

Inditrade Capital Limited- Investor Presentation- Dec 2021



Let's Progress

little by little, bit by bit.

**One step, one day,
one person at a time.**

Uplift lives.

inditrade

inditrade

Disclaimer

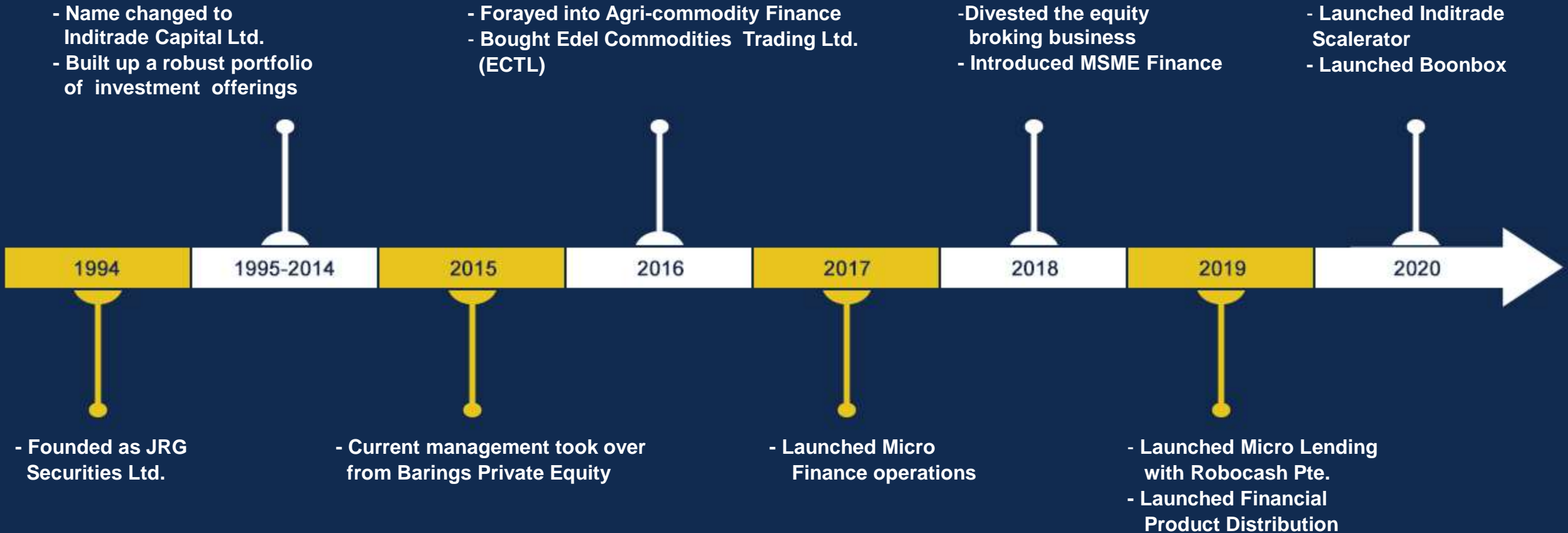
Certain statements in this document that are not historical facts are forward looking statements. Such forward looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks, and many other factors that could cause 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 – Q3 FY21-22**
- **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

Agri-commodity Finance

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

Scalerator

- Customer centric offers through Third Party
- Business loans
 - Personal loans
 - Insurance
 - Health loan
 - Gold loan

Boonbox

- End to end of rural E-commerce
- Rural customers with household income < 1 lakh p.a.
- Customer acquisition through affiliates
- Delivering the product to the customer
- Product installation and 1st level customer support

