

Vakrangee

सशक्त परिवर्तन



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July 31, 2020

To,

Department of Corporate Relationship BSE 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
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Dear Sir/Madam,

Sub.: Corporate Presentation

Ref.: Scrip Code – 511431/VAKRANGEE

With reference to the captioned subject and pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith Corporate Presentation considered in the Board Meeting of the Company held today on July 31, 2020.

Kindly take the above on your record.

Thanking you

Yours faithfully,

For Vakrangee Limited


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



Encl.: A/a

THE ASSISTED DIGITAL CONVENIENCE STORE



**VAKRANGEE LIMITED
RESULTS UPDATE –
Q4FY2019-20 & Q1FY2020-21**

July 31, 2020

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RESULTS PERFORMANCE UPDATE



RESULTS PERFORMANCE UPDATE

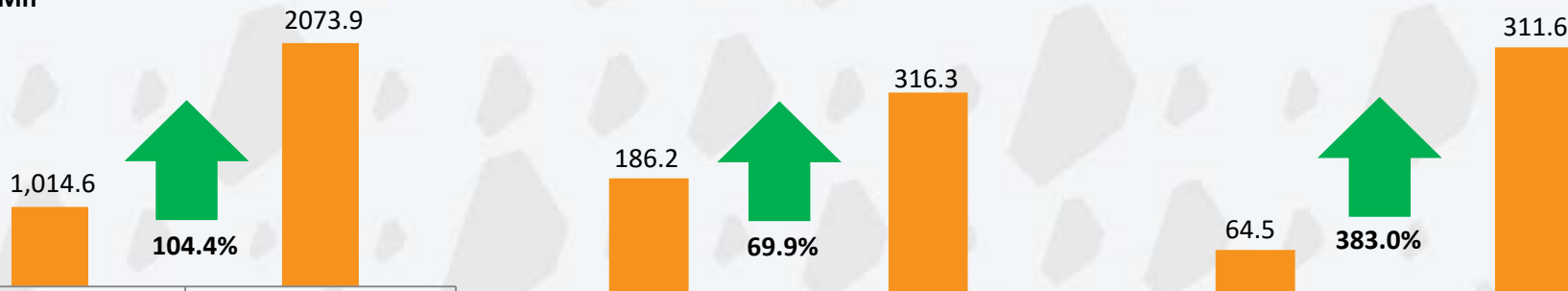
Key Highlights – Q4 FY2019-20 (Y-o-Y Basis)

REVENUE FROM OPERATIONS

EBITDA

PROFIT AFTER TAX (PAT)

In Rs Mn



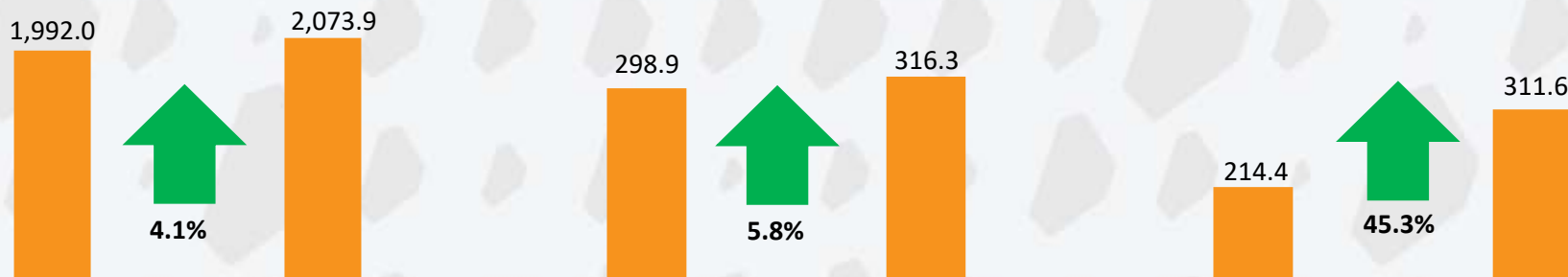
Key Highlights – Q4 FY2019-20 (Q-o-Q Basis)

REVENUE FROM OPERATIONS

EBITDA

PROFIT AFTER TAX (PAT)

In Rs Mn



Q3 FY2019-20

Q4 FY2019-20

Q3 FY2019-20

Q4 FY2019-20

Q3 FY2019-20

Q4 FY2019-20

RESULTS PERFORMANCE UPDATE

Key Highlights – FY2019-20 (Y-o-Y Basis)

TOTAL REVENUE

In Rs Mn

15,882.0



-52.0%

7,627.0

FY2018-19

FY2019-20

EBITDA

583.0



73.7%

1,012.4

FY2018-19

FY2019-20

PROFIT AFTER TAX (PAT)

252.3



182.5%

712.8

FY2018-19

FY2019-20

- Revenue for FY20 has been impacted as the Company revamped the business to Exclusive standardized NextGen Format stores.
- Company has successfully scaled up to more than 10,000+ operational NextGen kendra's with additional 24,000+ NextGen kendra's under on-boarding process.
- Profitability has increased by 182% to Rs. 712.8 mn due to positive operating leverage and as Gross profit Margin reached back to normalcy post up-gradation exercise.
- Dividend of Rs. 0.25/- (25%) per equity shares of Re. 1/- each for the financial year ended March 31, 2020, subject to the members' approval at the ensuing Annual General Meeting.
- Dividend Payout at 37.2%



RESULTS PERFORMANCE UPDATE

Key Highlights – Q1 FY2020-21 (Q-o-Q Basis)

TOTAL REVENUE

In Rs Mn

2,239.9



-62.1%

849.4

Q4 FY2019-20

Q1 FY2020-21

EBITDA

316.3



-35.5%

204.1

Q4 FY2019-20

Q1 FY2020-21

PROFIT AFTER TAX (PAT)

311.6



-61.8%

118.9

Q4 FY2019-20

Q1 FY2020-21

- Revenue & Profitability has been materially impacted due to Covid-19 Pandemic and Nationwide Lockdown situation.
- Outlets were closed between 15th March till 1st week of April due to Nationwide Lockdown. Between 2nd week of April till 1st week of June, only our key essential services like Banking, ATM, Mobile recharges and Tele-medicine services have been operational however other key services like Assisted Online shopping, Online Pharmacy, Travel services and Logistics have been completely closed because of the on-ground field level delivery challenges and travel services being closed due to the lockdown situation.
- Post 8th June, as the Unlock 1.0 exercise has begun, although there are still field level and delivery challenges, we are striving our best efforts to keep these Essential services available across our network of stores.

