

## THE ASSISTED DIGITAL CONVENIENCE STORE



## VAKRANGEE LIMITED RESULTS UPDATE PRESENTATION – Q1 FY2021-22

July 26, 2021

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## TABLE OF CONTENTS

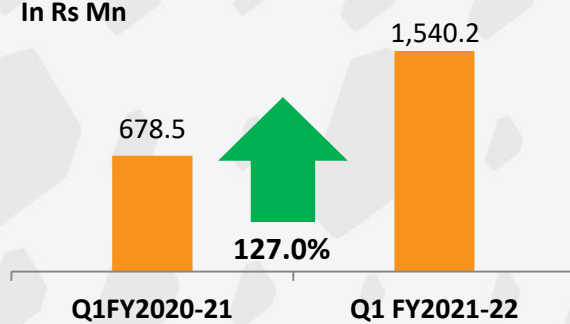
Results Performance Update	04
Strategy 2.0: Our next 5 year growth plan	10
Launch of Mobile Super App Update	16
Company Overview	20
Update on Awards & Recognition	28
Annexure : Kendra Evolution	30

## RESULTS PERFORMANCE UPDATE

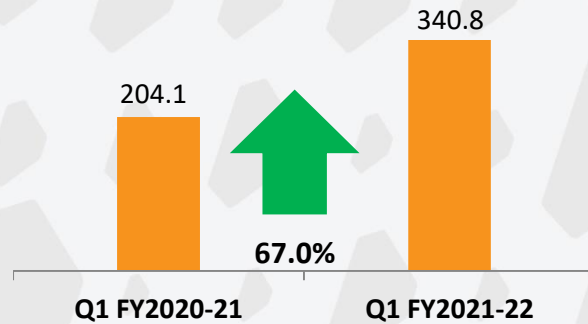
### Key Highlights – Q1 FY2021-22 (Y-o-Y Basis)

