limited	54,86,216	76.25%
<b>B.</b>	<b>Public Shareholding</b>	17,08,545	23.75%
	<b>Total (A) + (B)</b>	<b>71,94,761</b>	<b>100%</b>

#### 2. SHAREHOLDING UPON EFFECTIVENESS OF THE SCHEME:

Sr. No.	Particulars	No. of equity shares (Post-Scheme)	Percentage holding of post issue (%)
<i>Not Applicable*</i>			

*\*Upon the Scheme becoming effective, the existing shareholding of the Transferee Company in the Transferor Company shall stand cancelled and Equity Shares of the Transferee Company will be issued to the shareholders of the Transferor Company, whose names are registered in the register of members of the Transferor Company on the Record Date, as mutually determined by*

the board of directors of the Transferee Company and Transferor Company, as per the share exchange ratio set out in the Scheme.

**Number/ amount of equity shares proposed to be sold by selling shareholders-** Not applicable

### CONSOLIDATED AUDITED FINANCIALS

(Amounts in Rs.)

Particulars	9 Months period ended 31.12.2021	FY 2021	FY 2020	FY 2019
Total income from operations (net)	3284721100.13	4352843133.99	4759037524.56	3752519908
Net Profit / (Loss) before tax and extraordinary items	(390788688.66)	5278902.54	1064100762.16	1145166113
Net Profit / (Loss) after tax and extraordinary Items	(291032576.87)	(1,975,227.15)	794551407.16	806877703
Equity Share Capital	71947610.00	71947610	71947610	71947610
Reserves and surplus	3653740167.11	3941748913.82	3944123219.27	3099624279
Net worth	3941748913.82	4013696523.82	4016070829.27	3171571889
Basic earnings per share	(40.45)	(0.27)	110.74	112.15
Diluted earnings per share	(40.45)	(0.27)	110.74	112.15
Return on net worth (%)	(7.38%)	(0.05%)	19.78%	25.44%
Net asset value per share	455.45	521.09	539.95	425.31

### INTERNAL RISK FACTORS

- ***Our operations are concentrated in Tamil Nadu and any adverse developments regionally could have an adverse effect on our business, results of operations, financial condition and cash flows:***

As of December 31, 2021, MMFL conducted its operations through 467 branches in India, of which 250 branches were located in Tamil Nadu and 57.37% of the portfolio is concentrated Tamil Nadu. In the event of a regional slowdown in the economic activity in Tamil Nadu state, or any other developments including political unrest, disruption or sustained economic downturn, we may experience an adverse impact on our financial condition and results of operations, which are largely dependent on the performance and other prevailing conditions affecting the economies of these states.

- ***Microfinance loans are unsecured and are susceptible to various operational and credit risks which may result in increased levels of NPAs, thereby adversely affecting our business, results of operation and financial condition:***

Due to the underlying profile of our Customers, we may, in the future, experience increased levels of NPAs and related provisions and write-offs, which would materially and adversely impact our business and results of operations. We cannot assure you that our risk management policies will

continue to be sufficient or that additional risk management policies will not be required. Failure to maintain sufficient credit assessment and risk management policies could adversely affect our credit portfolio, which could have a material and adverse effect on our business, results of operations and financial condition.

Further, a number of factors outside of our control affect our ability to limit and reduce NPAs. These factors include developments in the Indian and global economy, domestic or global turmoil, competition, changes in customer behavior and demographic patterns, various central and state government decisions, changes in interest rates and exchange rates and changes in regulations, including with respect to regulations requiring us to lend to certain sectors identified by the RBI, or the Government of India.

- ***Our business is particularly vulnerable to interest rate risk, and volatility in interest rates could have a material adverse effect on our net interest income, net interest margin and our financial performance.***

Our results of operations depend to a large extent on the level of our net interest income as our primary revenue source is interest income. The differential between the interest rates that we charge on interest-earning assets (i.e. our portfolio loans) and the interest rates that we pay on interest-bearing liabilities, and the volume of such assets and liabilities, tend to have a significant impact on our results of operations.

- ***Any downgrade of our credit ratings may increase our borrowing costs and constrain our access to capital and debt markets and, as a result, may adversely affect our net interest margin and our results of operations.***

The cost and availability of funds is dependent, among other factors, on our short-term and long-term credit ratings. Any future performance issues for our Company or the industry may result in a downgrade of our credit ratings, which may in turn lead to an increase in our borrowing costs and constrain our access to capital and debt markets and, as a result, may adversely affect our net interest income and net interest margin.

#### **SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION**

<b>Total number of outstanding litigations against the company and amount involved Name of Entity</b>	<b>Criminal Proceedings</b>	<b>Tax Proceedings</b>	<b>Statutory or Regulatory Proceedings</b>	<b>Disciplinary actions by the SEBI or Stock Exchanges against our Promoters</b>	<b>Material Civil Litigations</b>	<b>Aggregate amount involved (in Million)</b>
<b>Company</b>						
By the Company	Nil	Nil	Nil	Nil	Nil	Nil

Against the Company	Nil	Nil	Nil	Nil	1	2.53
<b>Directors</b>						
By the Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	Nil	Nil
<b>Promoters</b>						
By Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Against Promoters	Nil	Nil	Nil	Nil	Nil	Nil
<b>Subsidiaries</b>						
By Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil
Against Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil

**A.** Brief details of top 5 material outstanding litigations against the Company and amount involved:

<b>Sr. No.</b>	<b>Particulars</b>	<b>Opposite Party</b>	<b>Current Status</b>	<b>Amount Involved (In million)</b>
1	On a matter regarding applicability of Provident Fund to data entry workers appointed as consultants and Member Welfare Associates engaged on part time basis, EPF Commissioner passed an order determining an amount of Rs 25,37,020 due from MMFL, stating applicability of PF to the said workers.	Department of EPF	MMFL paid a pre-deposit of Rs 6,15,302 before filing appeal. The said order was set aside by EPF Appellate Tribunal on 24 Dec 2014 on appeal by Madura. EPFO has filed an appeal in High Court against the order of the Tribunal. MMFL has filed a counter affidavit against the appeal and the case is Open with the High Court.	2.53



**B. Regulatory Action, if any, including any disciplinary action taken by SEBI or Exchanges against the promoters in last 5 financial years including outstanding action:** Nil

**C. Brief details of outstanding criminal proceedings against Promoters:** Nil

**ANY OTHER IMPORTANT INFORMATION AS PER MERCHANT BANKER/ COMPANY**

This Abridged Prospectus does not include the complete information of MMFL, including its business, operations, assets and liabilities. Nothing in this Abridged Prospectus constitutes an offer or an invitation by or on behalf of either CA Grameen or MMFL to subscribe for or purchase any of the securities of the Company.

**DECLARATION BY MADURA MICRO FINANCE LIMITED**

We hereby declare that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Abridged Prospectus is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued thereunder, as the case may be. We further clarify that all statements in this Abridged Prospectus are true and correct.

**Place: Chennai**

**Date: March 16, 2022**

**For Madura Micro finance Limited**



**Narayanan M**  
**Authorized Signatory**



December 10, 2020

## Annexure 8A

To  
**BSE Limited**  
**Phiroze Jeejeebhoy Towers Dalai Street**  
**Mumbai 400 001**  
**(Scrip Code – 541770)**

Dear Sir,

### **Sub: Report on Complaints**

*Re: Filing of Scheme of Amalgamation of Madura Micro Finance Limited with CreditAccess Grameen Limited under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015*

This has reference to our application No. 120683 filed with BSE Limited on November 09, 2020 seeking "Observation Letter/No-objection" under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 for the draft scheme of Amalgamation between Madura Micro Finance Limited and CreditAccess Grameen Limited ("the Company") and their respective shareholders and Creditors (the 'Scheme') in terms of the provisions of Sections 230-232 of the Companies Act, 2013.

Since the Scheme and related documents thereon were hosted by BSE Limited on its website on November 17, 2020, the Company is required to file a report on Complaints with BSE within 7 days from the expiry of 21 days from the date of upload/ hosting, i.e. within 7 days from December 09, 2020 as per the requirements of Para 6 of Annexure I to the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ('SEBI Circular').

Accordingly, based on the confirmation received from KFin Technologies Private Limited, the Registrar & Share Transfer Agent of the Company, and update available on SCORES, we hereby inform you that there are no complaints received till date and hence we enclose herewith a "Nil" Report on Complaints ('Report') in the format prescribed under said SEBI Circular.

We request you to take the Report on your record and acknowledge. The said Report is also being uploaded on the website of the Company.

We further request you to provide necessary "Observation Letter/ No- Objection " at the earliest so as to enable us to file the Scheme with the National Company Law Tribunal, Bangalore and National Company Law Tribunal, Chennai.

MATADA  
JAYAKUMAR  
MAHADEV  
PRAKASH

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### Our Financial Products

## REPORT ON COMPLAINTS

### PART A

Sl. No.	Particulars	Numbers
1	No. of Complaints received Directly	Nil
2	Number of Complaints forwarded by Stock Exchanges/SEBI	Nil
3	Total Number of Complaints/Comments received (1+2)	Nil
4	No. of Complaints pending	Nil

### PART B

Sl. No.	Name of Complainant	Date of Complaint	Status (Resolved/Pending)
Not Applicable			

### For CreditAccess Grameen Limited

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 JAYAKUMAR  
 MAHADEV  
 PRAKASH

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 MAHADEV PRAKASH  
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**M. J. Mahadev Prakash**  
**Head – Compliance, Legal & Company Secretary**

### Our Financial Products

January 04, 2021

## Annexure 8B

**To**  
**National Stock Exchange of India Limited**  
**The Exchange Plaza**  
**Bandra Kurla Complex Bandra (East)**  
**Mumbai-400 051**  
(Scrip code: CREDITACC)

Dear Sir/Madam,

### **Sub: Report on Complaints**

Re: Filing of Scheme of Amalgamation of Madura Micro Finance Limited with CreditAccess Grameen Limited under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015

This has reference to our application No. Application No. 25240 filed with National Stock Exchange of India Limited ("NSE") on November 09, 2020 seeking "Observation Letter/No-objection" under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 for the draft scheme of Amalgamation between Madura Micro Finance Limited and CreditAccess Grameen Limited ("the Company") and their respective shareholders and Creditors (the 'Scheme') in terms of the provisions of Sections 230-232 of the Companies Act, 2013.

Since the Scheme and related documents thereon were hosted by NSE on its website on December 12, 2020, the Company is required to file a report on Complaints with NSE within 7 days from the expiry of 21 days from the date of upload/ hosting, i.e. within 7 days from January 02, 2021 as per the requirements of Para 6 of Annexure I to the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 as amended vide Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 ('SEBI Circular').

Accordingly, based on the confirmation received from KFin Technologies Private Limited, the Registrar & Share Transfer Agent of the Company, and update available on SCORES, we hereby inform you that there are no complaints received till date and hence we enclose herewith a "Nil" Report on Complaints ('Report') in the format prescribed under said SEBI Circular.

We request you to take the Report on your record and acknowledge. The said Report is also being uploaded on the website of the Company.

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MAHADEV  
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PRAKASH

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### Our Financial Products

We further request you to provide necessary "Observation Letter/ No- Objection " at the earliest so as to enable us to file the Scheme with the National Company Law Tribunal, Bangalore and National Company Law Tribunal, Chennai.

**REPORT ON COMPLAINTS**

*(format as per master circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020)*

**PART A**

Sl. No.	Particulars	Numbers
1	Number of complaints received directly	Nil
2	Number of complaints forwarded by Stock Exchanges / SEBI	Nil
3	Total Number of complaints/comments received (1+2)	Nil
4	Number of complaints resolved	NA
5	Number of complaints pending	NA

**PART B**

Sl. No.	Name of Complainant	Date of Complaint	Status (Resolved/Pending)
Not Applicable			

**For CreditAccess Grameen Limited**

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 MAHADEV PRAKASH  
 Date: 2021.01.04  
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**M. J. Mahadev Prakash**  
**Head – Compliance, Legal & Company Secretary**

**Our Financial Products**

## Annexure 9

- |  |   |
|--|---|
| <ol style="list-style-type: none"> <li>1. Name of the Listed Entity:</li> <li>2. Scrip Code/Name of Scrip/Class of Security:</li> <li>3. Share Holding Pattern Filed under:             <ol style="list-style-type: none"> <li>a. if under 31(1)(b) then indicate the report for quarter ending:</li> <li>b. if under 31(1)(c) then indicate date of allotment/extinguishment: NA</li> </ol> </li> <li>4. Declaration : The Listed entity is required to submit the following declaration to the extent of submission of information:</li> </ol> | <p><b>CreditAccess Grameen Limited</b><br/><b>541770 (BSE) / CREDITACC (NSE)</b><br/><b>Reg.31(1)(b)</b><br/><b>Post-Amalgamation</b></p> |
|--|---|

Particulars	YES*	NO*
Whether the Listed Entity has issued any partly paid up shares		√
Whether the Listed Entity has issued any Convertible Securities or Warrants?		√
Whether the Listed Entity has any shares against which depository receipts are issued?		√
Whether the Listed Entity has any shares in locked-in?	√	
Whether any shares held by promoters are pledge or otherwise encumbered?		√

\*if the Listed Entity selects the option 'NO' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also, wherever there is 'No' declared by Listed entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified.