CONSOLIDATED FINANCIAL STATEMENTS

Key Profit & Loss Statement Items

Particulars (Rs. Mn.)	Q4FY2019-20	Q3FY2019-20	QoQ%	Q4FY2018-19	YoY%	FY2019-20	Q1 FY2020-21
Revenue from Operations	2,073.9	1,992.0	4.1	1,014.6	104.4	6,852.2	678.5
Total Expenses	1,962.0	1,925.5	1.9	1062.7	84.6	6,761.8	684.1
EBIDTA	316.3	298.9	5.8	186.2	69.9	1,012.4	204.1
Profit before Tax (PBT)	305.4	284.0	7.5	156.1	95.6	915.5	165.3
Tax Expenses	(0.6)	69.6	(100.9)	91.6	(100.7)	202.7	46.4
Profit after Tax (PAT)	311.6	214.4	45.3	64.5	383.1	712.8	118.9
Earnings per Share (EPS Basic)	0.30	0.20	50.0	0.06	400.0	0.67	0.11

Key Balance Sheet Items

Particulars (Rs. Mn.)	FY2019-20	FY2018-19	Particulars (Rs. Mn.)	FY2019-20	FY2018-19
Net Worth	26,373.0	26,022.0	Fixed Assets	1539.9	1,562.1
Share Capital	1,059.4	1,058.8	Other Non-Current Assets	6340.4	257.3
Other Equity	25,313.6	24,963.2	Inventory	78.1	41.1
Total Debt	0.0	0.0	Trade Receivables	13,688.4	13,196.2
Long Term Debt	0.0	0.0	Cash & Cash Equivalents	1,785.1	11,441.7
Short Term Debt	0.0	0.0	Other Current Assets	4,757.4	678.9
Other Non-Current Liabilities	66.8	57.0	Less: Trade Payables	690.8	338.8
Total Sources of Funds	26,439.8	26,079.0	Less: Other Current Liabilities	1,058.7	759.5
			Net Current Assets	18,481.4	24,259.6
			Total Application of Funds	26,439.8	26,079.0

OUR RESPONSE TO COVID-19 PANDEMIC

Our Key priorities during COVID-19 Pandemic:

- **Safeguarding people's health** – Our Franchisees, Field Team & Customers
- **Ensuring business continuity** through our outlets being Operational
- **Supporting communities** by giving them access to Essential Services like Banking, ATM & Tele-medicine services.
- **Innovative strategies Implemented such as Door step banking** for senior citizens and deep rural locations.

Our Frontline Franchisees & Field Team have been instrumental in ensuring our outlets being operational and providing access to Essentials needs of our customers. More than 70% of our outlets are in Tier 5 & 6 Rural locations thereby benefiting the unserved and underserved bottom of the Pyramid population.

Vakrangee Kendra Outlets: Stores Operational with all Safety Protocols in Place



UNDERSTANDING THE IMPACT OF COVID-19 PANDEMIC

COVID-19 PANDEMIC IMPACT:

- Nationwide Lockdown leading to store closures
- Only essential Services Allowed like Banking, ATM & Tele Medicine
- Supply Chain Disruption
- Liquidity Stress
- Logistic and On-Ground Delivery Challenges

CHALLENGES

- Revenue & Profitability Impact due to store closure during initial Lockdown and Only Essential services like Banking and ATM available during Q1 FY21
- Demand side challenge for services like Online shopping, Travel services
- Supply Chain disrupted impacting Hardware equipment availability / prices and Liquidity Challenges for the Vendor Partners

OPPORTUNITIES

- Increased Store and Brand awareness due to availability of Essential services like Banking, ATM and Tele-medicine.
- Huge Positive Response received to Marketing Campaign for Enquiries on NextGen Vakrangee kendra Franchisee
- Easy Loan availability under Mudra Loan scheme for MSMEs
- Robust balance sheet in place to benefit and ensure software / Hardware availability without material price impact.

POST COVID:

**OPPORTUNITY TO INCREASE
OUR COMPETITIVE ADVANTAGE
& ACHIEVE OUR PLANNED
TARGETS AHEAD OF TIME**

VAKRANGEE KENDRA - GROWTH STRATEGY UPDATE

WELL PLACED TO LEVERAGE THE GROWTH OPPORTUNITY

Emerging as a Convenience Store of Choice for Consumers in Rural India

- Enhanced visibility and Brand Awareness during Nationwide Lockdown.
- Our stores were open and have been providing Essential services like Banking, ATM, Mobile recharges and telemedicine consultation services.
- Provided Door-step banking and subsidy payment services in unserved locations during Lockdown.

Huge Number of Enquiries Received for NextGen Kendras with Loan Facility in Place

- Aggressive Marketing Campaign over last 6 months have resulted into overwhelming response generating 1,20,000+ Enquiries.
- Already have achieved 24,000+ kendras under on-boarding process in addition to 10,000 kendras operational.
- Dedicated Loan facility for franchisees with Tie up with Union Bank of India , to ease the franchisee on-boarding process

Leveraged Strong Balance sheet to ensure Kendra Hardware / Software Availability

- Most of equipment's are imported and are assembled in India. In current environment, we expect price hike as well as availability challenges.
- Leveraged strong balance sheet to financially support vendors and ensure software / Hardware availability without material price impact.
- Software / Hardware procurement well in place for another batch of 25,000 Kendra.

- *The company is well poised to achieve its store expansion targets before the stated timelines.*
- *Planned target of opening 3,00,000 outlets by 2025 and will be opening in a batch of 25,000 each.*

VAKRANGEE KENDRA OUTLETS – PERFORMANCE UPDATE

PERFORMANCE UPDATE FOR QUARTER ENDED MARCH, 2020 & FULL YEAR FY2019-20

~Rs. 82.0 Bn

Quarterly Throughput on Vakrangee Platform – Q4 FY20 Transaction Value

~26.1 Mn

Quarterly No. of Transactions on Vakrangee Platform – Q4 FY20

~Rs. 303.7 Bn

Annual Throughput on Vakrangee Platform – FY20 Transaction Value

~96.8 Mn

Annual No. of Transactions on Vakrangee Platform – Full Year FY20

Our Aim to become India's Largest Rural Consumption Platform

VAKRANGEE KENDRA OUTLETS – PERFORMANCE UPDATE

PERFORMANCE UPDATE FOR QUARTER ENDED JUNE, 2020

~Rs. 78.3 Bn

Quarterly Throughput on Vakrangee Platform – Transaction Value

10,000+

No. of NextGen Outlets currently operational

~US\$ 4.2 Bn

Annual Run Rate Throughput – Transaction Value - basis Current No. of operational Outlets

