

February 12, 2018

To,

Department of Corporate Relationship BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001	Corporate Relationship Department National Stock Exchange of India Ltd. Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051
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Dear Sir/Madam,

Sub.: PRESS RELEASE - "BOARD APPROVES THE CAPITAL ALLOCATION POLICY"
Ref.: Vakrangee Limited – Scrip Code – 511431/VAKRANGEE

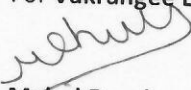
With reference to the abovementioned subject, please find attached herewith Press Release -
"Board Approves The Capital Allocation Policy".

This is for your information and record.

Thanking You,

Yours faithfully,

For Vakrangee Limited


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

Encl.: A/a

BOARD APPROVES THE CAPITAL ALLOCATION POLICY

- **Current One Time Capital Allocation Policy - Overall Rs. 1250 crores to be utilized through Dividend Payout and Share buyback**
- **Long Term Capital Allocation Policy - 2/3rd of the Free Cash Flows to be made available for Dividend Payout and Share Buyback**
- **Promoter and Promoter group of the Company will not take part in the Buyback process and would not tender any shares in the buyback process**

Mumbai, February 12, 2018: The Board of Vakrangee Limited has considered and approved the Capital allocation policy of the Company.

The key aspects of the Capital Allocation Policy are:

- Current One Time Capital Allocation Policy - Overall Total Cash Available is Rs. 1372 crores (as on December 31, 2017) to be utilized through Share buyback, Dividend Payout and re-invest in business.
 - Rs. 1000 Crores to be utilized through Share Buyback
 - Rs. 250 Crores to be utilized through Dividend Payout
 - Rs. 122 Crores to be re-invest in business includes investments in Organic Business Growth, Technology and R&D, Training Infrastructure, Brand Building Initiatives and Contingency Fund
- Long Term Capital Allocation Policy – Total Free Cash Flows to be made available for Share buyback, Dividend Payout and re-invest in business.
 - 1/3rd to be utilized through Share Buyback
 - 1/3rd to be utilized through Dividend Payout
 - 1/3rd to be re-invest in business includes investments in Organic Business Growth, Technology and R&D, Training Infrastructure, Brand Building Initiatives and Contingency Fund
- Promoter and Promoter group of the Company will not take part in the Buyback process and would not tender any shares in the buyback process leading to high percentage of Buyback as % of Free Float available.

About Vakrangee Limited

(BSE Code: 511431; NSE Code: VAKRANGEE)

Incorporated in 1990, Vakrangee is the unique technology driven company focused on building India's largest network of last-mile retail outlets to deliver real-time banking, insurance, e-governance, e-commerce and logistics services to the unserved & underserved rural, semi-urban and urban markets. These retail outlets are called as "Vakrangee Kendra" which act as the "One-stop shop" for availing various services and products. Vakrangee is currently operating more than 44,200 "Vakrangee Kendra" outlets across India. The company has plans to setup and manage a total of 75,000 "Vakrangee Kendra" outlets across India by 2020 and covering the presence in all Postal code of the country.

Vakrangee has been at the forefront in financial inclusion space in India. It has signed "Common BC" and "National BC" agreements with various banks for offering real-time banking to unserved and underserved rural population. Banking at "Vakrangee Kendra" outlets is a unique experience with disruptive technology like APS, e-KYC, interoperability and real-time transactions.

In addition to banking "Vakrangee Kendra" outlets also provide insurance products, e-governance services and e-commerce products & services. The company also offers assisted e-commerce services offering strong platform for buying/collecting/delivering large variety of products; alliance with Netmeds Marketplace Limited to offer medicines and other health products; the Company has also alliance with RedBus for offering bus ticketing services and with Mahindra eMarket Limited, a subsidiary of M&M for promoting and booking automobile products using the last-mile distribution network of Vakrangee Kendra outlets.

The Company has alliance with Indian Railway Catering and Tourism Corporation Limited (IRCTC) for offering Railway E-Tickets booking through Vakrangee Kendras and has also alliance with IndusInd Bank Limited for Bharat Bill Payment System platform to deliver wide range of bill payment services from Vakrangee Kendra outlets. The Company also intend to provide GST (Goods and Services Tax) Registration, Filing of Returns, Payment and other value-added services through Vakrangee Kendra Outlets.

The Company has alliance with Vasco Worldwide, an avant-garde travel service enterprise, to provide Travel Concierge & Visa support services and has also tie-up with DMI Finance Private Limited (DMI) to act as a Lead generator for offering its various loan products and collection of EMIs to citizens across Pan India.

The Company has corporate agency tie-up for Life, General and Health insurance with Life Insurance Corporation of India (LIC), HDFC Life Insurance Company Limited, Bajaj Allianz Life Insurance Company Limited and other Insurance Companies.

The Company has also alliance with FedEx Express, Aramex India Private Limited, Delhivery Private Limited and First Flight Couriers Limited for courier and logistics services (Forward Delivery as well as Reverse Pick Up services) using the last-mile distribution network of Vakrangee Kendra outlets.

Vakrangee moves towards its vision 2020 has strategic tie-up with Indian Oil Corporation Limited (IOCL), India's largest commercial enterprise and Vakrangee Kendra shall be set up in about 20,000 plus IOC Retail Outlets (Filling/Gas Station) located PAN India.

The Company has been classified in the Specialty Retail Industry by Bombay Stock Exchange (BSE) and is also included in the Group "A" category of BSE. The Company is also part of indices like BSE 100, BSE 200, BSE 500, NSE 200, NSE 500, Nifty Full Midcap 100, Nifty Free Float Midcap 100 index, Nifty Large Midcap 250 and is also included in MSCI Global Standard Index. Vakrangee is also certified with CMMI Maturity Level 3, ISO 9001:2008, ISO 20000-1:2011 and ISO 27001:2013.

For further information, please contact:

Aditya Jani
Vakrangee Limited
Email: adityaj@vakrangee.in

Ammeet Sabarwal
Vakrangee Limited
ammeets@vakrangee.in