Digital Approach

Lending Partners

Bank Borrowings



Non-Bank Borrowings



Securitization/ DA/ BC Partner



Financial Performance update – Q3 FY 2021-22

Q3 FY 2021-22 – Key Business Update

| Particulars | Quarter ended 31.12.21 (Rs. in Cr.) | Quarter ended 30.09.21 (Rs. in Cr.) | Quarter ended 30.06.21 (Rs. in Cr.) |
|-----------------------|---|---|---|
| Disbursement | 193.7 | 137.0 | 16.8 |
| Fund raised | 112.0 | 111.0 | 6.0 |
| AUM | 471.3 | 397.5 | 333.3 |
| Collection efficiency | 116.56% | 98.41% | 73.85% |
| Lending Rate | 22.63% | 22.97% | 22.11% |
| Cost of Funds | 11.26% | 11.23% | 12.05% |
| Regular POS | 91.97% | 73.90% | 56.12% |
| PAR>0 | 8.03% | 26.10% | 43.88% |
| Net worth | 209.6 | 202.0 | 200.8 |
| PBT | 2.7 | 1.4 | 1.2 |
| No. of branches | 165 | 171 | 173 |
| No. of employees | 1094 | 1081 | 1098 |

Disbursement Data

Amt. Rs. in Cr

| Particulars | Microfinance | MSME |
|--------------|--------------|-------|
| April-21 | 3.06 | 0.66 |
| May-21 | 0.00 | 0.00 |
| June-21 | 1.88 | 0.12 |
| July-21 | 18.02 | 5.85 |
| August-21 | 30.45 | 9.72 |
| September-21 | 31.43 | 10.06 |
| October-21 | 60.00 | 11.19 |
| November-21 | 63.90 | 10.35 |
| December-21 | 14.53 | 17.74 |

Q3 FY 2021-22 – Consolidated Profit & Loss Statement

As per Ind AS
Amt. Rs. in Cr

| Particulars | For the Quarter ended 31 Dec 2021 | For the Quarter ended 30 Sep 2021 |
|---|--------------------------------------|--------------------------------------|
| Interest Income | 18.0 | 23.9 |
| Sale of Services & Goods | 22.2 | 12.1 |
| Fee & Commission Income | 4.8 | 3.6 |
| Gain on de-recognition of financial instruments | 0.0 | 0.0 |
| Other Income | 23.4 | 6.4 |
| Gross Total Income | 68.4 | 46.0 |
| Finance Costs | 8.9 | 7.2 |
| Net Total Income | 59.5 | 38.8 |
| Employee Benefit Expenses | 15.3 | 14.0 |
| Depreciation & Amortization | 1.6 | 0.9 |
| Other Expenses | 26.9 | 14.0 |
| Impairment on financial instruments | 13.0 | 8.5 |
| Total Profit before tax | 2.7 | 1.4 |

Q3 FY 2021-22 – Consolidated Profit & Loss Statement

As per Ind AS
Amt. Rs. in Cr

| Particulars | For Nine month ended 31 Dec 2021 | For the Year ended 31 March 2021 |
|---|-------------------------------------|-------------------------------------|
| Interest Income | 60.1 | 149.3 |
| Sale of Services | 39.8 | 12.5 |
| Fee & Commission Income | 9.5 | 6.4 |
| Gain on de-recognition of financial instruments | 0.0 | 0.0 |
| Other Income | 37.1 | 14.4 |
| Gross Total Income | 146.5 | 182.6 |
| Finance Costs | 23.6 | 28.5 |
| Net Total Income | 122.9 | 154.1 |
| Employee Benefit Expenses | 41.7 | 48.5 |
| Depreciation & Amortization | 3.3 | 3.3 |
| Other Expenses | 49.1 | 37.2 |
| Impairment on financial instruments | 23.6 | 52.7 |
| Total Profit before tax | 5.2 | 12.4 |
| Current tax | 2.1 | 5.6 |
| Deferred Tax | 2.2 | (1.8) |
| Net Profit after tax | 0.9 | 8.6 |

