



VSL/DS/SE/2013-14/111

January 24, 2014

To,

Department of Corporate Relationship
Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai – 400001.

Corporate Relationship Department
National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051.

Dear Sir,

Sub: Press Release for White Label ATM License Acquired by Vakrangee Limited

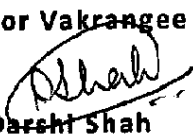
Ref: Vakrangee Limited – 511431/ VAKRANGEE

With reference to the above mentioned subject, please find attached herewith the Press Release for White Label ATM License Acquired by Vakrangee Limited

This is for your information and record.

Thanking You,

For Vakrangee Limited


Darshi Shah
Company Secretary



Encl.:A./a.

VAKRANGEE LIMITED

MEDIA RELEASE



Press Release – Vakrangee receives White Label ATM License from RBI

Vakrangee Limited is happy to announce that Reserve Bank of India (RBI) has granted Vakrangee the final authorization of the White Label ATM (WLA) License today. Under the said license, Vakrangee is entitled to set up and run minimum 15,000 ATMs across the country in next three years.

White label ATMs are those which are not run by the Banks but by a non-banking entity in its own brand name (like "Vakrangee ATM") after passing through all the stringent qualification and due-diligence process undertaken by RBI. These ATMs shall have all the functionalities like that of a Bank-run ATMs.

The White Label ATM business is a perfect strategic fit for Vakrangee's current business of Rural Bank Branch Management wherein Brick and Mortar bank branches (As Common BC) being set up and run by Vakrangee for the PSU banks with real time banking transactions happening at these out-sourced PSU bank branches by seamless integration with the Core Banking Solution (CBS) of respective PSU Banks.

As far as ATM business is concerned, Vakrangee shall focus more towards sub tier-III towns with huge potential. Also, Vakrangee is uniquely positioned to address all the challenges for setting up and running the ATM business in these Sub Tier-III towns. The first and foremost challenge for the success of any ATM business is the ATM Card base. Vakrangee, being the common BC for multiple PSU banks, can set up bank branches at the desired locations and then create an account base in the said locality and neighborhood to have sufficient ATM card base to run the ATM business successfully. Secondly, the cash management to the hinterland ATMs is another big challenge in terms of availability of cash as well as high logistics costs as one goes down the sub Tier-III towns. Since Vakrangee is already operating Brick & Mortar PSU Ultra Small Branches, where ATMs are to be set up, the surplus cash generated at these Brick & Mortar Bank branches can be used for ATM cash replenishment purpose. Thirdly, all Vakrangee ATMs shall be AEPS (Aadhaar Enabled Payment System) ready and all our customers can do their transactions at our ATMs either through biometrics or ATM cards, which will be a global first in the history of White Label ATM industry.

As per recent reports, India is by comparison an underpenetrated ATM market with just 98 ATMs per million of population (compared to 1,390 in the US; 530 in the UK; and 211 in China). Being at a uniquely advantageous position, Vakrangee is geared up to take the first mover advantage in the grossly under-served Sub Tier-III ATM market in India. With more than 100 other value added services under Banking, Direct Benefit Transfer, Insurance, Pension, G2C and B2C at each ATM location, Vakrangee shall maximize customer experience through its bouquet of services under one roof.

Vakrangee will be permitted to display advertisements and offer its bouquet of more than 100 value added services. By combining the role of Bank and ATM along with its extensive base of

to add Rs 2600 Crore (Two Thousand Six Hundred Crore) in next four year from this WLA project alone.

About Vakrangee Limited

(BSE Code: 511431; NSE Code: VAKRANGEE)

Incorporated in 1990, the Company is a prominent system integrator and end-to-end technology intensive service provider by bringing together all hardware, software, networking, data center as well as on- ground skilled resources for various Mission Mode Projects with high national significance under National e-Governance Plan of India. Vakrangee has partnered with Nationalized Banks, Private Banks, Central government and State governments for successfully implementing these flagship projects that benefits every Indian.

Vakrangee has been the pioneer in changing the rural retail landscape in this country by setting up and running 50,000 plus Ultra Small Bank Branches for PSU banks with one bank-one panchayat model providing 33 banking services to the rural customers in their neighborhood with real time transaction like the urban bank branches. In addition, Vakrangee is providing insurance, pension and other financial products in addition to various G2C and B2C services under the same roof to make the Ultra Small Bank Branches more profitable.

The Company has been certified with CMMI Maturity Level 3, ISO 9001:2008, ISO 20000-1:2011 and ISO 27001:2005.

For further information, please contact:

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Forward-looking and cautionary statements

Certain words and statements in this release concerning Vakrangee Limited and its prospects, and other statements, including those relating to Vakrangee Limited's expected financial position, business strategy, the future development of Vakrangee Limited's operations, and the general economy in India, are forward-looking statements. Such statements involve known and unknown risks, uncertainties and other factors, including financial, regulatory and environmental, as well as those relating to industry growth and trend projections, which may cause actual results, performance or achievements of Vakrangee Limited, or industry results, to differ materially from those expressed or implied by such forward-looking statements.