

# Inditrade Capital Limited



Investor Presentation Dec 2019

**indi**trade  
F i n a n c i n g   P r o g r e s s



# Disclaimer

Certain statements in this document that are not historical facts are forward looking statements. Such forward looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks, and many other factors that could cause actual results to differ materially from those contemplated by the relevant forward-looking statements. Inditrade Capital Limited will not be in any way be responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

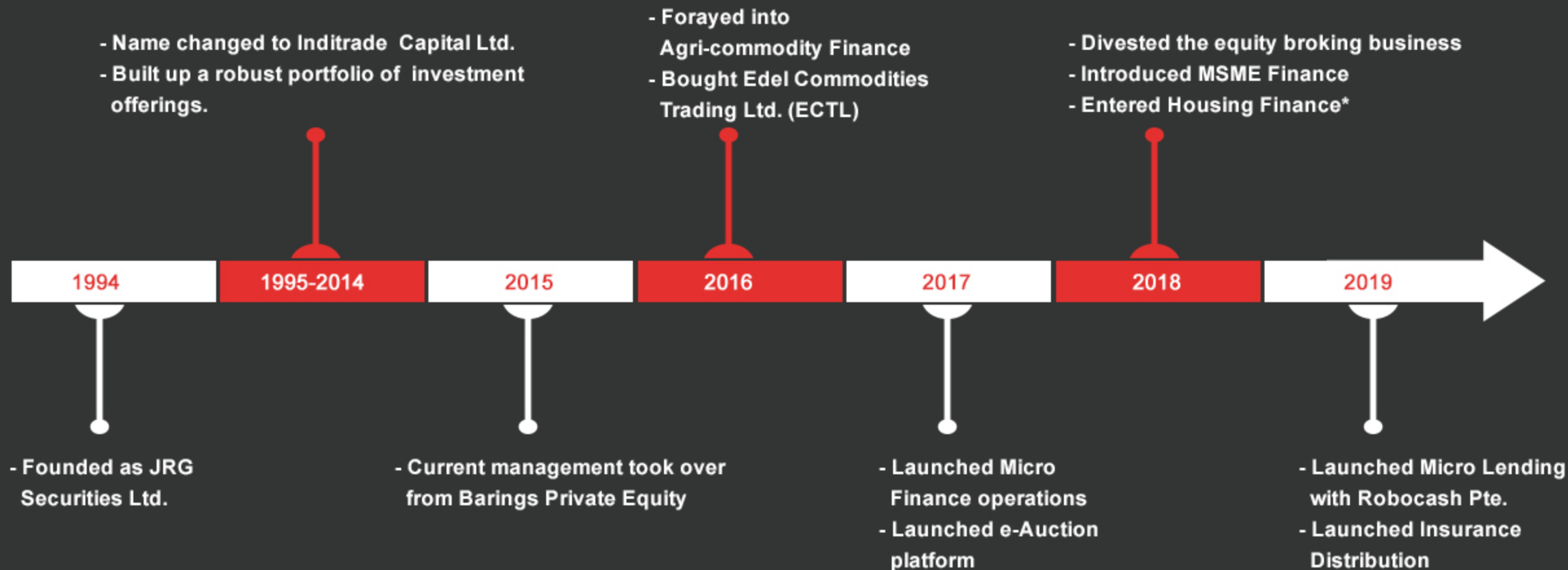


# Contents

- Company Overview
- Performance Update – 9M FY20
- Business Verticals Update

# COMPANY OVERVIEW

# Our Milestones



# Products Snapshot

## MSME Finance

- Business Loans
- Upto INR 50 lakh
- Processed within 72 hours
- Credit underwriting through alternate means

## Micro Finance

- Micro business loans
- Upto INR 10,000 to 60,000
- Joint liability group based lending
- Diversified product range to suit all requirements

## Micro Lending

- Individual Loan
- Upto INR 25,000
- Processed within 15 minutes
- Completely online process
- Credit underwriting through alternate means

## Agri-commodity Finance

- Loan against non-essential commodities
- Upto INR 5 crore
- Evaluation through exchange accredited warehouses
- Price hedged in exchange