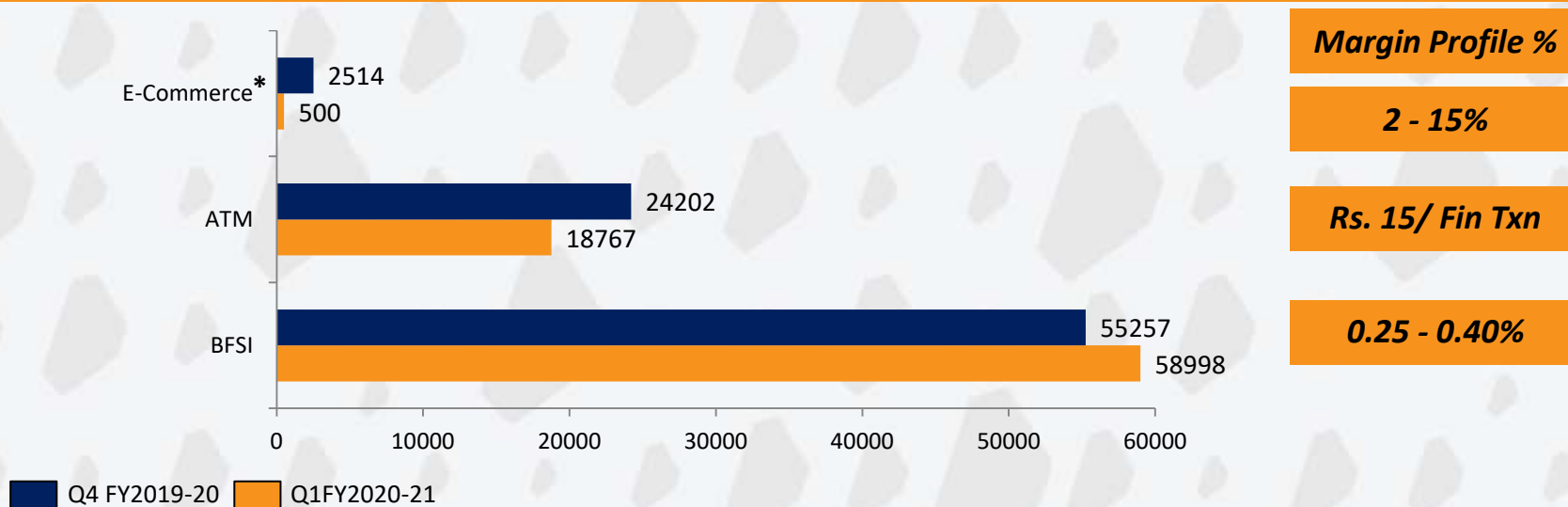
~30.8 Mn

Quarterly No. of Transactions on Vakrangee Platform

Our Aim to become India's Largest Rural Consumption Platform

VAKRANGEE KENDRA OUTLETS – PERFORMANCE UPDATE

**Q4 FY2019-20 & Q1FY2020-21 - GMV / THROUGHPUT CONTRIBUTION
(RS. MN.)**



- Robust Growth seen in BFSI segment and BFSI GMV has improved during Q1 FY21 due to higher withdrawal transactions because of the Government subsidy distribution during the period as well as Innovative strategy implemented of Door step Banking.
- Although, other BFSI services like Account opening, Insurance services, Money transfer were impacted due to COVID-19 Pandemic. ATM witnessed lower GMV and number of transactions.
- E-Commerce was significantly impacted due to services such as Online shopping, Travel services, Online pharmacy being non-operational due to on-ground field level and delivery challenges as well as ban on Travel services.

VAKRANGEE KENDRA OUTLETS – PERFORMANCE UPDATE

VISIBILITY ON OPENING OF NEXTGEN OUTLETS

Total Number of
Operational Outlets :

10,000+



Total Number of
Formal Expression of

Interest :

1,20,000+



Additional
Outlets under
On-Boarding
Process :

24,200+

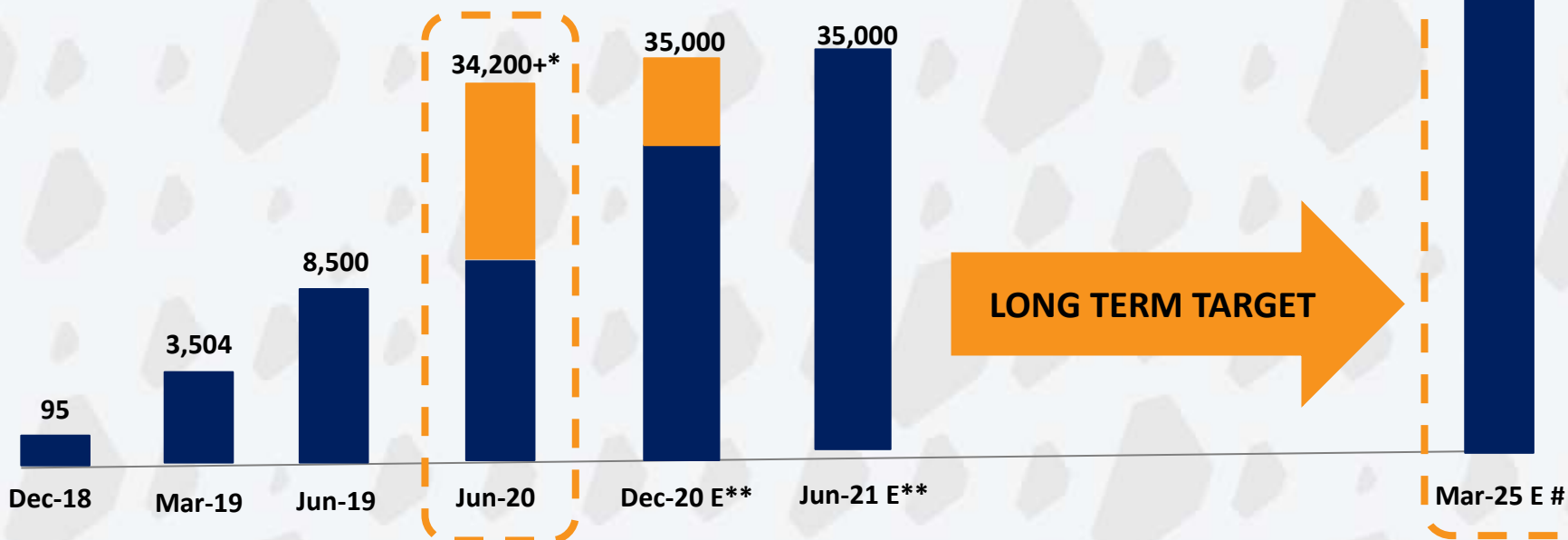
**CLEAR VISIBILITY OF 25,000 NEXTGEN OUTLETS FULLY OPERATIONAL BY CY 2020 AND
35,000 BY JUNE 2021**



VAKRANGEE KENDRA OUTLETS – PERFORMANCE UPDATE

GUIDANCE ON OPENING OF NEXTGEN OUTLETS

NO OF NEXTGEN OUTLETS



Note: * Operational outlets Outlets under On-Boarding Process

Planned Target is to have last Mile presence across All Postal codes covering each & every Gram Panchayat in the country.

VAKRANGEE – PERFORMANCE UPDATE SUMMARY

**Debt Free &
Strong
Balance
Sheet in
Place**

**Strong
Senior
Mgmt. team
in Place**

**WELL
POISED FOR
STRONG
GROWTH**

**Zero
Promoter
Pledge &
Promoter
Stake
Increased**

**All
Regulatory
Compliances
in Place**

**Scalable
Franchisee
Model with
Strong
Operating
Leverage**

UPDATE ON SUSTAINABILITY ESG INITIATIVES

KEY INITIATIVES : SUSTAINABILITY IMPACT & ESG

**Being Responsible &
Social Conscious
Company**

Being one of the largest franchisee-based, multi-service retail network, Vakrangee is focused on creating India's extensive network of last-mile retail outlets at every postal code in the country, enabling Indians to benefit from financial, social and digital inclusion.

**Being UNGC
Signatory Member**

Vakrangee Limited has been accepted as a Signatory of the United Nations Global Compact. We are now part of a global network of over 9,500 companies and 3,000 non-business participants that are committed to building a sustainable future.

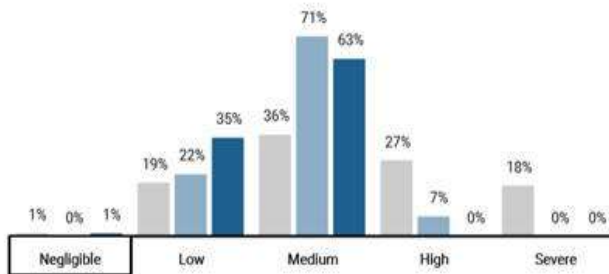
**ESG Risk Assessment
& Integrated Report
Assurance**

Vakrangee has been globally ranked No.1 in the Sustainalytics ESG Risk rating rankings out of the 668 companies assessed in the Software and Services industry across worldwide.
Further, Vakrangee has engaged Grant Thornton for Assurance of Integrated Annual report of FY20.