5. The tabular format for disclosure of holding of specified securities is as follows:



### Our Financial Products

Table I - Summary Statement holding of specified securities

Category	Category of Shareholder	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no of shares (As a % of (A+B+C2))	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible securities (Including Warrants)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialized form
								Class X	Class Y	Total			No.	As a % of total Shares held		
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)	(XIII)	(XIV)	
(A)	Promoter & Promoter Group	1	115109028	0	0	115109028	78.57	0	115109028	0	78.57	28773450	25.00	0	0.00	115109028
(B)	Public	36225	31397607	0	0	31397607	21.43	0	31397607	0	21.43	0	0.00	NA	NA	31397607
(C)	Non Promoter-Non Public															
(C1)	Shares underlying DRs	0	0	0	0	0	NA	0	0	0	NA	0	0.00	NA	NA	0
(C2)	Shares held by Employees Trusts	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	NA	NA	0
<b>Total:</b>		<b>36226</b>	<b>146506635</b>	<b>0</b>	<b>0</b>	<b>146506635</b>	<b>100.00</b>	<b>0</b>	<b>146506635</b>	<b>0</b>	<b>100.00</b>	<b>28,773,450</b>	<b>19.64</b>	<b>0</b>	<b>0.00</b>	<b>146506635</b>



Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			No of Shares Outstanding and convertible securities (including Warrants)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialized form
									Class X	Class Y	Total			No.	As a % of total Shares held		
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)	(XIII)	(XIV)	
(1)	Indian Individuals/Hindu undivided Family		0	0	0	0	0	0.00	0	0	0	0	0.00	0	0.00	0	0
(a)	Central Government/State Government(s)		0	0	0	0	0	0.00	0	0	0	0	0.00	0	0.00	0	0
(b)	Financial Institutions/Banks		0	0	0	0	0	0.00	0	0	0	0	0.00	0	0.00	0	0
(c)	Any Other		0	0	0	0	0	0.00	0	0	0	0	0.00	0	0.00	0	0
(d)	<b>Sub-Total (A)(1)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>
(2)	Foreign Individuals (Non-Resident Individuals)/Foreign Individuals		0	0	0	0	0	0.00	0	0	0	0	0.00	0	0.00	0	0
(a)	Government		0	0	0	0	0	0.00	0	0	0	0	0.00	0	0.00	0	0
(b)	Institutions		0	0	0	0	0	0.00	0	0	0	0	0.00	0	0.00	0	0
(c)	Foreign Portfolio Investor		0	0	0	0	0	0.00	0	0	0	0	0.00	0	0.00	0	0
(d)			0	0	0	0	0	0.00	0	0	0	0	0.00	0	0.00	0	0
(e)	Any Other		1	115,109,028	0	0	115,109,028	78.57	115,109,028	0	115,109,028	0	78.57	28773450	25.00	0	115,109,028
	<b>Sub-Total (A)(2)</b>		<b>1</b>	<b>115,109,028</b>	<b>0</b>	<b>0</b>	<b>115,109,028</b>	<b>78.57</b>	<b>115,109,028</b>	<b>0</b>	<b>115,109,028</b>	<b>0</b>	<b>78.57</b>	<b>28773450</b>	<b>25.00</b>	<b>0</b>	<b>115,109,028</b>
	<b>Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)</b>		<b>1</b>	<b>115,109,028</b>	<b>0</b>	<b>0</b>	<b>115,109,028</b>	<b>78.57</b>	<b>115,109,028</b>	<b>0</b>	<b>115,109,028</b>	<b>0</b>	<b>78.57</b>	<b>28773450</b>	<b>25.00</b>	<b>0</b>	<b>115,109,028</b>









Table IV - Statement showing shareholding pattern of the Non-Promoter – Non-Public Shareholder

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total shares (A+B+C2)	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									Class X	Class Y	Total			No.	As a % of total Shares held	No.	As a % of total Shares held	
(1)	Custodian/DR Holder	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)	(XII)	(XIII)	(XIV)				
(2)	Employee Benefit Trust (under SEBI(Share based Employee Benefit) Regulations 2014)		0	0	0	0	0	0.00	0	0	0.00	0	NA	0	0.00	NA	0	0
	<b>Total Non-Promoter-Non Public Shareholding (C) = (C)(1)+(C)(2)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>



1. Name of the Listed Entity: **Madura Micro Finance Limited**
2. Scrip Code/Name of Scrip/Class of Security: **NA**
3. Share Holding Pattern Filed under: **Reg.31(1)(b)**  
 a. if under 31(1)(b) then indicate the report for quarter ending: **22/11/2019 (Pre-Amalgamation)**  
 b. If under 31(1)(c) then indicate date of allotment/extinguishment: **NA**
4. Declaration : The Listed entity is required to submit the following declaration to the extent of submission of information:

Particulars	YES*	NO*
Whether the Listed Entity has issued any partly paid up shares		
Whether the Listed Entity has issued any Convertible Securities or Warrants?		
Whether the Listed Entity has any shares against which depository receipts are issued?		
Whether the Listed Entity has any shares in locked-in?		
Whether any shares held by promoters are pledge or otherwise encumbered?		

\*if the Listed Entity selects the option 'NO' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also, wherever there is 'No' declared by Listed entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified.

The tabular format for disclosure of holding of specified securities is as follows:



### Madura Micro Finance Limited

RBI Regn. No. : N-07.00754 Corporate Identification No. : U65929TN2005PLC057390  
 Corporate Office : Karumuttu Centre, 6th Floor, No.634, Anna Salai, Nandanam, Chennai - 600 035, India.  
 Tel. : +91 44 4683 8989 | Email : contact@mmfl.in | Website : www.maduramicrofinance.com  
 Regd. Office : #36, 2nd Main Road, Kasturba Nagar, Adyar, Chennai - 600 020, India. Fax : +91 44 2441 3841



Table I - Summary Statement holding of specified securities

Category	Category of Shareholder	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Deposits Receipts	Total No of Shares Held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no of shares (As a % of (A+B+CZ))	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialised form
								Class X	Class Y	Total			No.	As a % of total Shares held		
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)	(XIII)	(XIV)	
(A)	Promoter & Promoter Group	4	3,058,307	0	0	3,058,307	42.51	0	0	0	42.51	0	0	0	0.00	3,058,307
(B)	Public	84	3,846,704	0	0	3,846,704	53.47	0	0	0	53.47	0	0	NA	NA	3,846,704
(C)	Non Promoter-Non Public															
(C1)	Shares underlying DRs	0	0	0	0	0	NA	0	0	0	NA	0	0	NA	NA	0
(C2)	Shares held by Employees Trusts	1	289,750	0	0	289,750	4.02	0	0	0	4.02	0	0	NA	NA	289,750
	<b>Total:</b>	<b>89</b>	<b>7,194,761</b>	<b>0</b>	<b>0</b>	<b>7,194,761</b>	<b>100.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100.00</b>	<b>0</b>	<b>0</b>	<b>NA</b>	<b>NA</b>	<b>7,194,761</b>



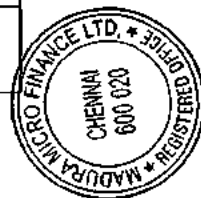
Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Category	Category & Name of the Shareholder	PAN	No of Shares held	No of fully paid up equity shares held	No of Partly paid-up equity shares	No of Shares held (IV+V+VI)	Shareholding as a % of total no of shares (VII)	Number of Voting Rights held in each class of securities			No of Shares	Shareholding as a % assuming full conversion of convertible securities (VIII)	No of Locked in Shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialized form
								Class X	Class Y	Total					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	
(a)	Indian Individuals/Hindu undivided Family														
	R Ramani	AAFFR5454C	1	120,050	0	120,050	1.67	0	0	120,050	0	1.67	0	0	
	Ashok Mirza	ARHPM1149N	1	205,000	0	205,000	2.85	0	0	205,000	0	2.85	0	0	
	M Harivaran	AAQDN7489A	1	402,683	0	402,683	5.60	0	0	402,683	0	5.60	0	0	
(b)	Central Government/State Government(s)		0	0	0	0	0.00	0	0	0	0	0.00	0	0	
(c)	Financial Institutions/Banks		0	0	0	0	0.00	0	0	0	0	0.00	0	0	
(d)	Any Other		0	0	0	0	0.00	0	0	0	0	0.00	0	0	
	Sub-Total (A)(1)		3	727,733	0	727,733	10.12	0	0	727,733	0	10.12	0	0	
(2)	Foreign Individuals (Non-Resident Individuals)/Foreign Individuals														
(a)	Tara Thegarajan	ACSPT7566Q	1	2,330,574	0	2,330,574	32.39	0	0	2,330,574	0	32.39	0	0	
(b)	Government		0	0	0	0	0.00	0	0	0	0	0.00	0	0	
(c)	Institutions		0	0	0	0	0.00	0	0	0	0	0.00	0	0	
(d)	Foreign Portfolio Investor		0	0	0	0	0.00	0	0	0	0	0.00	0	0	
(e)	Any Other		0	0	0	0	0.00	0	0	0	0	0.00	0	0	
	Sub-Total (A)(2)		1	2,330,574	0	2,330,574	32.39	0	0	2,330,574	0	32.39	0	0	
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)		4	3,058,307	0	3,058,307	42.51	0	0	3,058,307	0	42.51	0	0	



Table III - Statement showing shareholding pattern of the Public shareholder

Category	Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (TV+V+VI)	Shareholding as a % of total shares (A+B+C2)	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in Shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialized form
									Class X	Class Y	Total					
	(1)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)	(XIII)	(XIV)
									No of Voting Rights							
									Class X	Class Y	Total					
(1)	Institutions															
(a)	Mutual Funds															
(b)	Venture Capital Funds															
(c)	Alternate Investment Funds															
(d)	Foreign Venture Capital Investors															
(e)	Foreign Equity Mauritius		1	865,916	0	0	865,916	12.04	865,916	0	0	865,916	12.04	0	0	865,916
(f)	Foreign Portfolio Investors															
(g)	Financial Institutions/Banks															
(h)	Insurance Companies															
(i)	Provident Funds/Pension Funds															
(j)	Any Other															
	<b>FOREIGN NATIONALS</b>															
	<b>Sub Total (B)(1)</b>		1	865,916	0	0	865,916	12.04	865,916	0	0	865,916	12.04	0	0	865,916
(2)	Central Government/State Government(s)/President of India															
	<b>Sub Total (B)(2)</b>		0	0	0	0	0	0	0	0	0	0	0	0	0	0
(3)	Non-Institutions															
(a)	i. Individual shareholders holding nominal share capital up to Rs. 2 Lakhs															
	M.V. Subbiah		01	100,000	0	0	100,000	1.39	100,000	0	0	100,000	1.39	0	0	100,000
	Others		79	261,917	0	0	261,917	3.64	261,917	0	0	261,917	3.64	0	0	261,917
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs															
	Mridi Sairamiah		1	300,000	0	0	300,000	4.17	300,000	0	0	300,000	4.17	0	0	300,000
(b)	NBFCs Registered with RBI															
(c)	Employee Trusts															
(d)	Overseas Depositories (Holding Depos) (standing figure)															
(e)	Any Other															
	<b>TRUSTS</b>															
	<b>BOODIES CORPORATES</b>															
	A.V. Thomas & Co. Ltd		1	11,59,435	0	0	11,59,435	16.11	11,59,435	0	0	11,59,435	16.11	0	0	11,59,435
	MIDLAND RUBBER & PRODUCE CO. LTD		1	11,59,436	0	0	11,59,436	16.12	11,59,436	0	0	11,59,436	16.12	0	0	11,59,436
	<b>Sub Total (B)(3)</b>		83	2,980,788	0	0	2,980,788	41.43	2,980,788	0	0	2,980,788	41.43	0	0	2,980,788
	<b>Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)</b>		84	3,846,704	0	0	3,846,704	53.47	3,846,704	0	0	3,846,704	53.47	0	0	3,846,704



Details of the shareholders acting as persons in Concert including their Shareholding:		
Name of Shareholder	No of shares	Holding%
	0	0
<b>Total:</b>		<b>0</b>

Details of Shares which remain unclaimed may be given hear, along with details such as number of shareholders, outstanding shares held in demat/ unclaimed suspense account	
No of Shareholders	No of shares
Nil	0





Table IV - Statement showing shareholding pattern of the Non-Promoter – Non-Public Shareholder

Category	Category & Name of the Shareholder	PAN	No of Share holders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Sharehold ing as a % of total no of shares (A+B+C)	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in Shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialized form
									Class X	Class Y	Total					
(1)	Custodian/DR Holder Employee Benefit Trust (under SEBI(Share based Employee Benefit) Regulations 2014)		0	0	0	0	0	0.00	0	0	0	0.00	0	NA	NA	0
(2)	Madura Microcredit Employees Welfare Trust	AAATM979JM	1	289750	0	0	289750	4.02	289750	0	289750	4.02	0	NA	NA	289750
	Total Non-Promoter-Non Public Shareholding (C) = (C1)+(C2)		1	289,750	0	0	289,750	4.02	289,750	0	289,750	4.02	0	NA	NA	289,750