Phygital Approach

# Our Footprint Today



Present in  
**13**  
**States**  
and  
growing

# Lending Partners

Bank Borrowings	        <p>We understand your world</p>
Non - Bank Borrowings	          
Securitization/ DA/ BC Partner	      

# Financial Performance update

## – Q3 & 9M FY20

# Q3 & 9M FY20 Financial Performance Highlights

**Total AUM increased to INR 419 Cr - 18% in 9M FY20**

**Total Disbursement for 9M FY20 stood at INR 480 Cr**

**Balance Sheet Size as on Dec 2019 is INR 506 Cr (28% increase vis a vis Dec18)**

**Gross Total Income for 9M FY20 is INR 93 Cr (63% increase vis a vis 9M FY19)**

**Profit before Tax and exceptional items has increased by 18 % YOY (9M)**

# Q3 & 9M FY20 – Consolidated Profit & Loss Statement

Amount in Cr

As per Ind AS

Particulars (INR Cr)	Q3 FY 20	Q3 FY 19	QOQ (%)	9M FY 20	9M FY 19	YOY (%)
Interest Income	25.94	12.94	100%	68.43	32.13	113%
Sale of Services	1.41	0.87	62%	3.16	3.28	-4%
Commodity trade support services	3.84	6.16	-38%	15.51	18.43	-16%
Gain on de-recognition of financial instruments	-0.01	-	-	0.76	0.00	-
Other Income	2.07	0.92	124%	5.47	3.37	63%
<b>Gross Total Income</b>	<b>33.25</b>	<b>20.89</b>	<b>59%</b>	<b>93.33</b>	<b>57.22</b>	<b>63%</b>
Finance Costs	8.23	5.96	38%	25.28	15.85	60%
<b>Net Total Income</b>	<b>25.02</b>	<b>14.93</b>	<b>68%</b>	<b>68.04</b>	<b>41.37</b>	<b>64%</b>
Employee Benefit Expenses	11.28	5.52	104%	30.39	13.64	123%
Depreciation & Ammortisation	0.66	0.10	568%	1.56	0.24	549%
Other Expenses	6.25	3.42	83%	16.63	12.14	37%
Impairment on financial instruments	0.80	0.73	9%	2.78	1.21	129%
<b>Profit before Tax from Continuing operations</b>	<b>6.03</b>	<b>5.16</b>	<b>17%</b>	<b>16.69</b>	<b>14.13</b>	<b>18%</b>
Less: Tax Expense	1.94	1.13	71%	5.44	3.51	-
<b>Profit after Tax from Continuing operations</b>	<b>4.09</b>	<b>4.03</b>	<b>1%</b>	<b>11.25</b>	<b>10.62</b>	<b>-</b>
Profit after Tax from Discontinued operations	-	2.91	-	-	0.68	-
<b>Total Profit for the Period</b>	<b>4.09</b>	<b>6.95</b>	<b>-41%</b>	<b>11.25</b>	<b>11.30</b>	<b>-1%</b>