We have mapped our sustainability initiatives with the United Nation's Sustainable Development Goals. Our aim is to efficiently adopt these goals and address the global challenges, which includes poverty, inequality, climate, environmental degradation, prosperity, and peace and justice.

HIGHLIGHTS OF SUSTAINALYTICS ESG ASSESSMENT REPORT

ESG Risk Rating Distribution



Relative Performance

	Rank (1 st = lowest risk)	Percentile (1 st = lowest risk)
Global Universe	14 out of 12076	1st
Software & Services (Industry Group)	1 out of 668	1st
Data Processing (Subindustry)	1 out of 68	1st

	ESG Risk rating	Exposure	Management
Vakrangee Limited	7.4 Negligible	30.0 Low	81.4 Strong

- Vakrangee has been globally ranked No.1 in the Sustainalytics ESG Risk rating rankings out of the 668 companies assessed in the Software and Services industry across worldwide.
- Rating Overview - The company is at negligible risk of experiencing material financial impacts from ESG factors, due to its low exposure and strong management of material ESG issues. Furthermore, the company has not experienced significant controversies.
- Sustainalytics has recognised the company's leadership in sustainability-related matters by giving a score of 7.4 Negligible in ESG risk rating. Sustainalytics mentions that the company's overall management of material ESG issues is strong.
- Link to report: <https://vakrangee.in/pdf/Policies-PDF/Vakrangee%20Ltd%20-%20Sustainalytics%20ESG%20Risk%20Rating%20Summary%20Report.pdf>

Nextgen Vakrangee Kendra – Sustainable Business Model

Vakrangee Kendra business model is a Long Term sustainable business model as we are a Provider of Emergency and Essential Services

Even during the current COVID-19 Pandemic situation, Our Vakrangee kendras have been Exempted from Lockdown and are Operational, thereby resulting into Sustainable Earnings

Ministry of Home Affairs circular for lockdown dated 24th March - [Link to Circular](#)

Vakrangee Kendra outlets are one stop shops providing key Essential services to the citizens of the country such as –

- Banking Services
- ATM Services
- Telemedicine health services – Including Unlimited Tele & Video Consultation with expert doctors & Home Blood test facility

During COVID-19 Pandemic, Our more than 10,000 Vakrangee Kendras are operational to provide the key essential services and thus serving the Nation. 80% of our outlets are in Tier 5 &6 Rural locations thereby benefiting the unserved and underserved bottom of the Pyramid population.

COVID-19 update note on Vakrangee - [Link to Circular](#)

Nextgen Vakrangee Kendra – Sustainable Business Model

Vakrangee Kendras disbursing Government DBT Subsidies and Providing Essential Services during Lockdown:-



Please view Video Links for more Details :-

- Vakrangee Cares : Serving the Nation: <https://www.youtube.com/watch?v=4-eHcPznPTM>
- Doorstep Banking:
 - <https://www.youtube.com/watch?v=Fi0aoR118CU>
 - <https://www.youtube.com/watch?v=rfgNwTX58jQ&t=82s>
 - <https://www.youtube.com/watch?v=jHGSP4PNaTc>

CASE STUDIES

CASE STUDIES : NEXTGEN TOP PERFORMERS



NAND LAL SWAMI

RAJASTHAN

TIER 5 LOCATION

AGEING OF OUTLET – 18 MONTHS

“I have earned
Rs. 76,186
From BFSI – Banking Services
in just 1 month”



**Number of Accounts
Opened**

36



**Total Transaction
Value**

₹ 2,55,27,850

CASE STUDIES : NEXTGEN TOP PERFORMERS



SHASHI JAIN

RAJASTHAN

TIER 3 LOCATION

AGEING OF OUTLET – 20 MONTHS

“I have earned
Rs. 1,45,460
From BFSI – ATM Services in just
1 month”



**Number of Financial
Transaction**

11,591



**Total Transaction
Value**

₹ 96,78,600

CASE STUDIES : NEXTGEN TOP PERFORMERS



DEEPALI ANDHARE
MAHARASHTRA

TIER 1 LOCATION

AGEING OF OUTLET – 20 MONTHS

“I have earned

Rs. 41,262

From BFSI – Domestic Money
Transfer Service in just 1
month”



**Number of
Transactions**

2,491



**Total Transaction
Value**

₹ 66,30,608

CASE STUDIES : NEXTGEN TOP PERFORMERS



MOHAMMED ARIF

NCR (DELHI)

TIER 1 LOCATION

AGEING OF OUTLET – 18 MONTHS

“I have earned
Rs. 1,08,171
From Assisted Online Shopping
in just 1 month”



Number of Orders

10,733



Total Sale Value

₹ 5,00,970

CASE STUDIES : NEXTGEN TOP PERFORMERS



SUPARNA RAJE
WEST BENGAL

TIER 2 LOCATION
AGEING OF OUTLET – 20 MONTHS

“I have earned
Rs. 48,326

From Assisted Online Pharmacy
in just 1 month”



**Number of
Transaction**

3,279



**Total Transaction
Value**

₹ 3,22,207

COMPANY OVERVIEW

NEXTGEN VAKRANGEE KENDRA – SCOPE OF SERVICES

Vakrangee Kendra offers a broad spectrum of services across different sectors to offer a “One Stop Shop” solution for its customers

BFSI & ATM SERVICES :



ATM



Banking and Financial Services



Insurance Services



ASSISTED E-COMMERCE :



Assisted Online Shopping and Online Pharmacy



Bill Payments and Recharge



Tele-Medicine : Consultation with Expert Doctors

NEXTGEN VAKRANGEE KENDRA – SCOPE OF SERVICES

ASSISTED E-COMMERCE SERVICES



- Online Shopping of Goods
- Online Shopping of Jewellery



- Online Shopping of Medicines
- Telemedicine services



(Only for Rajasthan)

- Mobile/DTH Recharge
- Bill Payments
- E-Mitra services in Rajasthan



- Train Ticket Booking
- Bus Ticket Booking
- Flight/Hotel Ticket Booking

E-COMMERCE MARKETING INITIATIVES



Link to the Co-Branded Advertisement Campaign - Amazon & Vakrangee :

https://www.youtube.com/watch?v=MPtZ_c62Odg

<https://www.youtube.com/watch?v=-AJarKHI94c>



अपने नज़दीकी वक्रांगी केंद्र का पता करने के लिए **1800-266-1199** पर मिस्ड कॉल दें

NEXTGEN VAKRANGEE KENDRA – SCOPE OF SERVICES

UNIQUE FEATURES OF ASSISTED ONLINE SHOPPING

**Own The World's
Biggest E-mall : More than
1 Crore+ products**



**Monopolistic
Offering of Marketplace**

**Zero Working Capital
Requirement***



**POTENTIAL EARNING OF
Rs. 1,00,000+
per month**



**High Quality Products at
Competitive Prices**



**Zero
Inventory Model**

*Applicable only for Amazon service
Source: Company

NEXTGEN VAKRANGEE KENDRA – SCOPE OF SERVICES

BFSI & ATM SERVICES

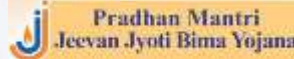


(White Label ATM License)

- ATM Cash Withdrawal
- Non-Financial Transactions



- Money Transfer
- Lead Generations of Personal/Home/Business Loans



- Life Insurance
- General Insurance
- Health Insurance



Other PSUs

- Account Opening
- Cash Withdrawal/Deposit services
- Other Banking services

FORMATS OF NEXTGEN VAKRANGEE KENDRA

NEXTGEN VAKRANGEE KENDRA: GOLD, SILVER AND BRONZE MODEL

Update on Nextgen Vakrangee Kendra Model:-

- As the Bouquet of services have increased over the last few years , the viability of the kendra has increased on a standalone basis resulting into an Exclusive store format.
- Key Mandatory features have been added in the Nextgen Model – ATM, CCTV, Digital Signage & Pinpad device for all kind of payment mode.
- Nextgen Vakrangee model includes standardized Look & Feel and Branding as designed by renowned Store Brand consultants Lewis & Hickey.