#### REVENUE FROM OPERATIONS

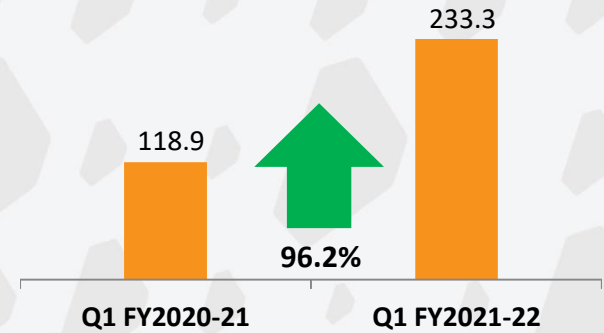
In Rs Mn



#### EBITDA

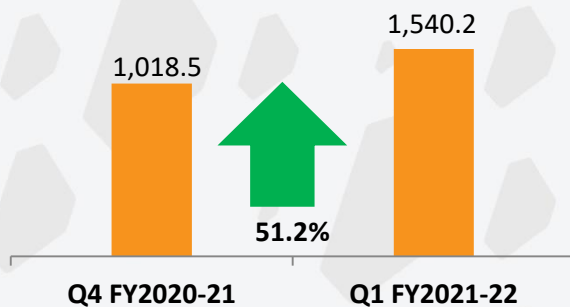


#### PROFIT AFTER TAX (PAT)

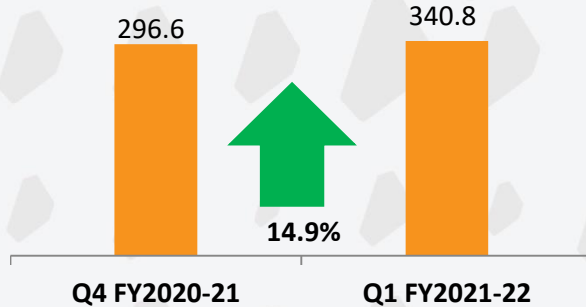


### Key Highlights – Q1 FY2021-22 (Q-o-Q Basis)

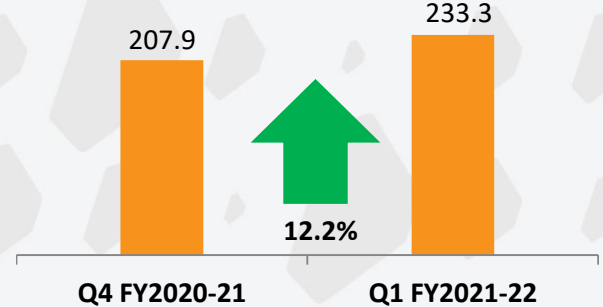
#### REVENUE FROM OPERATIONS



#### EBITDA



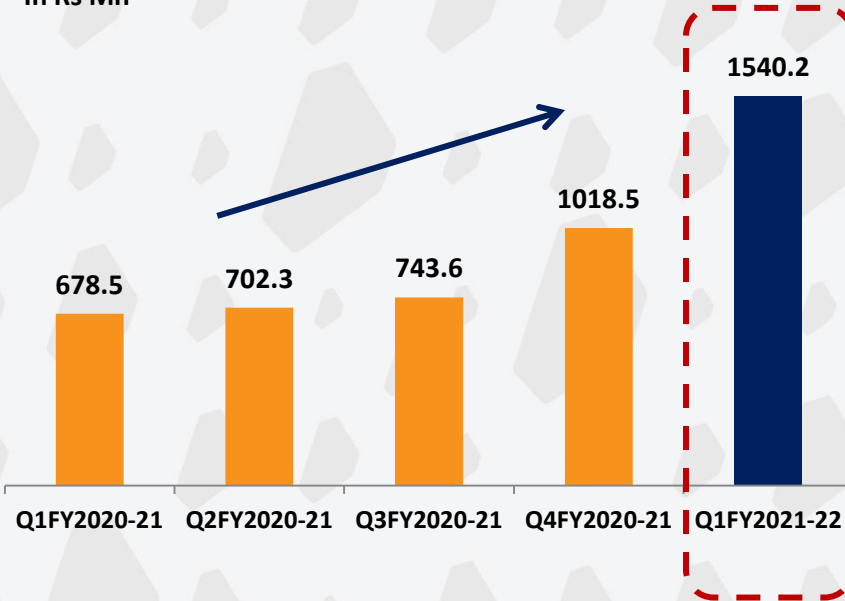
#### PROFIT AFTER TAX (PAT)



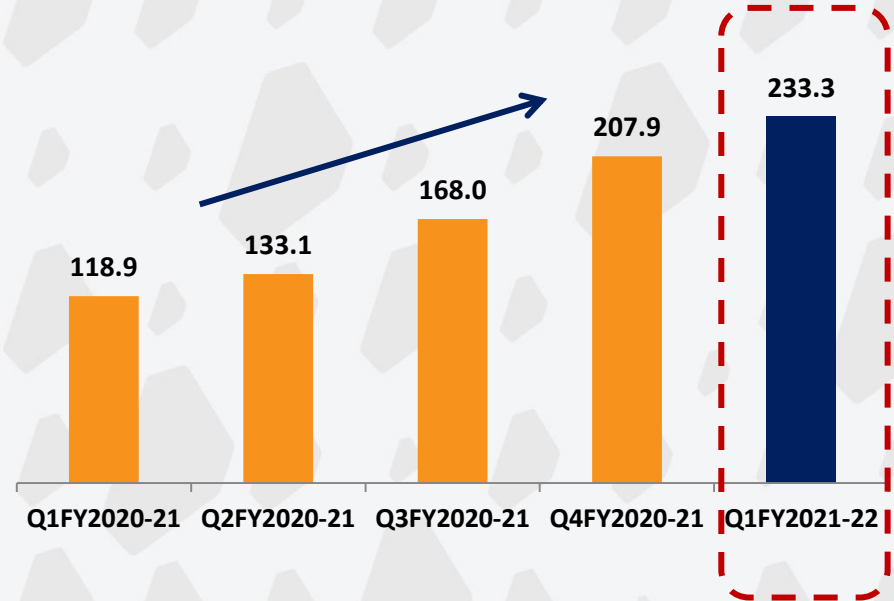
## RESULTS PERFORMANCE UPDATE

### REVENUE FROM OPERATIONS

In Rs Mn



### PROFIT AFTER TAX (PAT)



***Returning to Pre-Covid Growth Path, Witnessing Strong Business Growth Momentum !!***

***We have Reached an Inflection Point, we are now well poised for strong Financial & Operational growth over the coming quarters and future years.***

