

We Provide the Last Mile Connectivity

Vakrangee Limited

**Q4 & Full Year FY2015-16 Results
Update and Investor Presentation**



May 11, 2016

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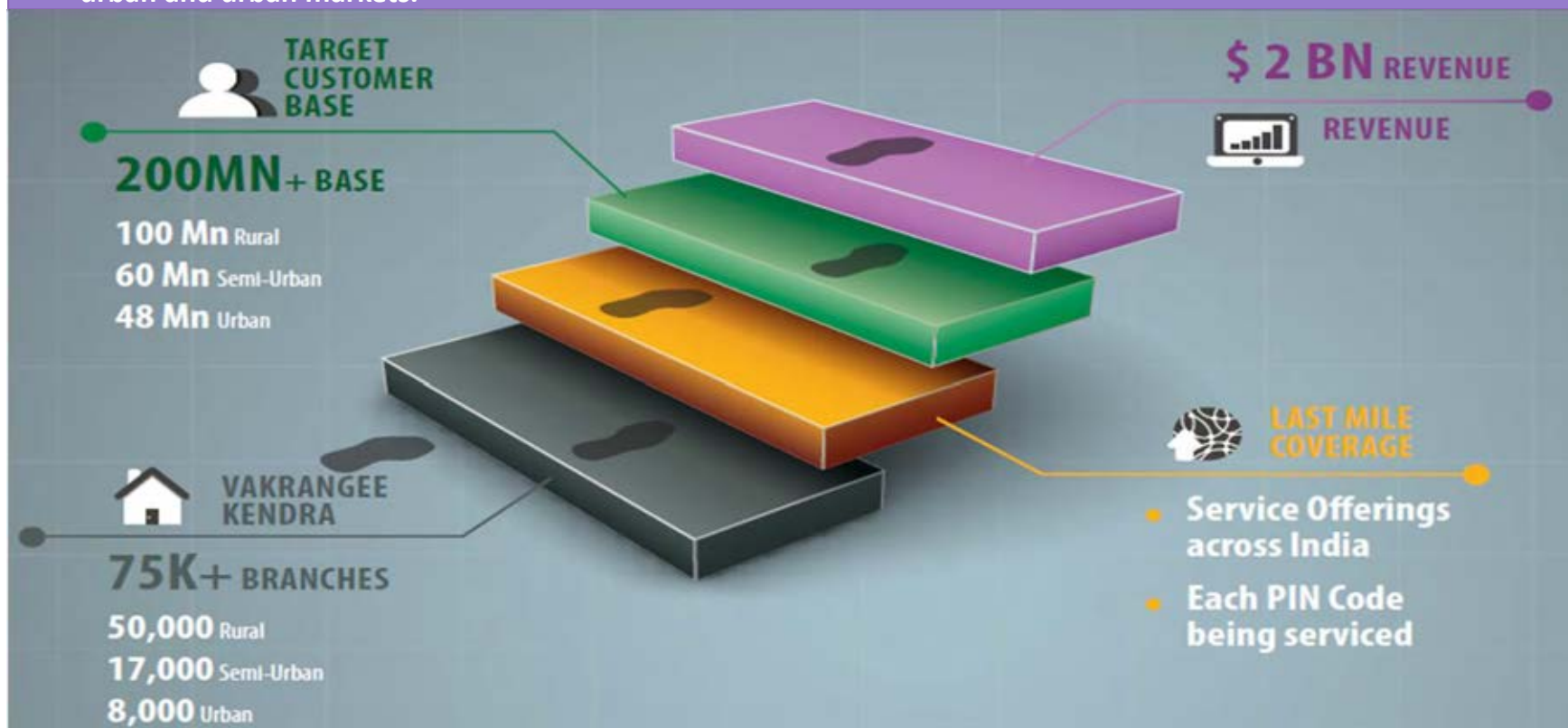
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Our Vision 2020



- We are a Technology-driven company, focussing on creating India's largest network of last-mile retail points-of-sale.
- Our aim is to potentially enable every Indian to seamlessly benefit from Financial Inclusion, Social Inclusion, Digital India, Skill Development, Employment, Government programmes and a wider access to basic goods and services.
- Our Vision is to leverage our vast network of retail access points to deliver real-time Banking services, Insurance Services, E-Governance Services (G2C), e-Commerce Services (B2C) & ATM Services to the unserved rural, semi-urban and urban markets.



Our Vision 2020 – Update on Expansion Plan



	FY2016	FY2017	FY2018	FY2019	FY2020	Executed Till Date – Mar 16
Rural Kendras	15,000	25,000	35,000	45,000	50,000	15,671
Urban Kendras	5,000	10,000	15,000	20,000	25,000	5,006
Total	20,000	35,000	50,000	65,000	75,000	20,677

Exceeded the Full Year Targets for FY2016. Set to rollout the Expansion Plan for FY 2017.

Well on Track to deliver and exceed on the Planned Expansion Plan



Q4 & Full Year FY2015-16 Results Update

FY15-16 – Dividend & Cash Flow Update



DIVIDEND PAYOUT FOR FY16

BOARD OF DIRECTORS HAVE RECOMMENDED A DIVIDEND OF ₹1.25 PER EQUITY SHARE (125%) HAVING FACE VALUE OF ₹1 EACH.

DIVIDEND PAY OUT IS 20.2%* OF PROFIT AFTER TAX FOR FY16

DIVIDEND PAY OUT IS 29.4%* OF POST TAX OPERATING FREE CASH FLOW FOR FY16

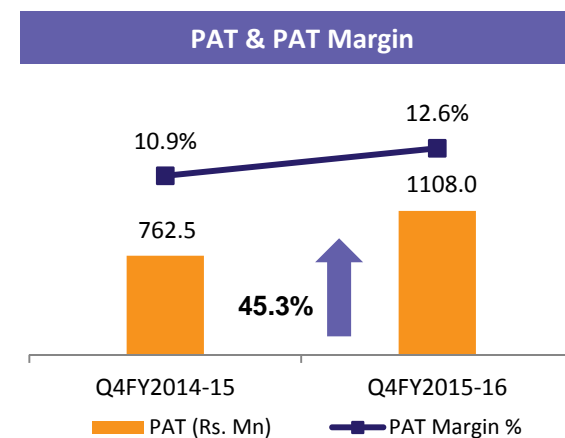
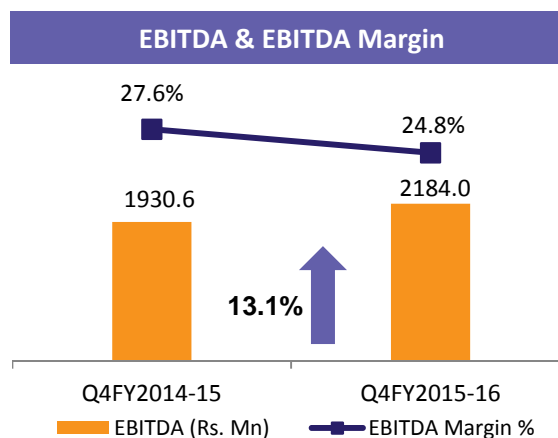
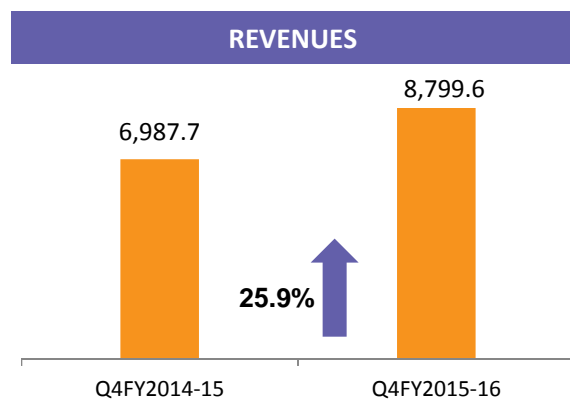
PRE-TAX OPERATING FREE CASH FLOW GENERATION OF RS. 5599.9 MN

Q4 FY2015- 16 Results Highlights

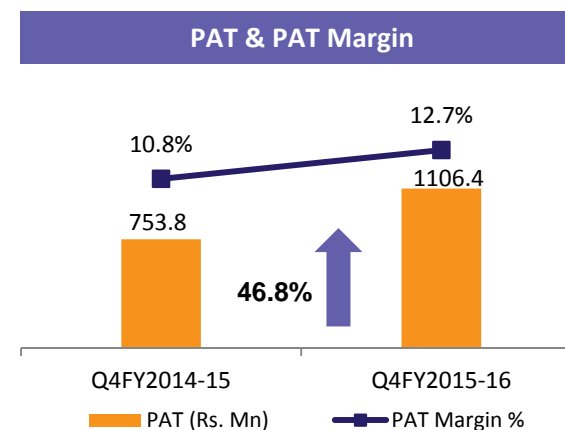
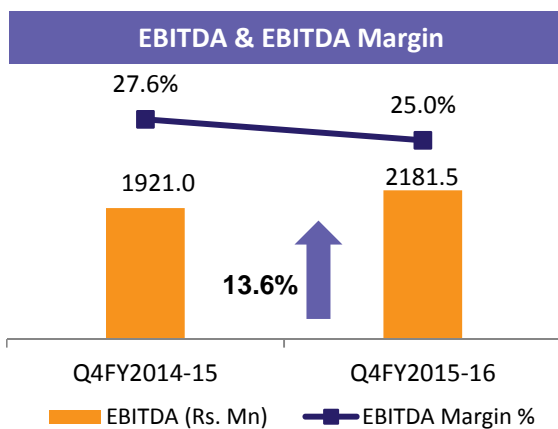
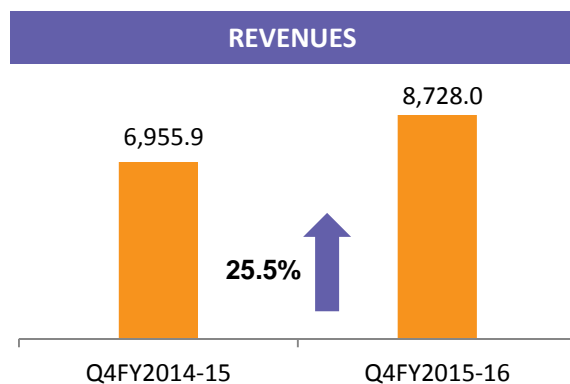


In Rs Mn

Consolidated



Standalone

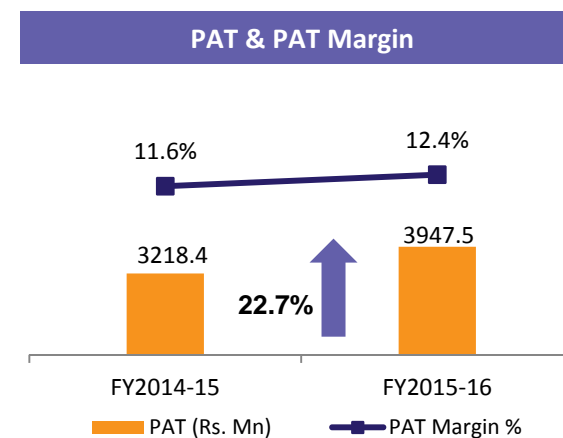
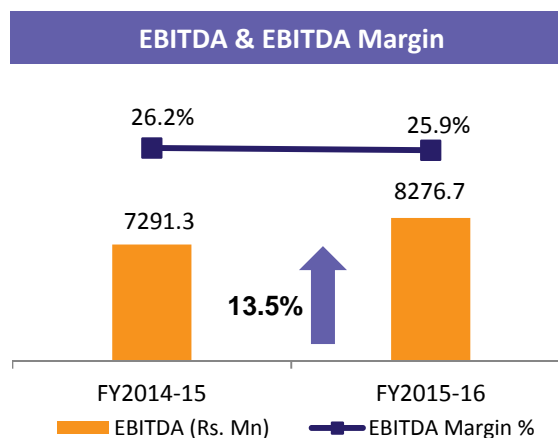
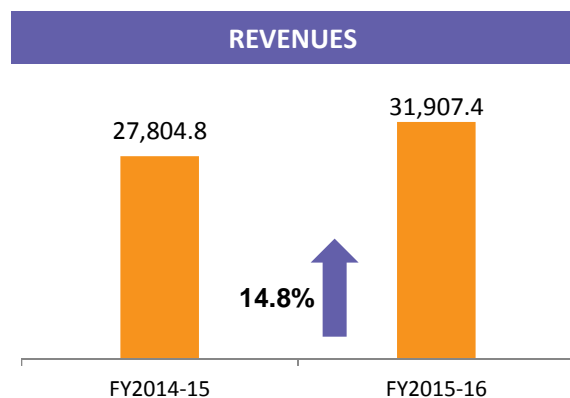