**Statement of unaudited standalone financial results for the quarter and nine months period ended December 31, 2021**

₹ in crore

Sr. No.	Particulars	Quarter ended			Nine months ended		Year ended
		31-Dec-21 (Unaudited)	30-Sep-21 (Unaudited)	31-Dec-20 (Unaudited)	31-Dec-21 (Unaudited)	31-Dec-20 (Unaudited)	31-Mar-21 (Audited)
	<b>Revenue from operations</b>						
(a)	Interest income	544.89	492.02	412.98	1,520.51	1,366.57	1,877.13
(b)	Fees and commission	3.33	1.85	4.17	7.86	4.83	8.75
(c)	Net gain on fair value changes	0.64	4.11	21.05	25.15	47.20	130.64
(d)	Others	26.85	11.93	1.48	42.21	1.83	11.27
I	<b>Total revenue from operations</b>	<b>575.71</b>	<b>509.91</b>	<b>439.68</b>	<b>1,595.73</b>	<b>1,420.43</b>	<b>2,027.79</b>
II	<b>Other income</b>	0.97	0.42	0.47	2.39	1.80	3.35
		<b>0.97</b>	<b>0.42</b>	<b>0.47</b>	<b>2.39</b>	<b>1.80</b>	<b>3.35</b>
III	<b>Total income (I+II)</b>	<b>576.68</b>	<b>510.33</b>	<b>440.15</b>	<b>1,598.12</b>	<b>1,422.23</b>	<b>2,031.14</b>
	<b>Expenses</b>						
(a)	Finance costs	192.50	182.75	179.18	571.60	554.05	740.07
(b)	Fee and commission expense	0.06	0.39	-	0.49	1.03	3.01
(c)	Impairment of financial instruments	73.77	91.12	242.38	321.15	446.67	646.90
(d)	Employee benefits expenses	91.52	90.42	74.19	261.99	223.35	299.60
(e)	Depreciation and amortisation expenses	6.31	6.48	5.30	18.89	16.87	23.43
(f)	Other expenses	40.67	42.06	34.50	114.36	85.32	123.84
IV	<b>Total expenses (IV)</b>	<b>404.83</b>	<b>413.22</b>	<b>535.55</b>	<b>1,288.48</b>	<b>1,327.29</b>	<b>1,836.85</b>
V	<b>Profit/(Loss) before tax (III-IV)</b>	<b>171.85</b>	<b>97.11</b>	<b>(95.40)</b>	<b>309.64</b>	<b>94.94</b>	<b>194.29</b>
	<b>Tax expense</b>						
(1)	Current tax	34.47	21.05	8.72	91.78	103.07	93.44
(2)	Deferred tax	8.17	4.07	(32.51)	(12.91)	(78.26)	(41.54)
VI	<b>Total tax expense (VI)</b>	<b>42.64</b>	<b>25.12</b>	<b>(23.79)</b>	<b>78.87</b>	<b>24.81</b>	<b>51.90</b>
VII	<b>Profit/(Loss) for the period / year (V-VI)</b>	<b>129.21</b>	<b>71.99</b>	<b>(71.61)</b>	<b>230.77</b>	<b>70.13</b>	<b>142.39</b>
VIII	<b>Other comprehensive income</b>						
(a)	(1) Items that will not be reclassified to profit or loss	0.77	(2.43)	(0.08)	(0.77)	(0.98)	0.22
	(2) Income tax relating to items that will not be reclassified to profit or loss	(0.19)	0.61	0.02	0.19	0.25	(0.05)
	<b>Subtotal (a)</b>	<b>0.58</b>	<b>(1.82)</b>	<b>(0.06)</b>	<b>(0.58)</b>	<b>(0.73)</b>	<b>0.17</b>
(b)	(1) Items that will be reclassified to profit or loss	1.38	(9.24)	0.47	(9.77)	(3.84)	42.93
	(2) Income tax relating to items that will be reclassified to profit or loss	0.01	2.04	(0.12)	2.52	0.97	(10.80)
	<b>Subtotal (b)</b>	<b>1.39</b>	<b>(7.20)</b>	<b>0.35</b>	<b>(7.25)</b>	<b>(2.87)</b>	<b>32.13</b>
	<b>Other comprehensive income/(loss) (VIII = a+b)</b>	<b>1.97</b>	<b>(9.02)</b>	<b>0.29</b>	<b>(7.83)</b>	<b>(3.60)</b>	<b>32.30</b>
IX	<b>Total comprehensive income (VII+VIII) (comprising profit and other comprehensive income/(loss) for the period / year)</b>	<b>131.18</b>	<b>62.97</b>	<b>(71.32)</b>	<b>222.94</b>	<b>66.53</b>	<b>174.69</b>
X	<b>Paid-up equity share capital (face value of ₹ 10 each)</b>	155.79	155.74	155.49	155.79	155.49	155.58
XI	<b>Other Equity</b>						3,479.23
XII	<b>Earnings per equity share (face value of ₹ 10 each)</b>						
	Basic (EPS) *	8.29	4.62	(4.64)	14.82	4.75	9.52
	Diluted (DPS) *	8.26	4.60	(4.64)	14.76	4.72	9.46

\* The EPS and DPS for quarters ended December 31, 2021, September 30, 2021, and December 31, 2020 and for the nine months ended December 31, 2021 and December 31, 2020 are not annualised.



**Statement of unaudited standalone financial results for the quarter and nine months period ended December 31, 2021**

**Notes:**

- The above results for the quarter and nine months ended December 31, 2021 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on February 04, 2022 and subjected to limited review by statutory auditors in accordance with the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
- The financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and notified under Section 133 of the Companies Act, 2013 ("the Act").
- Details of resolution plans implemented under the resolution Framework for Covid-19 related stress of individual and small borrowers as per RBI circular dated May 5, 2021 (Resolution Framework 2.0)

(₹ in crores except number of accounts)

Sr. No	Description	Individual Borrowers		Small Businesses
		Personal Loans *	Business Loans	
(A)	Number of requests received for invoking resolution process under Part A	15,315	-	-
(B)	Number of accounts where resolution plan has been implemented under this window	15,315	-	-
(C)	Exposure to accounts mentioned at (B) before implementation of the plan	63.21	-	-
(D)	Of (C), aggregate amount of debt that was converted into other securities	-	-	-
(E)	Additional funding sanctioned, if any, including between invocation of the plan and implementation	21.27	-	-
(F)	Increase in provisions on account of the implementation of the resolution plan	\$	-	-

**Note:**

- Amount represents principal outstanding only.

\* Includes joint liability group loan (JLG) and individual loan (IL).

\$ The Management has made the required provision in accordance with the expected credit loss (ECL) model as per Ind AS 109 as approved by Board.



**Statement of unaudited standalone financial results for the quarter and nine months period ended December 31, 2021**

**Notes:**

- 4 The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant volatility in the financial markets and slowdown in the economic activities. Consequent to the outbreak of the COVID-19 pandemic, the Indian government announced a lockdown in March 2020. Subsequently, the national lockdown was lifted by the government, but regional restrictions continued to be implemented in areas due to the "second wave" of COVID-19, which included a significant surge of COVID-19 cases. These were gradually lifted as the second wave subsided. The country is now experiencing another outbreak on account of new coronavirus variant.

The extent to which the COVID-19 pandemic will ultimately impact the Company's results and carrying value of assets will depend on future developments, which are highly uncertain. The Company's impairment loss allowance estimates are subject to a number of management judgments and estimates, which could undergo changes over the entire duration of the pandemic. Given the uncertainty over the potential macro-economic condition, the impact of the COVID-19 pandemic on the financial performance may be different from that estimated as at the date of approval of these financial results. Such changes will be prospectively recognized. The Company continues to closely monitor any anticipated material changes to future economic conditions.

- 5 In connection with amalgamation of Madura Micro Finance Limited (MMFL- "Transferor Company") with CreditAccess Grameen Limited (CAGL- "Transferee Company"), both the entities have been filed the First Motion Petitions before the jurisdictional benches of National Company Law Tribunal at Chennai and Bengaluru respectively. The Scheme of Merger provides for the amalgamation of Transferor Company into the Transferee Company and the consequent issuance of equity shares by the Transferee Company to the Shareholders of the Transferor Company under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. As at December 31, 2021, the aggregate shareholding of the Company stands at 76.25% in MMFL.
- 6 The Company operates in a single business segment i.e. lending to members, having similar risks and returns for the purpose of Ind AS 108 on 'Operating Segments'. The Company operates in a single geographical segment i.e. domestic.
- 7 The Company, during the quarter and nine months ended December 31, 2021 has allotted 41,294 and 203,671 number of equity shares respectively, each, fully paid up, on exercise of options by employees, in accordance with the Company's Employee Stock Option Scheme(s).
- 8 Pursuant to Regulation 54 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, the listed Non Convertible Debentures of the Company as on December 31, 2021 are secured by exclusive charge on standard receivables ("the Loans and advances") of the Company. The total asset cover is 1.15 times of the principal amount of the said debentures.
- 9 Disclosures in compliance with Regulation 52 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for nine months ended December 31, 2021 is attached as Annexure I.
- 10 Pursuant to the RBI circular dated November 12, 2021 - "Prudential norms on Income Recognition, Asset Classification and Provisioning ('IRAC') pertaining to Advances – Clarifications", the Company has changed its NPA definition to comply with the norms/changes for regulatory reporting, as applicable. The Company has also on the basis of prudence, aligned Stage 3 definition to reflect the revised NPA norms. This change does not have a material impact on the financial results for the quarter/nine months ended December 31, 2021.
- 11 Details of loans transferred / acquired during the quarter ended December 31, 2021 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:
- (i) The Company has not transferred any non-performing assets (NPAs).
  - (ii) The Company has not acquired any loans through assignment.
  - (iii) The Company has not acquired any stressed loan.
- 12 Previous year / periods figures have been regrouped / rearranged, wherever considered necessary, to conform with current period's classification.

For and on behalf of the Board of Directors of **CreditAccess Grameen Limited**



**Udaya Kumar Hebbar**  
Managing Director & CEO

Bangalore  
February 04, 2022



**Annexure I**

Disclosure in compliance with Regulations 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, for the nine months ended December 31, 2021		
Sr. No.	Particulars	Ratio
1	Debt-Equity Ratio: *	2.44
2	Debt service coverage ratio :	Not Applicable
3	Interest service coverage ratio:	Not Applicable
4	Outstanding redeemable preference share (quantity)	Not Applicable
5	Outstanding redeemable preference share (Rs. In cr)	Not Applicable
6	Capital redemption reserve (Rs. in cr)	Not Applicable
7	Debenture redemption reserve (Rs. in cr)	Not Applicable
8	Net worth (Rs. in cr): **	3,824.30
9	Net profit after tax (Rs. in cr)	230.77
10	Earnings per equity share (* not annualised)	
(a)	Basis (Rs.)	14.82
(b)	Diluted (Rs.)	14.76
11	Current ratio: #	Not Applicable
12	Long term debt to working capital: #	Not Applicable
13	Bad debts to account receivable ratio: #	Not Applicable
14	Current liability ratio:	Not Applicable
15	Total debts to total assets: \$	0.69
16	Debtors turnover: #	Not Applicable
17	Inventory turnover: #	Not Applicable
18	Operating margin: #	Not Applicable
19	Net profit margin: ##	14.44%
20	Sector specific equivalent ratios include following:	
(i)	Gross Stage III (%): @	5.50%
(ii)	Net Stage III (%): @@	2.22%
(iii)	Provision coverage: &	60.90%
(iv)	Capital risk adequacy ratio (CRAR) % - Total ###	29.44%

Notes:

- \* Debt-equity ratio = (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities)/Network.
- \*\* Network is calculated as defined in section 2(57) of Companies Act 2013.
- # The Company is registered under the Reserve Bank of India Act, 1934 as Non-Banking Financial Company, hence these ratios are not applicable.
- \$ Total debts to total assets = (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities)/total assets.
- ## Net profit margin = Net profit after tax/ total income.
- ### Capital ratio = Adjusted net worth/ Risk weighted assets, calculated as per applicable RBI guidelines.
- @ Gross Stage III (%) = Gross Stage III Loans EAD /Gross Total Loans EAD. Exposure at default (EAD) includes Loan Balance and interest thereon. Stage-III loans has been determined as per Ind AS 109.
- @@ Net Stage III = (Gross Stage III Loans EAD - Impairment loss allowance for Stage III)/ (Gross Total Loans EAD - Impairment loss allowance for Stage III).
- & Provision coverage= Total Impairment loss allowance for Stage III / Gross Stage III Loans EAD.

