

November 27, 2019

**National Stock Exchange of India Limited
Manager-Listing
Exchange Plaza,
Bandra Kurla Complex, Bandra (East)
Mumbai – 400 051
Tel. No. 022-2659 8237/38**

**BSE Limited
General Manager- DSC
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001
Tel No. 022-2272
2039/37/3121**

Symbol: CREDITACC

Security Code:541770

Dear Sir/Madam,

Sub: Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

We wish to inform you that the Board of Directors ("**Board**") of CreditAccess Grameen Limited (the "**Company**"), at its meeting held on November 27, 2019 approved:

- (i) the acquisition of up to 76.2% of the share capital of Madura Micro Finance Limited ("**MMFL**") by the Company from its existing shareholders (the "**Acquisition**"); and
- (ii) a scheme of arrangement amongst the Company, MMFL and their respective shareholders and creditors, providing for the amalgamation of MMFL into the Company (the "**Amalgamation**" and together with the Acquisition the "**Transaction**").

The Acquisition is subject to obtaining necessary approvals from the regulatory authorities such as the Reserve Bank of India and other customary conditions precedent. The sellers are Dr. Tara Thiagarajan, AVT Group, Elevar Equity Mauritius and other minority shareholders. The Amalgamation will be undertaken after the completion of the Acquisition.

Following the completion of the Acquisition, the Company would hold up to 5,479,266 shares of the share capital of MMFL and MMFL is proposed to be amalgamated into the Company by way of a National Company Law Tribunal approved scheme of arrangement under Section 230-232 of the Companies Act, 2013 ("**Act**") and other applicable provisions of the Act and rules framed thereunder, and Regulation 37 of the SEBI (Listing Obligations and Disclosure Regulations), 2015 for the Amalgamation.

The Amalgamation is subject to necessary approvals including from the shareholders and creditors of the Company.

The details required to be disclosed under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed as **Annexure A** to this intimation.

Kindly take this disclosure on record.

Thanking you,

Yours faithfully,
For CreditAccess Grameen Limited



Syam Kumar R
Company Secretary and Compliance Officer

Encl.: As above

ANNEXURE A

Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Acquisition

a) Name of the target entity	Madura Micro Finance Limited (" MMFL ")
b) Details in brief such as size, turn over etc	MMFL's revenue for FY 2019 was Rs 375 crores and its PAT for FY 2019 was Rs 81 crores. Its Mar 2019 / Sep 2019 Gross Loan Portfolio were Rs 1,860 crores / Rs 2,053 crores, respectively.
c) Whether the acquisition would fall within related party transaction(s) and promoter/promoter group/group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arms length"	No. The promoter/promoter group/group companies of the Company are not involved in the Acquisition and the Acquisition is not a related party transaction for the Company.
d) Industry to which the entity being acquired belongs to	Microfinance
e) Objects and effects of the acquisition	CreditAccess Grameen Limited (the " Company ") intends to utilize MMFL platform as a future growth driver, and through this acquisition, it intends to gain access to MMFL's wide customer base, distribution footprint, technology, employees and other key assets. Following completion of the Acquisition, the Company will acquire a controlling stake in MMFL, and it will lead to change in Board of Directors of MMFL.
f) Brief details of governmental/regulatory approvals	The Acquisition is subject to receipt of approval from the Reserve Bank of India, and approvals under Regulation 37 of the SEBI (Listing Obligations and Disclosure Regulations), 2015 for the Amalgamation.
g) Indicative time period for completion of the acquisition	The completion of the Acquisition is subject to certain conditions precedent as set out in the respective share purchase agreements. Subject to receipt of regulatory and other approvals and satisfaction of such conditions precedent, the Acquisition is expected to be completed by March 31, 2020.
h) Nature of consideration	The Sellers will be paid cash for their shares in MMFL.
i) Price at which shares are acquired	Rs. 1,216.16 per share, aggregating to Rs. 666.4 crores, which may be increased by such amount calculated at an interest rate of 9% per annum