Gold Kendra



Minimum area of 300 sq. ft.
Four counters, owner desk and
ATM

Silver Kendra



Minimum area of 100 sq. ft.
Two counters and ATM

Bronze Kendra



Minimum area of 65 sq. ft.
One counter and ATM

KEY FEATURES – NEXTGEN VAKRANGEE KENDRA

KEY FEATURES

STORE EXCLUSIVITY & CONSISTENT BRANDING



- Exclusive store model with same service level and same Customer experience
- Standardized layout & design by L&H (Lewis & Hickey)
- Uniform and Consistent Branding for Higher brand recall and visibility

MANDATORY ATM IN EACH OUTLET



- ATM at each store and located within the store
- Potential to enhance the footfalls significantly
- Additional stream of revenues for both the Franchisee and the company

CENTRALIZED MONITORING SYSTEM



- Centralized CCTV system
- Better Security at the store
- Full compliance with RBI guidelines to maintain more than 90 days video recording back up

DIGITAL ADVERTISING



- Digital Signage to enable centrally monitored advertisement campaigns
- To enhance the interaction between Customers and Partners
- Focus to initiate advertising revenue

PIN-PAD DEVICES



- To enable various kinds of payment modes at any Vakrangee Kendra
- Integration in process to start accepting RuPay / Debit / Credit card payments