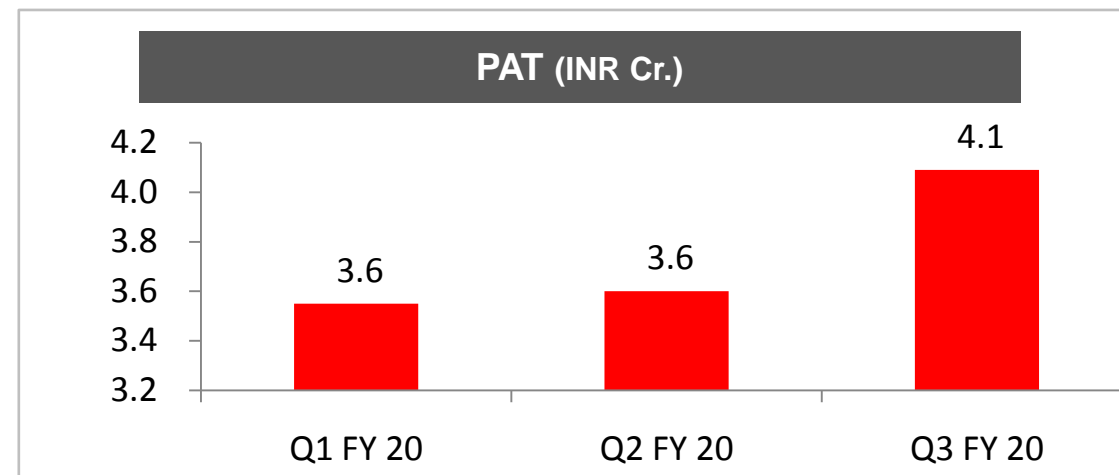
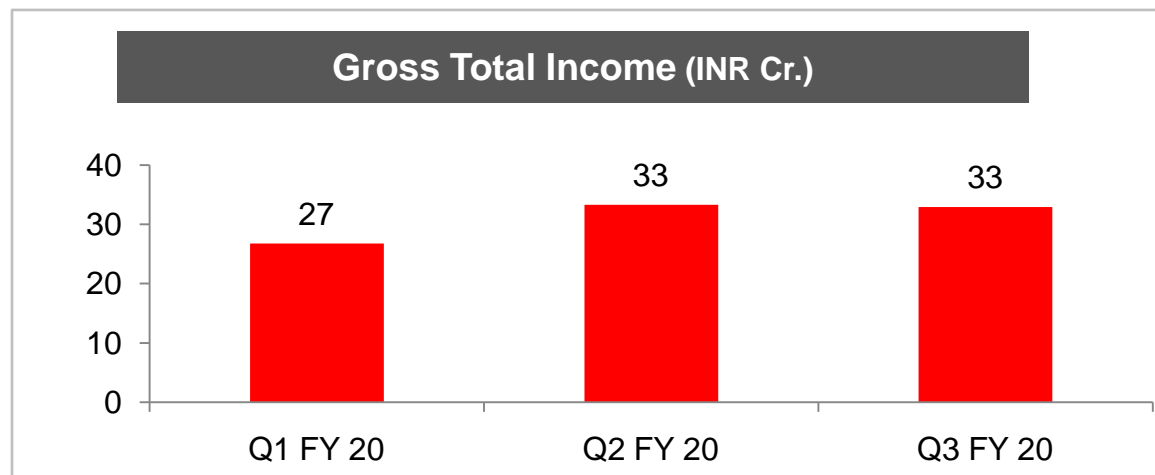
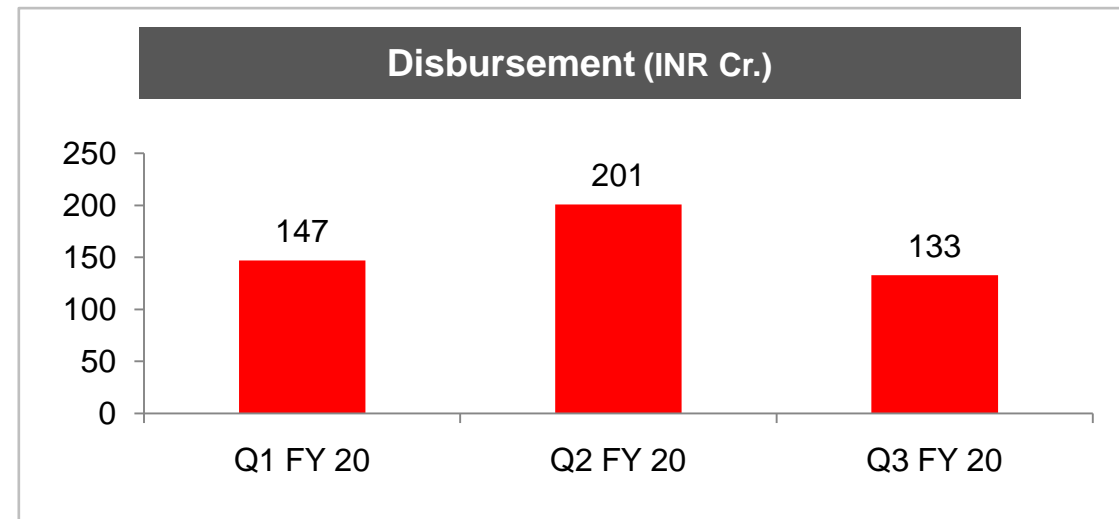
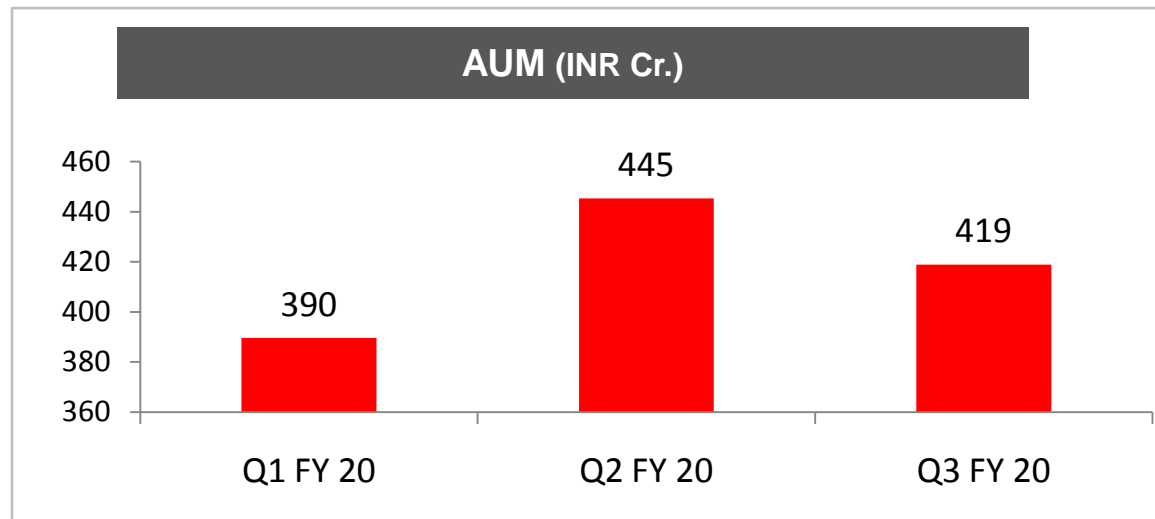
# Dec 2019 – Consolidated Balance Sheet

