

Axis Bank Presentation

Vakrangee
Kendra



AB POORI DUNIYA PADOS MEIN

About Vakrangee

Our Profile

Vakrangee is a technology-driven company, focusing on creating India's largest network of last-mile retail outlets. We have emerged as a "one-stop shop" digital convenience store providing a variety of services such as Banking, Insurance, ATM, E-governance, E-commerce, Logistics and Financial Services.

"Vakrangee aims to be the most trustworthy physical as well as online convenience store across India."



10,000+ Nextgen Kendras*

One of the large franchisee network companies with presence in 7,250+ postal codes.

25+ Years

Founded in the year 1990, Vakrangee has 25+ years of service excellence.

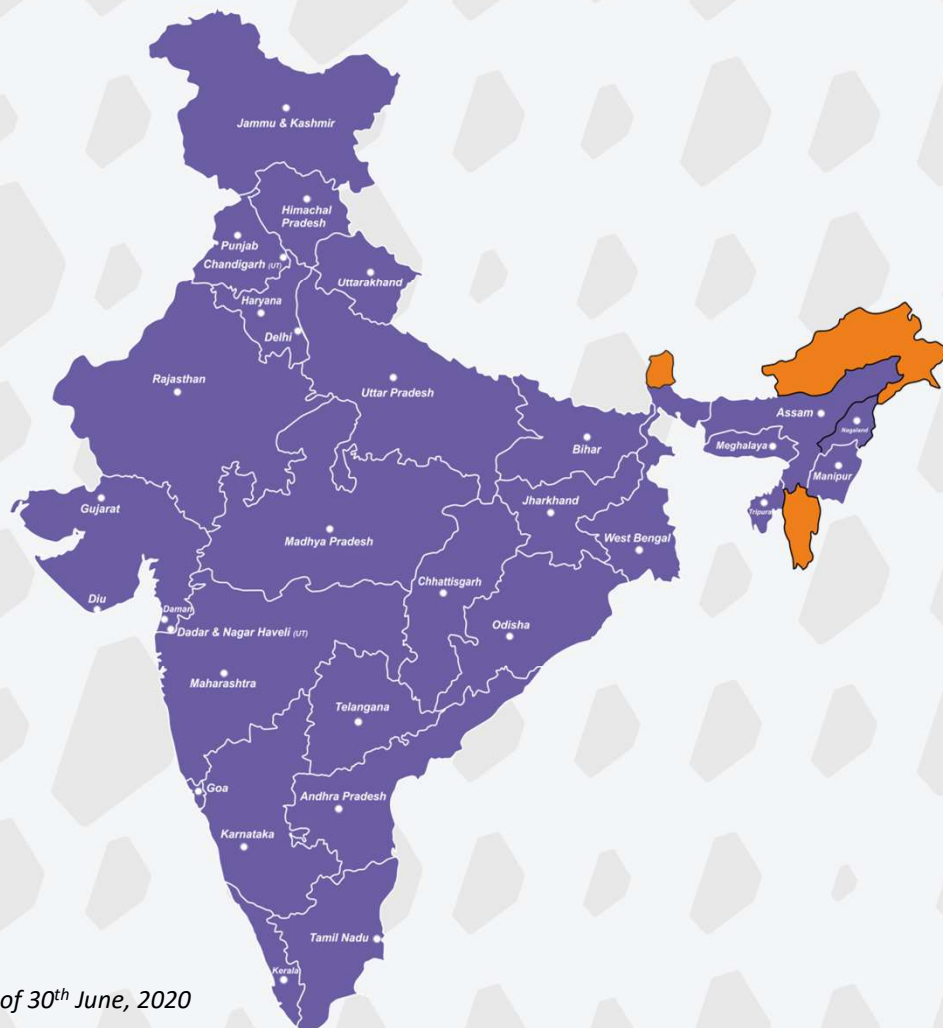
Debt-free Company

A company with zero debt.