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## **INDEPENDENT AUDITORS' REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS**

The Board of Directors  
**CreditAccess Grameen Limited**

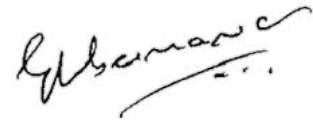
1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **CreditAccess Grameen Limited** (the "Company"), for the quarter and nine months ended December 31, 2021 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India ("ICAI"). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

# Deloitte Haskins & Sells

5. We draw attention to Note 4 of the Statement, which describes that the potential impact of the continuing COVID-19 pandemic on the Company's financial information are dependent on future developments, which are highly uncertain.

Our conclusion on the Statement is not modified in respect of this matter.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm Registration No.008072S)



**G. K. Subramaniam**  
Partner  
(Membership No. 109839)  
UDIN: 22109839AAIQSC5194

Place: Mumbai  
Date: February 4, 2022

**Statement of unaudited consolidated financial results for the quarter and nine months period ended December 31, 2021**

Sr. No.	Particulars	₹ in crore					
		Quarter ended			Nine months ended		Year ended
		31-Dec-21 (Unaudited)	30-Sep-21 (Unaudited)	31-Dec-20 (Unaudited)	31-Dec-21 (Unaudited)	31-Dec-20 (Unaudited)	31-Mar-21 (Audited)
	<b>Revenue from operations</b>						
(a)	Interest income	654.09	597.45	513.24	1,838.88	1,678.08	2,290.03
(b)	Fees and commission	3.33	1.85	4.17	7.86	4.84	8.76
(c)	Net gain on fair value changes	0.75	4.50	21.17	26.32	49.16	132.90
(d)	Others	29.22	13.60	2.96	47.87	4.75	29.31
I	<b>Total revenue from operations</b>	<b>687.39</b>	<b>617.40</b>	<b>541.54</b>	<b>1,920.93</b>	<b>1,736.83</b>	<b>2,461.00</b>
II	<b>Other income</b>	2.30	1.18	1.49	4.72	3.04	5.07
		2.30	1.18	1.49	4.72	3.04	5.07
III	<b>Total income (I+II)</b>	<b>689.69</b>	<b>618.58</b>	<b>543.03</b>	<b>1,925.65</b>	<b>1,739.87</b>	<b>2,466.07</b>
	<b>Expenses</b>						
(a)	Finance costs	239.09	228.56	224.20	716.99	691.45	928.72
(b)	Fee and commission expense	0.06	0.39	0.22	0.49	1.03	3.01
(c)	Impairment of financial instruments	117.94	139.93	275.65	445.73	520.93	771.36
(d)	Employee benefits expenses	112.84	111.93	94.97	325.40	284.30	379.99
(e)	Depreciation and amortisation expenses	11.58	11.95	10.46	34.77	32.42	44.07
(f)	Other expenses	52.59	47.03	42.88	139.29	107.93	158.52
IV	<b>Total expenses (IV)</b>	<b>534.10</b>	<b>539.79</b>	<b>648.38</b>	<b>1,662.67</b>	<b>1,638.06</b>	<b>2,285.67</b>
V	<b>Profit/(Loss) before tax (III-IV)</b>	<b>155.59</b>	<b>78.79</b>	<b>(105.35)</b>	<b>262.98</b>	<b>101.81</b>	<b>180.40</b>
	<b>Tax expense</b>						
(1)	Current tax	31.14	29.95	11.16	99.20	113.34	106.44
(2)	Deferred tax	7.51	(10.86)	(37.45)	(33.18)	(86.65)	(57.44)
VI	<b>Total tax expense (VI)</b>	<b>38.65</b>	<b>19.09</b>	<b>(26.29)</b>	<b>66.02</b>	<b>26.69</b>	<b>49.00</b>
VII	<b>Profit/(Loss) for the period / year (V-VI)</b>	<b>116.94</b>	<b>59.70</b>	<b>(79.06)</b>	<b>196.96</b>	<b>75.12</b>	<b>131.40</b>
VIII	<b>Other comprehensive income</b>						
(a)	(1) Items that will not be reclassified to profit or loss	1.00	(2.37)	(0.15)	(0.36)	(1.10)	0.17
	(2) Income tax relating to items that will not be reclassified to profit or loss	(0.27)	0.61	0.02	0.09	0.25	(0.04)
	<b>Subtotal (a)</b>	<b>0.73</b>	<b>(1.76)</b>	<b>(0.13)</b>	<b>(0.27)</b>	<b>(0.85)</b>	<b>0.13</b>
(b)	(1) Items that will be reclassified to profit or loss	1.38	(9.24)	0.47	(9.77)	(3.84)	42.93
	(2) Income tax relating to items that will be reclassified to profit or loss	0.01	2.04	(0.12)	2.52	0.97	(10.80)
	<b>Subtotal (b)</b>	<b>1.39</b>	<b>(7.20)</b>	<b>0.35</b>	<b>(7.25)</b>	<b>(2.87)</b>	<b>32.13</b>
	<b>Other comprehensive (loss)/income (VIII = a+b)</b>	<b>2.12</b>	<b>(8.96)</b>	<b>0.22</b>	<b>(7.52)</b>	<b>(3.72)</b>	<b>32.26</b>
IX	<b>Total comprehensive income (VII+VIII) (comprising profit and other comprehensive income/(loss) for the period / year)</b>	<b>119.06</b>	<b>50.74</b>	<b>(78.84)</b>	<b>189.44</b>	<b>71.40</b>	<b>163.66</b>
	<b>Profit/(loss) is attributable to:</b>						
	Owners of the Company	119.82	63.57	(77.29)	205.90	73.93	134.02
	Non-controlling interest	(2.88)	(3.87)	(1.77)	(8.94)	1.19	(2.62)
	<b>Other comprehensive income/(loss) is attributable to:</b>						
	Owners of the Company	2.08	(8.97)	0.23	(7.59)	(3.70)	32.27
	Non-controlling interest	0.04	0.01	(0.01)	0.07	(0.02)	(0.01)
	<b>Total comprehensive income/(loss) is attributable to:</b>						
	Owners of the Company	121.90	54.60	(77.06)	198.31	70.23	166.29
	Non-controlling interest	(2.84)	(3.86)	(1.78)	(8.87)	1.17	(2.63)
X	<b>Paid-up equity share capital (face value of ₹ 10 each)</b>	<b>155.79</b>	<b>155.74</b>	<b>155.49</b>	<b>155.79</b>	<b>155.49</b>	<b>155.58</b>
XI	<b>Other Equity</b>						<b>3,535.97</b>
XII	<b>Earnings per equity share (face value of ₹ 10 each)</b>						
	Basic (EPS) *	7.69	4.08	(5.12)	13.23	5.09	8.96
	Diluted (DPS) *	7.66	4.06	(5.12)	13.17	5.05	8.90

\* The EPS and DPS for quarters ended December 31, 2021, September 30, 2021, and December 31, 2020 and for the nine months ended December 31, 2021 and December 31, 2020 are not annualised.





**Statement of unaudited consolidated financial results for the quarter and nine months period ended December 31, 2021**

**Notes:**

- 1 The above consolidated financial results of CreditAccess Grameen Limited (the 'Holding Company') and its three subsidiaries (collectively referred to as the 'Group') for the quarter and nine months ended December 31, 2021 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on February 04, 2022 respectively and subjected to limited review by statutory auditors in accordance with the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
- 2 The financial results of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and notified under Section 133 of the Companies Act, 2013 ("the Act").
- 3 The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant volatility in the financial markets and slowdown in the economic activities. Consequent to the outbreak of the COVID-19 pandemic, the Indian government announced a lockdown in March 2020. Subsequently, the national lockdown was lifted by the government, but regional restrictions continued to be implemented in areas due to the "second wave" of COVID-19, which included a significant surge of COVID-19 cases. These were gradually lifted as the second wave subsided. The country is now experiencing another outbreak on account of new coronavirus variant.  
  
The extent to which the COVID-19 pandemic will ultimately impact the Group's results and carrying value of assets will depend on future developments, which are highly uncertain. The Group's impairment loss allowance estimates are subject to a number of management judgments and estimates, which could undergo changes over the entire duration of the pandemic. Given the uncertainty over the potential macro-economic condition, the impact of the COVID-19 pandemic on the financial performance may be different from that estimated as at the date of approval of these financial results. Such changes will be prospectively recognized. The Group continues to closely monitor any anticipated material changes to future economic conditions.
- 4 Pursuant to the RBI circular dated November 12, 2021 - "Prudential norms on Income Recognition, Asset Classification and Provisioning ('IRAC') pertaining to Advances – Clarifications", the Group has changed its NPA definition to comply with the norms/changes for regulatory reporting, as applicable. The Group has also on the basis of prudence, aligned Stage 3 definition to reflect the revised NPA norms. This change does not have a material impact on the financial results for the quarter/nine months ended December 31, 2021.
- 5 In connection with amalgamation of Madura Micro Finance Limited (MMFL- "Transferor Company") with CreditAccess Grameen Limited (CAGL- "Transferee Company"), both the entities have been filed the First Motion Petitions before the jurisdictional benches of National Company Law Tribunal at Chennai and Bengaluru respectively. The Scheme of Merger provides for the amalgamation of Transferor Company into the Transferee Company and the consequent issuance of equity shares by the Transferee Company to the Shareholders of the Transferor Company under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. As at December 31, 2021, the aggregate shareholding of the Company stands at 76.25% in MMFL.
- 6 The Group operates in a single business segment i.e. lending to members, having similar risks and returns for the purpose of Ind AS 108 on 'Operating Segments'. The Group operates in a single geographical segment i.e. domestic.
- 7 The Holding Company, during the quarter and nine months ended December 31, 2021 has allotted 41,294 and 203,671 number of equity shares respectively, each, fully paid up, on exercise of options by employees, in accordance with the Company's Employee Stock Option Scheme(s).
- 8 Previous year / periods figures have been regrouped / rearranged, wherever considered necessary, to conform with current period's classification.

For and on behalf of the Board of Directors of **CreditAccess Grameen Limited**



**Udaya Kumar Hebbar**  
Managing Director & CEO

Bangalore  
February 04, 2022



## **INDEPENDENT AUDITORS' REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS**

The Board of Directors  
**CreditAccess Grameen Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **CreditAccess Grameen Limited** (the "Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as the "Group"), for the quarter and nine months ended December 31, 2021 (the "Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements ("SRE") 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India ("ICAI"). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

2

4. The Statement includes the results of the following entities:

<b>Sr. No.</b>	<b>Name of the Company</b>	<b>Nature of relationship</b>
1	CreditAccess Grameen Limited	Parent
2	Madura Micro Finance Limited	Subsidiary
3	Madura Micro Education Private Limited	Step-down Subsidiary
4.	CreditAccess India Foundation	Subsidiary

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. We draw attention to Note 3 of the Statement, which describes that the potential impact of the continuing COVID-19 pandemic on the Group's financial information are dependent on future developments, which are highly uncertain.

Our conclusion on the Statement is not modified in respect of this matter.

7. We did not review the interim financial results of two subsidiaries included in the Statement, whose interim financial results reflect total revenues of ₹113.11 crore and ₹328.47 crore for the quarter and nine months ended December 31, 2021 respectively, total net loss after tax of ₹9.01 crore and ₹29.09 crore for the quarter and nine months ended December 31, 2021 respectively and total comprehensive loss of ₹8.84 crore and ₹28.79 crore for the quarter and nine months ended December 31, 2021 respectively, as considered in the Statement. These interim financial results have been reviewed by the other auditors whose reports have been furnished to us by the Management, and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of this matter.

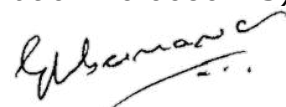
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# Deloitte Haskins & Sells

8. The consolidated unaudited financial results includes the interim financial information of one subsidiary which has not been reviewed/audited by their auditors, whose interim financial results reflect total revenues of ₹0.07 crore and ₹4.12 crore for the quarter and nine months ended December 31, 2021 respectively, total net (loss) / profit after tax of ₹(0.11) crore and ₹3.87 crore for the quarter and nine months ended December 31, 2021 respectively and total comprehensive (loss) / income of ₹(0.11) crore and ₹3.87 crore for the quarter and nine months ended December 31, 2021 respectively, as considered in the Statement. According to the information and explanations given to us by the Management, these interim financial information are not material to the Group.