As per Ind AS      Amt in Cr

ASSETS	Dec-19	Dec-18
<b><u>Financials Assets</u></b>		
Cash & Bank Balance	43.8	47.0
Receivables	4.7	36.8
Loans & Advances	3.7	64.6
Investments	1.0	9.1
Other Financial Assets	359.7	177.6
<b>Total Financial Assets</b>	<b>412.9</b>	<b>335.1</b>
<b><u>Non- Financials Assets</u></b>		
Stock in Trade	65.7	22.3
Deferred Tax Assets (Net)	2.7	1.7
Property, Plant and Equipment	3.5	1.5
Intangible assets & Goodwill on consolidation	2.1	1.9
Right to Use Asset	3.7	-
Other non financial assets	15.6	32.0
<b>Total Non- Financial Assets</b>	<b>93.4</b>	<b>59.4</b>
<b>Total Assets</b>	<b>506.3</b>	<b>394.5</b>

LIABILITIES	Dec-19	Dec-18
Equity Share Capital	23.3	23.3
Reserves & Surplus	103.7	92.9
Non controlling Interest	57.9	52.7
<b>Total Shareholders Funds</b>	<b>184.9</b>	<b>168.9</b>
<b><u>Financial Liabilities</u></b>		
Payables	29.5	34.0
Borrowing & Debt Securities	198.5	79.3
Subordinated Liabilities	48.0	48.0
Other financial liabilities	35.4	40.5
<b>Total Financial Liabilities</b>	<b>311.4</b>	<b>201.8</b>
<b><u>Non- Financial Liabilities</u></b>		
Current tax liabilities	1.8	2.7
Provisions	2.9	0.9
Other non-financial liabilities	5.3	20.2
<b>Total Non- Financial Liabilities</b>	<b>10.0</b>	<b>23.9</b>
<b>Total Liabilities &amp; Equity</b>	<b>506.3</b>	<b>394.5</b>