About Vakrangee



Our Presence



34,200+ OUTLETS

10,000+ Operational OUTLETS

24,200+ OUTLETS under on-boarding process

32 STATES & UTs

560+ Districts Covered

7,250+ Postal Code Covered

~70% Presence in Tier V & VI Cities

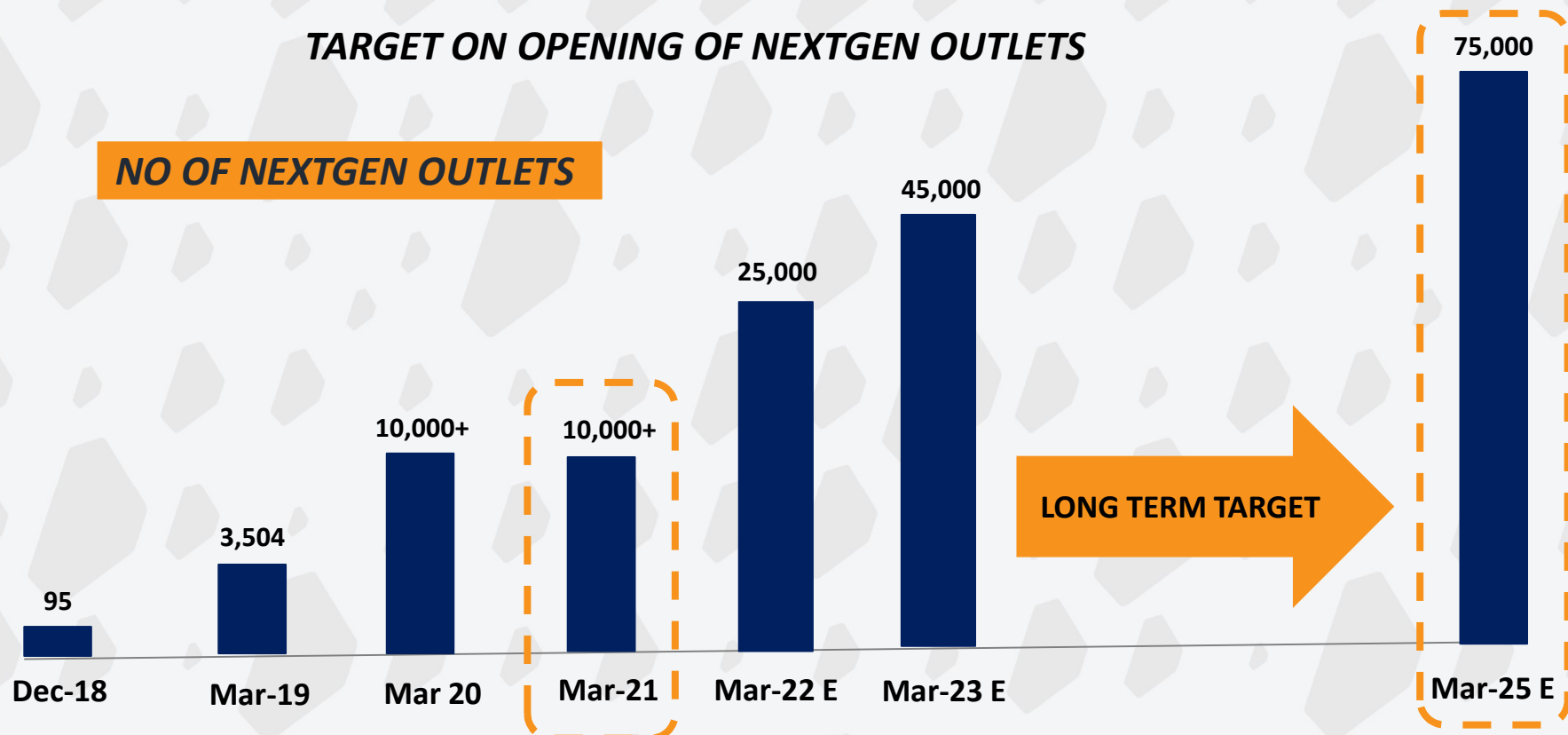
As of 30th June, 2020

Vakrangee Nextgen Kendra - Roadmap

PLANNED TARGET IS TO HAVE LAST MILE PAN INDIA PRESENCE ACROSS ALL POSTAL CODES, ALL DISTRICTS & ALL BLOCKS IN THE COUNTRY.