Our Conclusion on the Statement is not modified in respect of our reliance on the interim financial information certified by the Management.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm Registration No.008072S)



**G. K. Subramaniam**  
Partner

(Membership No. 109839)  
UDIN: 22109839AAIRDE5271

Place: Mumbai  
Date: February 4, 2022

<b>MADURA MICRO FINANCE LIMITED</b> (Subsidiary of CreditAccess Grameen Limited) Registered Office: No. 36, Second Main Road, Kasturba Nagar, Adyar, Chennai 600020 CIN: U65929TN2005PLC057390							
<b>Standalone Financial Results for the third quarter and nine months ended December 31, 2021</b>							
(Rupees in crores unless otherwise stated)							
SI No	Particulars	Quarter ended			Nine Months Ended		Year ended
		31-Dec-2021 (Unaudited)	30-Sep-2021 (Unaudited)	31-Dec-2020 (Unaudited)	31-Dec-2021 (Unaudited)	31-Dec-2020 (Unaudited)	31-Mar-2021 (Audited)
(I)	<b>Revenue from operations</b>						
(a)	Interest income	109.18	105.42	100.27	318.34	311.23	412.62
(b)	Fees and commission	-	-	-	-	-	0.01
(c)	Dividend income	-	-	-	-	-	-
(d)	Net gain on fair value changes	0.12	0.38	0.12	1.17	1.97	2.26
(e)	Bad debt recovery	2.37	1.66	1.49	5.38	2.92	4.45
(f)	Others	-	-	-	0.28	-	13.59
	<b>Total Revenue from operations (I)</b>	<b>111.67</b>	<b>107.46</b>	<b>101.88</b>	<b>325.17</b>	<b>316.12</b>	<b>432.93</b>
(II)	Other Income	1.44	0.81	1.02	3.30	1.23	2.34
(III)	<b>Total Income (I+II)</b>	<b>113.11</b>	<b>108.27</b>	<b>102.90</b>	<b>328.47</b>	<b>317.35</b>	<b>435.27</b>
	<b>Expenses</b>						
(a)	Finance costs	46.52	46.71	45.02	146.23	138.13	190.32
(b)	Impairment of financial instruments	44.18	48.80	33.35	124.59	74.46	124.66
(c)	Employee benefits expenses	21.23	21.42	20.78	63.25	60.81	80.26
(d)	Depreciation, amortisation and impairment	1.15	1.36	1.07	3.57	3.26	4.25
(e)	Other expenses	11.97	9.08	8.58	29.90	22.58	35.28
(IV)	<b>Total Expenses (IV)</b>	<b>125.05</b>	<b>127.37</b>	<b>108.80</b>	<b>367.54</b>	<b>299.24</b>	<b>434.77</b>
(V)	Profit / (loss) before exceptional items and tax (III-IV)	(11.94)	(19.10)	(5.90)	(39.07)	18.11	0.50
(VI)	Exceptional items	-	-	-	-	-	-
(VII)	<b>Profit/(loss) before tax (V+VI)</b>	<b>(11.94)</b>	<b>(19.10)</b>	<b>(5.90)</b>	<b>(39.07)</b>	<b>18.11</b>	<b>0.50</b>
(VIII)	<b>Tax Expense:</b>						
	(1) Current Tax						
	Current year	(3.33)	6.93	2.43	5.43	10.27	13.00
	Pertaining to earlier years	-	1.98	-	1.98	-	-
	(2) Deferred Tax	0.40	(14.13)	(3.89)	(17.39)	(5.51)	(12.27)
	<b>Total tax expense (VIII)</b>	<b>(2.93)</b>	<b>(5.22)</b>	<b>(1.46)</b>	<b>(9.98)</b>	<b>4.76</b>	<b>0.73</b>
(IX)	Profit/(Loss) for the period from continuing operations (VII-VIII)	(9.01)	(13.88)	(4.44)	(29.09)	13.35	(0.23)
(X)	Profit/(loss) from discontinued operations	-	-	-	-	-	-
(XI)	Tax Expense of discontinued operations	-	-	-	-	-	-
(XII)	Profit/(loss) from discontinued operations (After Tax) (X-XI)	-	-	-	-	-	-
(XIII)	<b>Profit/(loss) for the period (IX+XII)</b>	<b>(9.01)</b>	<b>(13.88)</b>	<b>(4.44)</b>	<b>(29.09)</b>	<b>13.35</b>	<b>(0.23)</b>
(XIV)	<b>Other Comprehensive Income</b>						
	(A) (i) Items that will not be reclassified to profit or loss (Remeasurement (losses) and gains on defined benefit obligations (net))	0.23	0.06	(0.07)	0.40	(0.12)	(0.05)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.06)	(0.01)	0.02	(0.10)	0.03	0.01
	Subtotal (A)	<b>0.17</b>	<b>0.05</b>	<b>(0.05)</b>	<b>0.30</b>	<b>(0.09)</b>	<b>(0.04)</b>
	(B) (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to Profit or Loss	-	-	-	-	-	-
	Subtotal (B)	-	-	-	-	-	-
	Other Comprehensive Income (A + B)	<b>0.17</b>	<b>0.05</b>	<b>(0.05)</b>	<b>0.30</b>	<b>(0.09)</b>	<b>(0.04)</b>
(XV)	<b>Total Comprehensive Income for the period (XIII+XIV)</b>	<b>(8.84)</b>	<b>(13.83)</b>	<b>(4.49)</b>	<b>(28.79)</b>	<b>13.26</b>	<b>(0.27)</b>
(XVI)	<b>Earnings per equity share (for continuing operations)</b>						
	Basic (Rs.)	(12.52)	(19.29)	(6.17)	(40.43)	18.56	(0.32)
	Diluted (Rs.)	(12.52)	(19.29)	(6.17)	(40.43)	18.56	(0.32)
(XVII)	<b>Earnings per equity share (for discontinued operations)</b>						
	Basic (Rs.)	-	-	-	-	-	-
	Diluted (Rs.)	-	-	-	-	-	-
(XVIII)	<b>Earnings per equity share (for continuing and discontinued operations)</b>						
	Basic (Rs.)	(12.52)	(19.29)	(6.17)	(40.43)	18.56	(0.32)
	Diluted (Rs.)	(12.52)	(19.29)	(6.17)	(40.43)	18.56	(0.32)

\* The EPS and DPS for quarters ended December 31, 2021, September 30, 2021, December 31, 2020 nine months ended December 31, 2021, December 31, 2020 are not annualised.

For Madura Micro Finance Limited

Place: Chennai  
Date: January 28, 2022

  
F. S. Mohan Eddy  
Director



**MADURA MICRO FINANCE LIMITED**  
(Subsidiary of CreditAccess Grameen Limited)

Registered Office: No. 36, Second Main Road, Kasturba Nagar, Adyar, Chennai 600020

CIN: U65929TN2005PLC057390

**Explanatory Notes to the unaudited standalone financial results for the third quarter and nine months ended December 31, 2021**

**Notes:**

- 1 The above standalone financial results for the quarter and nine months ended December 31, 2021 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on January 28, 2022 respectively and subjected to limited review by Independent auditors in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
- 2 The financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and notified under Section 133 of the Companies Act, 2013 ("the Act").
- 3 During the nine months period, the Company had extended Moratorium to certain segments in the months of May and June 2021 due to severity of second wave of Covid-19 to help borrowers to overcome the impact of Covid. The Board had approved restructuring scheme for its borrowers and the Company has implemented restructuring scheme in September 2021.
- 4 The COVID -19 pandemic continues to spread across the globe and India, which has contributed to a significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The financial results, includes the potential impact of the COVID-19 pandemic on the Company's financial results which are dependent on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of possible effect of the third wave of COVID-19 pandemic and any action to contain its spread or mitigate its impact whether Government mandated or elected by the Company and its subsequent impact on the recoverability of the Company's assets. The Company has, based on current available information and based on the policy approved by the board, determined the provision for impairment of financial assets including the additional overlay, if any, for uncertainty over the potential macro-economic impact of the pandemic.

The Company has provided ₹.152.15 crores as at December 31, 2021 as part of its expected credit loss estimate, to reflect, among other things, an increased risk of deterioration in the macro-economic factors caused by COVID-19 pandemic.

- 5 In view of the behaviour of loans during the Covid pandemic time, the Company has changed its estimate of credit impairment and Staging of financial assets for the purpose of determining Expected Credit Loss for Impairment of Financial Assets effective from 1st July 2021 by shifting Stage 3 (Credit impaired) from 90 Days past due (DPD) to 60 days past due (DPD). This has resulted in moving loans outstanding for 60 to 90 days to Stage 3 (credit impaired) from stage 2 (Loans with significant increase in credit risk) and thereby causing significant change in Probability of Default (PD) and Loss Given Default (LGD). Hence, the Company's ECL provision is higher by ₹ 15.20 crores (including management overlay provided ₹ 7.45 Crores) when compared to the estimates made using the older method.

Based on the current indicators of future economic conditions, the Company considers this provision to be adequate and expects to recover the carrying amount of these financial assets. Given the uncertainty over the potential macro-economic condition, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.

- 6 Financial assets are written off only when the Company has stopped pursuing the recovery or no further amounts are recoverable. The company has increased their efforts to follow-up on recovery of loans from 180 DPD to 270 DPD in view of the pandemic, considering the manner in which the company is able to recover the overdue amounts. Hence the company has revised the estimated time of write off from 180 DPD to 270 DPD with effect from 1st July 2021. Total loan book as on 31st December 2021 in bucket of 180 to 270 days is ₹. 65.53Crores. As of now the Company is carrying a provision of ₹. 34.24 crores against this, resulting in decrease in write off by ₹. 31.29 Crores.
- 7 The Company has changed its accounting policy on interest accrual on NPA loans with effect from September 21. Previously interest income on credit impaired assets were recognised on actual realization in line with IRAC norms. However, now the accounting policy has been changed to recognise income on the net amortised cost on credit impaired assets as per Ind AS 109. The company has recognised ₹. 7.10 crores as interest income.

As the company has decided to recognise interest income on Stage 3 financial assets from September 21, the interest income has been calculated for all the loans in the Stage 3 as at Dec 21. This includes loans which have moved to Stage 3 in earlier periods and continue to be in Stage 3 as of December 21. As it will be difficult to split this interest income across earlier periods in view of change in estimate of credit impairment and write off, retrospective effect of interest income has not been given in the financial statements.

- 8 Further, in view of the matters as mentioned in Note 3, 4 & 5 above, the Company has assessed the impact of the Novel Coronavirus (COVID-19) pandemic on its liquidity and ability to repay its obligations as and when they are due. The Company has sufficient liquidity to pay off its debts and the Company has widened its funding sources while retaining existing lenders. Based on the foregoing and necessary stress tests considering various scenarios, management believes that the Company will be able to pay its obligations as and when these become due in the foreseeable future. Accordingly, the standalone financial statements have been prepared on a going concern basis.



- 9 Disclosure on Resolution Framework- 2.0: Resolution or Covid-19 related stress of Individuals and Small Businesses as per Circular RBI/2021-22/31, DOR.STR.REC.11/21.04.048/2021-22 dated May 05, 2021 ("RBI Circular");

During the nine months ended December 31, 2021 the company has restructured loans to the tune of ₹.6.35 Cr of which the company has implemented resolution plans under resolution framework 2.0 to relieve COVID-19 pandemic to reduce the stress of eligible borrowers with a total outstanding of ₹.3.78 crores as of December 31, 2021. The resolution plans are based on parameters laid down in the resolution policy approved by the Board of Directors in accordance with the above RBI circular.

Format for disclosures to be made in the quarters ending December 31, 2021

S No	Description	Individual Loans- Personal loans
a	Number of requests received for invoking resolution process under Part A	759#
b	Number of accounts where resolution plan has been implemented under this window	351*
c	Exposure to accounts mentioned at (B) before implementation of the plan	₹ 2.54 Cr.
d	Of (C), aggregate amount of debt that was converted into other securities	-
e	Additional funding sanctioned, if any, including between invocation of the plan and implementation	₹ 1.24 Cr.
f	Increase in provisions on account of the implementation of the resolution plan	₹ 0.36 Cr

#759 Groups comprises of 3489 member \* 351 Groups comprises of 1534 members

The company has not given any loans to Small businesses & business loans to individuals  
The company has not done any restructuring under Resolution framework 1.0

- 10 The RBI vide circular RBI/2021-2022/125 dated 12th Nov 2021 on Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances - Clarifications, has mandated that borrower accounts shall be flagged as overdue by Financial Institutions as part of their day-end process for the due date and has clarified that loan accounts classified as NPAs may be upgraded as 'standard' asset only if entire arrears of interest and principal are paid by the borrower.

The company has started implementing flagging NPAs as part of Day-end process in Dec 2021.

The Company had a practice of apportioning all collections in NPA accounts to principal overdues. In order to comply with the RBI circular the company has now started apportioning collections in NPA accounts to both interest and Principal overdues. During the quarter the company has reapportioned ₹.5.93 crores towards interest overdues in NPA accounts, consequent to which the principal arrears has increased by ₹.5.93 crores. The impact on this on income is ₹.3.09 crores. However there is no change in overall amount outstanding in borrower accounts and the impact on PBT is Nil.

- 11 Pursuant to Regulation 54 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, the listed Non Convertible Debentures of the Company as on December 31, 2021 are secured by exclusive charge on standard receivables ("the Loans and advances") of the Company. The total asset cover is 1.14 times of the principal amount of the said debentures

- 12 The Company operates in a single business segment i.e. lending to Self Help Group & Joint Liability Group members, having similar risks and returns for the purpose of Ind AS 108 on 'Operating Segments'. The Company operates in a single geographical segment i.e. domestic.