Full Year FY2015- 16 Results Highlights

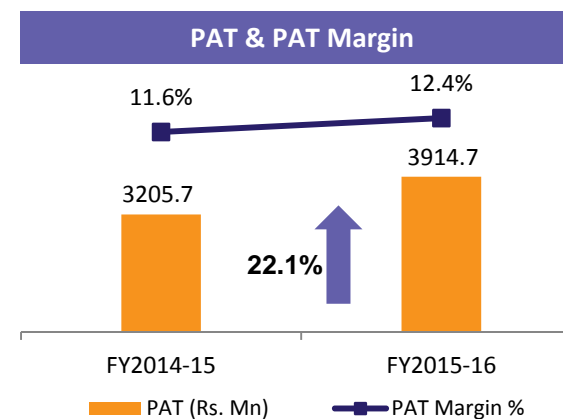
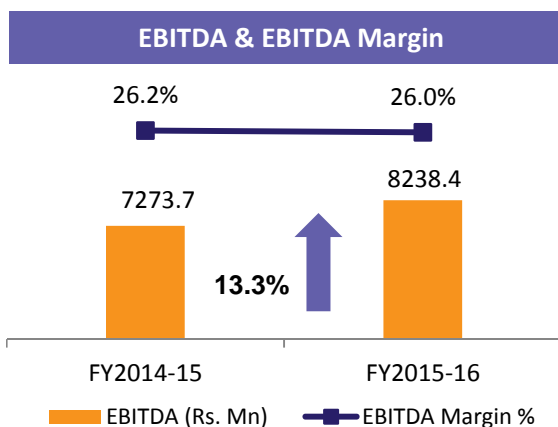
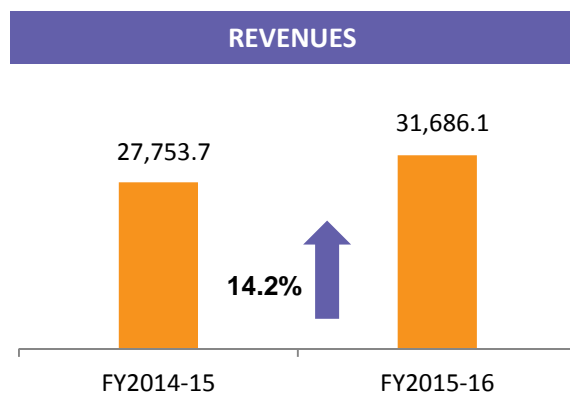


In Rs Mn

Consolidated



Standalone



Full Year FY2015- 16 Key Highlights



KEY OPERATIONAL UPDATES

- **Update on Expansion Plan –**
 - Exceeded the Full Year Targets for FY2016 of 20,000 Outlets.
 - **Currently 20,677 outlets are completed & operational across 16 states.**
- **Update on Tie-Ups & Alliances –**
 - **Insurance Vertical** – New Tie ups announced in Life & Non Life Segments
 - **Life** – Bajaj Allianz, HDFC Standard Life, **Non Life** – Tata AIG, Reliance General
 - **E-Commerce Vertical** – Amazon, RedBus and Mahindra and Mahindra.
- **Update on Outlets at Indian Oil Corporate Limited (IOC) Filling/Gas Station –**
 - Recently 4 Vakrangee Kendra outlets are launch in Mumbai and 2 more in Rajasthan.

KEY REGULATORY UPDATES

- **Update on Aadhar Bill –**
 - The Lok Sabha passed the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Bill, 2016, aimed at at better targeting of subsidies through the Aadhar unique identity number.
- **Update on Direct Benefit Transfer Scheme (DBT) –**
 - The Scope of DBT has been expanded and it has been universalised to cover all Central Sector and Centrally Sponsored Schemes, both Plan and Non-Plan, where cash benefits are transferred to individual beneficiaries. (Source - <http://cabsec.nic.in/dbt/cir31mar16.html>)
 - DBT Mission has been shifted to Cabinet Secretariat and progress in DBT is being monitored at the highest level of the Government.

Q4 & Full Year FY2015-16 Results – Segmental Analysis (Standalone)

Particulars (Rs Mn)	Q4 FY2015-16		Q4 FY2014-15		YoY %	FY2015-16		FY2014-15		YoY %
		% of Total		% of Total			% of Total		% of Total	
Total Revenues	8728.0	100.0	6955.9	100.0	25.5	31686.1	100.0	27753.7	100.0	14.2
Vakrangee Kendra	5113.5	58.6	2945.4	42.3	73.6	16868.0	53.2	11883.7	42.8	41.9
E-Governance	3614.5	41.4	4010.5	57.7	(9.9)	14818.1	46.8	15870.0	57.2	(6.6)
Total EBITDA	2181.5	100.0	1921.0	100.0	13.6	8238.4	100.0	7273.7	100.0	13.3
Vakrangee Kendra	1174.6	53.8	784.6	40.8	49.7	4037.2	49.0	3593.2	49.4	12.4
E-Governance	1006.9	46.2	1136.4	59.2	(11.4)	4201.1	51.0	3680.5	50.6	14.1
EBITDA Margin %	25.0		27.6			26.0		26.2		
Vakrangee Kendra	23.0		26.6			23.9		30.2		
E-Governance	27.9		28.3			28.4		23.2		

Consolidated Financial Statements



Key Profit & Loss Statement Items						
Particulars (Rs. Mn.)	Q4 FY2015-16	Q4 FY2014-15	YoY %	FY2015-16	FY2014-15	YoY %
Total Income from Operations	8,799.6	6987.7	25.9%	31,907.4	27,804.8	14.8%
Total Expenses (Excluding Depreciation & Finance Cost)	6,619.0	5,061.6	30.8%	23,687.1	20,572.6	15.1%
EBIDTA	2,184.0	1,930.6	13.1%	8,276.7	7,291.3	13.5%
EBIDTA Margin %	24.8	27.6	-280 bps	25.9	26.2	- 30 bps
Depreciation Expense	351.5	419.0	-16.1%	1,640.4	1,648.6	-0.5%
Finance Cost	137.9	143.8	-4.1%	560.4	749.5	-25.2%
Profit before Tax (PBT)	1,694.6	1,367.8	23.9%	6,075.9	4,893.3	24.2%
Tax Expenses	586.7	605.3	-3.1%	2,128.4	1,674.8	27.1%
Profit after Tax (PAT)	1,108.0	762.5	45.3%	3,947.5	3,218.4	22.7%
PAT Margin %	12.6	10.9	170 bps	12.4	11.6	80 bps
Earnings per Share (EPS Basic)	2.1	1.5	16.7%	7.6	6.4	18.8%
Key Balance Sheet Items						
Particulars (Rs. Mn.)	FY2015-16	FY2014-15	Particulars (Rs. Mn.)	FY2015-16	FY2014-15	
Net Worth	15,211.0	12,073.4	Fixed Assets	1,322.2	2,829.2	
Share Capital	529.2	503.5	Other Non-Current Assets	405.3	199.8	
Reserves and Surplus	14,681.8	9,069.9	Inventory	5,070.6	1,693.6	
Money received against share warrants	-	2,500.0	Trade Receivables	8,578.5	11,993.2	
Total Debt	3,201.9	4,158.6	Cash & Cash Equivalents	1,673.4	382.0	
Long Term Debt & Current Portion of LT Debt	374.4	1,002.9	Other Current Assets	4,050.8	3,274.5	
Short Term Debt	2,827.5	3,155.7	Less: Trade Payables	1,143.6	2,131.3	
Other Non-Current Liabilities	150.2	441.0	Less: Other Current Liabilities	1,394.1	1,568.0	
Total Sources of Funds	18,563.1	16,673.0	Net Current Assets	16,835.6	13,644.0	
			Total Application of Funds	18,563.1	16,673.0	

Note: Fiscal Year (FY) is 12 months ending March
Vakrangee Limited

Business Update - Amazon in Vakrangee Kendra



MALAD MUMBAI OUTLET



**FIRST OF ITS KIND :
EXCLUSIVE AMAZON RETAIL OUTLET**

Plan to open such Exclusive Amazon Retail outlets at all the District Levels.

ADVANTAGE CONSUMER :

- Access to entire 25 mn Product range from Amazon
- Genuine Product at Competitive Prices.
- No Delivery Charges
- Ease of Pick up Delivery & Return service

ADVANTAGE AMAZON:

- Access to entire New Customer Base (who are not the conventional e-commerce users)
- Ability to penetrate beyond Tier 1 & Tier 2 cities
- Cost Savings due to Leveraging Vakrangee's Last mile delivery network.

Exclusive Amazon Store in Vakrangee Kendra

Malad, Mumbai, Maharashtra



Amazon in Vakrangee Kendra



अब AMAZON आपके पड़ोस में.

घर को सजाना हो या हो
शादी की खरीदारी.
सब कुछ यहाँ मिलेगा.
आज ही जाइए.

वक्रांगी
सराफ परिवर्तन

हॉट नं. 238 1/2, विकास बाड़ी, बंगला नगर,
समय पैस बैंक, टेलीफोन, पञ्जाब (P), मुंबई

भारत का सबसे बड़ा और सबसे विश्वसनीय ऑनलाइन स्टोर

amazon.in

अब AMAZON आपके पड़ोस में.

त्योहार के लिए तैयारी
या पूजा का सामान.
सब कुछ यहाँ मिलेगा.
आज ही जाइए.

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सराफ परिवर्तन

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पॉलिटेक्नीक, विंगल-400102

भारत का सबसे बड़ा और सबसे विश्वसनीय ऑनलाइन स्टोर

amazon.in

अब AMAZON आपके पड़ोस में.

अपनी पसंद का मोबाइल
या आज का फैशन.
सब कुछ यहाँ मिलेगा.
आज ही जाइए.

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amazon.in

अब AMAZON आपके पड़ोस में.

घर के लिए इलेक्ट्रॉनिक सामान
या बच्चों के लिए खिलौने.
सब कुछ यहाँ मिलेगा.
आज ही जाइए.

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amazon.in

अब AMAZON आपके पड़ोस में.

घर के लिए डीवीडी प्लेयर
या अपने लिए नए जूते.
सब कुछ यहाँ मिलेगा.
आज ही जाइए.

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Marketing Campaign by Amazon near Vakrangee Kendra Outlets



Marketing Campaign on Rickshaw



Marketing Campaign on Mobile Van



Marketing Campaign on Moving Poster



Business Update – To Provide the Logistic Services through last mile delivery



Incorporate a Company, Vakrangee Logistics Private Limited, subsidiary of Vakrangee Limited to primarily provide logistic services such as last mile delivery to various business partners and business verticals.