December 2021 – Consolidated Balance Sheet

As per Ind AS
Amt. Rs. in Cr

| ASSETS | Dec-21 | Sep-21 |
|---|--------------|--------------|
| Financials Assets | | |
| Cash & Bank Balance | 51.5 | 86.5 |
| Receivables | 11.6 | 9.8 |
| Loans & Advances | 370.5 | 318.3 |
| Investments | 11.3 | 10.0 |
| Other Financial Assets | 66.9 | 35.4 |
| Total Financial Assets | 511.8 | 460.0 |
| Non- Financials Assets | | |
| Inventories | 25.6 | 21.4 |
| Current & Deferred Tax Assets (Net) | 4.4 | 7.4 |
| Property, Plant and Equipment | 2.9 | 3.3 |
| Intangible assets & Goodwill on consolidation | 9.8 | 1.9 |
| Right to Use Asset | 1.6 | 2.2 |
| Other non financial assets | 12.7 | 18.9 |
| Total Non- Financial Assets | 57.0 | 55.1 |
| Total Assets | 568.8 | 515.1 |

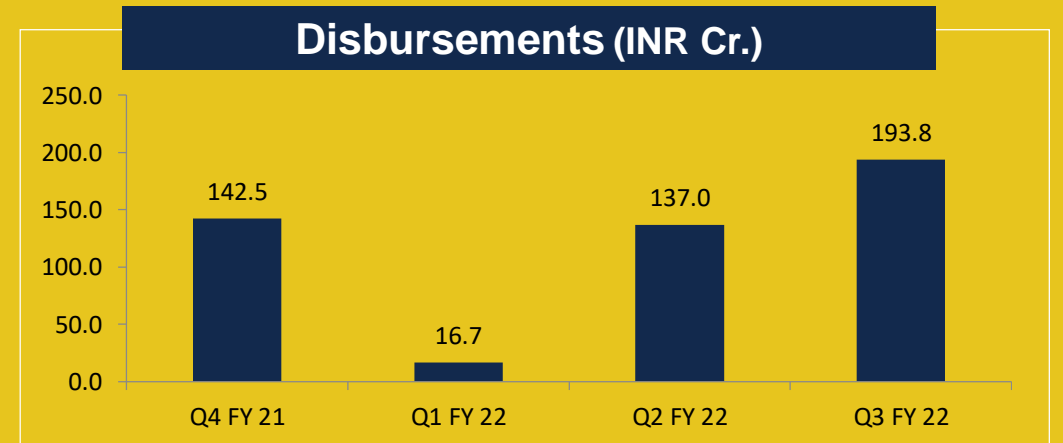
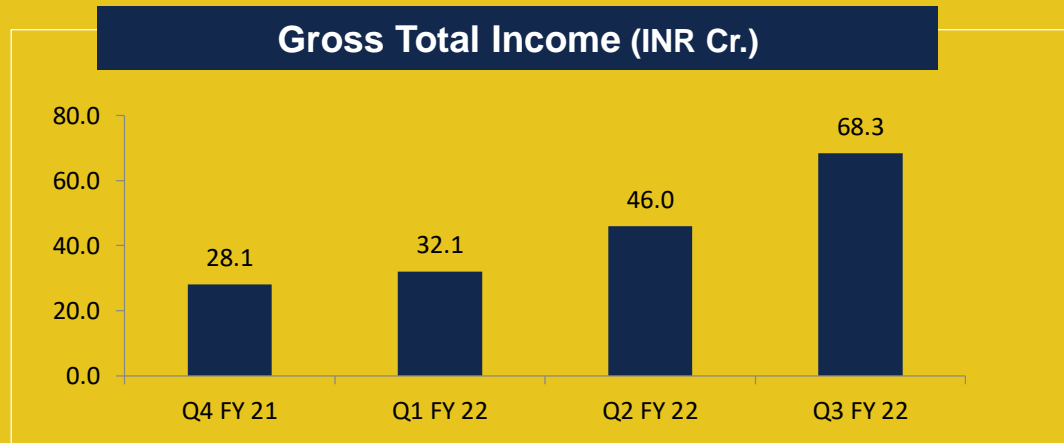