# 9M FY20 – Performance Update



# Cost of Borrowings

## Segment wise average cost of Borrowings:

Microfinance	-	14.8%
MSME Finance	-	10.9%
Agri Commodity	-	9.6%

**Weighted average Cost of funds across business segments- 12.1%**

# Provision on Portfolio

Segment	Gross NPA%	Net NPA %
MSME	1.66%	1.25%
Microfinance	0.97%	0.96%
Micro Loans	3.51%	0.00%
Agri Commodity	0.00%	0.00%

Indi Impact

# BUSINESS VERTICALS

## Agri Commodity Finance

### New Digital Initiatives for Future Growth

Dissemination of price & demand/ supply information to facilitate:



### Commodity Procurement Engine

Mobile app solution to enable fulfilment of commodity demand of processors by aggregating supplies from trader network



### Commodity Disposal Engine

Disposal of agri-commodities through efficient price discovery, enabled through live e-auction and mobile app solution

## Micro Finance

### Tech-enabled underwriting

- 100% automated rule based approvals with no deviations/ manual intervention
- Geo-tagging of home addresses
- 100% customer onboarding using Adhar
- eKYC being explored through partnerships
- 100% disbursement through bank accounts
- Analytics based platform for up-selling

### Tech-enabled monitoring & collection

- Prime color coding of centres based on track record of repayments for monitoring
- Automation of internal audit processes\*
- Cashless collection pilot project

## MSME Finance

### Tech-enabled underwriting

- Credit underwriting & loan programs based on POS swipes at merchant outlets and/ or financials
- Templates & engine rules for credit evaluation across customer segments
- Automated rule based approvals
- Ongoing exercise to create alternate credit & social scoring methodology using digital footprints

### Tech – enabled collection solutions

Automated repayment mechanisms to ensure a first claim on revenue, enabling low default rates:

- Own POS deployment
- Lock box POS
- Fixed, scheduled daily/ weekly/ bi-weekly ACH transactions

## Micro Lending

### Completely Digital Process



### Credit Underwriting

- Credit Bureau integration
- Bank statement analyzed
- Alternate credit & social scoring methodology

### Fraud Checks

- Image recognition
- IP screening
- Email id verification
- Mobile scoring

### 24X7 disbursement & collection

# 1. MSME Finance, launched in 2018



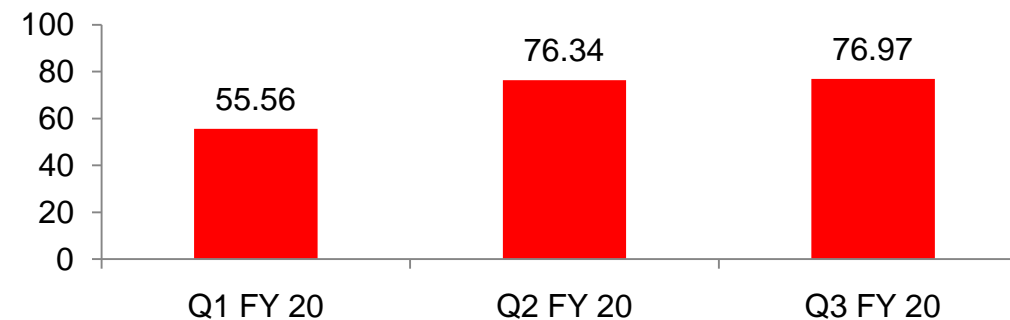
A large portion of the **63.3 million MSMEs** in India do not have access to organised financial services