Captive Business - To Support Amazon's Last Mile Delivery Logistics

To Leverage Company's Well Established Last Mile Infrastructure

Asset Light Model with Low Capex

Focussed Expansion through Franchise Route

Dividend Pay-Out Policy



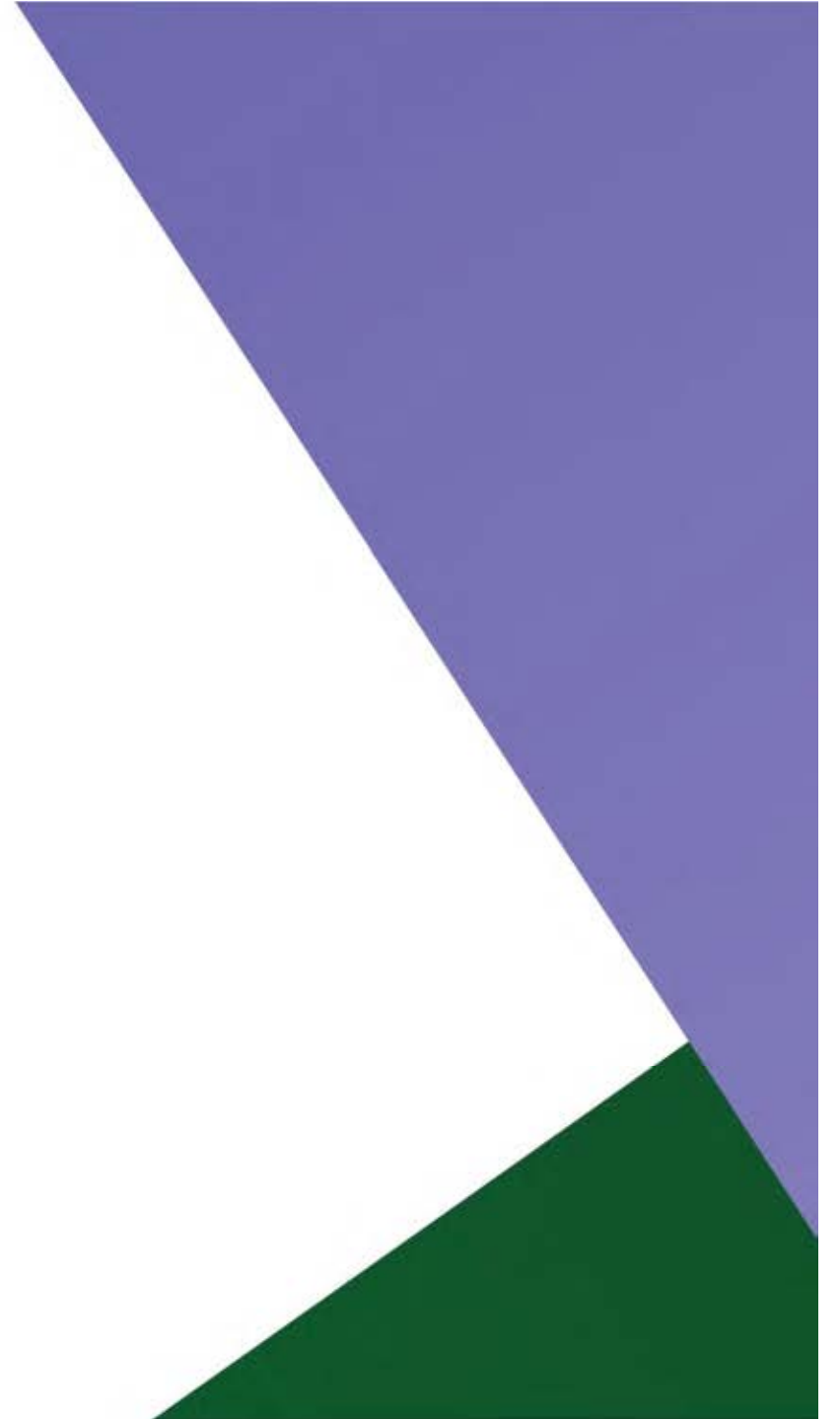
DIVIDEND PAY-OUT POLICY

- FROM FY2016-17 ONWARDS, THE BOARD HAS APPROVED TO MAINTAIN A DIVIDEND PAY-OUT IN THE RANGE OF 15%-25% OF PROFITS AFTER TAX (PAT) ON CONSOLIDATED FINANCIALS.

RATIONAL FOR DIVIDEND PAYOUT RANGE:

- The company stands committed to create sustainable shareholder wealth to all its shareholders. The company has agreed to distribute an optimal and appropriate level of the profits earned through its business to the shareholders, in the form of dividend.
- Historically the Dividend Payout for the last four fiscal years has been in the range of 4-10%.
- Company's Legacy Business (E-Governance vertical) has been Capex Intensive as well as Working Capital Intensive, thus limiting the Free Cash Flow generation.
- Going forward, the Company's plans to focus on Vakrange Kendra outlet Business which currently contributes ~50% of the Total Revenues.
- Vakrangee Kendra business has Low Capex requirement and Low Working Capital requirement.

Current Rollout Status

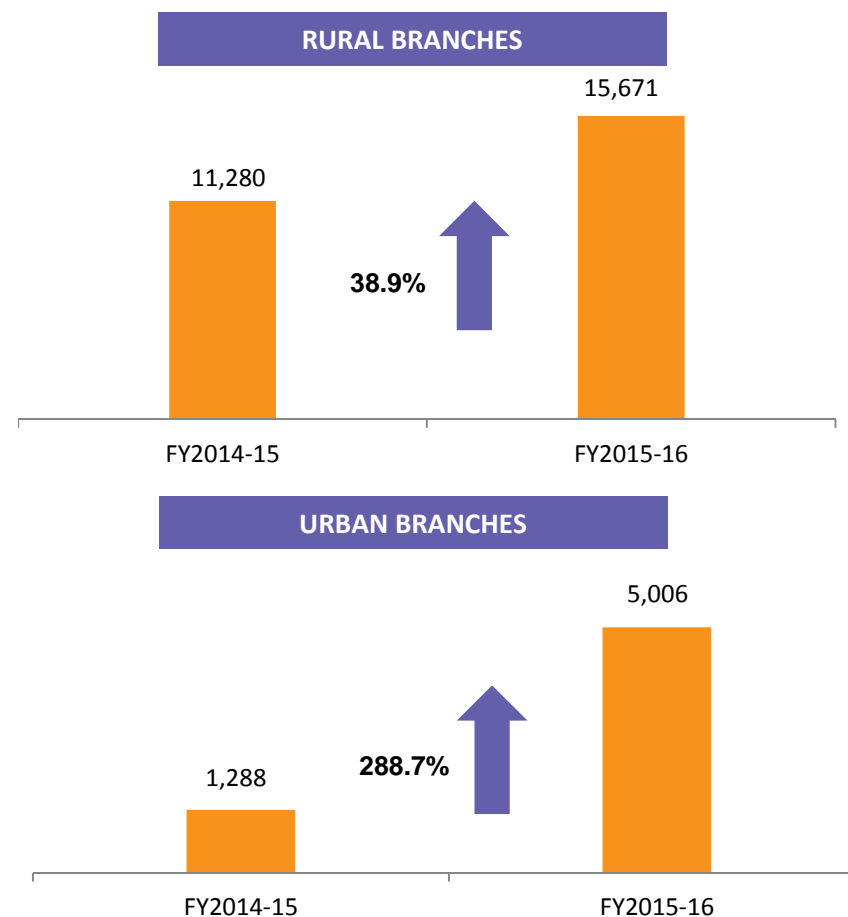


Vakrangee Kendra:

Rollout Status as on March 31, 2016



States	Rural Branches	Urban Branches	Total
Rajasthan	8066	2097	10163
Maharashtra	3285	1655	4940
Uttar Pradesh	3283	405	3688
Gujarat	178	179	357
Madhya Pradesh	526	289	815
Punjab	50	151	201
Haryana	82	82	164
Bihar	95	22	117
Chhattisgarh	40	22	62
Goa	19	9	28
Himachal Pradesh	8	5	13
Delhi	1	29	30
Orissa	18	40	58
Jharkhand	12	14	26
Uttarakhand	8	6	14
Chandigarh	0	1	1
TOTAL	15671	5006	20677

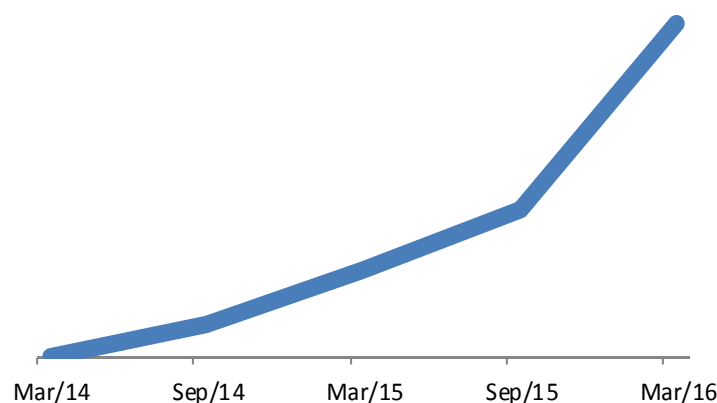


Vakrangee Kendra:

Strong Focus from Financial Inclusion to Financial Security

Quarter Ending	Urban Branches
Mar-14	15
Sep-14	478
Mar-15	1,288
Sep-15	2,217
Mar-16	5,006

Strong Ramp-up of Urban Branches



New Initiatives to promote Financial Security



Financial Insurance Push to the bottom of the pyramid

Post the launch of PMJDY by government there has been a strong push from the banks to expand their BC network not only in rural but also in urban areas

Hence there has been a strong ramp-up in urban branches from around 1,288 urban branches in Mar-15 to 5,006 branches by March-16

Vakrangee Kendra: Urban Branches in Mumbai



125 BRANCHES UP & RUNNING ACROSS MUMBAI

Airoli- (BOB)	Byculla-E (BOB)	Govandi-M/East	Koparkhairane-Vashi (BOB)	Ramdev Park Mira Road-Ward- (BOB)
Airoli-Airoli (BOB)	Chandivali Sangharsh Ngr.-L ((BOB)	Govandi-M/East (BOB)	Koparkhairane-Vashi (BOB)	Reay Road-E (UBI)
Andheri East-K/East (UBI)	Charkop Kandivali W-R/South (BOB)	Govandi-M/East (BOB)	Kural East-L (BOB)	Sagbaug Andheri East-K/East (BOB)
Andheri Ghatkopar Lnk Rd-L (UBI)	Charkop Kandivali W-R/South (UBI)	Govandi-M/East (SBI)	Kural East-L (BOB)	Saki Naka, Peninsula Grand-L (SBI)
Andheri East-K/East (UBI)	Chembur-M/East (BOI)	Govandi-M/East (SBI)	Kural East-L (CBI)	Saki Naka, Kurla West-L (154) (UBI)
Antop Hill-F/North (BOB)	Dahisar EastAmbawadi-R/North (BOB)	Hyper City Goregaon West-P/South (BOB)	Kurar Village Malad East-P/North (SBI UBI)	Sanpada Turbeh-Turbhe (BOB)
Antop Hill-F/North (BOI)	Dahisar East-R/North (BOB)	Irla, Vile Parle (W)-K/West (BOB)	Kurar Village, Malad East-P/North (BOB)	Sanpada-Turbhe (BOB)
Arey Colny, Goregaon E-P/South (SBI)	Deonar Govandi, Tata Nagar-M/East (BOB)	Jawahar Ngr, Goregaon W-P/South (BOB)	Kurla West-L (BOB)	Santacruz (East)-H/East (BOB)
Asalpha, Ghatkopar W-L (BOB)	Dharavi-G/North (BOB)	Jawahar Ngr, Goregaon W-P/South (BOB)	Kurla-L (SBI)	Santacruz (West)-H/West(BOB)
Asalpha, Ghatkopar W-L (BOI)	Dream Park Mira Road-Ward (BOB)	Jijamata Ngr, Worli-G/South (BOB)	Malad West-P/North (BOI)	SEEPZ, JVL R Andheri East-K/East (BOB)
Antop Hill-F/North (BOI)	Ghatkopar East-N (BOB)	JVL R Jogeshwari E-K/East (PNB)	Malad East-P/North (BOB)	Shiwdi (West)-F/South (196) (BOB)
Baiganwadi, Govandi-M/East (BOB)	Ghatkopar East-N (UBI)	Kamani, Kurla West-L (BOB)	Malvani, Malad-P/North ((BOI)	Sion Koliwada-F/North (SBI)
Bail Bazar, Kural West-L (CBI)	Ghatkopar West-L (156) (BOB)	Kamani, Kurla West-L (BOB)	Malvani, Malad-P/North (BOB)	Sion-G/North (BOB)
Bandra West-H/West (BOB)	Ghatkopar West-L (UBI)	Kandivali West-R/Sount	Mankhurd Mandala-M/East (BOB)	Thakur Cmplx Kandivali East-R/South (BOB)
Bandra West-H/West (SBI)	Ghatkopar West-N (BOB)	Kandivali West-R/South (BOB)	Mankhurd-M/East (BOB)	Vashi Naka Chembur-M/East (142) (BOB)
Barve Ngr. Ghatkopar West-N (BOB)	Ghatkopar West-N (BOB)	Kandivali West-R/South (BOI)	Mankhurd-M/East (SBI)	Vashi Naka Chembur-M/East (BOB)
BDD Chawl Worli-G/South (BOI)	Ghatkopar West-N (UBI)	Kandivali West-R/South (UBI)	Mankhurd-M/East (BOB)	Vashi Sector-26-Ghansoli (BOB)
Behrambagh Jogeshwari W-K/West (BOB)	Golibar, Santacruz (East)-H/East (SBI)	Kanjur Marg East-S (BOB)	Marol Maroshi-K/East (BOB)	Vashi-Vashi BOB)
Bhandup West-S (BOB)	Gopal Nagar, Worli-G/South (BOB)	Khar East-H/East (BOB)	MIDC Andheri East-K/East (BOB)	Vikroli West-S (BOB)
Bhandup West-S (SBI)	Goregaon East-P/South (SBI)	Khar West-H/West (SBI)	Mira Road-Ward (BOB)	Vikroli-N (BOB)
Bhayander East-Ward (BOB)	Goregaon East-P/North (ALB)	Kherani Road Saki Naka-L (BOB)	Mira Road-Ward (SBI)	Wadala-F/North (BOB)
Bhayander East-Ward (UBI)	Goregaon West-P/South (BOB)	Kherani Road Saki Naka-L (SBI)	Mira Road-Ward(BOB)	Wadala-F/North (BOB)
Bhayander East-Ward(BOI)	Goregaon West-P/South (BOB)	Kherwadi, Bandra East-H/East (SBI)	Navpada, Kurla West- (ALB)	Wadala-F/North (BOI)
Bhayander West (BOB)	Govandi, Shastri Nagar-M/East (BOB)	Kirol, Ghatkopar W-N (BOB)	Poonam SagarMira Road-Ward (BOB)	Worli Koliwada-G/South (SBI)
Bhayander West-Ward (UBI)	Govandi-M/East	Kokan Nagar, Jogeshwari E-K/East (BOB)	Ramabai Ngr. Ghatkopar (E)-N (BOB)	Yari Road, Versova-K/West (ALB)