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	for the period from May 1, 2020 until the completion of the Acquisition, if the Acquisition is not completed by April 30, 2020.
j) Percentage of shareholding / control proposed to acquired	<p>The Company proposes to acquire up to 76.2% of the equity share capital of MMFL. In the event that the Amalgamation is not approved by the NCLT within a specified time period, the Company may acquire the equity shares held by the remaining shareholders of MMFL at such time.</p> <p>The Company will acquire control of MMFL after completion of the Acquisition.</p>
k) Brief background of MMFL in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquirer entity has presence and any other significant information in brief	<p>MMFL was established in 2006, and it is a leading rural focused NBFC-MFI headquartered in Chennai. It provides Microfinance loans to rural women. Key metrics of MMFL as of Sep-19 include:</p> <ul style="list-style-type: none"> • Customers: 11.1 Lakh, GLP: Rs 2,053 Cr, Net Worth: Rs 368 Cr. • Presence in 82 districts across 6 states through 430 branches. <p>MMFL has a significant presence in Tamil Nadu, India. Its turnover for the last 4 years are:</p> <p>FY16: Rs. 119 crores FY17: Rs. 179 crores FY18: Rs 233 crores FY19: Rs 375 crores</p>

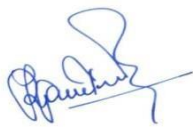
Amalgamation

<p>a) Name of the entities forming part of the amalgamation</p>	<p>The entities forming part of the amalgamation are CreditAccess Grameen Limited ("Company") and Madura Micro Finance Limited ("MMFL")</p> <p>Following the completion of the Acquisition, MMFL is proposed to be amalgamated into the Company pursuant to a scheme of arrangement amongst the Company, MMFL and their respective shareholders and creditors under the provisions of Section 230-232 of the Companies Act, 2013 ("Act") and other applicable provisions of the Act and rules framed thereunder, and circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 read with circular nos. (CFD/DIL3/CIR/2017/26 dated March 23, 2017, CFD/DIL3/CIR/2017/105 dated September 21, 2017 and CFD/DIL3/CIR/2018/2 dated January 03, 2018) issued by the Securities Exchange Board of India.</p>
<p>b) Details in brief such as size, turnover</p>	<p>The Company : Sep 2019 Gross Loan portfolio : Rs 7,905 Crores, H1 FY20 PAT: Rs 197 Crores , Sep 2019 Customers: 26.4 Lakhs</p> <p>MMFL: Sep 2019 Gross Loan portfolio: Rs 2,053 Crores, H1 FY20 PAT: Rs 47 Crores, Sep 2019 Customers: 11.1 Lakhs</p>
<p>c) Whether the transaction would fall within related party transaction? If yes, whether the same is done at "arms length"</p>	<p>MMFL would be a subsidiary of the Company at the time of the Amalgamation. The Amalgamation is at an arms-length basis.</p>
<p>d) Area of business of the entities</p>	<p>Microfinance.</p>
<p>e) Rationale for the amalgamation</p>	<p>The Amalgamation is proposed for the following reasons and is expected to have the following benefits:</p> <ul style="list-style-type: none"> • The Amalgamation will provide the Company access to MMFL's large and unique client base, specifically in Tamil Nadu. • The Amalgamation would result in geographical diversification of the Company's portfolio 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). • 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

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	<p>and the ability to drive synergies across revenue opportunities, operating efficiencies and cost savings through economies of scale amongst others.</p> <ul style="list-style-type: none"> • MMFL is at the forefront of technology integration in business and data analytics and the Amalgamation would result in the Company benefiting from the business and data analytics strengths of MMFL. • The Amalgamation would provide greater strength and efficiency in management and access to greater cash flow which can be deployed to efficiently fund growth. • The Company can leverage MMFL’s loan book, and the Company’s low cost of borrowing can potentially enable repricing of MMFL’s liabilities, generating higher spreads for the combined organisation.
<p>f) Brief details of change in shareholding pattern (if any) of the listed entity</p>	<p>Upon the scheme of Amalgamation becoming effective, the Company will issue equity shares as mentioned in (g) below.</p>
<p>g) In case of cash consideration – amount or otherwise share exchange ratio</p>	<p>Upon the Scheme becoming effective in consideration of the Amalgamation, the Company shall issue and allot equity shares to the shareholders of the Company in the following manner:</p> <p><i>158 fully paid-up equity shares, of face value Rs. 10 each in the Company for every 100 fully paid up equity share(s) of face value Rs. 10 each of MMFL.</i></p>

For **CreditAccess Grameen Limited**



Syam Kumar R
Company Secretary and Compliance Officer