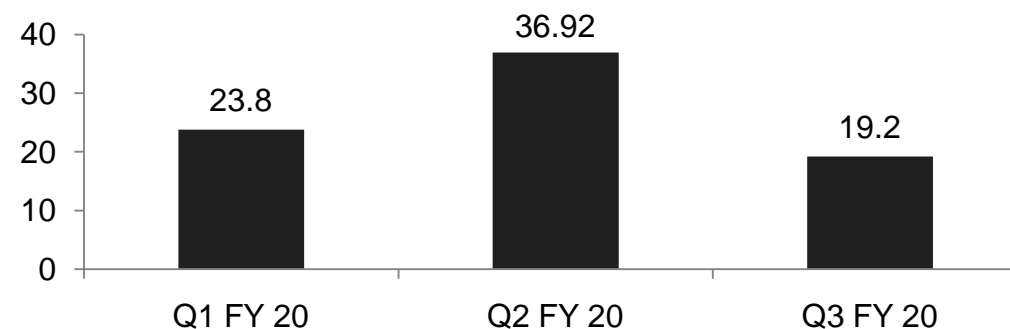
# MSME Finance

- Focussed towards providing working capital and business loans to small enterprises.
- Operations of the same is run through 10 locations spread across Tier I and Tier II cities southern and western India spread across 4 states.
- The Segment started its operations in May 2018 and has been able to disburse cumulative amount of INR 135 Cr.
- Handled by professional team of 60 odd employees having in-depth experience/ knowledge across all the functions
- Client Base stands at 800 (approx).

AUM (INR Cr.)



Disbursement (INR Cr.)



## 2. Micro Finance, since 2017



Almost  
**98%** Women-Owned  
Businesses are currently  
micro-enterprises which are  
under served.

COMPLETELY DIGITIZED PROCESS, A COMPLETELY CONFIDENT BUSINESS



Identification, KYC  
and Credit Checks



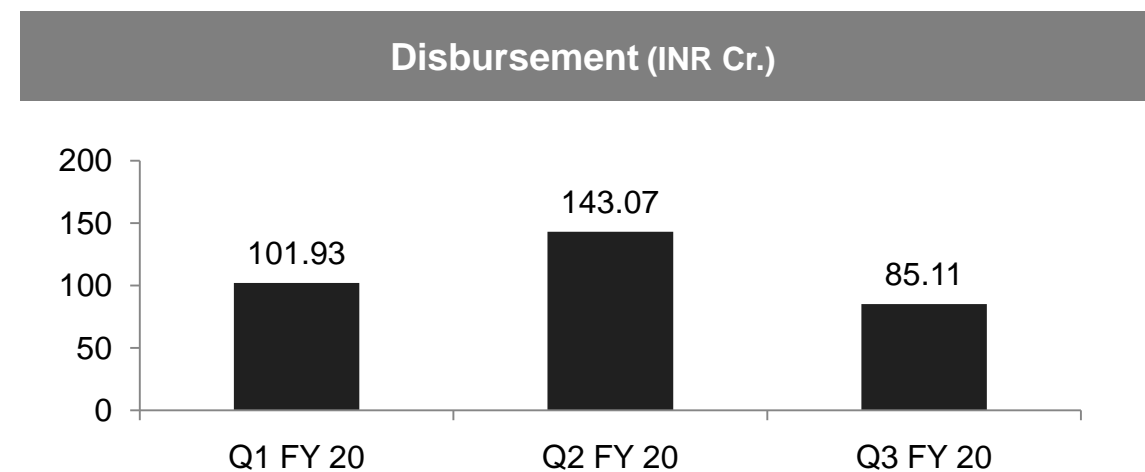
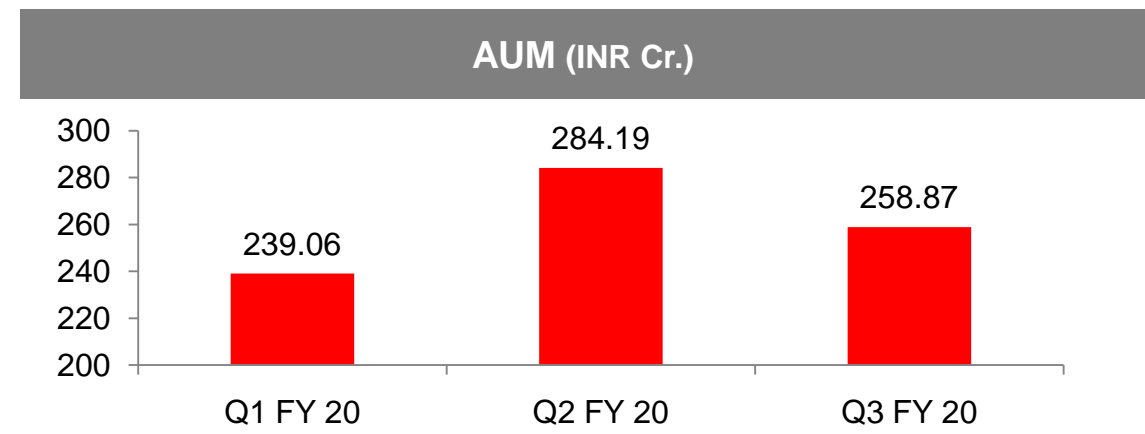
Sanction &  
Disbursement