TARGET ON OPENING OF NEXTGEN OUTLETS

NO OF NEXTGEN OUTLETS



Note:  Operational outlets

Vakrangee Nextgen Kendra – Scope of Services

BFSI & ATM SERVICES



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

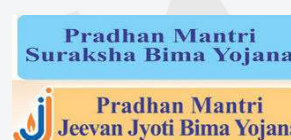


(White Label ATM License)

- ATM Cash Withdrawal
- Non-Financial Transactions



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



- Life Insurance
- General Insurance
- Health Insurance

Vakrangee Nextgen Kendra – Scope of Services

ASSISTED E-COMMERCE SERVICES



amazon

AUGMONT

- Online Shopping of Goods
- Online Shopping of Jewellery



netmeds
India Ki Pharmacy

vHealth
by aetna

- Online Shopping of Medicines
- Telemedicine services



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

Awards & Recognition



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



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

Awards & Recognition



Globally ranked No.1 in the Sustainalytics ESG Risk rating rankings out of the 668 companies assessed in the Software and Services industry across worldwide



Achieved "B" Score from CDP for Environmental Practices, Better than the Industry's Average (Asia regional average of D, Global Average of C)



Now a Part of S&P Global

Globally ranked No. 13 Company in the global industry ranking and ranked No. 9 in the Corporate Governance global industry ranking based on RobecoSAM – S&P Global ESG Score.



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.

Vakrangee presence in LWE affected areas and Tribal areas

Current Presence and Potential in LWE Districts

Total LWE districts

90

Total Nextgen Kendras

654

**Potential Nextgen
Kendras**

39,000

Current Presence and Potential in Tribal Area Districts

**Total Tribal Area
districts**

164

Total Nextgen Kendras

1,221

**Potential Nextgen
Kendras**

59,000

Pioneer in Financial Inclusion & Social Inclusion (1/2)

Vakrangee has played a pivotal role as a Business Correspondent over the last 5 years in driving Financial Inclusion in India



Number of BC points

Over 12,000 with 82% in Rural India



% of BSBDA opened by BC

~ 32%



Bank Accounts Opened

12.5 Lakhs+



Number of Transactions at BC Point

15.5 Cr+



Value of Transactions at BC Point

32,850 Cr +



Fund Transfer Transactions

89 Lakhs+



Rupay Card Transactions at BC Point

16 Lakhs+



SSS schemes

13 Lakhs+

Pioneer in Financial Inclusion & Social Inclusion (2/2)

Vakrangee is the fastest growing and third largest White Label ATM player in India

Vakrangee's strong position as ATM player in Rural India

Parameter	Total Count	Vakrangee Count	Vakrangee Rank	% Share of Vakrangee
ATMs in India	2,27,886	3,985	13	2%
ATMs in Rural India	33,645	2,625	3	6%
ATMs by WLA in Rural India	10,340		2	25%
ATMs by public sector banks in Rural India	27,669		2	Not Applicable
ATMs by private sector banks in Rural India	589		1	Not Applicable



Throughput from
Banking & ATM for FY
19-20 (Till Date)

INR. 21,800 Cr+



Rupay Card
Transactions at
Vakrangee ATM in FY
18-19

87 Lakhs+

About Nextgen Vakrangee Kendra

Nextgen Vakrangee Kendra - Service Overview

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

Bronze, Silver & Gold Model

Bronze Kendra



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

Silver Kendra



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

Gold Kendra



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

Franchisees can select the model based on the business potential in their location, availability of space and capacity to invest.

Silver Model is good for less populated locations and Gold Model will allow more flexibility in operations and expansion of services.

Bronze Model can be opted in case of very less space available.

Silver and Gold – Kendra Outlet Photos






Silver Kendra Photo



Gold Kendra Photo



Key Features

Store Exclusivity & Consistent Branding		<ul style="list-style-type: none"> • Exclusive store model with same service level and same customer experience • Standardized layout and design by L&H (Lewis & Hickey) • Uniform and consistent branding for higher brand recall and visibility
Mandatory ATM In Each Outlet		<ul style="list-style-type: none"> • ATM at each outlet located within the store • Potential to enhance the footfall significantly • Additional stream of revenues for both - the franchisee and the company
Centralized Monitoring System		<ul style="list-style-type: none"> • 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		<ul style="list-style-type: none"> • Digital signage to enable centrally monitored advertisement campaigns • To enhance the interaction between customers and partners • Focus to initiate advertising revenue
PIN-Pad Devices		<ul style="list-style-type: none"> • To enable various kinds of payment modes at any Vakrangee Kendra • Integration in process to start accepting RuPay/Debit/Credit card payments