## PERFORMANCE OUTLOOK UPDATE

### Sale Revenue & Profitability Growth : **Positive**

- Well poised for strong Financial & Operational growth. Return to normalcy on the business front has been progressing well as E-commerce, Online Healthcare and other services have become operational
- Strong Operating Leverage to result into significant improvement in profitability.
- Quarterly Throughput crossed Rs. 107+ Billion. Quarterly No. of Transaction crossed 27.0 Million
- Implemented Process automation & Technology Initiatives resulting into enhanced profitability

### Business Opportunity on Growth Side: **Positive**

- Substantial Increase in Trust & Awareness
- Enhanced visibility and Brand Awareness during Nationwide Lockdown
- **More than 1,50,000+ Applications in place**
- **Company is empanelling Global consultants to understand the Online market landscape and evaluate the opportunity size for BharatEasy Super App and to strategize the best ways to unlock value for all the stakeholders.**

### Planned Target : **Return to Normalcy & Strong Growth**

- **Outlet expansion to 25,000 NextGen outlets by FY2022 and to 75,000 NextGen outlets by FY2026**

**Dividend Recommendation :** Dividend recommended of Rs.0.10 Per Equity Share having Face Value of Rs.1 each. Company is focusing on key growth initiatives of Strategy 2.0 scaling to 75,000 kendras as well as Digital strategy for enabling O2O platform through Bharat Easy Mobile Super App. Therefore the Board is of the view that the company has strong growth avenues in place and therefore its in best interest of its shareholders that the maximum amount of free cash flows is re-invested in the business for future growth