- 13 In connection with amalgamation of Madura Micro Finance Limited (MMFL- "Transferor Company") with CreditAccess Grameen Limited (CAGL-"Transferee Company"), both the entities have now filed the First Motion Petitions before the jurisdictional benches of the National Company Law Tribunal at Chennai and Bengaluru respectively. As at the half year end, the aggregate shareholding of CAGL stands at 76.25% in MMFL.

- 14 The Indian Parliament has approved the Code on Social Security, 2020 (the "Code") and the related rules which would impact the contributions by the Company towards Provident Fund and Gratuity. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

- 15 The figures for the previous period have been regrouped / rearranged, wherever considered necessary, to conform with current period's classification.

F. S. Mohan Eddy  
Director

Place: Chennai  
Date: January 28, 2022



**MADURA MICRO FINANCE LIMITED**

(Subsidiary of CreditAccess Grameen Limited)

Registered Office: No. 36, Second Main Road, Kasturba Nagar, Adyar, Chennai 600020

CIN: U65929TN2005PLC057390

Disclosure in compliance with Regulations 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, for the nine months ended December 31, 2021

Sr. No.	Particulars	Ratio
1	Debt- Equity Ratio: *	5.72
2	Debt service coverage ratio :	Not Applicable
3	Interest service coverage ratio:	Not Applicable
4	Outstanding redeemable preference share (quantity)	Not Applicable
5	Outstanding redeemable preference share (Rs. In cr )	Not Applicable
6	Capital redemption reserve (Rs. in cr)	Not Applicable
7	Debenture redemption reserve (Rs. in cr)	Not Applicable
8	Net worth (Rs. in cr): **	372.53
9	Net Profit after tax (Rs. in cr)	(29.09)
10	Earnings per equity share (* not annualised)	
(a)	Basic (Rs.)	(40.43)
(b)	Diluted (Rs.)	(40.43)
11	Current ratio: #	Not Applicable
12	Long term debt to working Capital: #	Not Applicable
13	Bad debts to account receivable ratio: #	Not Applicable
14	Current liability ratio:	Not Applicable
15	Total debts to total assets: \$	0.84
16	Debtors turnover: #	Not Applicable
17	Inventory turnover: #	Not Applicable
18	Operating margin: #	Not Applicable
20	Net profit margin: ##	-8.86%
21	Sector specific equivalent ratios	
(i)	Gross stage 3	8.60%
(ii)	Net stage 3	4.60%
(iii)	Provision coverage : ###	50.19%
(iv)	Capital risk adequacy ratio (CRAR) % - Total &	17.69%

## Notes:

\* Debt-equity ratio = (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities)/Networth.

\*\* Networth is calculated as defined in section 2(57) of Companies Act 2013.

# The Company is registered under the Reserve Bank of India Act, 1934 as Non-Banking Financial Company, hence these ratios are generally not applicable.

\$ Total debts to total assets = (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities)/total assets.

## Net profit margin = Net profit after tax/ Total income.

### Provision coverage = Total impairment loss allowance StageIII/Gross Stage III loan EAD

&amp; Capital ratio = Adjusted net worth/ Risk weighted assets, calculated as per applicable RBI guideline






Independent Auditor's Review Report on the Unaudited Quarterly and Year to Date Standalone Financial Results of the Madura Micro Finance Limited Pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To The Board of Directors of Madura Micro Finance Limited

1. We have reviewed the accompanying statement of Standalone Unaudited Financial Results of Madura Micro Finance Limited (the "Company") for the quarter ended and year to date from April 1, 2021 to December 31, 2021 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"). We have initialled for identification only.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2400 - "Engagements to Review Historical Financial Statements", issued by the Institute of Chartered Accountants of India. This standard requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with SRE 2400 (Revised) is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

#### Conclusion

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.



## 5. Emphasis of Matter

We draw attention to

- a) Note 4 and 8 to the standalone financial results about the uncertainties prevailing on the statement date on the recoverability of the company's loans and advances on account of the COVID-19 impact. The estimates and assumptions made by management in determining the impairment provision required for these loans are subject to matters that are outside the control of the Company and hence actual results may vary from these estimates.
- b) Note 5 to the standalone financial results about the change in accounting estimate with regard to Expected Credit loss model from 90 days to 60 days past due as Stage 3 credit impaired assets. This change in estimate resulted in higher provisioning to the extent of ₹ 15.20 Crores for the quarter and nine months ended December 31, 2021 compared to the estimates made using the older method. Accordingly, the loss for the period has gone up by Rs.15.20 Crores.

Our conclusion is not modified in respect of these matters.

### Other Matter:

6. We confirm that the review report on the standalone financial results for the quarter ended December 31, 2021 has been carried out by us. The standalone financials for the 2 quarters ended September 30, 2021, and for the quarter and nine months ended December 31, 2020 and for the year ended March 31, 2021 included in the statement were carried out by the predecessor auditor who expressed an unmodified opinion on these financial results / financial statements. Accordingly, our conclusion on the Statement is not modified in respect of the above matter.

Chennai  
28-01-2022

For Chaturvedi & Company  
Chartered Accountants

ICAI Firm Registration number 302137E



*S. Ganesan*

S Ganesan  
Partner

Membership No.217119

UDIN 22217119AAAAV1592

**FORM NO. GNL-1**[Pursuant to rule 12(2) of the Companies  
(Registration offices and Fees) Rules,2014]**Form for filing an application with  
Registrar of Companies**Form language  English  Hindi**Note - All fields marked in \* are to be mandatorily filled.**

1. \* Category of applicant
2. \* Name of office of the registrar of Companies (RoC) to which application is being made
3. (a) Corporate identity number (CIN) or foreign company registration number (FCRN) of the company or **RUN** reference number (Service request number (SRN) of **RUN**)
- (b) Global location number (GLN) of company
4. (a) Name of the company
- (b) Address of the registered office or of the principal place of business in India of the Company
- (c) e-mail ID of the company
5. Details of applicant (in case category is others)
- (a) Name
- (b) Address Line I   
Line II
- (c) City
- (d) State
- (e) ISO country code
- (f) Country
- (g) Pin code
- (h) e-mail ID

6. \* Application filed for

- Compounding of offences
- Extension of period of annual general meeting by three months
- Scheme of arrangement, amalgamation
- Others

7. If Others, then specify

8. \*Details of application

The scheme of amalgamation is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 between Madura Micro Finance Limited ("MMFL"), CreditAccess Grameen Limited ("CAGL") and their respective shareholders and creditors. The Scheme provides, amongst other matters, for the amalgamation of MMFL into CAGL and the consequent issuance of equity shares by CAGL to the shareholders of MMFL under Sections 230 to 232 and other applicable provisions of the Act.

9. In case of application for compounding of offences, provide the following details

(a) Whether application for compounding offence is filed in respect of

Company    Director    Manager or Secretary or CEO or CFO    Other

(b) Number of person(s) for whom the application is being filed

(c) Details of person(s) for whom the application is being filed

(i)	Category	<input style="width: 90%;" type="text"/>	Director identification number (DIN) or income-tax permanent account number (income-tax PAN) or passport number	<input style="width: 90%;" type="text"/>	<input type="button" value="Pre-fill"/>
Name <input style="width: 95%;" type="text"/>					
(ii)	Category	<input style="width: 90%;" type="text"/>	DIN or income-tax PAN or passport number	<input style="width: 90%;" type="text"/>	<input type="button" value="Pre-fill"/>
Name <input style="width: 95%;" type="text"/>					
(iii)	Category	<input style="width: 90%;" type="text"/>	DIN or income-tax PAN or passport number	<input style="width: 90%;" type="text"/>	<input type="button" value="Pre-fill"/>
Name <input style="width: 95%;" type="text"/>					
(iv)	Category	<input style="width: 90%;" type="text"/>	DIN or income-tax PAN or passport number	<input style="width: 90%;" type="text"/>	<input type="button" value="Pre-fill"/>
Name <input style="width: 95%;" type="text"/>					
(v)	Category	<input style="width: 90%;" type="text"/>	DIN or income-tax PAN or passport number	<input style="width: 90%;" type="text"/>	<input type="button" value="Pre-fill"/>
Name <input style="width: 95%;" type="text"/>					
(vi)	Category	<input style="width: 90%;" type="text"/>	DIN or income-tax PAN or passport number	<input style="width: 90%;" type="text"/>	<input type="button" value="Pre-fill"/>
Name <input style="width: 95%;" type="text"/>					
(vii)	Category	<input style="width: 90%;" type="text"/>	DIN or income-tax PAN or passport number	<input style="width: 90%;" type="text"/>	<input type="button" value="Pre-fill"/>
Name <input style="width: 95%;" type="text"/>					
(viii)	Category	<input style="width: 90%;" type="text"/>	DIN or income-tax PAN or passport number	<input style="width: 90%;" type="text"/>	<input type="button" value="Pre-fill"/>
Name <input style="width: 95%;" type="text"/>					

(d) Whether application is being filed

Suo-motu       In pursuance to notice received from RoC or any other competent authority

(e) Notice number and date of notice

(f) Section for which application is being filed

(g) Brief particulars as to how the default has been made good

10. In case of application is made for extension of period of an AGM, mention financial  (DD/MM/YYYY)  
year end date in respect of which the application is being filed

11.(a) Service request number of Form MGT-14

(b) Date of passing special or ordinary resolution  (DD/MM/YYYY)

(c) Date of filing form MGT-14  (DD/MM/YYYY)

12. Total amount of stamp duty paid or stamp paper

**Attachments**

List of attachments

- 1. Board Resolution
- 2. Scheme of arrangement, amalgamation
- 3. \*Detailed application
- 4. Copy of notice received from RoC or any other competent authority
- 5. Other attachments - if any

Attach

Attach

Attach

Attach

Attach

01AResolution Approving Scheme.pdf  
 CAGL First Motion Petition\_08092021.pdf  
 Scheme-of-Amalgamation.pdf

Remove Attachment

**Verification**

To the best of my knowledge and belief, the information given in this application and its attachments is correct and complete.

- I have been authorised by the Board of directors' resolution number  dated  (DD/MM/YYYY) to sign and submit this application.
- I am duly authorised to sign and submit this form.

**To be Digitally signed by**

Managing Director or director or manager or secretary or CEO or CFO (in case of an Indian company or an authorised representative (in case of a foreign company) or other)



Designation

DIN of the director or Managing Director or; income-tax PAN of the manager or authorised representative; or CEO or CFO Membership number

**Certificate by practicing professional**

I declare that I have been duly engaged for the purpose of certification of this form. It is hereby certified that I have gone through the provisions of the Companies Act, 2013 and rules thereunder for the subject matter of this form and matters incidental thereto and I have verified the above particulars (including attachment(s)) from the original/certified records maintained by the Company/ applicant which is subject matter of this form and found them to be true, correct and complete and no information material to this form has been suppressed. I further certify that:

- i. The said records have been properly prepared, signed by the required officers of the Company and maintained as per the relevant provisions of the Companies Act, 2013 and were found to be in order ;
- ii. All the required attachments have been completely and legibly attached to this form

**To be digitally signed by**

- Chartered accountant (in whole-time practice) or  Cost accountant (in whole-time practice) or  Company secretary (in whole-time practice)

Whether associate or fellow  Associate  Fellow

Membership number

Certificate of practice number

**Note: Attention is also drawn to provisions of Section 447, section 448 and 449 of the Companies Act, 2013 which provide for punishment for fraud, punishment for false statement and punishment for false evidence respectively**

**For office use only:**

eForm Service request number (SRN)  eForm filing date  (DD/MM/YYYY)

**Digital signature of the authorising officer**

This e-Form is hereby approved

This e-Form is hereby rejected

Date of signing  (DD/MM/YYYY)

**MINISTRY OF CORPORATE AFFAIRS**  
**ACKNOWLEDGEMENT**

**SRN :** T88851308

**Service Request Date :** 17/03/2022

**Received From :**

**Name :** CREDITACCESS GRAMEEN LIMITED

**Address :** No.49,46th Cross,8th Block  
Jayanagar  
Bangalore, Karnataka  
IN - 560071

**Entity on whose behalf money is paid**

**CIN:** L51216KA1991PLC053425

**Name :** CREDITACCESS GRAMEEN LIMITED

**Address :** New No.49(OldNo725),46th Cross,8th Block,Jayanagar  
(Next to Rajalakshmi Kalyana Mantap)  
Bangalore, Karnataka  
India - 560071

**Full Particulars of Remittance**

**Service Type:** eFiling

**Service Description**

Fee For Form GNL-1

Note: The defects or incompleteness in any respect in this eForm as noticed shall be placed on the Ministry's website ([www.mca.gov.in](http://www.mca.gov.in)). In case the eForm is marked as RSUB or PUCL, please resubmit the eForm or file Form GNL-4(Addendum), respectively. Please track the status of your transaction at all times till it is finally disposed off. (Please refer Rule 10 of the Companies (Registration offices and Fees) Rules, 2014) It is compulsory to file Form GNL-4 (Addendum) electronically within the due date whenever the document is put under PUCL, failing which the system will treat the document as invalid and will not be taken on record in accordance with Rule 10(4) of the Companies (Registration offices and Fees) Rules, 2014

**Compliance Report**

**Annexure 12**

It is hereby certified that the draft scheme of arrangement involving CreditAccess Grameen Limited, Madura Micro Finance Limited and their respective shareholders and creditors does not, in any way violate, override or limit the provisions of securities laws or requirements of the Stock Exchange(s) and the same is in compliance with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and this circular, including the following:

SN	Reference	Particulars
1	Regulations 17 to 27 of LODR Regulations	Corporate governance requirements
2	Regulation 11 of LODR Regulations	Compliance with securities laws
Requirements under circular CFD/DIL3/CIR/2017/21 dated March 10, 2017		
(a)	Para (I)(A)(2)	Submission of documents to Stock Exchanges
(b)	Para (I)(A)(3)*	Conditions for schemes of arrangement involving unlisted entities
(c)	Para (I)(A)(4) (a)	Submission of Valuation Report
(d)	Para (I)(A)(5)	Auditors certificate regarding compliance with Accounting Standards
(e)	Para (I)(A)(9)	Provision of approval of public shareholders through e-voting

\* CreditAccess Grameen Limited was listed on August 23, 2018. Pursuant to the proviso to Rule 19 (2) (b) of the Securities Contracts (Regulation) Rules, 1957 read with Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to increase its public shareholding to at least 25% by August 23, 2021. As on the date hereof, the total public shareholding in the Company is 19.96%, and the Company will increase its public shareholding to 25% in the manner prescribed/directed by the Securities and Exchange Board of India.