ATM Advantage with Vakrangee

No CRA required

Centralized CCTV
Monitoring

No Cash involvement
from the bank



No Capital expenditure
for installing ATMs

No Rent incurred

No Security Guard
Charges

Additional Benefits

Cost Saving for the
Bank

Better Customer
Experience

In the absence of Vakrangee ATM, the customer will have to withdraw the money from the BC point. This will result in additional transaction cost to the bank.

The presence of Vakrangee ATM improves the overall look and feel of the outlet enhancing the customer experience.

Our Proprietary Technology

SERVICES PROVIDED THROUGH REAL-TIME INTEGRATION WITH PARTNER SYSTEMS

BANK – CORE
BANKING SERVER

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

Customer



Vakrangee Kendra
Management System



Internet
Connectivity



Vakrangee
Kendra



ACCOUNTS TO BE MAINTAINED FOR REAL-TIME SETTLEMENT

BANK SETTLEMENT ACCOUNT

VAKRANGEE WALLET ACCOUNT

ATM SETTLEMENT ACCOUNT

Technology

- **Technology platform integrated with CBS of various banks, delivering real-time & interoperable banking access.**
- Biometric authentication enabling quick KYC and paperless banking.
- **Integration with all partner systems across e-commerce, e-governance, insurance and logistics.**
- Technical support available - Resources at block level trained to handle day-to-day IT glitches and troubleshooting.