## **VAKRANGEE KENDRA OUTLETS – PERFORMANCE UPDATE**

**PERFORMANCE UPDATE FOR QUARTER ENDED JUNE, 2021**

**~Rs. 107.0 Bn**

**Quarterly Throughput on Vakrangee Platform – Q1 FY22 Transaction Value**

**~27.0 Mn**

**Quarterly No. of Transactions on Vakrangee Platform – Q1 FY22**

**11,900+**

**No. of NextGen Outlets currently operational**

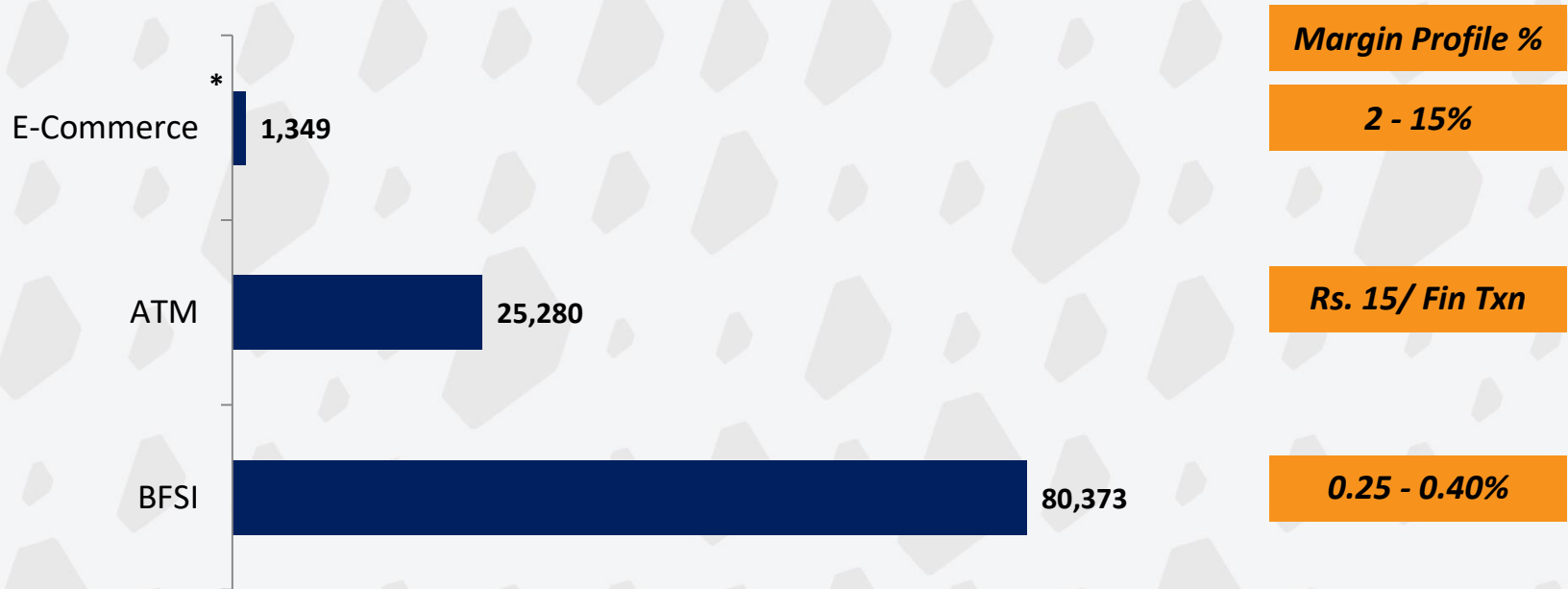
**~US\$5.8 Bn**

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

**Our Aim to become India's Largest Rural Consumption Platform**

## VAKRANGEE KENDRA OUTLETS – PERFORMANCE UPDATE

**Q1 FY2021-22 - GMV / THROUGHPUT CONTRIBUTION  
(RS. MN.)**



- Banking and ATM services witnessed normalization as there was Government subsidy distribution during the Covid period.
- E-Commerce, Online Healthcare and Other services have now become operational and have witnessed QoQ growth and is improving.



## CONSOLIDATED FINANCIAL STATEMENTS

### Key Profit & Loss Statement Items

Particulars (Rs. Mn.)	Q1 FY2021-22	Q1 FY2020-21	YoY%	Q4 FY2020-21	QoQ%	FY2020-21
Revenue from Operations	1,540.2	678.5	127.0	1,018.5	51.2	3,142.9
Total Expenses	1,248.9	684.1	82.6	919.4	35.8	3,011.3
EBIDTA	340.8	204.1	67.0	296.6	14.9	976.2
Profit before Tax (PBT)	305.4	165.3	84.8	275.6	10.8	828.2
Tax Expenses	72.2	46.4	55.6	67.7	6.6	200.3
Profit after Tax (PAT)	233.3	118.9	96.2	207.9	12.2	627.9
Earnings per Share (EPS Basic)	0.22	0.11	100.0	0.20	10.0	0.59

### Key Balance Sheet Items

Particulars (Rs. Mn.)	FY2020-21	FY2019-20	Particulars (Rs. Mn.)	FY2020-21	FY2019-20
<b>Net Worth</b>	<b>26,640.8</b>	<b>26,373.0</b>	<b>Fixed Assets</b>	<b>1605.1</b>	<b>1,539.9</b>
Share Capital	1,059.4	1,059.4	Other Non-Current Assets	6029.9	6,340.4
Other Equity	25,581.4	25,313.6	Inventory	49.7	78.1
<b>Total Debt</b>	<b>0.0</b>	<b>0.0</b>	Trade Receivables	11203.1	13,688.4
Long Term Debt	0.0	0.0	Cash & Cash Equivalents	212.8	1,785.1
Short Term Debt	0.0	0.0	Other Current Assets	9655.7	4,757.4
Other Non-Current Liabilities	44.4	66.8	Less: Trade Payables	341.4	690.8
<b>Total Sources of Funds</b>	<b>26,685.2</b>	<b>26,439.8</b>	Less: Other Current Liabilities	1729.7	1,058.7
			<b>Net Current Assets</b>	<b>19050.2</b>	<b>18,481.4</b>
			<b>Total Application of Funds</b>	<b>26685.2</b>	<b>26,439.8</b>