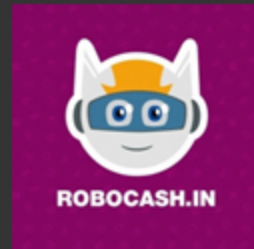
Collection &  
Servicing

# Microfinance

- JLG model of lending with average ticket size of 27K given to women borrowers for income generation activities.
- Operations in 9 states: 169 branches and 2.13 Lakh customer base.
- Started its operations in April 2017 and has made cumulative disbursement of INR 747 Cr.
- Handled by a team of 900 plus employees and managed by leadership team having cumulative experience of more than 50 years.
- Client Base stands at 2.13 Lakhs (approx).



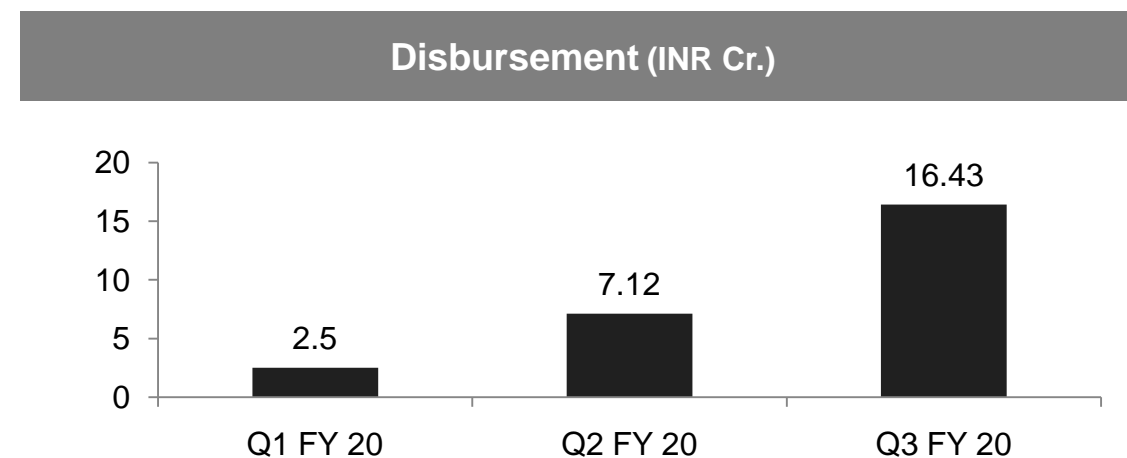
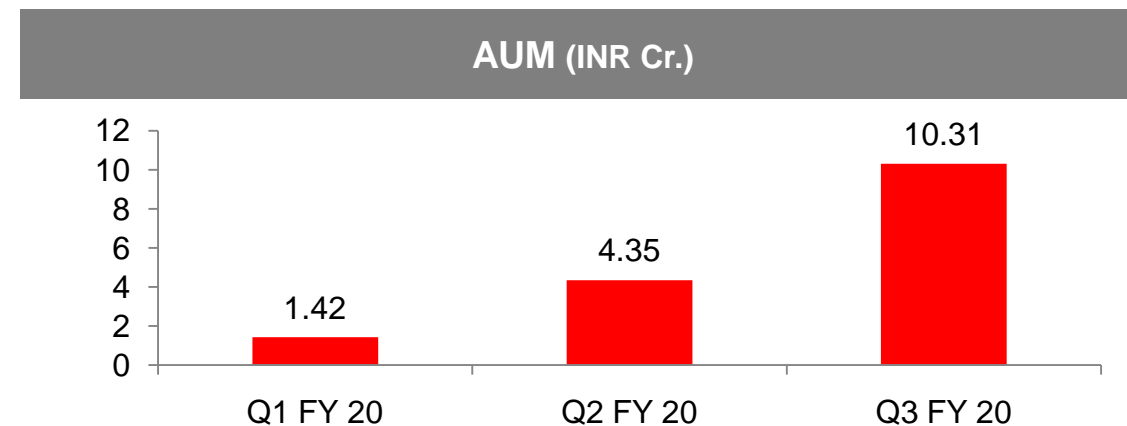
# 3. Micro Lending