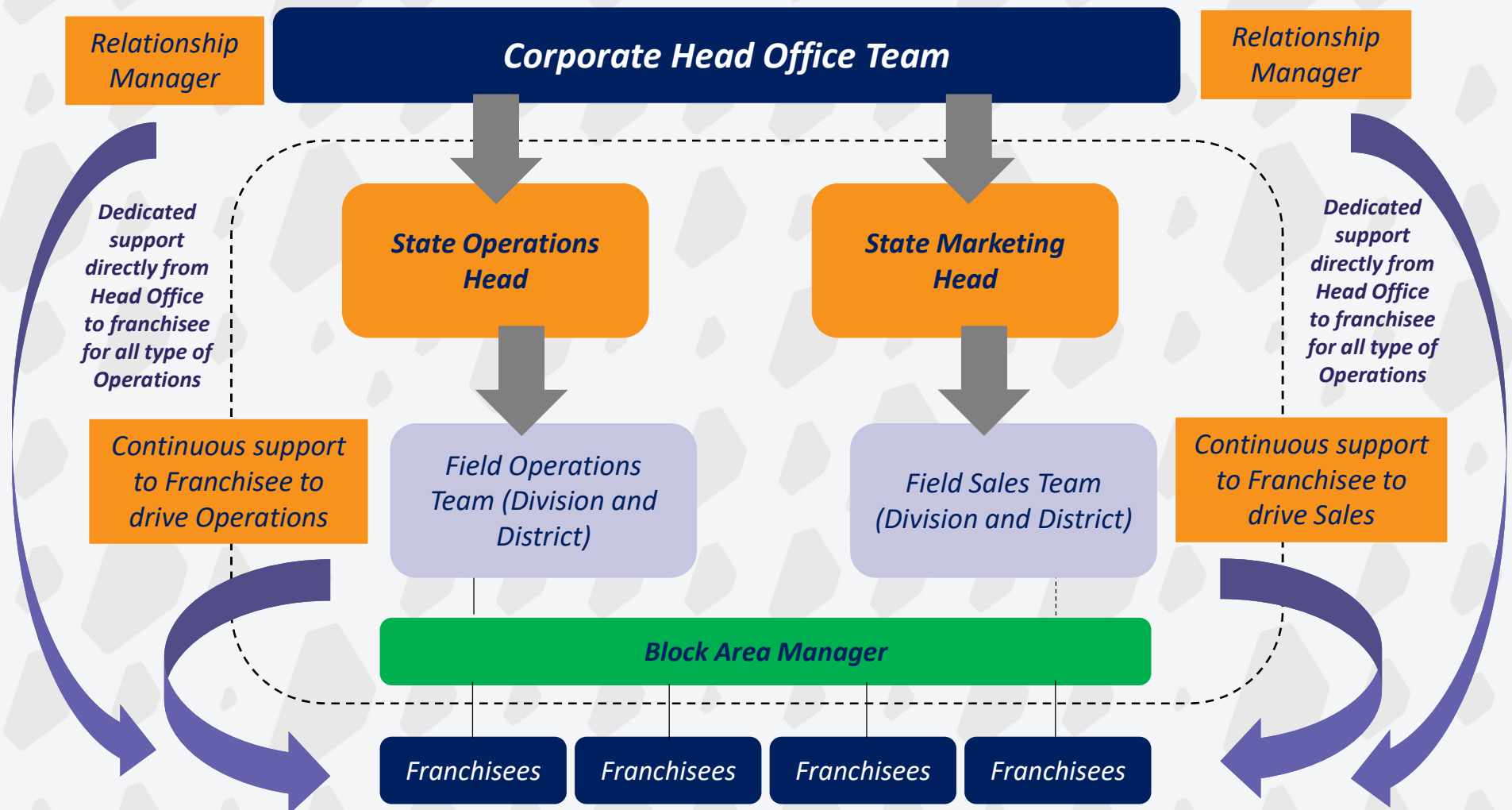
Internet Connectivity

- Seamless connectivity through V-SAT or broadband internet.

Security Specifications

- Defined user policy - Authentication required for each and every user of the server; secured and safe transactions.

Operations Support for Nextgen Franchisee





Banking at Nextgen Kendras

Key Nextgen features for Banking

COUNTER FOR BANKING



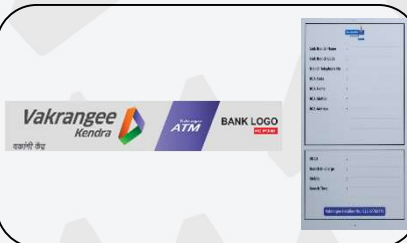
- We have a service counter for providing Banking services

SKILLED/TRAINED BANKING PERSONNEL



- We have a trained banking personnel
- The person is IIBF certified, undergoes thorough due diligence before being appointed.

BANK LOGO AND BC DETAILS



- Banks Logo is displayed on the main signboard of all Nextgen Kendras
- Displaying BC point details is a mandatory part of our Nextgen Kendra. Helpline number for customer support is also mentioned on it.

ENHANCED SECURITY AT KENDRAS



- Cash Counting & Fake Currency Detection Machine is installed at each Kendra for cash counting & fake currency detection
- CCTV camera with Centralized monitoring

Service Counter for Banking



Each Nextgen Vakrangee Kendra has a counter where Banking services can be provided by the BC

Skilled banking personnel

The franchisee undergoes scrutiny in various forms to ensure that the right person is selected for providing banking services at the outlet.

The following needs to be done before the franchisee can start his operations as a BC:



**Referral
Check**



**Basic KYC &
Aptitude**



**CIBIL
Verification**

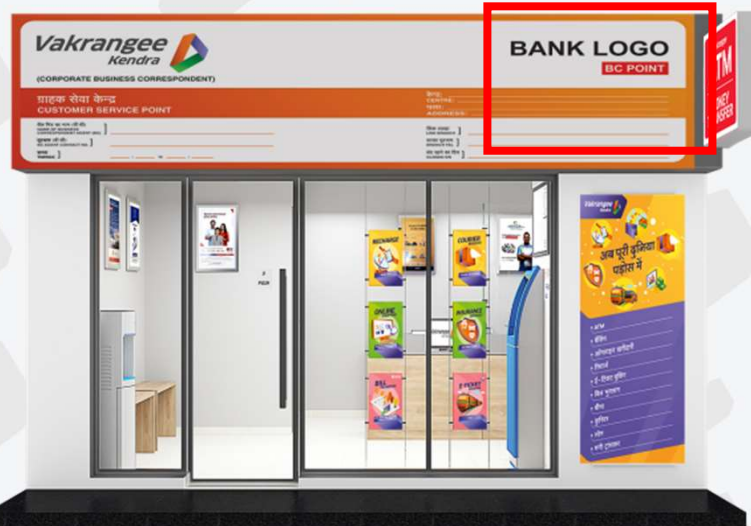


**Police
Verification**



**Clear IIBF
Exam**

Bank Branding in Nextgen Kendra



**Bank Logo on main
signboard**



Bank Logo	
Link Branch Name	:
Link Branch Code	:
Branch Telephone No	:
BCA Code	:
BCA Name	:
BCA Mobile	:
BCA Address	:
VE ID	:
Branch In-charge	:
Mobile	:
Branch Time	:

Vakrangee Helpline No.: 022 67765178

**BC point details inside all
Nextgen Kendras**

Enhanced Security Features in Nextgen Kendras



Cash Counting & Fake Currency Detection Machine is installed at each Nextgen Kendra ensuring genuine currency notes are transacted at the Banking Counter