***STRATEGY 2.0:  
VAKRANGEE'S PHYSICAL NETWORK  
PLATFORM –  
OUR NEXT 5 YEAR GROWTH PLAN***

## VAKRANGEE CORE BUSINESS – PHYSICAL NETWORK 5-YEAR GROWTH STRATEGY : (FY21-22 TILL FY25-26)

**FY 2025-26 E**

**ANNUAL GMV THROUGHOUT**

**USD 50 BN**

**FY 2025-26 E**

**NO. OF OUTLETS**

**75,000**



**Vakrangee 2.0**

**FY 2025-26 E**

**NO. OF ANNUAL TRANSACTION**

**1 BILLION+**

**FY 2025-26 E**

**STRONG FINANCIAL GROWTH**  
**TAKE RATE (Revenue COMM %) : ~1.2-1.5%**  
**PAT MARGIN % : 10%-12%**  
**TARGET CASH ADJUSTED ROE : 35%+**

**THIS DOES NOT INCLUDE ANY CONTRIBUTION FROM THE DIGITAL PLATFORM – MOBILE APP**

## VAKRANGEE CORE BUSINESS – PHYSICAL NETWORK 5-YEAR GROWTH STRATEGY

	For Financial Year 2020-21 A	For Financial Year 2021-22 E	For Financial Year 2022-23 E
	Apr-20 – Mar-21	Apr-21 – Mar-22	Apr-22 – Mar-23
<b>No. of Exclusive Branded Outlets</b>	<b>11,730</b>	<b>25,000</b>	<b>35,000</b>
<b>GMV / Gross Transaction Value Throughout (US\$ BN)</b>	<b>5.15</b>	<b>10</b>	<b>18</b>
<b>No. of Transactions (mn)</b>	<b>126.8</b>	<b>300</b>	<b>400</b>
<b>No. of Active Customers (mn)</b>	<b>20-25</b>	<b>25-35</b>	<b>35-45</b>
	For Financial Year 2023-24 E	For Financial Year 2024-25 E	For Financial Year 2025-26 E
	Apr-23 – Mar-24	Apr-24 – Mar-25	Apr-25 – Mar-26
<b>No. of Exclusive Branded Outlets</b>	<b>50,000</b>	<b>65,000</b>	<b>75,000</b>
<b>GMV / Gross Transaction Value Throughout (US\$ BN)</b>	<b>28</b>	<b>40</b>	<b>50</b>
<b>No. of Transactions (mn)</b>	<b>600</b>	<b>800</b>	<b>1,000</b>
<b>No. of Active Customers (mn)</b>	<b>50-60</b>	<b>60-80</b>	<b>80-100</b>



**FOCUSSED TO BUILD PAN-INDIA  
PRESENCE COVERING 100%  
POSTAL CODES**

**FY 2025-26**

- 75,000+ Outlets
- 19,000 + Postal codes
- 36 States / UTs
- 740 + Districts
- ~70% Tier V & VI

**Q1 FY 2021-22**

- 11,900+ Outlets
- 27 States / UTs
- 520+ Districts
- 4,620+ Postal codes
- 70% Tier V & VI

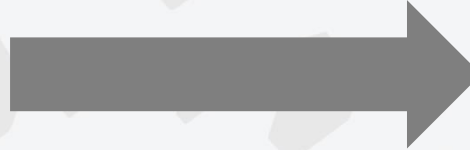
With Exclusive Branded Format Stores,  
Consistent Service Experience &  
Strong Brand Recall

## **VAKRANGEE KENDRA OUTLETS – PERFORMANCE UPDATE**

### **VISIBILITY ON OPENING OF NEXTGEN OUTLETS**

Total Number of  
Operational Outlets :

**11,900+**



Total Number of  
Formal Expression of  
Interest :

**1,50,000+**






**CLEAR VISIBILITY OF 25,000 NEXTGEN OUTLETS BEFORE MARCH 2022**



## SUSTAINABILITY ESG PERFORMANCE UPDATE

**Global recognition reflects company's commitment to further enhance its corporate governance and transparency standards. Company has achieved Global recognition across various platforms for its superior ESG performance and long term Business sustainability.**