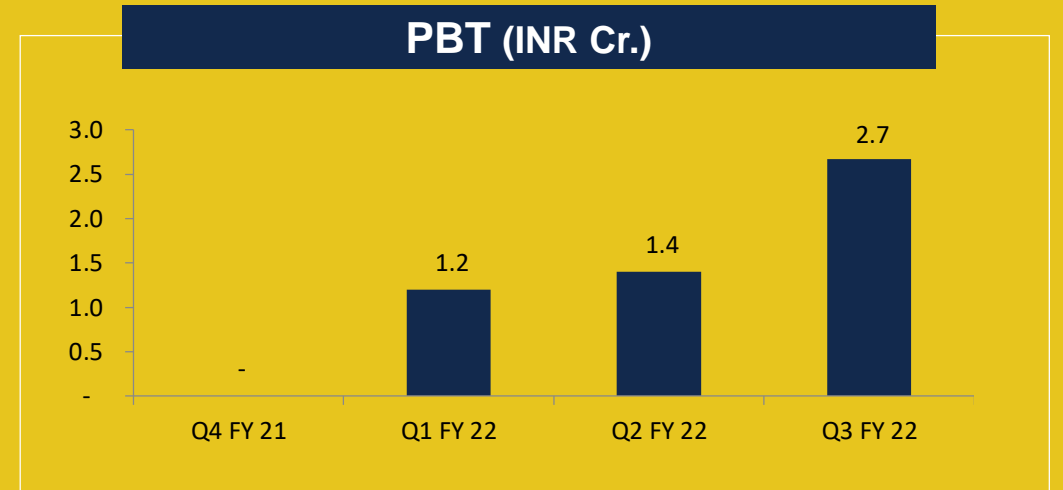
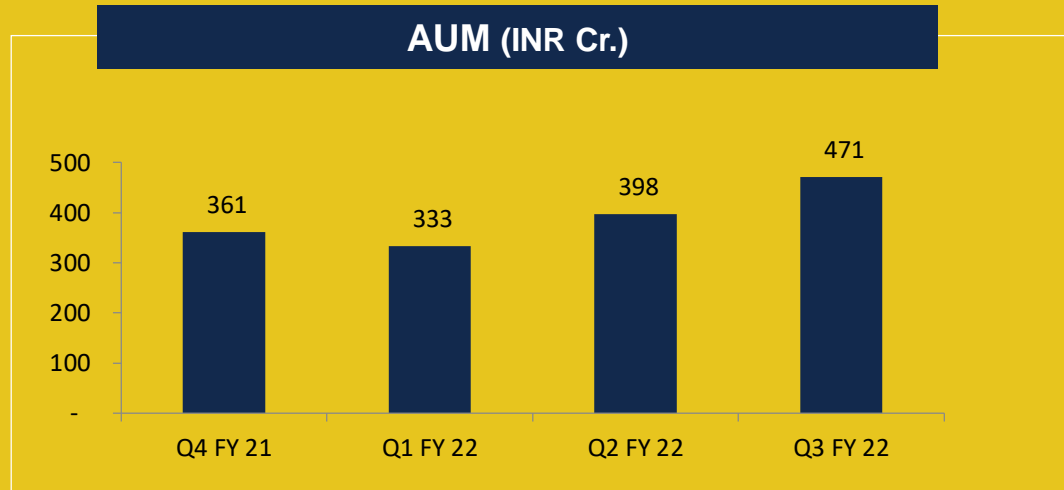
| LIABILITIES | Dec-21 | Sep-21 |
|---|--------------|--------------|
| Equity Share Capital | 23.3 | 23.3 |
| Reserves & Surplus | 116.9 | 114.7 |
| Non controlling Interest | 69.4 | 64.0 |
| Total Shareholders Funds | 209.6 | 202.0 |
| Financial Liabilities | | |
| Payables | 22.7 | 14.5 |
| Borrowing & Debt Securities | 286.2 | 251.2 |
| Subordinated Liabilities | 29.2 | 29.2 |
| Other financial liabilities | 9.9 | 7.3 |
| Total Financial Liabilities | 348.0 | 302.2 |
| Non- Financial Liabilities | | |
| Current tax liabilities | 5.4 | 5.2 |
| Provisions | 2.1 | 2.4 |
| Other non-financial liabilities | 3.7 | 3.3 |
| Total Non- Financial Liabilities | 11.2 | 10.9 |
| Total Liabilities & Equity | 568.8 | 515.1 |