Vakrangee Kendra:

STRATEGIC TIE UP WITH INDIAN OIL CORPORATION LIMITED FOR PAN INDIA



- Strategic tie-up with Indian Oil Corporation Limited (IOC), India's largest commercial enterprise for setting up Vakrangee Kendra at its retail outlets (distribution network).
- To set up Vakrangee Kendra in more than 25,000 IOC Retail Outlets (Filling/Gas Station) located in Pan India.
- **Tie up to drastically increase the customer touch points at the Vakrangee Kendra and ensure a boost in its core objective i.e. Financial Inclusion, Digital Inclusion, Social Inclusion, Employment Generation and Skill Development.**



Vakrangee Kendra:

LAUNCH OF VAKRANGEE KENDRA AT INDIAN OIL CORPORATION BANDRA, MUMBAI OUTLET



- Vakrangee Kendra shall be set up in all IOC Filling/Gas station located across India.
- Initially, 4 Vakrangee Kendra outlets are launch in Mumbai and 2 more in Rajasthan.

Photograph of Vakrangee Kendra at IOC Filling / Gas Station at Bandra, Mumbai

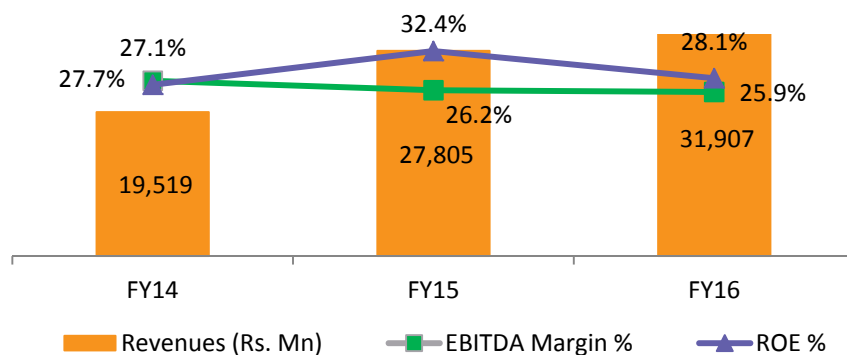


Financial Overview & Shareholding Structure

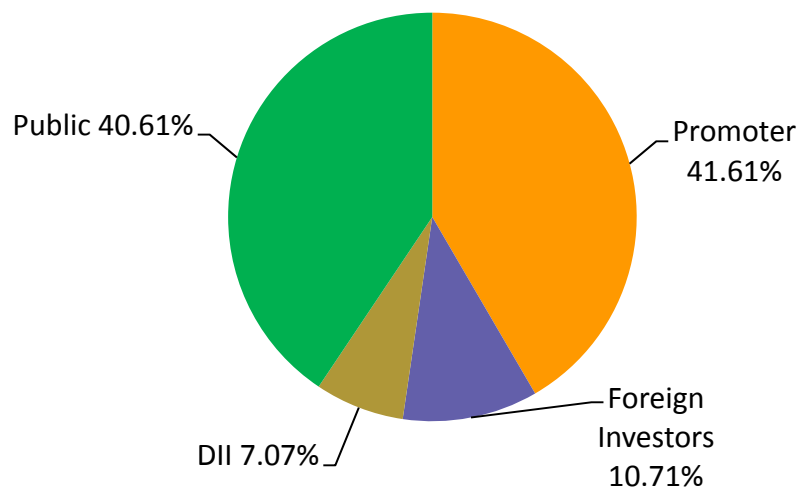
Financial Overview & Shareholding Structure



Last 3 Year Financials



Shareholding Pattern – April 30, 2016



As on 29.04.16 (BSE)

Market cap (Rs. Mn)	1,03,847.65
Price (Rs.)	196.25
No. of shares outstanding (Mn)	529.16
Face Value (Rs.)	1.00
52 wk High-Low (Rs.)	228.90/86.55

- Vakrangee has been classified in the Specialty Retail industry by Bombay Stock Exchange (BSE).
- Vakrangee is included in CNX 500 & BSE 200/500 & Mid-Cap Index and is also included in MSCI Global Small Cap Index.
- Vakrangee is also got included in Group 'A' stocks of BSE.
- Group A classification is based on qualitative factors - Corporate Governance, Compliance track record, Responsible/Sustainable Investment etc. and quantitative factors - market capitalisation, public share holding, floating stock, trading volume etc.

Company Overview

Business Evolution & Future Transformation



BUSINESS EVOLUTION (E-GOVERNANCE)

1990	Company Incorporation
1993	Computerisation of Central Election Commission
2005	MCA 21 Project - Ministry of Corporate Affairs
2007	1. Land Record Digitization in UP 2. RSBY (Smart Card Project) – UP, Haryana & Rajasthan
2009	Land Record Digitisation for Govt. of Philippines
2010	1. Passport Seva Kendra Project & CSC Project in Punjab 2. Sarva Shiksha Abhiyan
2011	1. UID Enrollments 2. UID linked Haryana PDS
2013	1. IGRS 2. National Population Register 3. CSC Project in Rajasthan

STRONG PROJECT EXECUTION CAPABILITIES

- Last mile infrastructure & grass root level footprint to deliver Mission Mode Projects at village level.
- Experience of on-ground complexities in rural regions – flexible timings, power & connectivity issues, manpower training.
- Expertise from data digitization to technology management.
- Deep understanding of rural consumer behavior and mindset.

BUSINESS TRANSFORMATION (VAKRANGEE KENDRA)

2013	Financial Inclusion Project – MoF & RBI
2014	WLA License – RBI
2015	Foray into E-Commerce
2016	1. Strategic tie-up with IOC 2. Insurance tie-up - Tata, Bajaj, Reliance and HDFC

VAKRANGEE KENDRA BUSINESS

EXPANSIVE DISTRIBUTION PLATFORM

OF 75,000 LAST MILE TOUCH POINTS

ACROSS INDIA BY 2020

PROVIDING ONE-STOP SHOP FOR

**AVAILING BANKING, INSURANCE, E-GOVERNANCE,
E-COMMERCE AND ATM SERVICES**

**VAKRANGEE'S BUSINESS IS FAST TRANSFORMING DRIVEN BY
THE RISING SHARE OF VAKRANGEE KENDRA BUSINESS**

VAKRANGEE KENDRA (% REVENUES)

FY14	FY15	FY16	FY20
39%	43%	53%	100%

Our Businesses



E-GOVERNANCE

Systems Integrator & End-to-End Services Provider

- More than 20 years of consistent execution experience.
- **Business Evolution:** Sub-contractor to Consortium Partner to Prime / Independent Bidder.
- **Current Projects: (under NeGP)**
 - UID - Unique Identification Project
 - SSA - Sarva Siksha Abhiyan
 - PDS - Public Distribution System
 - RSBY - Rashtriya Swasthya Bima Yojana
 - IGRS - Inspector General of Registration & Stamps
 - PMS / DMS - Electoral Data



VAKRANGEE KENDRA

Banking (Business Correspondent), Insurance, E-Governance, E-Commerce & ATM (WLA)

- Setup & manage 75,000 Vakrangee Kendra Outlets and covering the presence in 100% Pin code of India by 2020.
- **Banking:** Offering robust technology, real time, interoperability and paper less banking.
- **Insurance:** Corporate agent of Life Insurance Corporation of India (LIC); TATA AIG General Insurance Company Limited; Bajaj Allianz Life Insurance Company Limited; HDFC Standard Life Insurance Company Limited; Reliance General Insurance Company Limited and Provide Insurance Schemes under Atal Pension Yojna, Jeevan Jyoti Bima Yojna, Pradhan Mantri Suraksha Bima Yojna.
- **ATM:** RBI license to setup and manage 15,000 WLA across India.
- **E-Governance:** Offer various Government-to-Citizen services from Vakrangee Kendra.
- **E-Commerce:** Offer various Business-to-Customer services like mobile and DTH recharges and education. Alliance with various partners like Amazon India to facilitate sale of various products; Redbus for offering bus ticketing services; Ricoh India for offering Manager Print Services (MPS) and Mahindra for promoting and booking automobile products using the last-mile distribution network of Vakrangee Kendra outlets.



Business Transformation –

Unique Opportunity, Expansive Growth Potential



UNIQUE CAPABILITIES

- **Robust Technology** - seamless real-time VSAT connectivity (transaction time < 45 sec) and backend integration with banks' CBS, e-Commerce & e-Governance partner systems.
- **Real-time Interoperability** with CBS of various banks.
- **Biometric authentication** at Vakrangee Kendra & White Label ATM (first time across the globe), requiring no paperwork / card-handling.
- **Deep understanding of rural India** from grass root level execution experience.

UNIQUE OPPORTUNITIES

- **Financial Inclusion** - i) underpenetrated banking access with only 35.2% bank accounts per population, ii) underpenetrated ATM market with only 112 ATMs per million of population.
- **Government Initiative "Jan Dhan Yojana"** - To provide at least 1 bank account per household.
- **Digital India Programme - Rs. 1.13 Trillion** - New CSC establishment across India, E-health at Panchayat Health Community Centers, E-education at Panchayat schools, etc.
- **"Common BC" & "National BC" agreements** with banks to open 75,000 by 2020 BC bank branches.
- **RBI WLA license** to setup & manage minimum 15,000 WLA across India.
- **Alliance with Amazon India, Redbus; Ricoh India and Mahindra for E-Commerce product and services.**
- **Corporate agency tie-up** with Life Insurance Corporation of India (LIC); TATA AIG General Insurance Company Limited; Bajaj Allianz Life Insurance Company Limited; HDFC Standard Life Insurance Company Limited and Reliance General Insurance Company Limited for Insurance product and services.

EXPANSIVE GROWTH POTENTIAL

Access to more than 250 mn potential customers across underserved rural and urban India

- **Exclusivity** - i) Exclusive BC in SSA under Financial Inclusion Project, ii) Government empanelled agency to offer e-Governance services, iii) key E-Commerce partner alliances with Amazon India.
- **Operational Scalability** - Entire execution through the **asset light franchise model** requiring minimal capex and working capital.
- **Economies of Scale & Scope** - Long Term Growth using the network to offer wide range of services and products to more than **250 mn potential customers across underserved rural and urban India.**

SSA: Sub-service Area with minimum 1000 households or 5000 population

Vakrangee Kendra – Business



Financial Inclusion Opportunity: India is Still Largely Under-Banked

SIGNIFICANT UNDER-PENETRATION OF FINANCIAL SERVICES IN INDIA

- India is still largely under-banked, with only 35.2% of population having bank accounts.
- There are only 11.4 bank branches per 100k population in India, of which only 30% are located in rural areas.
- Around 70% of population lives in rural areas, of which 46% does not have banking access. Further, even in urban areas ~32% population does not have banking access.