**Company has been successful in benchmarking its performance on a wide range of industry specific economic, environmental, governance and social criteria that are relevant to the growing focus on Business sustainability and financially relevant to the corporate success.**

Sr. No.	ESG Assessment & Rating platform	Vakrangee Ranking	
1	Sustainalytics ESG Risk Assessment Rating	Globally ranked No.1 in the Sustainalytics ESG Risk rating rankings out of the 816 companies assessed in the Software and Services industry across worldwide	
2	CDP Score - Climate Change 2020	Achieved "B" Score from CDP for Environmental Practices, Better than the Industry's Average (Asia regional average of D, Global Average of C)	
3	CDP Score - Supplier Engagement Rating 2020	Achieved "A-" Score from CDP for Suppliers Engagement, Better than the Industry's Average (Asia regional average of B-, Global Average of C)	
4	SAM Corporate Sustainability Assessment (CSA) – S&P Global	Globally ranked No. 13 Company in the global industry ranking and ranked No. 9 in the Corporate Governance global industry raking based on RobecoSAM – S&P Global ESG Score.	
5	Bloomberg Gender Equality Index (BGEI)	Included in the Bloomberg's 2021 Gender-Equality Index (GEI). The 2021 Bloomberg GEI comprises of 380 companies across the world with a combined market capitalization of USD14 Trillion Headquartered in 44 countries and Regions across 11 sectors.	

# ***LAUNCH OF MOBILE SUPER APP UPDATE***

## LAUNCH OF MOBILE SUPER APP UPDATE

- Vakrangee has recently launched an online digital platform to enable seamless services for the consumer at the comfort of their homes. Through this, company has evolved into the unique O2O (Online to Offline) platform, whereby there is Assistance available through the Physical Kendra network along with Digital Online Services
- The company has Initiated this Unique Hybrid proposition with launch of first Digital service of Total Healthcare services The company plans to make many more existing Vakrangee services live through this platform.
- **The Company is now launching an All in one : “BharatEasy” Mobile Super App based business platform. (Beta Trial Version has been launched )**
- **By downloading a single Vakrangee’s BharatEasy Super App mobile application, our customers would get access to a wide array of Products and Services which would significantly reduce their requirement to switch between multiple apps. This would lead to superior customer experience and convenience for the customer.**
- The Mobile super app platform would be offering various consumer products and services under one umbrella. Consumers would use it every day because our app would offer a seamless, multi-service, integrated, contextualized and efficient experience.

**BharatEasy**  
India Ka Super App

☒ Create account. New to BharatEasy?

Name

Mobile Number

Email

Set Password

☐ Show Password

Referral ID (optional) VK ID

Continue

☐ Sign-In. Existing Customer?

By continuing, you agree to Vakrangee's  
Conditions of Use & Privacy Policy

[Conditions of Use](#) [Privacy Policy](#) [Help](#)

Powered by  
**Vakrangee**

## BUSINESS MODEL : OUR UNIQUE OFFERING

Our Business Model:  
Understanding Our Unique Offering





## BUSINESS MODEL : UNIQUE COMPETITIVE ADVANTAGES

Business Model:  
Unique Competitive Advantages

**Convenience:**  
All-in-one platform for all customer needs

**Unique Proposition of Digital along with Physical: "Phygital"**

**Sustainable Advantages over the standard benchmarks apps:**

- Store Pick Up Facility
- Order Return Management
- Pay at Store Option Facility
- Courier Pick up/Drop
- Physical Assistance Available
- Grievance/Helpdesk Facility



**Strong Technology Expertise:**  
Technology and product-first approach to business

Vakrangee is a strong consumer brand recognized across the length and breadth of India



- Rural Focused Loyalty Program for transition to Mobile Super App
- Unique Referral program for Vakrangee Franchisee network: To Help scale faster and reduce customer acquisition costs

# ***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

### BFSI & ATM SERVICES



भारतीय रिज़र्व बैंक  
Reserve Bank of India  
India's Central Bank



(White Label ATM License)

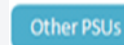
- ATM Cash Withdrawal
- Non-Financial Transactions