Portfolio Performance

Rs. in Cr.

| Particulars | Micro Finance | MSME | Micro loans | Agri Commodity & Others | Total |
|--|---------------|--------------|--------------|-------------------------|---------------|
| Outstanding Gross Portfolio as on 30th Sep 2021 | 200.34 | 67.51 | 22.41 | 80.78 | 371.04 |
| Interest Accrued | 24.73 | 0.42 | - | 1.31 | 26.46 |
| Gross Portfolio - 30th Sep 2021 | 225.07 | 67.93 | 22.41 | 82.09 | 397.50 |
| *Disbursement in Q3 | 138.43 | 39.28 | 2.59 | 13.46 | 193.76 |
| Interest Accrued | 11.50 | 3.06 | 0.01 | 3.79 | 18.36 |
| Restructured Interest Capitalized | | - | - | - | - |
| Collection in Q3 | | | | | |
| Collection on account of Principal | 65.63 | 11.75 | 3.05 | 16.59 | 97.02 |
| Collection on account of Interest | 16.16 | 3.22 | 0.91 | 1.79 | 22.08 |
| Bad Debts / Reversal | | 0.12 | 20.01 | - | 20.14 |
| Closing Portfolio | | | | | |
| Principal Loan | 273.14 | 94.91 | 1.94 | 77.65 | 447.64 |
| Interest Accrued | 20.06 | 0.27 | - | 3.30 | 23.63 |
| Portfolio as on 31st December 2021 | 293.20 | 95.18 | 1.94 | 80.95 | 471.27 |

Q3 FY21-22 QoQ – Performance Update



Cost of Borrowings

| Segment wise average cost of Borrowings | | |
|---|---|--------|
| Micro Finance | - | 11.03% |
| MSME Finance | - | 12.52% |
| Agri Commodity Finance | - | 7.74% |

Provision on Portfolio

| Segment | Gross NPA% | Net NPA % |
|----------------|------------|-----------|
| MSME | 5.64% | 3.70% |
| Microfinance | 1.06% | 0.00% |
| Agri Commodity | 0.00% | 0.00% |

Portfolio and Debt Details – ICL Consol

| Particulars | December 2021 Amount (in Cr) | September 2021 Amount (in Cr) |
|--|---------------------------------|----------------------------------|
| Own Portfolio | 371.07 | 325.64 |
| Managed Portfolio | 100.20 | 72.86 |
| Cash & Bank Balance | 5.56 | 36.59 |
| AUM (Including Cash & Bank Balances) | 476.83 | 434.09 |

| | | |
|--------------------------------|---------------|---------------|
| Term Loan | 261.81 | 226.57 |
| Sub-Ordinate Debt | 29.00 | 29.00 |
| Total Debt | 290.81 | 255.57 |
| DA PTC | 100.20 | 72.86 |
| Total Debt & DA PTC | 391.01 | 328.43 |

| | | |
|-----------------------|---------------|---------------|
| Net Owned Fund | 209.59 | 202.03 |
|-----------------------|---------------|---------------|

| | | |
|---|--------|--------|
| Debt Equity Ratio | 1.39 | 1.27 |
| Solvency Ratio (Including DA/PTC/Partnership) | 82.00% | 75.66% |
| Solvency Ratio (Excluding DA/PTC/Partnership) | 77.22% | 70.75% |

Portfolio – Detailed Breakup

Amt in Cr.