STRONG GOVERNMENT FOCUS ON FINANCIAL INCLUSION IN INDIA

- The current government has taken cognizance of the banking access problem in India, and has launched a comprehensive financial inclusion initiative – “Pradhan Mantri Jan Dhan Yojana”
- This initiative aims to ensure at least one bank account per household, followed by rollout of various financial services like bank overdraft, insurance and pension schemes.
- **Vakrangee is at forefront to leverage this growth opportunity and is set to become one of the leading players in implementation of financial inclusion in India.**
- **Vakrangee has signed Common BC and National BC agreements with various banks under the financial inclusion initiative.**

Vakrangee Kendra: Scope of Services



Technology Intensive Retail Distribution Platform for last mile touch points delivering services across Banking, Insurance, e-Governance, e-Commerce and ATM services to domains on a real-time basis to potential 250 mn customers across underserved rural and urban India

VAKRANGEE KENDRA

• Vakrangee has been appointed as **Business Correspondent (BC)** by various banks under the “**Common BC**” and “**National BC**” agreements, with a contract period of 5 + 2 years.

• Vakrangee will set up & manage 75,000 by 2020 Vakrangee Kendra across India

• Vakrangee will act as an **Exclusive BC to banks** in any allocated SSA – Sub Service Area (catchment area with minimum 1,000-1,500 households or 5,000 population).

• Further, in addition to Banking services, Vakrangee Kendra is allowed to also offer various e-Governance, Insurance and e-Commerce services & products.



BANKING	INSURANCE	ATM	E-Governance	E-Commerce
<ul style="list-style-type: none"> Bank A/C Opening - Savings, Current, SHG etc. Cash Deposits, Withdrawals, Money Transfer. Fixed/ Recurring Deposits. Retail Loans. Balance Enquiry, Statement of Accounts Disbursement of money under Direct Benefit Transfer Pension Disbursement. 	<ul style="list-style-type: none"> Life / Non Life, Health Insurance. Insurance schemes under Atal Pension Yojna, Jeevan Jyoti Bima Yojna & Pradhan Mantri Suraksha Bima Yojna. Corporate agency tie-up with TATA AIG General Insurance Company to distribute quality General Insurance product and with Bajaj Allianz Life Insurance Company Limited; HDFC Standard Life Insurance Company Limited to distribute Life Insurance product and with Reliance General Insurance Company Limited to distribute general Insurance product 	<ul style="list-style-type: none"> Real time cash withdrawals from all banks through WLA (White Label ATM). Balance Inquiry / Statement printing. Co-located ATM in urban/semi-urban branches to cater to holistic banking needs of customers while optimizing cost of operations. 	<ul style="list-style-type: none"> Enrolments-UID Card, NREGA job Card, Election Card Land Record Digitization, Electoral Rolls Payment of Utility Bills, Taxes, Levies Railway Tickets, Certificates, Hall tickets Exam Fee Payments. Online Form Filling. Partnered with MMPL for rendering bill payment collection solution 	<ul style="list-style-type: none"> Telecom - Mobile recharge DTH service - Recharge, bill payments Education Alliance with Amazon India to facilitate sale of products. Alliance with Redbus for offering bus ticketing services. Alliance with Ricoh India to facilities Managed Print Services (MPS) through deploying Multi Functional Printers. Alliance with “Mahindra eMarket Limited”, a subsidiary of M&M, for promoting and booking automobile products

Vakrangee Kendra: BC Agreements with Banks



National BC Agreements

Sr No	Bank Tie-Ups
1	Bank of India
2	Punjab National Bank
3	Union Bank of India
4	Allahabad Bank
5	State Bank of India
6	Bank of Baroda
7	Baroda Gujarat Gramin Bank
8	Baroda Uttar Pradesh Gramin Bank

BC Bank branches to be opened under Common BC and National BC Agreements with public sector banks

Common BC Agreements

Sr No	Bank Tie-Ups
1	Bank of Baroda
2	Bank of India
3	Baroda Rajasthan Gramin Bank
4	Indian Bank
5	Indian Overseas Bank
6	Jaipur The Gramin Bank
7	Oriental Bank of Commerce
8	Punjab National Bank
9	Rajasthan Gramin Bank
10	Union Bank of India
11	UCO Bank
12	Vijaya Bank
13	State Bank of Bikaner & Jaipur
14	Bank Of Maharashtra
15	Dena Bank
16	Syndicate Bank
17	Canara Bank
18	Allahabad Bank
19	Andhra Bank
20	Corporation Bank
21	Punjab & Sind Bank
22	Central Bank of India
23	Hadoti Kshetriya Gramin bank
24	Marwar Ganganagar Bikaner Gramin Bank
25	State Bank of India
26	United Bank of India
27	Maharashtra Gramin Bank (MGB)
28	State Bank of Hyderabad (SBH)
29	Vidarbha Kshetriya Gramin Bank
30	Waiganga Krishna Gramin Bank
31	IDBI bank

Vakrangee Kendra: Key Business Alliances



Banking



E-Governance



INSURANCE



E-COMMERCE



Vakrangee Kendra: Business Model



OPERATING MODEL

- All the Vakrangee Kendras operate on **FRANCHISEE MODEL**.
- Franchisee manages day-to-day operations.
- All operational costs are borne by the Franchisee.
- Vakrangee is responsible for project management, quality assurance on behalf of clients, infrastructure set up, Franchisee training and access to new services & content at the Vakrangee Kendra.

REVENUE MODEL (Revenue shared between Franchisee & Vakrangee)

Fixed Revenue Stream

- Banking - Fixed monthly remuneration from banks .

Variable Revenue Stream - Transaction fee earned from banks, E-Governance, Insurance, E-Commerce and ATM services

- One Time Transactions - E.g. Account Opening, UID generation.
- On Going Transactions - E.g. Banking, UID Updation (Deposit/Withdrawal/remittances), e-Governance (utility bills), e-Commerce (mobile & DTH recharges and sale of products), Insurance and ATM (Financial and Non financial transactions)

EVOLVED BC MODEL BENEFITS

Exclusive Brick & Mortar BC per Sales Service Area(SSA)

Real-time & Interoperable banking

Biometric Authentication enabling paper less banking, providing cost efficiency and ease of use

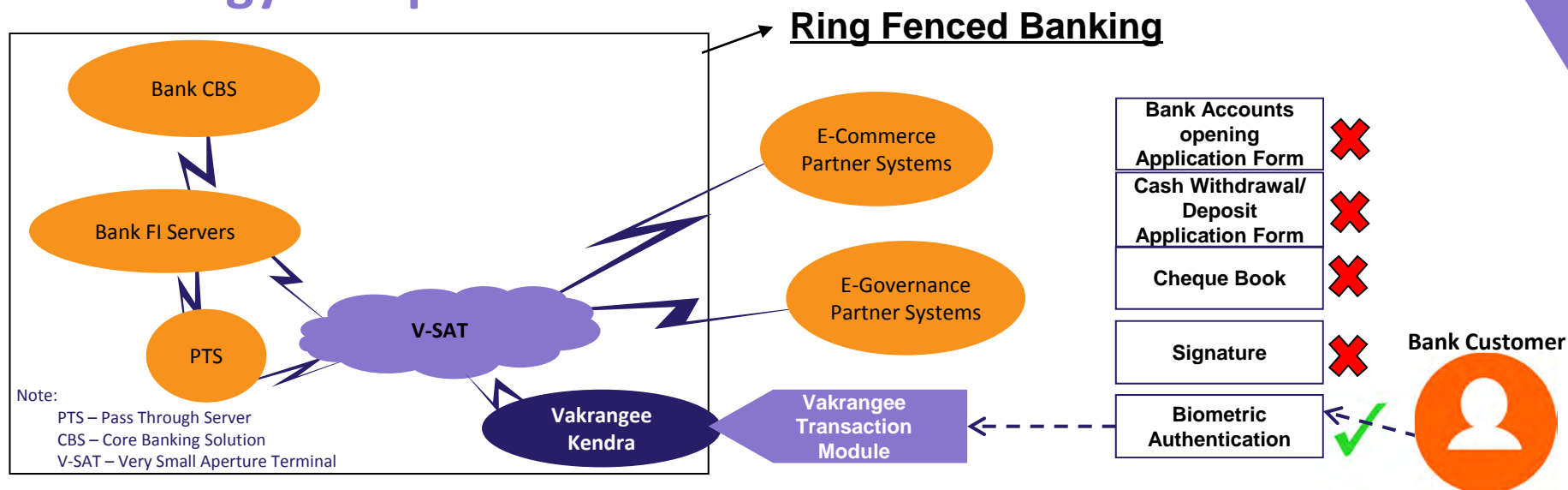
Parent bank brand display enhances trust

Locals manning at each branch enhances customer trust

Economies of Scope from other value added services (E-Governance & E-Commerce services)

Franchise mode of operations resulting in minimal capex and working capital requirement from Vakrangee

Vakrangee Kendra: Technology Setup



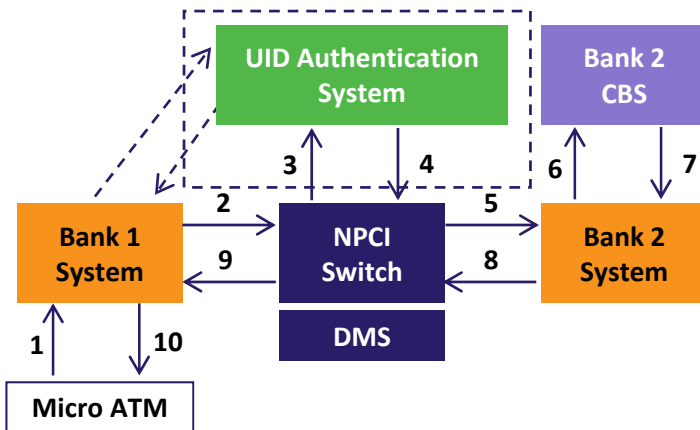
Technology	Internet Connectivity
<ul style="list-style-type: none"> Technology platform integrated with CBS of various banks, delivering real-time & interoperable banking access. Biometric authentication enabling quick KYC and paper less banking. Backend integration with various E-Governance and E-Commerce partner systems. Technical resources at district level trained to handle day-to-day IT glitches and troubleshooting. 	<ul style="list-style-type: none"> Seamless connectivity Designed to operate 4 hours on battery backup in case of power failure
	Power Supply
	<ul style="list-style-type: none"> Diesel + LPG Gas based DG Sets/ UPS
	Security Specifications
	<ul style="list-style-type: none"> Defined User Policy -Authentication required for each and every user of the server; Secured and safe transactions SSL Certification, licenses digital certificate Quarterly security audit including vulnerability and penetration testing Information security audit by link bank before go-live certificate

Vakrangee Kendra: Banking Transaction – Process Flow

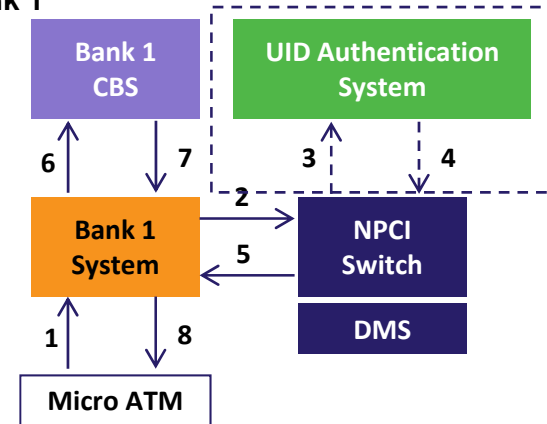


Transaction flow for AEPS balance enquiry/cash deposit/withdrawal

OFF US: Interoperable - Vakrangee Kendra - Bank 1, Customer - Bank 2



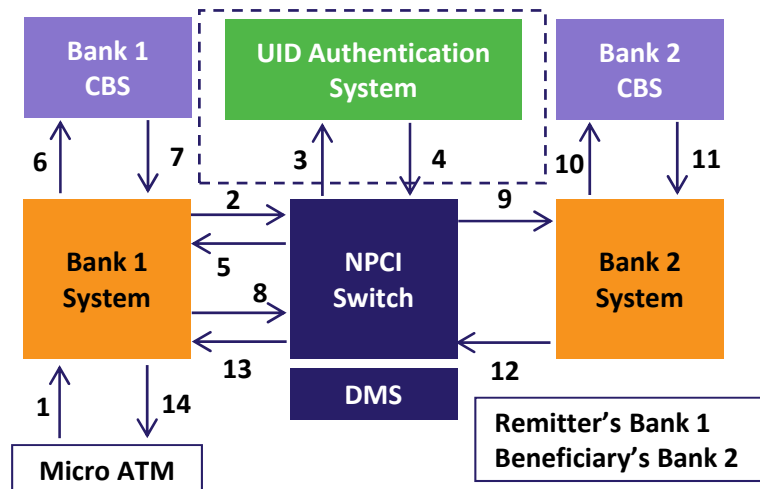
ON US: Vakrangee Kendra - Bank 1, Customer - Bank 1



In case of
AEPS
transaction

Note: AEPS – Aadhaar Enabled
Payment System

Transaction flow for AEPS Fund Transfer



Vakrangee Kendra: Risk-Free Banking by Pre-Paid Deposit in the Settlement Account



REAL-TIME SETTLEMENT WITHOUT ANY RECONCILIATION ERROR RISK AND CASH MISAPPROPRIATION RISK

- Each Vakrangee Kendra Franchisee is required to maintain a current settlement account with the parent bank.
- This current settlement account of Franchisee is used for real-time settlement of the cash withdrawal/deposit transactions.
- At any time, the deposit accepted at any Vakrangee Kendra cannot exceed the deposit lying in the settlement account.