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



- Life Insurance
- General Insurance
- Health Insurance



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

## NEXTGEN VAKRANGEE KENDRA – SCOPE OF SERVICES

### ASSISTED E-COMMERCE SERVICES



**amazon**

AUGMONT

- Online Shopping of Goods
- Online Shopping of Jewellery



**vHealth™**  
by aetna

**netmeds™.com**  
India Ki Pharmacy

- Telemedicine services
- Online Shopping of Medicines



**B BHARAT BILLPAY**

**Jio**

**CyberPlat®**



(Only for Rajasthan)

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



**IRCTC**

**redBus**

**tsi yatra**  
Partners in Travel & Hospitality

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



**edu aksham**

- Online Education 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 - 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.  
Type 1: One counter and ATM  
Type 2: One Counter w/o ATM  
Type 3: Only 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

#### ATM IN OUTLET



- ATM at 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





## CASE STUDIES : NEXTGEN TOP PERFORMERS



Franchisee -**Nand Lal Swami** from a Tier-5 location of Rajasthan have Earned ₹ **76,186** in just month from **BFSI Services**

**Number of Accounts Opened - 36**

**Total Transaction Value -  
₹ 2,55,27,850**



Franchisee -**SHASHI JAIN** from a Tier-3 location of Rajasthan have Earned ₹ **1,45,460** in just month from **ATM Services**

**Number of Financial Transaction -  
11,591**

**Total Transaction Value –  
₹ 96,78,600**



Franchisee -**DEEPALI ANDHARE** from a Tier-1 location of Maharashtra have Earned ₹ **41,262** in one month from **BFSI-DMT Services**

**Number of Transactions - 2,491**

**Total Transaction Value -  
₹ 66,30,608**



Franchisee -**KANHAIYA LAL** from a Tier-3 location of Rajasthan have Earned ₹ **27,300** from **vHealth by Aetna Services**

**Number of Plans Sold - 182**

**Total Transaction Value -  
₹ 1,82,000**

# ***UPDATE ON AWARDS & RECOGNITION***

## AWARDS & RECOGNITION



- Vakrangee makes history by setting **GUINNESS WORLD RECORDS™** title for the *Most stores launched simultaneously* on 14<sup>th</sup> January 2019
- Launches 1107 Nextgen Vakrangee kendra stores across the country at 11.07 Am on the same day
- 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.
- 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.

- Vakrangee has been ranked amongst Top 100 Franchise Opportunities for the year 2021 by the Franchisee India in the Franchising World's Annual Survey.
- Franchise 100 represents the Top-100 best performing franchise brands and opportunities by analyzing their brand strength, franchise growth, size of system, costs and fee as well as franchise friendliness.

# ***ANNEXURE : KENDRA EVOLUTION***



## KENDRA EVOLUTION

### PHASE 1: INITIALLY AN E-GOVERNANCE PLAYER

#### PHASE 1: CSC & E-MITRA MODEL



OUTLETS WERE TERMED AS "COMMON SERVICE CENTRE - CSC" OR "E-MITRA KENDRA" :-

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

### PHASE 2: EVOLVED TO A BANKING BC POINT MODEL

#### PHASE 2 : BANKING BC POINT MODEL



COMPANY RECEIVED THE BC BANKING MANDATE AND STARTED BANKING SERVICES –

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

### PHASE 3: EVOLVED TO MULTI SPECIALITY STORE MODEL

#### PHASE 3 : MULTI-SPECIALITY STORE MODEL



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
- INITIATED STANDARD BRANDING IN STORE LAYOUT AS WELL AS SIGNAGE

### PHASE 4: EXCLUSIVE NEXTGEN DIGITAL CONVENIENCE STORE

#### PHASE 4 : NEXTGEN KENDRA MODEL –DIGITAL CONVENIENCE STORE



EVOLUTION INTO AN EXCLUSIVE ASSISTED DIGITAL CONVENIENCE STORE MODEL –

- EXCLUSIVE STORE MODEL
- MULTI-LINE OF SERVICES – STANDARDIZED LAYOUT & DESIGN BY L&H (LEWIS & HICKEY)
- STANDARD BRANDING IN STORE DIGITAL SIGNAGE & CCTV MANDATORY

***Thank You***