  
Company Secretary

  
Managing Director and CEO

**Our Financial Products**



It is here by certified that the transactions / accounting treatment provided in the draft scheme of arrangement involving CreditAccess Grameen Limited and Madura Micro Finance Limited are in compliance with all the Accounting Standards applicable to a listed entity.

  
Director – Finance & CFO

  
Managing Director & CEO

Date: January 24, 2020

**Our Financial Products**



## FREE OF COST COPY

Page 1 of 15

**IN THE NATIONAL COMPANY LAW TRIBUNAL**  
**BENGALURU BENCH, BENGALURU**  
**(Through web-based video conferencing platform)**

**CA (CAA) No.60/BB/2021**  
U/s. 230 to 232 of the Companies Act, 2013  
R/w Rule 3 of the Companies (CAA) Rules, 2016 and  
Rule 11 of the NCLT Rules, 2016

**IN THE MATTER OF**

**SCHEME OF AMALGAMATION BETWEEN:**

**MADURA MICRO FINANCE LIMITED**

Regd. Office No. 36, II Main Road,  
Kasturba Nagar, Adyar,  
Chennai,  
Tamil Nadu 600 020.

- Non-Applicant /Transferor Company

**AND**

**CREDITACCESS GRAMEEN LIMITED**

Regd. Office New No. 49 (Old No.725), 46<sup>th</sup> Cross,  
8<sup>th</sup> Block, Jayanagar,  
(Next to Rajalakshmi Kalyana Mantapa),  
Bangalore, Karnataka- 560 071.

- Applicant/Transferee Company

**AND**

Their Respective Shareholders and Creditors

**Order delivered on: 25<sup>th</sup> February, 2022**

- Coram:**
1. Hon'ble Shri. Ajay Kumar Vatsavayi, Member (Judicial)
  2. Hon'ble Shri. Manoj Kumar Dubey, Member (Technical)

**Present:**

For the Applicant Company : Shri. Sharan A Kukreja, Adv.



— sd —

**ORDER****Per: Ajay Kumar Vatsavayi, Member (Judicial)**

1. The present Application is filed by CreditAccess Grameen Limited (described in short as "Applicant/ Transferee Company"), under Sections 230 to 232 of the Companies Act, 2013 read with Rule 3 of the Companies (CAA) Rules, 2016 r/w Rule 11 of the National Company Law Tribunal Rules, 2016, seeking for the convening of the meeting of Equity Shareholders and for the dispensation of the meetings of Secured and Unsecured Creditors as consent for the proposed Scheme of Amalgamation (for short, the "**Scheme**") is obtained from both the Secured and Unsecured Creditors of the Applicant Company. The Scheme of Amalgamation of Madura Micro Finance Limited (described in short as "Non-Applicant / Transferor Company") into CreditAccess Grameen Limited has been placed on record at Annexure A of the Application.
2. The Applicant Company is a Public Limited Company bearing CIN: L51216KA1991PLC053425 and was incorporated under the Companies Act, 1956 vide Certificate of Incorporation dated June 12, 1991 as '*Sanni Collection Private Limited*'. Thereafter, vide fresh Certificate of Incorporation dated March 14, 2008, the name of the Transferee Company was changed to *Grameen Financial Services Private Limited*. Further, vide fresh Certificate of Incorporation dated November 13, 2014, the name of the Transferee Company was changed to *Grameen Koota Financial Services Private Limited*. Subsequently, the Transferee Company was converted to a public limited company vide fresh Certificate of Incorporation dated December 18, 2017 and the name of the Transferee Company was changed to *Grameen Koota Financial Services Limited*. Finally, vide fresh Certificate of Incorporation dated January 12, 2018, the name of the Transferee Company was changed to its current name '*CreditAccess Grameen Limited*'. The Copy of Certificate of Incorporation issued by the Registrar of Companies, Karnataka and



CA (CAA) No.60/BB/2021  
(First Motion)

—sd—

Memorandum and Articles of Association is found attached as Annexure J and K respectively of the Application. As per the Memorandum of Association, the main objects of Applicant Company are as follows:

- “1. To provide credit/finance to groups and/or individuals, deliver credits, thrift and savings and other financial services including housing loans ( construction, purchase, extension and renovation), distribution of micro insurance, pension plans fund transfer facilities and allied services in cities, towns, villages of India with a view to provide them sustainable livelihood occupations and carry on the business of Micro Finance services, (mainly non-banking financial services as permitted by the Reserve Bank of India).*
- 2. To carry on the business of financing development activities through long term loans and other means of financing upon such terms and conditions as the Company may think fit for the purposes of (i) agricultural development including land acquisition and development, irrigation, watershed development, crop cultivation, plantation, horticulture, forestry, animal husbandry and allied activities, such as dairy, poultry, fishery, aqua culture and floriculture (ii) industrial development including, agro-processing, mining and quarrying utilities-including water, power and renewable sources of energy-manufacturing, including handicrafts, construction, trade and distribution, transport, and services of all kinds (iii) market linkage development including, provision of inputs for and marketing of output of agricultural and industrial development activities including facilities for storage, trading and transport for such inputs and outputs (iv) habitat development including, purchase, construction up gradation, extension and modification of buildings and infrastructure for residential, agricultural, commercial or industrial purpose but exclusively targeted to the poor in generation and enhancement of livelihoods in India.*
- 3. To cross sell non-financial products, provide livelihood promotion and other allied services ( including consulting) with a view to provide them sustainable livelihood and enhancement of their and their family's living conditions based on their needs, skills and traditional livelihood occupations.*



— s d —



4. To create linkages with banks and national and international financial institutions and international aid/development organizations for the purpose of making them bankable community and making available financial products like insurance, savings, deposits, bonds and mutual funds.

5. To carry on and undertake the business and activities of an insurance intermediary or agent including a Corporate Agent in accordance with the provisions of the rules and regulations issued by the Insurance Regulatory and Development Authority of India for all classes of insurance business in India which includes, Life, General and Health Insurance Business."

3. The Authorised, Issued, Subscribed and Paid-Up share capital of the Applicant Company as on March 31, 2021 is as under:

Particulars	Amount ( in INR)
<b>Authorized Share Capital:</b>	160,00,00,000
16,00,00,000 (Sixteen Crores) Equity shares of Rs. 10 (Rupees Ten only) each	(Rupees One Hundred and Sixty Crores only)
<b>Issued, Subscribed and Paid-up Share Capital</b>	155,58,20,400
15,55,82,040 (Fifteen Crores Fifty Five Lakhs Eighty Two Thousand and Forty ) fully paid up Equity shares of Rs 10 (Rupees Ten only) each	(Rupees One Hundred and Fifty Five Crores Fifty Eight Lakhs Twenty Thousand and Forty)

It is also stated that subsequent to 31.03.2021 and till the date of filing the Application, there has been no material change in the above mentioned capital structure of the Applicant Company.

4. The preamble of the proposed Scheme is at Annexure –A of this Application and the same reads as under:-

“(A) **PREAMBLE**



CA (AA) No.60/BB/2021  
(First Motion)

— Sd —

*This Scheme of amalgamation ("Scheme", as more particularly defined hereinafter) is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 between Madura Micro Finance Limited ("Transferor Company"), CreditAccess Grameen Limited ("Transferee Company") and their respective shareholders and Creditors. This Scheme provides, amongst other matters, for the amalgamation of the Transferor Company into the Transferee Company and the consequent issuance of Equity shares by the Transferee Company to the shareholders of the Transferor Company under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 (the "Amalgamation").*

*The Transferee Company proposes to acquire 76.34% of the share capital of the Transferor Company prior to the filing of this Scheme with the Tribunal."*

5. The Board of Directors of the Applicant Company had passed the resolution dated November 27, 2019 approving the said Scheme. The said resolution dated November 27, 2019 has been attached as Annexure G of the Application. Subsequently, the Board of Directors of the Applicant Company passed resolution dated January 22, 2020 and October 23, 2020 in order to approve modification in the Scheme. Copies of the Board Resolution dated January 22, 2020 and October 23, 2020 as passed by the Board of Directors of the Applicant Company is attached as Annexure T and Annexure B respectively of the Application.
6. It is stated in Para 52 (page no.35) of the Application that no investigation proceedings are pending against the Applicant Company under the Companies Act, 2013 or under any other law. Certificates issued by M/s Balarama & Co, Chartered Accountant, dated 31.05.2021 in this regard is at Annexure Y of the Application.



sd \_\_\_\_\_

7. The instant Application has been filed with prayer for dispensing with the meeting of Secured and Unsecured Creditors of the Applicant Company and to convene meeting of Equity shareholders of the Applicant Company, with the following requirements:

- I. *That directions be issued for convening and holding the meeting of the Equity shareholders of the Applicant Company for the purpose of considering and if though fit, approving the Scheme:*
- II. *And that direction be given as to method of convening, holding and conducting the said meetings and as to the notice to be issued in this behalf;*
- III. *And that a Chairman and Scrutinizer be appointed of the said meetings and in respect of any adjournment(s) thereof and that the Chairman of the meetings shall report the result thereof to this Hon'ble Tribunal;*
- IV. *And that quorum for the said meeting may be fixed and procedure for voting at the meetings, including voting by proxy, e-voting, etc., may be laid down;*
- V. *And that directions may be given to the Applicant/Transferee Company for publication of notices of the said meetings in Financial Express in the English language and Vishwavani and or such other newspapers;*
- VI. *And that in view of the averments made in the Application, the Applicant Company be directed to give notice of filing the Scheme before this Hon'ble Tribunal for seeking its sanction to the said Scheme to the relevant authorities;*
- VII. *That a direction be given to the Transferee Company to dispense with the holding of the meeting of Secured Creditors for approving the Scheme of Amalgamation in view of consent affidavits obtained by the Applicant Company of its Secured Creditors;*



(CAA) No.60/BB/2021  
(First Motion)

— Sd —

VIII. That a direction be given to the Transferee Company to dispense with the holding of the meeting of Unsecured Creditors for approving the Scheme of Amalgamation in view consent affidavits obtained by the Applicant Company of its Unsecured Creditors;

IX. Pass such further and other orders as may be deemed necessary.

8. The Learned Counsel for the Applicant Company has submitted that as per the Certificate dated 31.05.2021 (Annexure-N of the Application) issued by M/s Balarama and Co, Chartered Accountants, there are 40,727 (Forty Thousand Seven Hundred and Twenty Seven) Equity Shareholders in the Applicant Company as on 30.04.2021. The details are given below:

Sl. No	Category of Shareholder	No of share holders	No of shares	Amount in INR	% of shareholding
1	FOREIGN PROMOTER BODIES CORPORATE	1	11,51,09,028	1,15,10,90,280	73.99
2	FOREIGN PORTFOLIO- CORP	104	1,56,71,772	15,67,17,720	10.07
3	MUTUAL FUNDS	45	1,05,84,505	10,58,45,050	6.8
4	Qualified Institutional Buyer	10	49,03,857	4,90,38,570	3.15
5	ALTERNATIVE INVESTMENT FUND	8	38,40,851	3,84,08,510	2.47
6	RESIDENT INDIVIDUALS	37956	37,05,078	3,70,50,780	2.38
7	EMPLOYEES	393	11,70,229	1,17,02,290	0.75
8	BODIES CORPORATES	102	2,04,252	20,42,520	0.13
9	NON RESIDENT INDIANS	603	1,24,378	12,43,780	0.08
10	NON RESIDENT INDIAN NON REPATRIABLE	238	1,17,522	11,75,220	0.08
11	HUF	1173	1,12,275	11,22,750	0.07
12	CLEARING MEMBERS	91	37,926	3,7,9260	0.02



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13	TRUSTS	2	354	3,540	0
14	FOREIGN NATIONALS	1	13	130	0
	<b>TOTAL</b>	<b>40,727</b>	<b>15,55,82,040</b>	<b>1,55,58,20,400</b>	<b>100</b>

It is submitted that the Applicant Company is a listed Company and it is prayed that holding of meeting of the Equity shareholders be convened.