	Customer's Savings A/C	Franchisee Settlement A/C	Franchisee Cash in Hand
Initial A/C Balance	---> Rs 50,000	Rs 50,000	Rs 50,000
Cash Deposit Rs 10,000	---> Credit Rs 10,000	Debit Rs 10,000	+ Rs 10,000
Cash Withdrawal Rs 20,000	---> Debit Rs 20,000	Credit Rs 20,000	- Rs 20,000
Final A/C Balance	---> Rs 40,000	Rs 60,000	Rs 40,000

- When Franchisee receives cash deposit from customer, Franchisee's settlement A/C gets debited and customer's A/C gets credited.
- When Franchisee provides cash for withdrawal to customer, Franchisee's settlement A/C gets credited and customer's A/C gets debited.
- Thus cash in hand of Franchisee becomes his own cash, and neither the customer nor the bank is at risk of any cash misappropriation.

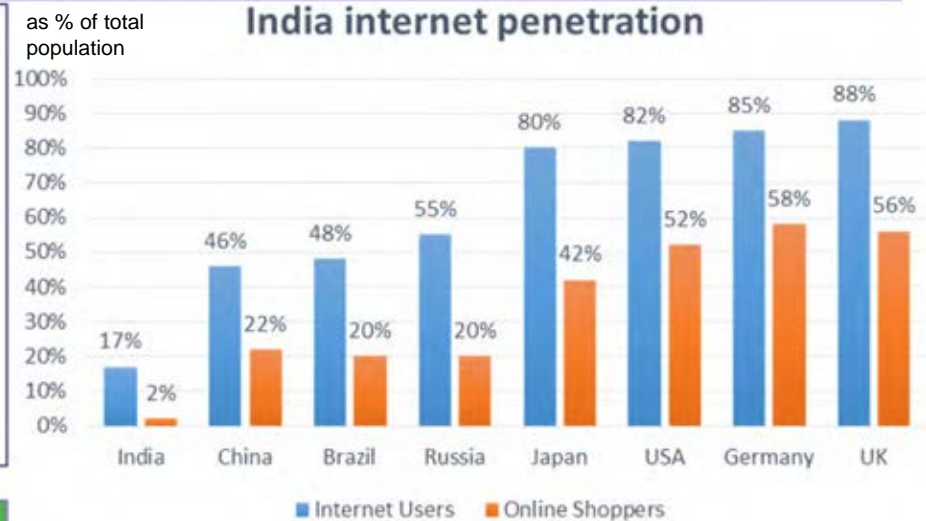
Vakrangee Kendra – E-Commerce

E-Commerce Opportunity: India to be the fastest growing Market



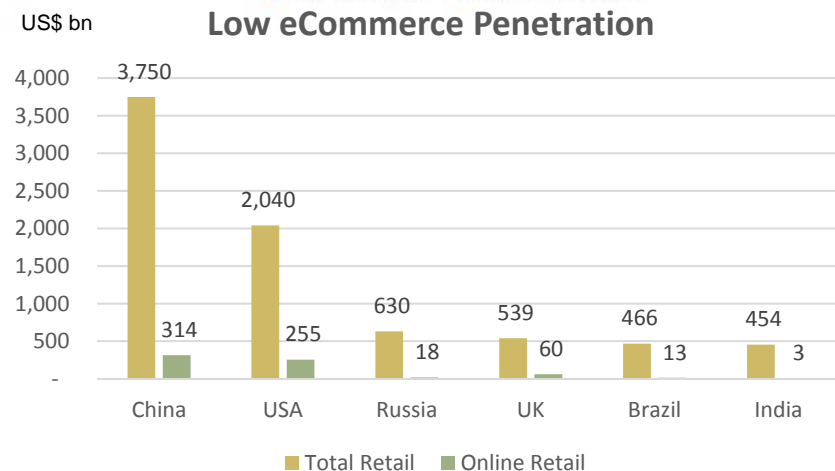
E-COMMERCE PENETRATION IN INDIA

- India, has low internet penetration of 17% of the total population in comparison to 46% in China and more than 80% in Japan and US
- The adoption of E-Commerce is directly tied to this internet penetration
- Vakrangee Kendras are equipped with un-interrupted connectivity even at the most rural locations, regularly conducting real-time banking transactions



VAKRANGEE E-COMMERCE STRATEGY

- Vakrangee Kendras are a hub for availing a bouquet of real-time services in a secure manner
- The footfalls for various services would translate into awareness and marketing of allied Marketplace
- Handholding to ensure trust and adoption of Marketplace is greatly achieved at Kendras
- Penetration in under served markets across most populous states while allowing Cash on Delivery



E-Commerce: Amazon India Tie-up

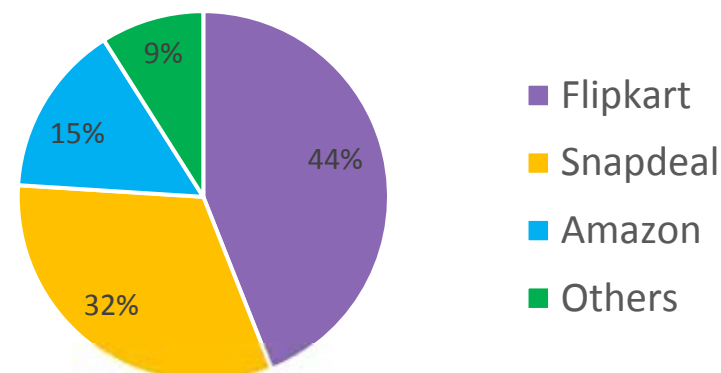
MARKET SHARE AMONG E-COMMERCE SPACE

- Amazon has acquired 15% market share within 2 years after starting its ecommerce operations in India (June 2013)
- Amazon India had **23.6 million unique visitors** in May, edging past Flipkart narrowly. Flipkart saw 23.5 million unique visitors, Snapdeal had 17.9 million in May this year
- Amazon has seen **142% jump** in number of unique monthly visitors on Y/Y basis

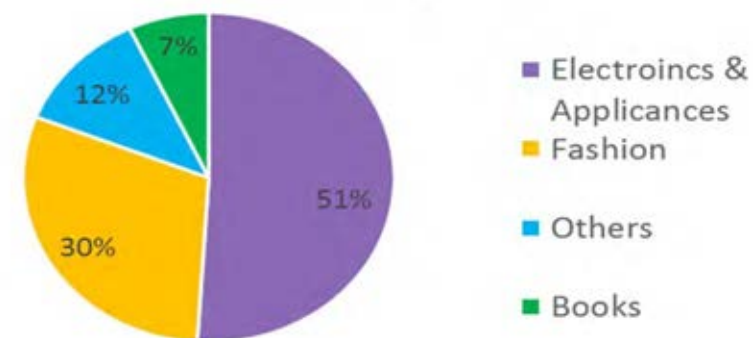
VAKRANGEE and AMAZON E-COMMERCE STRATEGY

- Amazon's is now seen to be the biggest online store in India with more than **25 million products** for sale
- Amazon has 2.5 million cubic feet of warehouse space in 11 fulfillment centers across 9 Indian states, where 700,000 distinct items are stored
- Vakrangee shall provide marketing, promotional and pick up services to Amazon through the "Vakrangee Kendras"

Market Share



Category Break-up



Vakrangee Kendra – White Label ATM

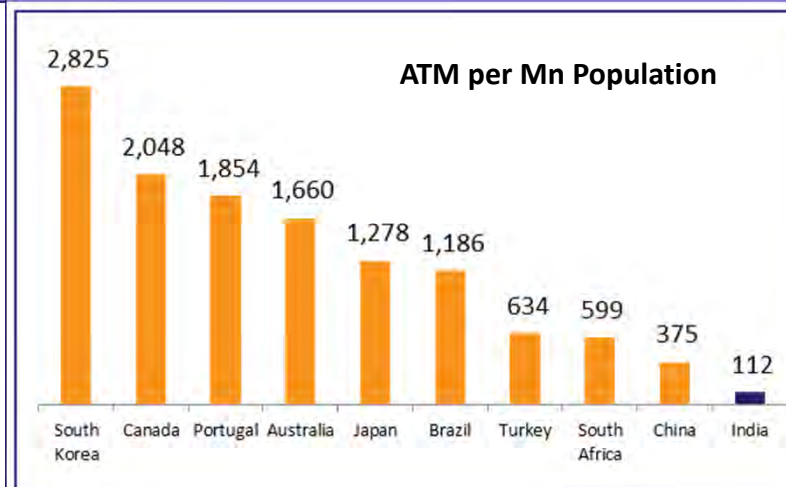


ATM Opportunity: India has One of the Lowest ATM Penetration



ATM PENETRATION IN INDIA: ONE OF THE LOWEST

- There is huge opportunity for ATM growth through the white label model.
- As Per NPCI - No of. ATMs as on Jan'16 is 216,000 ATMs and as per RBI the total no. of ATMs as on Nov '15 is 192,208 ATMs It is expected to cross 350,000 ATMs by 2017 in India.
- RBI WLA license to Vakrangee –
 - Set up minimum of 15,000 WLAs
 - Maintain rural and semi urban (Tier III to VI) to urban (Tier I & II) ratio of 2:1 (incl. minimum of 10% to be set up in Tier V & VI)



VAKRANGEE WLA STRATEGY

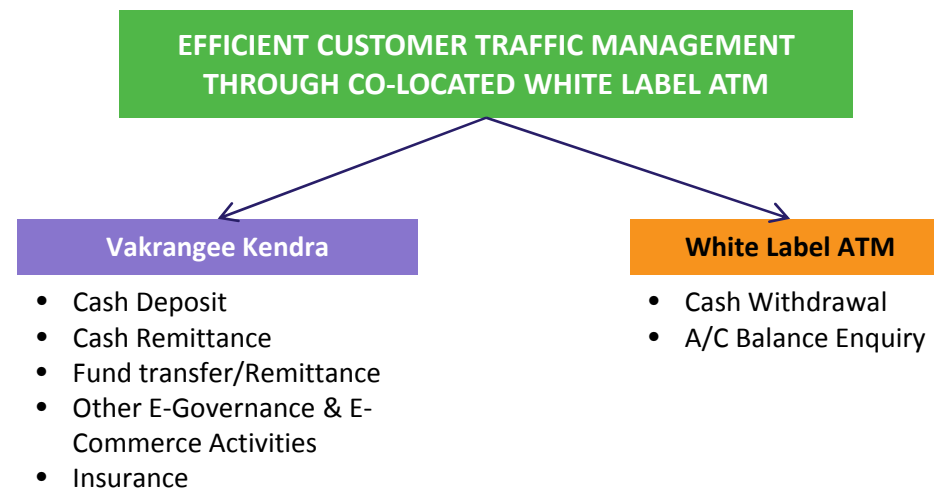
- Co-located WLA annexed to urban Vakrangee Kendra to exploit revenue and cost synergies.
- AEPS / Biometric authentication to provide flexibility of accessing ATM either through fingerprint or bank card.
- Co-located urban branch will help in building the account / card base, thus improving the viability of WLA.
- Combination of owned model and franchisee model for the WLAs.
- Derive revenue from financial (Rs 15) & non financial (Rs 5) transactions, OOH advertisements and value added services.