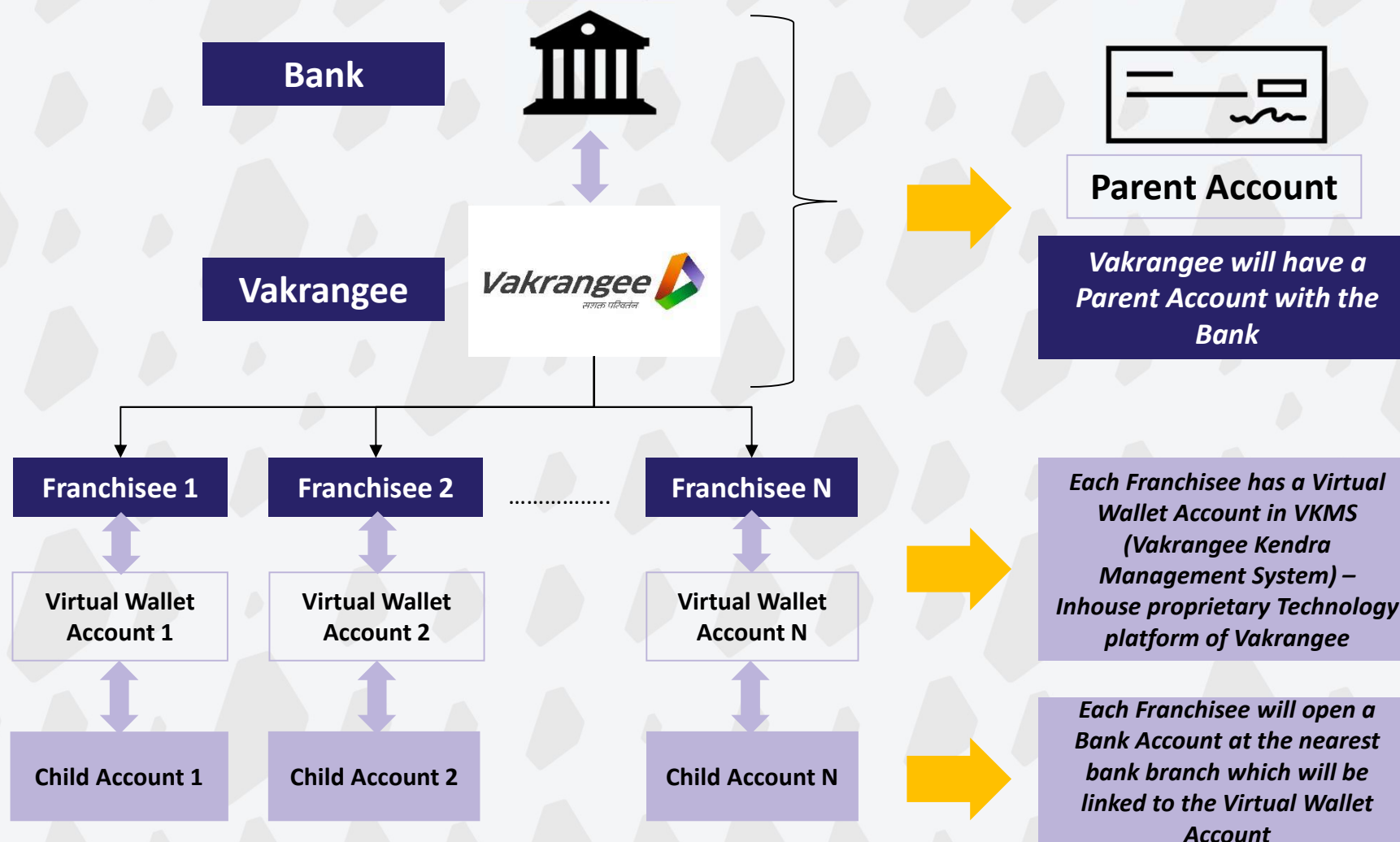


- **CCTV camera with Centralized monitoring at all Nextgen Kendras**
- **Full compliance with RBI guidelines to maintain more than 90 days video recording back up**



Parent Child Account Architecture

Parent Child Account Architecture



Parent Child Account Architecture

Franchisee will refill his virtual wallet A/C with the Parent Bank



Customer walks in the Kendra for withdrawal or deposit transaction

Cash Deposit by Customer



Customer A/C gets credited and
Parent A/C gets debited



Customer hands over cash to
Franchisee

Cash Withdrawal by Customer



Customer A/C gets debited and
Parent A/C gets credited



Franchisee hands over cash to
Customer

Parent Child Account Architecture

Franchisee raises request to Vakrangee in VKMS if he requires cash.
Amount to the maximum of his prepaid balance in Parent A/C is
transferred to Franchisee's Child A/C



Franchisee withdraws cash from his Child A/C in the nearest Bank



Recent developments in Government Outlook

Aligned with the Vision of Government

1

Ensure every citizen has access to a bank account

2

Ensure availability of Banking Services within 5 kms of every individual

3

Promote and increase digital transactions

4

Enable digital delivery of government services



Nandan Nilekani committee report - Deepening of Digital Payments

ATM

- Cost of ATM transactions are high due to compliance and operations cost. Scheduled Commercial Banks are reducing investment in bank ATMs
- Act as a channel for customer education, awareness and support to promote digital transactions.

Financial Inclusion

- The committee suggested the need to evolve agent to provide more services
- Our Kendra acts as a point of contact for banking and other financial services.

Cash In Cash Out Network

- With a view to increase digital transaction, the committee recommends strengthening of BC infrastructure
- An architecture of Cash In/ Cash Out networks will include Bank Branches, ATMs, Business Correspondents and POS devices.

Card Payments- POS

- The committee recommends each merchant to support at least one digital mode viz BharatQR, BHIM UPI QR or Cards
- We have POS machine at all our Nextgen Vakrangee Kendra.

NITI Aayog Report

Credit facilities easily available in underserved and unreserved areas

Better access to credit

Banking for the unbanked

Securing the Unsecured

1. Ensuring universal access to bank accounts.
2. Access to digital payment services.

1. Ensuring universal coverage of insurance for life and accidents
2. We provide PMJJBY, PMSBY and Atal Pension Yojana.

Benefits to the Bank

Benefits to the Bank

Viability and long term sustainability of BC point

Due to the presence of multiple other services in addition of Banking at the retail outlet, BC outlet is profitable even after low contribution from banking services. It helps BC point to remain permanent and long term sustainable.

Meeting the regulatory obligation

As per the RBI guideline of opening up minimum 25% of the total number of "Banking Outlets" in unbanked rural areas, Vakrangee provides Banking partner to reach these unbanked locations through more than 80% of its Kendras in tier 5 and 6 remote locations.

Minimal Operational Costs

No initial setup cost or recurring operational costs such as fixed salary, rental and AMC expenses. Costs are transaction and performance based.

No capital expenditure on Branch

Bank would be able to leverage the Infrastructure setup by Vakrangee including the entire one-time setup cost

Huge Business Potential

- **CASA Opportunity:** Bank get access to deep rural cash flows and is centric to rural consumption.
- **Asset and Liability Portfolio:** Bank would get access to existing customer base and store footfalls.

Meeting the social obligation

As majority of the outlets are based in Tier 5 and 6 locations, it helps in delivering financial services at an affordable cost to vast sections of low income groups.



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Kendra



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Thank You