9. The learned Counsel for the Applicant Company has submitted that as per the Certificates dated 09.02.2022 (Annexure A in Diary No: 535) issued by M/s Balarama and Company, Chartered Accountants, that there are 42 (Forty Two) Secured Creditors as on 01.04.2020 in the Applicant Company, of which 33 (Thirty Three) Secured Creditors constituting 95.74% in value have provided their consent to the Scheme of Amalgamation and for the dispensation of meeting of the Secured Creditors. The consent affidavits of the Secured Creditors are attached in Annexure Q of the Application. Further, it is also submitted that as per Certificate dated 09.02.2022 (Annexure B in Diary No: 535) issued by M/s Balarama and Company, Chartered Accountants, that there are 27 (Twenty Seven) Unsecured Creditors as on 01.04.2020 in the Applicant Company, of which 1 (One) Unsecured Creditor having 93.44% in value has provided the consent to the said Scheme and for the dispensation of meeting of Unsecured Creditors. It is submitted that the debts of the remaining Unsecured Creditors have been settled (Annexure B in Diary No: 535). Since the debt of all other Unsecured Creditors were settled during the period between April 1, 2020 to March 31,2021 the consent affidavit of the sole outstanding Unsecured Creditor as on April 1, 2020 has been obtained. Consent of all relevant and subsisting Unsecured Creditors as of April 1, 2020 to an extent of 100% in value has been obtained. Consent affidavit dated 28.01.2021 of the Unsecured Creditor of the Applicant Company is attached in Annexure S of the Application.



(CA) No.60/BB/2021  
(First Motion)

Sd \_\_\_\_\_

10. The Applicant Company has filed a separate affidavit vide diary No 3640 dated 17.12.2021 stating that the Applicant Company has not opted for or undertaken any Scheme of Corporate Debt Restructuring and not envisage for any reduction of share capital.
11. The Applicant Company has also filed no objection/observation letter dated 07.05.2021 issued by the Bombay Stock Exchange and National Stock Exchange which is attached in Annexure W and X respectively of the Application.
12. The Applicant Company has filed a separate affidavit vide diary No: 3642 dated 17.12.2021 stating that notices may be issued to the Central Government (through Regional Director, South East Region, Ministry of Corporate Affairs), the Principal Commissioner of Income Tax (within the jurisdiction of Circle 2(1) (1), Koramangala), the Reserve Bank of India, the Securities and Exchange Board of India, the Registrar of Companies, the Official Liquidator and the Competition Commission of India, no other specific sectoral regulators are required to be served since they will not be impacted by the sanctioning of the Scheme.
13. The Learned Counsel for the Applicant Company also submitted that the Certificate of the statutory auditors has been filed stating that the Accounting Treatment specified in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Act. The aforesaid Certificate dated 17.12.2019 is attached as Annexure V of the Application
14. The rationale of the Scheme as provided under the Scheme is as under:

*"This Scheme provides for the Amalgamation of the Transferor Company with the Transferee Company pursuant to Section 230 to 232 and other applicable provision of the Act.*



— Sd —

*The Transferor Company and the Transferee Company are engaged in business activities that are similar to each other. The Amalgamation inter alia results in the following benefits:*

- (i) The Amalgamation will provide the Transferee Company access to a large and unique client base of the Transferor Company, specifically in Tamil Nadu.*
- (ii) The Amalgamation would result in the geographical diversification of the portfolio of the Transferee Company and strengthens its leadership position in the microfinance market. The combined portfolio would approximately be Rs 10,000 crores, with approximately 37 lakhs borrowers and more than 1,300 branches spread across 13 states and 1 union territory in India (as of September 30, 2019).*
- (iii) The Amalgamation would create value to various stakeholders including shareholders, Creditors, customers and employees as the combined business would benefit from increased scale, wider product diversification, focused growth, stronger balance sheet and the ability to drive synergies across revenue opportunities, operating efficiencies and cost savings through economies of scale amongst others.*
- (iv) The Transferor Company is at the forefront of technology integration in business and data analytics and the Amalgamation would result in the Transferee Company benefiting from the business and data analytics strengths of the Transferor Company*
- (v) The Amalgamation would provide greater strength and efficiency in management and access to greater cash flow which can be deployed to efficiently fund growth.*
- (vi) The Transferee Company can leverage the Transferor Company's loan book, and the Transferee Company's low cost of borrowing can potentially enable repricing of liabilities of the Transferor Company, generating higher spreads for the combined organisation."*



CA (CAA) No.50/BB/2021  
(First Motion)

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15. The Learned Counsel for the Applicant Company further submitted that the Applicant Company has filed its audited financial statements for year ending on 31.03.2021 as Annexure F of the Application. The unaudited balance sheet for year 30.06.2021 is attached and marked as Annexure A of the memo of compliance.
16. Clause 6.1 of the Scheme stated that, all employees as on the Effective Date shall become the permanent employees of the Transferee Company on terms and conditions not less favourable than those on which they are engaged by the Transferor Company and without any interruption of, or break in service as a result of the transfer of the undertaking. The past services of the employees and benefits to which the employees are entitled in the Transferor Company be taken into account for the purpose of payment of any compensation, gratuity and other terminal benefits by the Transferee Company.
17. We have heard the learned Counsel for the Applicant/Transferee Company and have perused the records and the supporting documents/papers filed along with the "Scheme" contemplated by the Applicant Company with the assistance of learned counsel for the Applicant/ Transferee Company.
18. view of the above, following directions are issued with respect to dispensation of calling and convening the meeting of Secured Creditors and Unsecured Creditors of the Applicant Company and directions are issued with respect to calling and convening of meetings of the Equity Shareholders as well as issuance of notices including by way of publication in newspaper which are as follows:
- (a) Since 33 (Thirty Three) Secured Creditors of the Applicant Company constituting 95.74% of the total value as on Appointed Date have given consent to the "Scheme", the meeting of the Secured Creditors is dispensed.



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- (b) Since 1 (One) Unsecured Creditor of the Applicant Company constituting 100% of the value as on the Appointed Date has given consent to the "Scheme", the meeting of the Unsecured Creditors is dispensed.
- (c) Meeting of the Equity Shareholders of the Applicant Company is to be convened on **25<sup>th</sup> April, 2022 at 11.00 AM** through Video Conferencing or Other Audio Visual Means (OAVM) as per the guidelines issued by MCA or physical meeting at New No. 49 (Old No. 725), 46<sup>th</sup> Cross, 8<sup>th</sup> Block, Jayanagar (Next to Rajalakshmi Kalyana Mantapa) Bangalore, Karnataka 560 071, subject to the notice of the meeting being issued through post or electronic mode. The quorum of the meeting of the Equity shareholders shall be 40% in total value of the shareholders either personally present or through proxy.
- (d) In case the required quorum as noted above for the meetings of the shareholders of the Applicant Company is not present at the commencement of the meetings, the respective meetings shall be adjourned by 30 minutes, and thereafter, the persons present and voting shall be deemed to constitute the quorum. For the purpose of completing the quorum, the valid proxies and Authorized Representatives shall also be considered, if the proxy in the prescribed form, duly signed by the person entitled to attend and vote at the meeting, is filed through email or otherwise at the respective registered office of the Applicant Company. The Chairperson along with Scrutinizer shall ensure that the proxy register is properly maintained. The Scrutinizer is also duty bound to record all proceedings of the meeting conducted through Video Conference.
- (e) Shri Saji P. John, Advocate, having address at Unit No : 1002-10<sup>th</sup> floor, Prestige Meridian-II, MG Road, Bangalore- 560 001 Email ID: [saji@spilegal.com](mailto:saji@spilegal.com), Mobile No. 9845209798 is appointed as the Chairperson for the above meeting to be called under this order. He shall be paid fee of Rs. 1,00,000/- for his services as the Chairperson.



CA (CAAT) No.60/BB/2021  
(First Motion)

— Sd. —

- (f) Shri Naman Gurumurthi Joshi, PCS, having address at Prakruthi Crystal, Site No 4144, 4<sup>th</sup> floor, Prestige Meridian- II, MG Road, Bangalore 560 001, Email ID: [cสนามan@ngjoshiandco.com](mailto:cสนามan@ngjoshiandco.com), Mobile No. 9739098717 is appointed as the Scrutinizer for the above meeting to be called under this order. Shall be paid fee of Rs 60,000/- for his services as the Scrutinizer.
- (g) It is further directed that individual notices of the said meeting shall be sent by the Applicant Company to the respective shareholders through registered post or speed post or through courier or through electronic mode, 30 days in advance before the scheduled date of meeting, indicating the day, date, time and link to the meeting if meeting is conducted through Video Conference as aforesaid, together with a copy of the Scheme, copy of explanatory statement required to be sent under the Companies Act, 2013 and the applicable Rules, along with the proxy forms and any other documents as may be prescribed under the Act shall also be duly sent with the notice.
- (h) It is further directed that along with the notice Applicant Company shall also send statement explaining the effect of the Scheme on the Creditors, key managerial personnel, promoters and non-promoter members etc., along with effect of the arrangement for amalgamation on any material interests of the Directors of the Company as provided under sub-section 3 of the Section 230 of the Act.
- (i) That the Applicant Company shall publish with a gap of at least 30 clear days before the aforesaid meetings, indicating the day, date, time and link of the meeting to be conducted through video Conference as aforesaid, to be published in "*Financial Express*" (English) in English language and "*Vishwavani*" (Kannada) in vernacular language, both in Karnataka Edition. It is to be stated in the advertisement that the copies of "Scheme", the Explanatory Statement required to be published pursuant to Section 230 to 232 of the Act and the form of proxy shall be provided free of charge at the registered office of the



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Applicant Company. The Applicant Company shall also publish the notice on its respective website, if any.

- (j) The Authorized Representative of the Applicant Company shall furnish affidavit of service of notice of meetings and publication of advertisement and compliance of all directions contained herein at least ten (10) days before the date of proposed meetings.
- (k) Voting shall be allowed on the " Scheme" in person or by proxy or through electronic means as may be applicable to the Applicant Company under the Act and the Rules/Regulations framed by SEBI or there under.
- (l) The Chairperson shall be responsible to report the result of the meeting to the Tribunal in Form No. CAA 4, as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 within 07 (seven) days of the conclusion of the meetings. He would be fully assisted by the Authorized Representative/Company Secretary of the Applicant Company and the Scrutinizer, who will assist the Hon'ble Chairperson and Alternate Chairperson in preparing and finalizing the reports.
- (m) The Applicant Company shall individually and in compliance of sub-section (5) of section 230 and Rule 8 of the Companies (Compromises, Arrangement and Amalgamation) Rules, 2016 send notices in Form No. CAA 3 along with a copy of the Scheme, the Explanatory Statement and the disclosures mentioned in Rule 6 of the " Rules" to (i) the Central Government through the Office of the Regional Director (South East Region); (ii) Concerned Registrar of Companies; (iii) Official Liquidator (iv) Nodal Officer of Income Tax Department having jurisdiction over the Applicant Company are assessed by mentioning their respective PAN Number; (v) Competition Commission of India (CCI) (vi) Reserve Bank of India (RBI) and other Sectoral Regulators/ Authorities, if any, stating that representations, if any, to be made by them shall be sent to the Tribunal within a period of 30 days from the date of receipt of such



CA (CAA) No.60/BB/2021  
(First Motion)

— Sd —

notice and copy of such representation shall simultaneously be sent to the concerned companies, failing which, it shall be presumed that they have no objection to the proposed Scheme.

(n) The Applicant Company shall furnish copy of the Scheme free of charge within one day of any requisition for the "Scheme" made by any shareholder entitled to attend the aforesaid meetings.

(o) It shall be the responsibility of the Applicant Company to ensure that the notices are sent under the signature and supervision of the authorized representative of the Company on the basis of Board Resolutions.

(p) All the aforesaid directions are to be complied with strictly in accordance with the applicable laws including forms and formats contained in the "Rules" as well as the provisions of the Companies Act, 2013, by the Applicant Company.

19. With the aforesaid directions, this First Motion Application stands disposed of. A copy of this order be supplied to the learned Counsel for the Applicant Company, who in turn shall supply copy of the same to the Chairperson and the Scrutinizer.

— sd —

**(MANOJ KUMAR DUBÉY)**  
**MEMBER (TECHNICAL)**

— sd —

**(AJAY KUMAR VATSAVAYI)**  
**MEMBER (JUDICIAL)**

Anjana S (LRA)



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OF THE ORIGINAL  
for Deputy/Registrar  
National Company Law Tribunal  
Bengaluru Bench

CA (CAA) No.60/BB/2021  
(First Motion)