NEXTGEN VAKRANGEE KENDRA MODEL



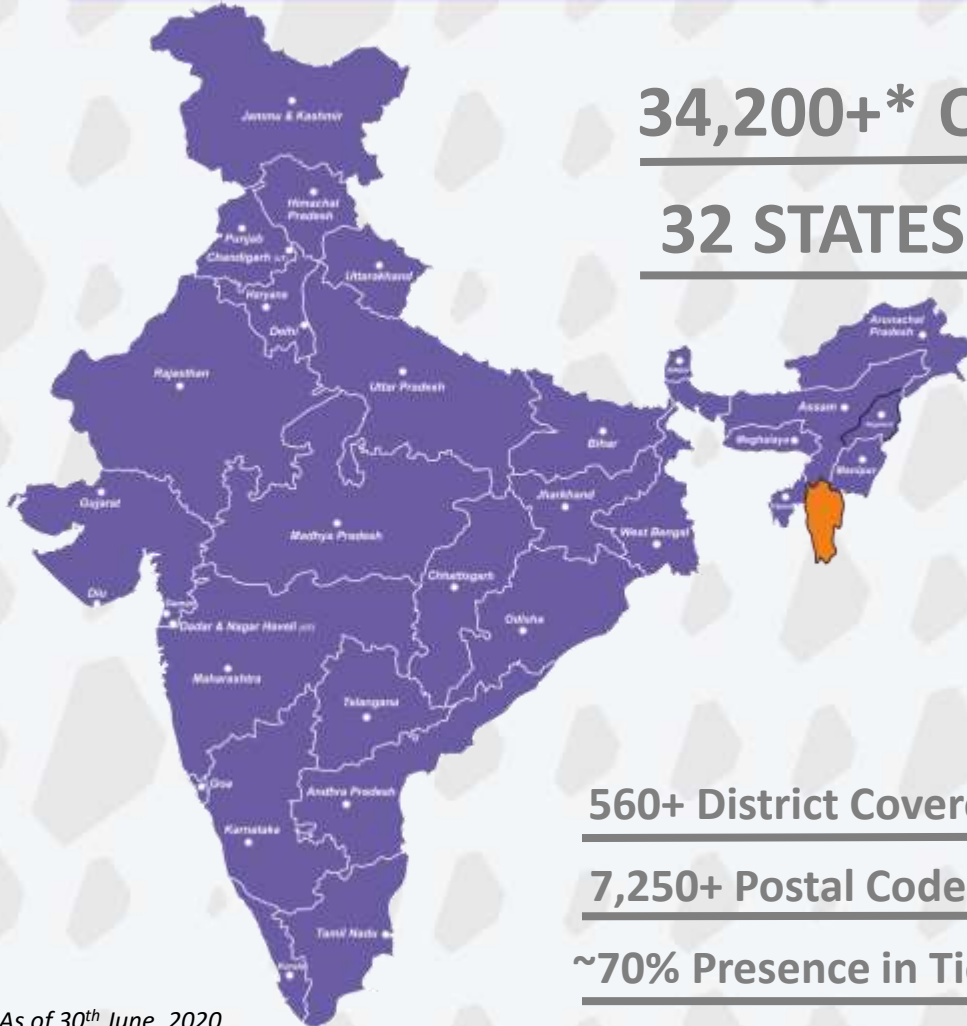
NEXTGEN VAKRANGEE KENDRA MODEL



NEXTGEN VAKRANGEE KENDRA – OUR PRESENCE

34,200+* OUTLETS

32 STATES & UTs



560+ District Covered

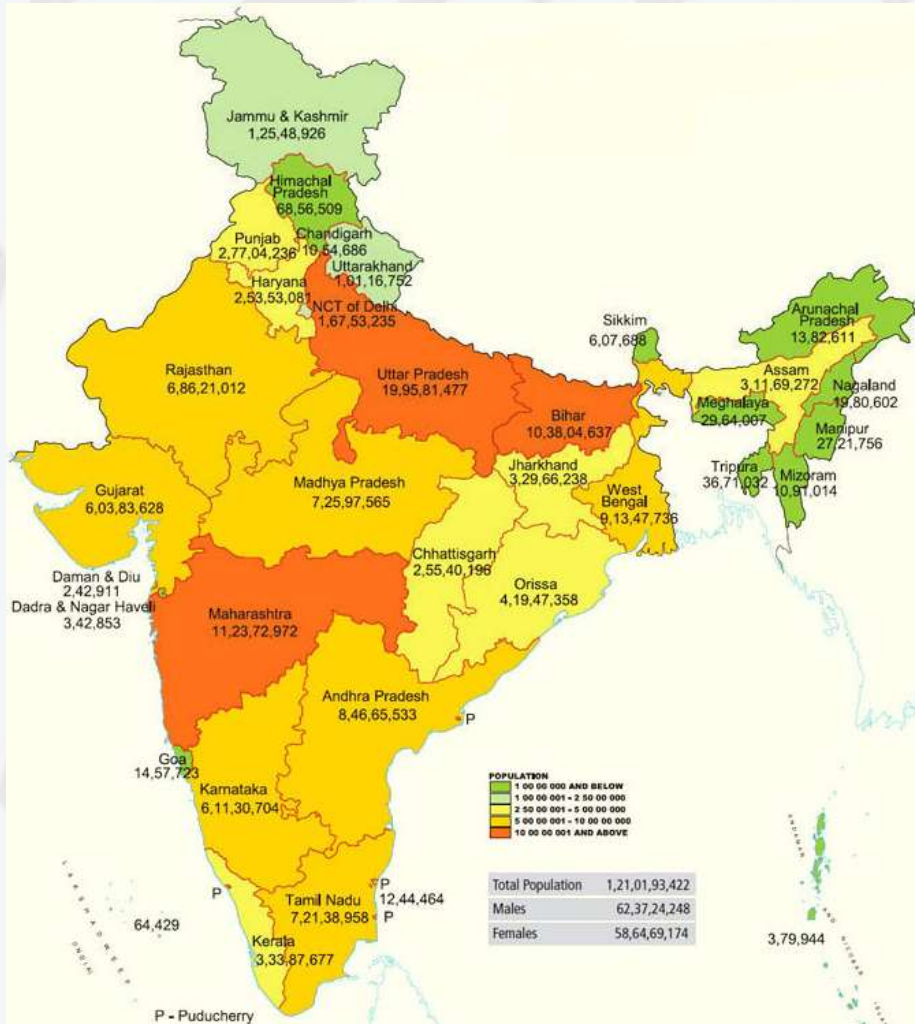
7,250+ Postal Code Covered

~70% Presence in Tier V & VI Cities

Sr. No.	State & UT Name
1	Andhra Pradesh
2	Arunachal Pradesh
3	Assam
4	Bihar
5	Chandigarh
6	Chhattisgarh
7	Dadra and Nagar Haveli
8	Daman and Diu
9	NCR (Delhi)
10	Goa
11	Gujarat
12	Haryana
13	Himachal Pradesh
14	Jammu & Kashmir
15	Jharkhand
16	Karnataka
17	Kerala
18	Madhya Pradesh
19	Maharashtra
20	Manipur
21	Meghalaya
22	Nagaland
23	Odisha
24	Punjab
25	Rajasthan
26	Sikkim
27	Tamil Nadu
28	Telangana
29	Tripura
30	Uttar Pradesh
31	Uttarakhand
32	West Bengal

- - As of 30th June, 2020
- - 10,000+ Operational outlets & 34,200+ outlets under on-boarding process

HUGE UNTAPPED MARKET: OVERALL MARKET POTENTIAL



POPULATION

1.21 BILLION



TOTAL NO OF VILLAGES

6,54,424



TOTAL OUTLET POTENTIAL

3,69,977



RURAL OUTLET POTENTIAL

2,94,442



URBAN OUTLET POTENTIAL

75,535



ADVANTAGE VAKRANGEE : OUR STRENGTHS

Tie up with Strong Partners & Access to Key Licenses



- *Portfolio of key Licenses & Partnership empanelment's built over last 20 years*
- *Have built a strong bouquet of products and services*

Technology & Integration Expertise



- *Over two decades of System Integration Capabilities*
- *Interoperable banking - Integration with the Core Banking servers of the Banks*
- *Pioneer in Aadhaar based biometric enabled banking*

On Ground Field Presence till the Block Level



- *Field Level Hierarchy till the Block level – More than 1,000 District and Block Area managers*
- *Continuous Handholding and support to Franchisee to maintain smooth Operations and drive sales*

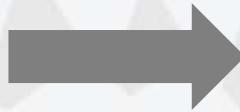
Size and Scale with Strong Franchisee Model



- *Robust store Economics leading to strong growth in stores*
- *Scale leading to emerge as a Partner of choice*

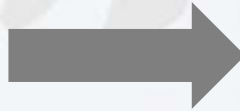
STORE ECONOMICS OF A NEXTGEN KENDRA

NextGen Outlet Estimated Revenue Per Store



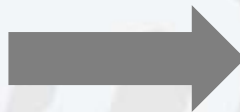
**Avg. Revenue per Month
Rs. 0.1 mn ***

NextGen Outlet Estimated Commission Sharing Ratio



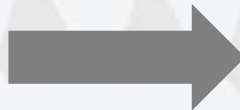
Ranging from 65:35 to 80:20 based on Service Type

NextGen Outlet Estimated Profit Margins %



**Vakrangee Margins
Operational Gross Level – 18-20%
Sustainable EBIDTA Level – 15-16%****

NextGen Outlet Estimated Capex for Franchisee & Breakeven



**Total Capital Employed for Franchisee –
Rs. 1.0 – 1.5 mn
Breakeven Period In Months – 18-24**

Note: * - Estimate Based on a mature store. Maturity is considered as more than 12 months old outlet.

** - EBIDTA Margins calculated on basis of reaching an Operating leverage of minimum 10,000 operational stores.

OUR PROPRIETARY TECHNOLOGY PLATFORM

SERVICES PROVIDED THROUGH REAL-TIME INTEGRATION WITH PARTNER SYSTEMS

BANK - CORE
BANKING SERVER

ALL PARTNER SYSTEMS (e-commerce, e-governance, insurance,
financial services & logistics)



Vakrangee Kendra
Management System



Internet
Connectivity



Vakrangee
Kendra

Customer



ACCOUNTS TO BE MAINTAINED FOR REAL-TIME SETTLEMENT

BANK SETTLEMENT ACCOUNT

VAKRANGEE WALLET ACCOUNT

ATM SETTLEMENT ACCOUNT

Technology

- **Technology platform integrated with CBS of various banks, delivering real-time & interoperable banking access**
- **Biometric authentication enabling quick KYC and paper less banking**
- **Integration with all partner systems across E-Commerce, E-Governance, Insurance and Logistics**
- **Technical Support Available - Resources at block level trained to handle day-to-day IT glitches and troubleshooting**

Internet Connectivity

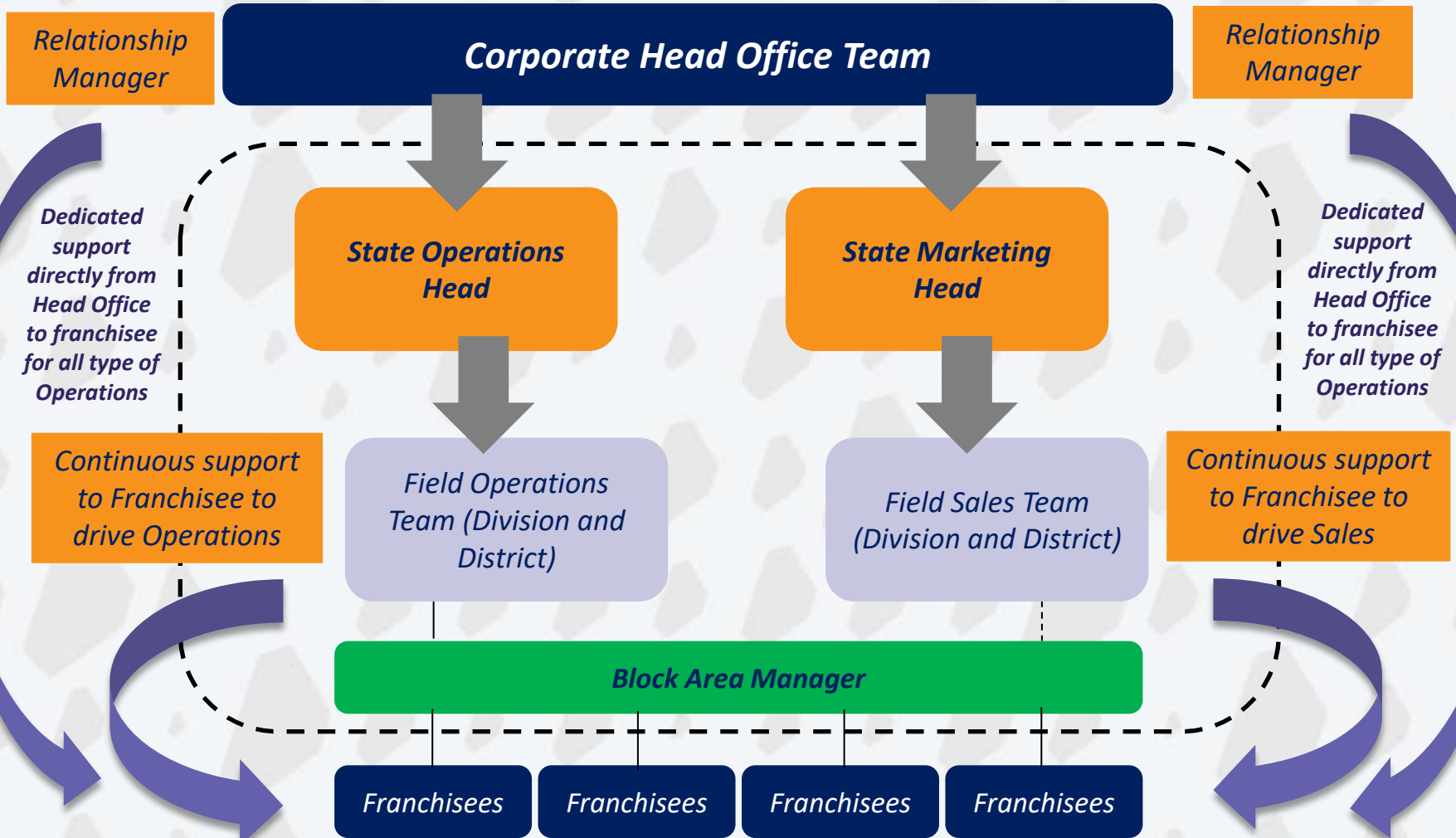
- **Seamless connectivity through V-SAT or Broadband Internet**