Digital lending in India will reach **US\$ 1 trillion** by 2023 driven by the five-fold rise in the digital disbursements\*

# Micro Loans

- Focussed towards providing instant small ticket unsecured loan (INR 3- 25K) through state of the art online platform.
- PAN India operations targeting customers from bottom of the pyramid.
- Segment started its operations in Jan 2019 and has made a cumulative disbursement of INR 26.7 Cr
- Managed by a team of 30 members
- Active user base stands at 50,000+



## 4. Agri Commodity Finance, since 2016



Only **12-18%** of the  
**INR 4 Lakh Crore**  
agri-commodity market is served  
by banks and financial institutions



We facilitate  
**Post-Harvest Finance**  
for non-essential,  
exchange-traded commodities



**25 Commodities**  
lent against

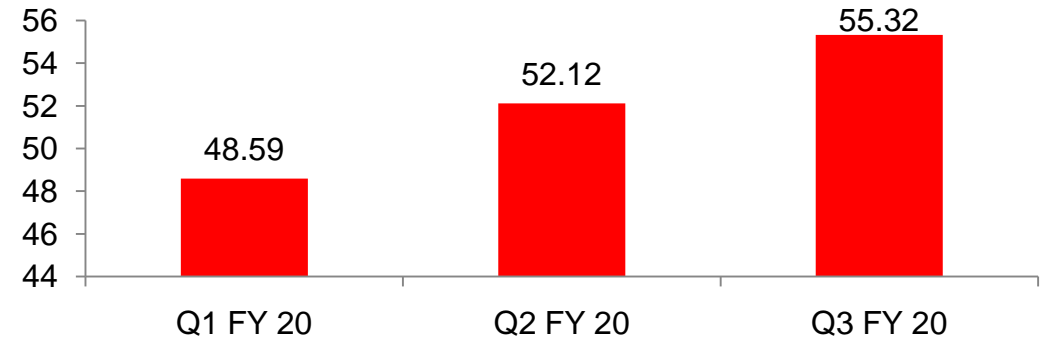


**e-Auction Services**

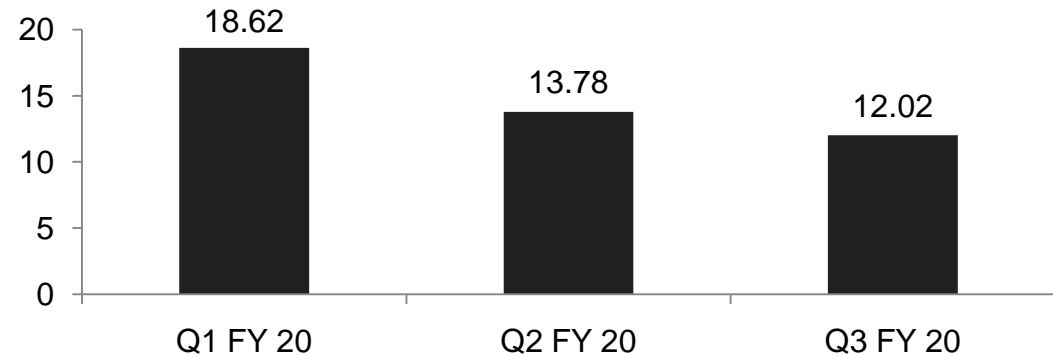
# Agri Commodity

- Segment is focussed towards providing finance in non essential and exchange traded agri commodities.
- Operations spread across all the major mandis in western, central and southern India.
- Started in 2016 and Cumulative disbursement stands at more than INR 900 Cr.

AUM (INR Cr.)



Disbursement (INR Cr.)



For sustainable progress,  
**greater inclusiveness**  
is a prerequisite.

THANK YOU