Efficient Customer Traffic Management with Co-located WLA



FINANCIAL INCLUSION IS A MAJOR PROBLEM EVEN IN URBAN INDIA

- Around 32% of urban households do not have formal banking access.
- According to the 2011 study by Analysys Mason, a global think tank, the total transaction value of domestic remittances in India stood at around Rs 794 bn in 2010 (80% directed from urban to rural India) and was expected to cross Rs 1,000 bn by 2014, growing at 12% CAGR.
- Further, significant amount of remittances, especially by migrant population (with no bank account) happen through unorganised route.
- **Thus, the overall banking transaction activity at urban Vakrangee Kendra can be significantly higher compared to rural Vakrangee Kendra.**



In India, ATMs are currently permitted by RBI to only allow cash withdrawals and A/C balance enquiries

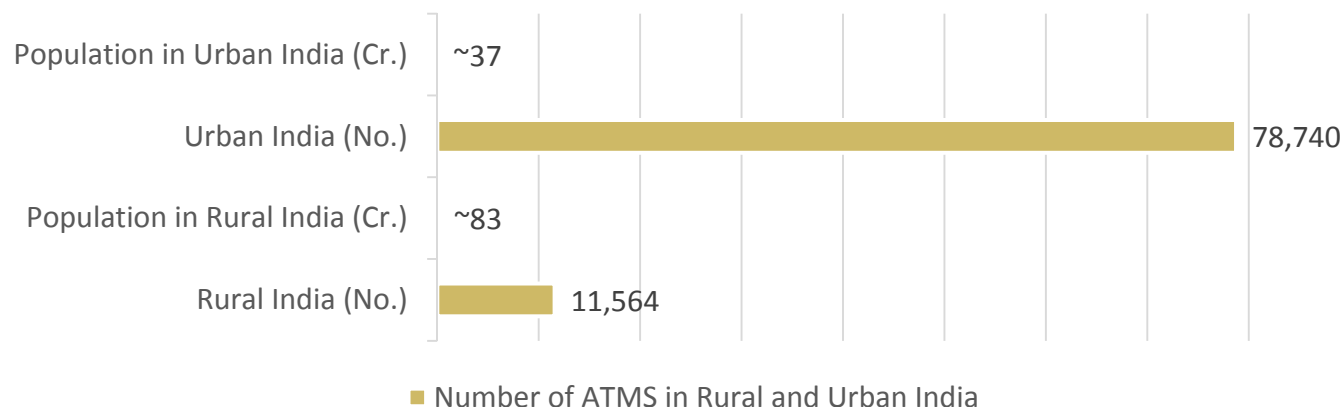
ATM Opportunity in Rural India: Manned Micro ATM



ATM PENETRATION IN INDIA: ONE OF THE LOWEST

Number of ATMS in Rural and Urban India

There is huge opportunity for ATM growth through the Manned Micro ATM



VAKRANGEE Micro ATM STRATEGY

- Micro ATMs are cost effective instruments that are used for electronic money transactions. Due to their cost effectiveness, portability and mobility, they can be penetrated to the last mile of the country to ensure financial inclusion at all the levels of the society.
- Co-located urban branch will help in building the account / card base, thus improving the viability of Micro ATM, the person sitting at the Vakrangee Kendra will provide the money to the customer on swipping the card..
- The Micro ATM as a White Label ATM is a perfect strategic fit to Vakrangee's current business of the BC business as Vakrangee Kendra is able to deliver banking plus ATM services under one roof fulfilling the pent up demand for banking and ATM service in India.
- The deployment of ATMs by us in these Vakrangee Kendra Outlets in beyond locations has not only enhanced larger footfalls for more value added services for the rural citizens but also increased the cost advantage of running the ATM alongside the Banking facilities for achieving Financial Inclusion in Rural India.

Vakrangee Kendra: White Label ATM – Comparative Analysis



ATM OPERATING COSTS	PEERS	VAKRANGEE
Rent Expense	✓	✗
Civil Work & Interiors	✓	✗
VSAT	✓	✗
ATM	✓	✓
Cash Management	✓	✓
ATM Operational Costs	✓	✓
Security Guards	✓	✗

COMPETITIVE ADVANTAGES URBAN BRANCH + ATM MODEL

COST SYNERGIES

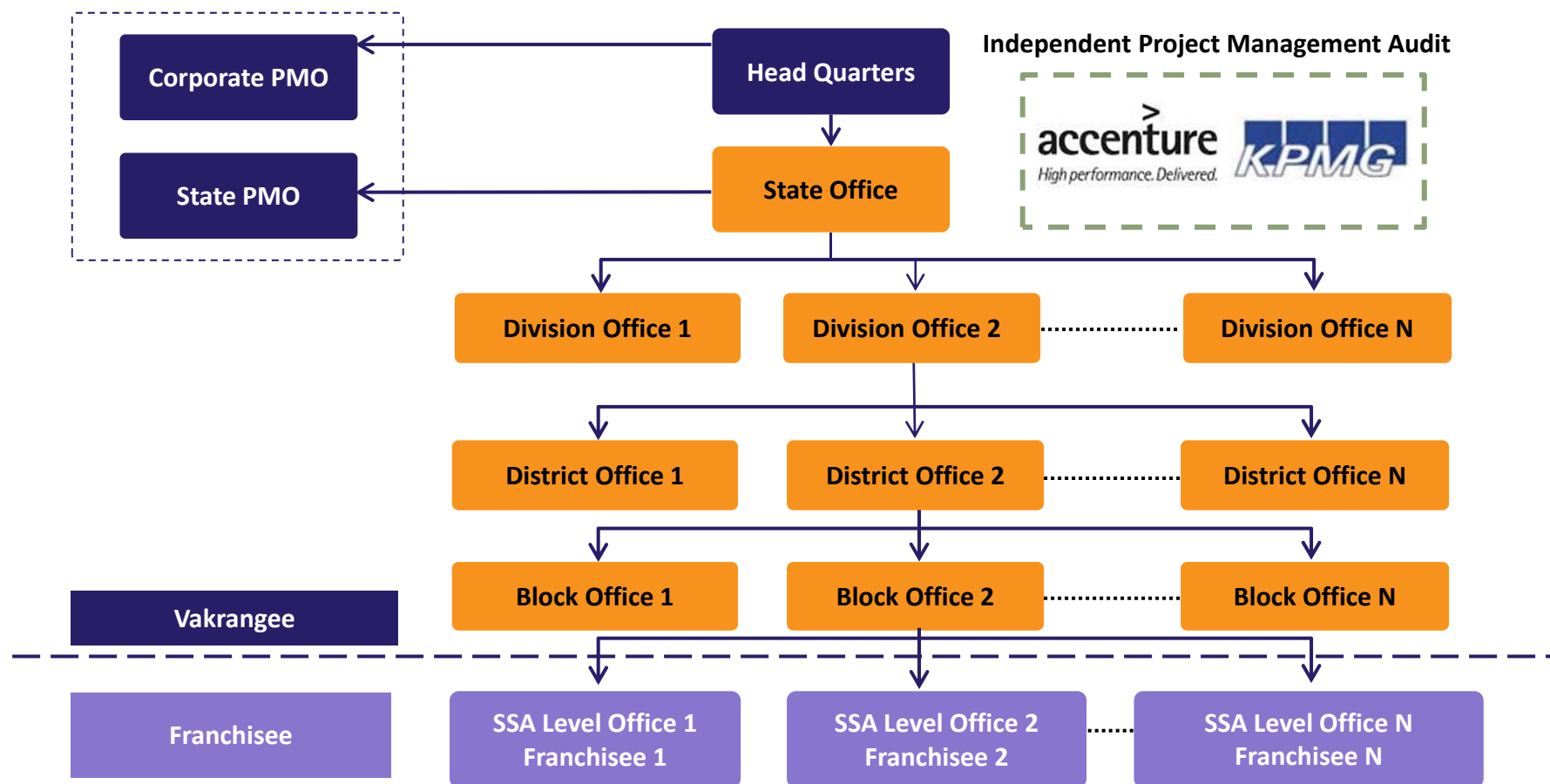
- No requirement of security guard as the ATM is located inside the urban BC branch
- Sharing of Civil Work, VSAT, Rent and Electricity expenses.

REVENUE SYNERGIES

- Urban BC branch helps create account/card base, thus resulting in faster ramp-up in transaction intensity at WLA.
- WLA benefits from urban BC branch customer footfalls.

**VAKRANGEE'S WLA ACHIEVES BREAK-EVEN AT ONLY
35-45 TRANSACTIONS/DAY COMPARED TO 100-120
TRANSACTIONS/DAY REQUIRED FOR COMPETITORS**

Vakrangee Kendra: Well Established Last Mile Infrastructure



Vakrangee requires minimal additional human resources for incremental setup of Vakrangee Kendras through franchise route

E-Governance Projects

E-Governance Projects



Vakrangee undertakes only **Mission Mode Projects under the National E-Governance Plan (NEGP)** which continue to be **implemented regardless of the changing political parties and bureaucrats.**

There is **strict compliance** in the NEGP project tendering process, which is **governed by the World Bank Procurement Standards**, and takes place through **E-Procurement Auction** without any human intervention.

Current E-Governance Projects under Implementation

UID (Unique Identification Project)	<ul style="list-style-type: none"> • Issue UID to all residents, which shall help in efficient delivery of all government benefit schemes. • Vakrangee is one of the leading enrolment agencies empanelled with UIDAI on pan India basis under highest T3F4 category. • Services include deployment of UID Client software, capturing demographic & biometric data of residents and setup data center for storing data.
SSA Sarva Shiksha Abhiyan	<ul style="list-style-type: none"> • Provide universal access to elementary education for children between the ages of 6 and 14. • Services include distribution of books for children and setting up computer aided learning systems in schools.
PDS Public Distribution System	<ul style="list-style-type: none"> • Implement Biometric Smart Card based PDS in Haryana through computerization of PDS scheme. • Services include procurement, commissioning & maintenance of IT and Smart Card infrastructure, installation & operation of ~9,300 Smart Card POS Terminals, networking & connectivity across sites, development of software for POS, data digitization, Smart Card personalization & printing and setting up call centre for technical support.
RSBY Rashtriya Swasthya Bima Yojana	<ul style="list-style-type: none"> • Provide Health Insurance Scheme for Below Poverty Line (BPL) families. • Services include collection of biometric data from different villages, centre management, system integration, issue & renewal of Smart Cards and printing of RSBY booklets.
IGRS Inspector General of Registration & Stamps	<ul style="list-style-type: none"> • Computerize the process of registration of documents and recovery of stamp duty as per the Indian Stamp Act. • Services include computerized registration of marriages, societies, firms, non trading companies, etc.
PMS / DMS Computerisation of Election Commission	<ul style="list-style-type: none"> • Generated election voter ID cards and managed citizen facilitation centers across Maharashtra, Rajasthan, Gujarat and UP. • Completed collection of electoral roll data across 38,450 gram panchayats in UP. • Scope of services includes – i) Design Multi-lingual software, ii) Publish Draft List in local language & English twice in a year, iii) Provide updated List to Electoral Commission to update central database, iv) Print and distribute Voters Slip for political parties.

Directors & Leadership Team

Independent / Nominee Directors on the Board



Strong Board of Directors

	RAMESH M. JOSHI <i>Non Executive Independent Director</i>	<ul style="list-style-type: none"> Has about 40 years of business experience in the banking industry. Has worked with RBI for over 3 decades and a former ED of SEBI Holds a Bachelor's degree in Arts from the University of Nagpur and a Bachelor's degree in Law from the University of Nagpur.
	SUNIL AGARWAL <i>Non Executive Independent Director</i>	<ul style="list-style-type: none"> 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 <i>Non Executive Independent Director</i>	<ul style="list-style-type: none"> 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
	AVINASH VYAS <i>Additional Director (Independent)</i>	<ul style="list-style-type: none"> 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.
	T. SITHARTHAN <i>Nominee Director (Independent)</i>	<ul style="list-style-type: none"> Nominee Director (representing the Life Insurance Corporation of India) of our Company. Holds a Bachelor's degree in Law from the University of Madras and a Master's degree in Sociology from Annamalai University.
	SUJATA CHATTOPADHYAY <i>Additional Director (Independent)</i>	<ul style="list-style-type: none"> 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.