Security Specifications

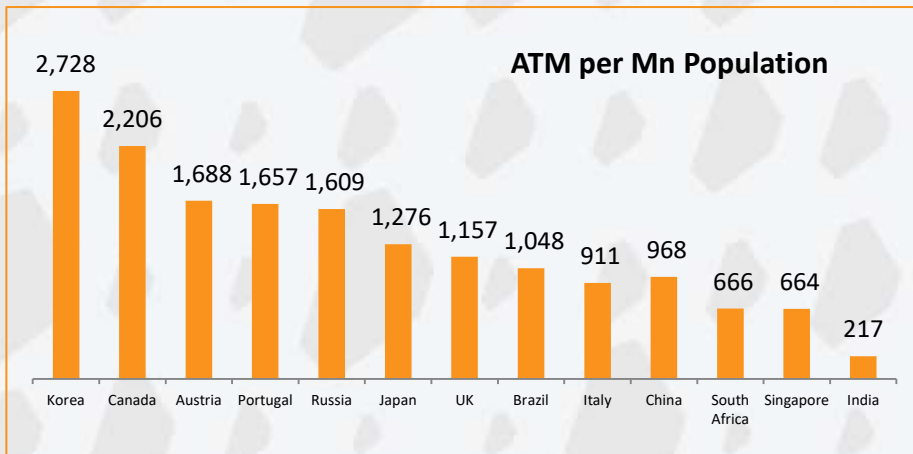
- **Defined User Policy -Authentication required for each and every user of the server; Secured and safe transactions**



FRANCHISEE FOCUSED TEAM STRUCTURE



WHITE LABEL ATM – OPPORTUNITY



- India rank's is 145 in the world in terms of ATM Density
- Low ATM Penetration in Tier 3, 4, 5 and 6 cities ~ Huge opportunity for WLAs to bridge the gap between Urban and Rural India
- As on June 2020, India had ~ 249,000 ATMs
- Vakrangee is 3rd largest ATM Deployer in Rural India
- RBI WLA license to Vakrangee –
 - Minimum of 1000 WLAs to be deployed per year
 - Maintain ATM deployment ratio of 1:2:3 (Metro / Urban : Semi Urban : Rural)

Benefits of Vakrangee WLAs Over Other Players

Sr. N o.	Operating Cost	Vakrangee	Peers
1	Rent Expense	✗	✓
2	Civil Work & Interiors	✓	✓
3	Internet Connectivity	✓	✓
4	Cash Management Charges	✗	✓
5	ATM Operational Costs	✓	✓
6	Security Guard	✗	✓

COMPETITIVE ADVANTAGES VAKRANGEE MODEL

COST SYNERGIES

- No requirement of security guard as the ATM is located inside the Vakrangee Kendra & monitored through centralized CCTV
- Sharing of Civil Work, Internet Connectivity, Rent and Electricity expenses
- CRA activity performed by Franchisee. No additional CRA Cost and dependency for First Line of Maintenance (FLM) calls

UPDATE ON AWARDS & RECOGNITION

AWARDS & RECOGNITION



- Vakrangee makes history by setting **GUINNESS WORLD RECORDS™** title for the *Most stores launched simultaneously* on 14th January 2019
- Launches 1107 Nextgen Vakrangee kendra stores across the country at 11.07 Am on the same day
- Overall the Company launched 3,300+ stores on a Pan India basis
- This is the highest number of stores opened anywhere in the world



- Vakrangee has been awarded as the best 'FINANCIAL SERVICES RETAILER OF THE YEAR' at the Indian Retail Awards 2019.
- Award recognises company's 'Nextgen Vakrangee Kendras' growth and customer satisfaction in 2018-19.
- The objective of the Indian Retail Awards is to recognize the Retailers who are closing the gap between operational reality and consumer expectations with great retailing practices.

AWARDS AND CERTIFICATIONS

- *Vakrangee has been nominated in the 'India's Top 100 Franchisees' list by the Franchisee India Magazine in the January 2020 edition.*
- *Guinness World Records Title for the Most Stores Launched Simultaneously on 14th January 2019. Launches 1107 Nextgen Vakrangee Kendra stores across the country at 11.07 am on the same day*
- *Awarded as the best 'Financial Services Retailer of the year' at the Indian Retail Awards 2019*
- *CA Entrepreneur Path Breaker Award 2017 by Institute of Chartered Accountants of India*
- *Selected in the Fortune 500 Companies – Fortune India 2017*
- *Selected in the Super 50 Companies – Forbes India 2017*
- *Selected in the Top 50 BSE 500 Companies by Growth in M-Cap - Forbes India 2017*
- *Vakrangee has been features in 11 Indian companies, up from an all-time low of eight last year by Forbes Asia's Best Under a Billion list for 2015*
- *ET-500 Companies for 2013 as published by ET*
- *Nominated (top 5) for the best CEO (IT & ITes) by Business Today in January 2014*
- *26th in the Deloitte Technology Fast 50 companies in India, 2012*
- *18th in the Deloitte Technology Fast 50 companies in India, 2011*
- *226th rank in Deloitte Fastest 500 growing Asia Pacific companies in 2011*
- *CA. Business Leader - SME (3rd Rank) of the Year Award, 2008 to the Chairman by Institute of Chartered Accountants of India*
- *Economic Times ET 500 best companies in India in 2006-07*



BOARD OF DIRECTORS TEAM

BOARD OF DIRECTORS

Strong Board of Directors



RAMESH JOSHI
Non Executive
Chairman

- Has about 40+ years of business experience. He has held several leadership positions in the Reserve Bank of India and has been Nominee Director on behalf of RBI on the Boards of Various Banks, and retired as an Executive Director of SEBI.
- He is also on the Panel of Arbitrators for NSE, BSE and MCX.
- Holds a Bachelor's degree in Arts from the University of Nagpur and a Bachelor's degree in Law from the University of Nagpur.



