

VAKRANGEE EMERGES AS A PIONEER PLAYER IN THE FRANCHISEE INDUSTRY IN INDIA

GRANT THORNTON RELEASES REPORT ON “FRANCHISING IN INDIA: A RURAL PERSPECTIVE”

Mumbai, August 10, 2020: Grant Thornton has done a detailed study and released a report on “Franchising in India: A rural perspective”. The report explores various aspects of franchising business, its impact on rural India and acceptance across various sectors and players.

India is the second largest franchise market in the world after the United States of America (USA) with about 4,600 operating franchisors and 0.15 - 0.17 million franchisee outlets in 2017. The industry is expected to contribute approximately 4% to the GDP of India by 2022.

The report highlights that how Private players such as Vakrangee Limited through their emphasis on rural India are taking India to the next level. Vakrangee has managed to boost rural entrepreneurship, increase the level of financial literacy, access to basic services, such as banking, ATM, insurance and create an alternative livelihood besides agriculture. Vakrangee has emerged as a pioneer and key player in the franchisee industry in India.

The key Highlights and observations from the Grant Thornton report are as follows –

- Vakrangee with its unique franchises business model, have made the difference focusing largely on rural India. They have not only helped creating employment but also improved living conditions of people living there.
- As per report, the Company has made a huge impact by promoting government initiatives like Pradhan Mantri Jan Dhan Yojana (PMJDY), direct benefit transfer (DBT) and others to rural masses through there efficient franchise model. Through Vakrangee’s extensive franchise network with 10,000+ operational NextGen Kendras and with 15,000+ NextGen Kendras in onboarding process, the company provides multiple services, such as financial, assisted e-commerce, e-governance and logistics services to individuals residing in semi-urban and rural cities.
- Over the years, players such as Vakrangee have expanded their geographical reach enormously across India. Vakrangee is the largest in terms of state-wise reach, with its 10,121 outlets across 26 states.
- The average customer footfall for Vakrangee is between 50 to 80 customers. According to an independent survey conducted on over 3,000 Vakrangee NextGen Kendras, more than 13% of their outlets witness daily customer footfall of more than 100 customers.
- The report highlights that although Vakrangee outlets have higher initial investment cost, their franchisee can earn returns of around 30% with average pay back period around 12-18 months.
- The Report highlights that the Consumers today prefer outlets that offer high-quality customer service experience. Companies such as Vakrangee have been able to deliver such services and standardised experiences to their customers by providing a range services with trained staff.

Link to Grant Thornton Report : <https://www.grantthornton.in/globalassets/1.-member-firms/india/assets/pdfs/franchising-in-india-a-rural-perspective.pdf>

About Vakrangee Limited

(BSE Code: 511431; NSE Code: VAKRANGEE)

Incorporated in 1990, Vakrangee is the unique technology driven company focused on building India's largest network of last-mile retail outlets to deliver real-time banking & Financial Services, ATM, insurance, e-governance, e-commerce and logistics services to the unserved rural, semi-urban and urban markets. The Assisted Digital Convenience stores are called as “Vakrangee Kendra” which acts as the “One-stop shop” for availing various services and products.

For further information, please contact at:

Email: investor@vakrangee.in