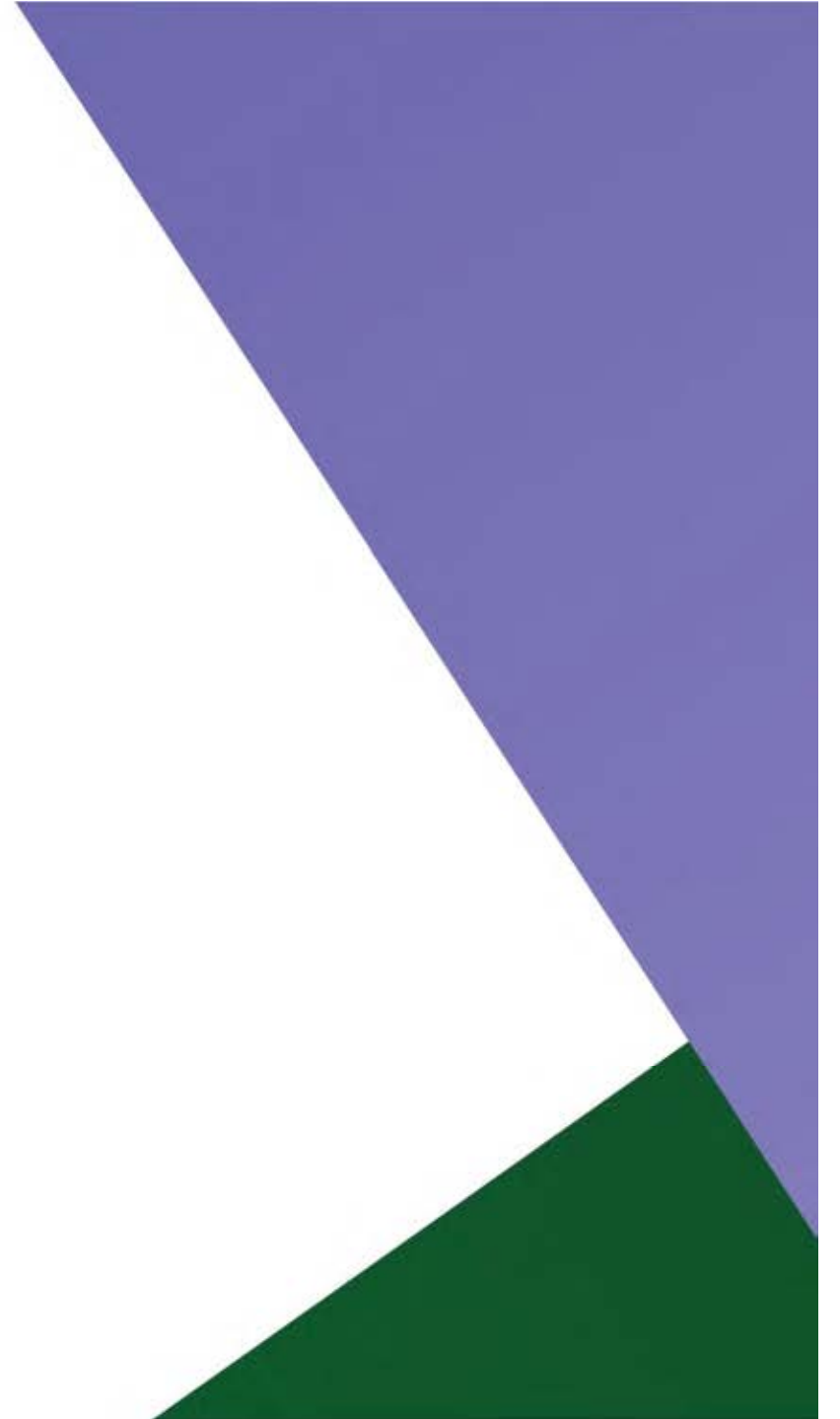
Leadership Team



STRONG MANAGEMENT TEAM IN PLACE TO DRIVE NEXT PHASE OF GROWTH ACROSS ALL BUSINESSES

	DINESH NANDWANA Managing Director and CEO	<ul style="list-style-type: none"> Has about 25 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.
	SUMIT JAIN CEO - eCommerce	<ul style="list-style-type: none"> Mr. Sumit Jain joined Vakrangee as Sr. Vice President and is heading the eCommerce vertical. He joined Vakrangee Limited from Barclays. Prior to Barclays, he worked with Credit Suisse and Intel Corporation in USA for over a span of 6 years. Holds a MBA Degree from Stern School of Business at New York University and has completed B. Tech degree in Computer Science from Indian institute of Technology (IIT) Bombay.
	RAJEEV RANJAN CEO - eGovernance	<ul style="list-style-type: none"> Mr. Rajeev Ranjan was a former Chief Executive Officer, with Vakrangee e-Solutions INC. at Manila, Philippines, he has led 8500 strong team of professionals and technical resources to deliver world-class and high-quality Land Registration project for Government of Philippines. Mr. Ranjan is a Post-graduate and former Tata group senior executive, having vast experience with excellent record of delivering simultaneous National level, large scale and mission-critical projects, on time and within budget.
	RAHUL DEV PAL CEO – Banking Business	<ul style="list-style-type: none"> Mr. Rahul Dev Pal an economics graduate with a rich experience of almost 26 years in the field of sales and marketing. He has an in-depth knowledge of the banking segment and from the very beginning of his career, he has dealt with different Government departments and has done a lot of work in the BFSI segment. Starting his career with HCL he worked with companies like Xerox, Pertech Computers , BPL and Godrej. His last assignment in Godrej was as a National Head.
	NITIN SHARMA CEO – ATM Business	<ul style="list-style-type: none"> Mr. Nitin Sharma is a competent professional with over 17 years of cross-cultural experience in Operations, Implementation, Retail and Project Management. Former to this, during the period 2009-12, he worked as a Chief Operational Officer with Vakrangee's Foreign Subsidiary Vakrangee e-Solutions INC., Manila, Philippines. He holds an Executive MBA Degree from IIM Kolkata and Masters in Operations, IR and Social Work from Premier Institute, Udaipur.
	DR NISHIKANT HAYATNAGARKAR Director – R&D	<ul style="list-style-type: none"> Has about 24 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

Annexure



Financial Inclusion

Evolution of Financial Inclusion Models in India



2004	<ul style="list-style-type: none"> RBI sets up Khan Commission to look into financial inclusion
2005	<ul style="list-style-type: none"> RBI introduces “No Frill” accounts concept
2006	<ul style="list-style-type: none"> RBI permits Branch Free Banking <ul style="list-style-type: none"> Commercial Banks allowed to enlist NGOs, Self Help Groups, Micro Finance Institutions to provide banking activities Agencies to provide services through Business Correspondent (“BC”) and Business Facilitator (“BF”) model <ul style="list-style-type: none"> Cash in-cash out services allowed without branch presence
2009	<ul style="list-style-type: none"> Banks advised to provide Board Approved 3 yr Financial Inclusion Plans starting Apr '10 <ul style="list-style-type: none"> Focus on villages with population > 2k Outcome Monitoring <ul style="list-style-type: none"> # of BC outlets, Savings A/c opened, # of KCC/GCC provided Branch Opening norms relaxed for areas with less than < 0.1mm population Finance Ministry and RBI advise banks to open Brick and Mortar branches vs. mobile BC model earlier <ul style="list-style-type: none"> Lead bank designated for each gram panchayat Services to be provided through Ultra Small Branch Model <ul style="list-style-type: none"> Also allowed to provide other Business-to-Consumer (“B2C”) and Government-to-Citizen (“G2C”) services
2011	<ul style="list-style-type: none"> Banks advised to provide Board Approved 3 yr Financial Inclusion Plans starting Apr '13 <ul style="list-style-type: none"> Focus on villages with population < 2k Uniformity in reporting structure Focus on the volume of transactions in new accounts opened Use of Information and Communication Technology (“ICT”)
2013	

	Mobile BC	Fixed BC
Model	<ul style="list-style-type: none"> BCs visited villages periodically with PoS machines to enable deposit/withdrawal transactions 	<ul style="list-style-type: none"> Brick & Motor Bank branch opened in each Gram Panchayat by BC 1 branch per gram panchayat: flexibility to club Panchayats in case of sparsely populated panchayats 24x7 Banking & Paper less banking run by localites
Coverage / Exclusivity	<ul style="list-style-type: none"> No limit on no. of BC firms No area/region based exclusivity to BC 	<ul style="list-style-type: none"> Country divided into 20 clusters BC given exclusive mandate for each cluster
Inter-operability	<ul style="list-style-type: none"> No interoperability 	<ul style="list-style-type: none"> Interoperable across different platforms
Technology	<ul style="list-style-type: none"> Offline, sKendra card-based 	<ul style="list-style-type: none"> Real time Biometric + sKendra card enabled identity verification linked to Aadhar accounts
Trust	<ul style="list-style-type: none"> Lack of trust as BCs don't have permanent presence 	<ul style="list-style-type: none"> Higher trust due to presence of permanent Bank Branch with the signage of the bank at the front
Cost	<ul style="list-style-type: none"> Higher cost of delivery – sKendra cards, dispatch, travel costs for BC agent 	<ul style="list-style-type: none"> Biometric authentication eliminates reliance on expensive sKendra cards
Other	<ul style="list-style-type: none"> Offline transactions - led to discrepancies during subsequent reconciliations Significant cash handling 	<ul style="list-style-type: none"> Online/real time processing resulting in zero discrepancies Optimized cash requirement as working capital Faster A/c opening as applications processed by link branch at real time 33 Banking services coupled with other E-Governance & E-Commerce Services

Financial Inclusion

RBI's Recent Initiative



Uttar Pradesh
SREI SAHAJ - @0.28%
(Part 1) & FINO -@
0.35% (Part 2)

Rajasthan and Delhi
Vakrangee - @ 0.37%

Gujarat, Dadra & Nagar
Haveli and Daman & Diu
Vakrangee - @ 1.12%
(Later Cancelled)

Madhya Pradesh &
Chattisgarh
MPCON - @ 0.18%

Maharashtra
Vakrangee - @ 0.48%

Karnataka and Goa
FINO -@ 0.03%

Tamil Nadu, Kerala and
Pondicherry
FINO -@ 0.46%



North Eastern States
RFP cancelled

Bihar
FINO - @0.05% (Part 1)
&@0.11% (Part 2)

West Bengal, Sikkim &
Andaman
Srei Sahaj - @0.45%

West Bengal (Part-1)
FINO -@ 0.35%

Jharkhand and Part of
Bihar
FINO -@ 0.35%

Chattisgarh
FINO - @ 0.19% (Later
Cancelled)

Orissa and Part of
Chattisgarh
@0.11% (Later
Cancelled)

Andhra Pradesh
FINO -@ 0.22%(Part – 1)
& @ 0.54% (Part-2)

Vakrangee & MPCON are the only players to roll out branches post successful integration of IT systems with banks

Vakrangee Kendra: Franchisee On-Boarding Process



3 - 6 MONTHS

Compliance Exams to be cleared and Franchisee background check -

- Indian Institute of Banking & Finance (IIBF – For Financial Inclusion)
- Concerned Bank Certification (for Financial Inclusion) National Stock Exchange Information Technology (NSEIT – for Aadhaar)
- Financial Competence
- Required Educational qualification
- CIBIL verification
- Police Verification of Franchisee owner
- Approval from link bank branch Manager
- Background check through Gram Panchayat and Sarpanch at the local level

Vakrangee On-boarding

- Campaigning to generate awareness and invite applications by circulating leaflets at gram panchayats, banks, haats etc.
- Scrutinizing the applications received
- Conduct online written test (if required) & interview
- Verify KYC documents of Franchisee & Sign Franchisee Agreement with Franchisee

Franchisee On-boarding

- Dedicated Settlement Account opening with the Franchisee branch
- Submission of KYC documents along with account number details to Alliance Partners like Banks, Business Partners and Government, etc.
- CIBIL and Police Verification
- Branch Code generation and Device ID generation

Go Live

- Deployment of IT infrastructure like hardware, software and VSAT
- Commissioning of non IT infrastructure like generator, furniture and fixtures
- Training and Capacity Building by Vakrangee and Alliance Partners
- Transaction / Enrolment testing of the IT system
- Go Live Certificate

Awards and Certifications



Awards and Accolades

- Vakrangee has been featured 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
- MSCI ESG Research Inc. has scored Vakrangee 10 out of 10 for the research conducted for the assessment of performance across the three pillars i.e. environmental, social and governance.
- 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

Certifications



Vakrangee Kendra and ATM



Vakrangee Kendra in Nagpur, Maharashtra



Vakrangee Kendra in Goregaon (E), Mumbai



Vakrangee Kendra in Chembur, Mumbai



Vakrangee Kendra in Kota, Rajasthan



Vakrangee Kendra



Urban Kendra



Rural Kendra





Thank You

The Presentation is available on <http://vakrangee.in/company-downloads/corporate-profile.pdf>