**DINESH
NANDWANA**
Managing Director
& Group CEO

- Has about 27+ years of business experience. Main functions and areas of responsibilities in the Company include policy formulation and decision making.
- Has received a memento from the former Honorable President of India, Late Shri Shankar Dayal Sharma in 1996.
- Recipient of the 'CA Business Leader - SME (3rd Rank)' award by the Institute of Chartered Accountants of India for the year 1997.
- Holds a Bachelor's degree in Commerce from Rajasthan University & is a certified Chartered Accountant from the Institute of Chartered Accountants of India.



**DR NISHIKANT
HAYATNAGARKAR**
Director – R&D

- Has about 25+ years of business experience in the information technology sector.
- Main areas of responsibility in the Company include software development, information technology compliance and technical support. Holds a Doctorate in Computer Science from the Indian Institute of Technology, Mumbai

STRONG BOARD OF DIRECTORS



AVINASH VYAS
Non Executive
Independent Director

- Has wide experience in Audit Certification for externally aided projects funded by foreign agencies such as World Bank and its extended arms
- Holds a Bachelor's Degree in Commerce and is LL.B (professional) which adds to his business acumen.



SUNIL AGARWAL
Non Executive
Independent Director

- Has over 25+ years of experience in business administration. He is an entrepreneur with varied business interests in the mining industry in Rajasthan.
- Holds a Bachelor's degree in Commerce from the University of Rajasthan.



B. L. MEENA
Non Executive
Independent Director

- Has about 28+ years of experience, having served in various Government departments. A former Chief Commercial Manager, North Western Railways.
- Holds a Master's degree in Arts from the University of Rajasthan and a Bachelor's degree in Law from the University of Rajasthan



Ranbir Datt
Nominee Director

- Nominee Director (representing the Life Insurance Corporation of India) of our Company.
- Joined LIC as Assistant Administrative Officer in 1984. Worked as Head of various channels in LIC of India viz., Deptt of Pension & Group Superannuation, Banking Assurance, Micro Insurance, Office Service & Estates etc. Presently Mr. Datt is Executive Director of Corporate Planning /New Projects.



SUJATA CHATTOPADHYAY
Non Executive
Independent

- Fellow member of the Institute of Cost Accountants of India and the Associate member of the Institute of Company Secretaries of India.
- Has over 26+ years of experience across various industries and geographies - Choice Capital Advisors Private Ltd, Polygenta Technologies Ltd, Arysta LifeScience India Ltd, Steel Exchange India Limited.



ANIL KHANNA
Non Executive
Director

- Mr. Anil Khanna is currently as Non Executive Director. Prior to Vakrangee he has been at the position of Managing Director of Blue Dart Express Limited.
- He has 40 years of experience in various industries and has a proven track record and he is a graduate from St Stephen's College, Delhi and holds an MBA degree in Marketing and Finance from UBS, Chandigarh.



H.C. MITTAL
Non Executive
Independent

- Mr. Mittal is a postgraduate and a certified associate from Indian Institute of Bankers. In his long and illustrious career of more than 37 years with Union Bank of India, he has held several leadership positions.
- He possesses vast exposure and experience in various fields of banking administration across segments ranging from MSME, Retail, Agriculture, Import / Export & Financial Inclusion.

ANNEXURES

KENDRA EVOLUTION

KENDRA EVOLUTION

PHASE 1: INITIALLY AN E-GOVERNANCE PLAYER

PHASE 1: CSC & E-MITRA MODEL



Services Offered :

- E-Governance

OUTLETS WERE PRIMARILY TERMED AS “COMMON SERVICE CENTRE - CSC” OR “E-MITRA KENDRA” :-

- NON-EXCLUSIVE STORE MODEL
- SINGLE LINE OF SERVICE PRIMARILY E-GOVERNANCE SERVICES
- NO STANDARDIZED DESIGN LAYOUT & BRANDING
- KIRANA STORE MODEL

KENDRA EVOLUTION

PHASE 1: INITIALLY AN E-GOVERNANCE PLAYER



KENDRA EVOLUTION

PHASE 2: E-GOVERNANCE PLAYER TO A BANKING BC POINT MODEL

PHASE 2 : BANKING BC POINT MODEL



Services Offered :

- E-Governance
- Banking

COMPANY RECEIVED THE BUSINESS CORRESPONDENCE BANKING MANDATE AND STARTED THE BC POINT SERVICES THROUGH THE KENDRA –

- NON-EXCLUSIVE
- DUAL LINE OF SERVICE - E-GOVERNANCE & BANKING SERVICES
- NO STANDARDIZED DESIGN
- INITIATED STANDARD BRANDING IN TERMS OF BASIC SIGNAGE & HOARDINGS

KENDRA EVOLUTION

PHASE 2: E-GOVERNANCE PLAYER TO A BANKING BC POINT MODEL



KENDRA EVOLUTION

PHASE 3: E-GOVERNANCE PLAYER TO MULTI SPECIALITY STORE MODEL

PHASE 3 : MULTI-SPECIALITY STORE MODEL



Services Offered :

- E-Governance
- Banking
- E-Commerce
- Insurance
- ATM (Optional)

EVOLVED INTO A MULTI SPECIALITY STORE MODEL :-

- PLANNED AS AN EXCLUSIVE STORE MODEL
- MULTI-LINE OF SERVICES – BANKING, E-GOVERNANCE, INSURANCE, E-COMMERCE & OPTIONAL ATM SERVICES
- STANDARDIZED DESIGN
- INITIATED STANDARD BRANDING IN STORE LAYOUT AS WELL AS SIGNAGE
- PARALLEL EFFORTS TO ACTIVATE VARIOUS SERVICES ACROSS ALL OUTLETS AND CONVERSION TO EXCLUSIVE MODEL

KENDRA EVOLUTION

PHASE 3: E-GOVERNANCE PLAYER TO MULTI SPECIALITY STORE MODEL



KENDRA EVOLUTION

PHASE 4: E-GOVERNANCE PLAYER TO AN EXCLUSIVE NEXTGEN ASSISTED DIGITAL CONVENIENCE STORE

PHASE 4 : NEXTGEN KENDRA MODEL – ASSISTED DIGITAL CONVENIENCE STORE



Services Offered :

- E-Governance
- Banking & Financial Services
- E-Commerce
- Insurance
- ATM (Mandatory)
- Logistics

EVOLUTION INTO AN EXCLUSIVE ASSISTED DIGITAL CONVENIENCE STORE MODEL –

- EXCLUSIVE STORE MODEL
- MULTI-LINE OF SERVICES – BANKING & FINANCIAL SERVICES, E-GOVERNANCE, INSURANCE, E-COMMERCE, LOGISTICS & MANDATORY ATM SERVICES
- STANDARDIZED LAYOUT & DESIGN BY L&H (LEWIS & HICKEY)
- STANDARD BRANDING IN STORE LAYOUT AS WELL AS SIGNAGE
- ATM MANDATORY
- DIGITAL SIGNAGE & CCTV MANDATORY
- PINPAD DEVICES TO ENABLE ALL KIND OF PAYMENT MODES ACROSS SERVICES

Thank You