| Portfolio Segment | Own | Managed | Total |
|------------------------|---------------|---------------|---------------|
| Microfinance | 259.06 | 34.14 | 293.20 |
| MSME | 29.12 | 66.06 | 95.18 |
| Micro Loans | 1.94 | - | 1.94 |
| Agri & Other Loans | 80.95 | - | 80.95 |
| Total Portfolio | 371.07 | 100.20 | 471.27 |

| Portfolio Share | Percentage |
|-----------------|------------|
| Microfinance | 62% |
| Others | 38% |

Indi Impact
Business verticals

| Commodity Business | Micro Finance Business | MSME Finance | Scalerator | Boonbox |
|--------------------|------------------------|--------------|------------|---------|
|--------------------|------------------------|--------------|------------|---------|

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

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

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

Customer centric offers through Third Party

- **Business loans**
- **Personal loans**
- **Insurance**
- **Health loan**
- **Gold loan**

- **End to end of rural E-commerce**
- **Rural customers with household income < 1 Lakh p.a.**
- **Customer acquisition through affiliates**
- **Delivering the product to the customer**
- **Product installation and 1st level customer support**

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.

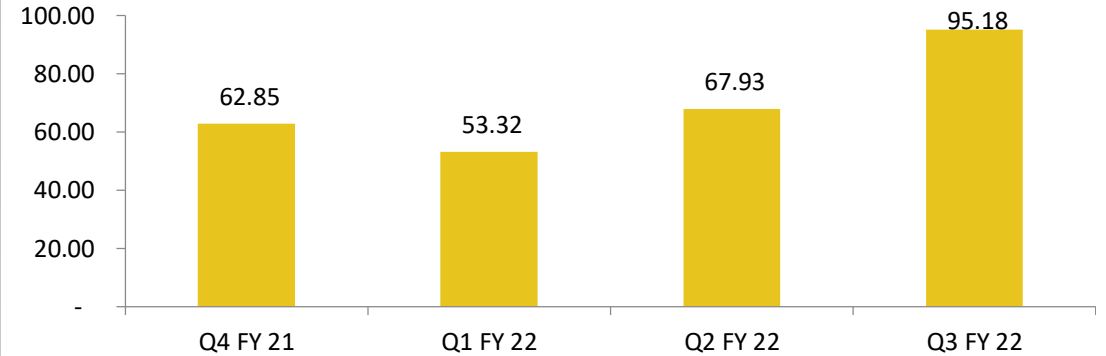
Operations of the same is run through 10 locations spread across Tier I and Tier II cities in 4 states of southern and western India.

The Segment started its operations in May 2018 and has been able to disburse cumulative amount of INR 227 Cr.

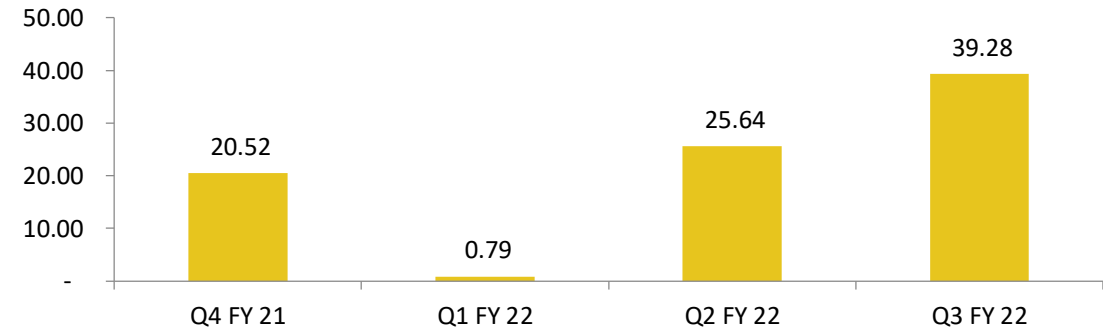
Handled by professional team of 60 odd employees having in-depth experience/ knowledge across all the functions

Active borrowers stands at 921.

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 30K given to women borrowers for income generation activities.

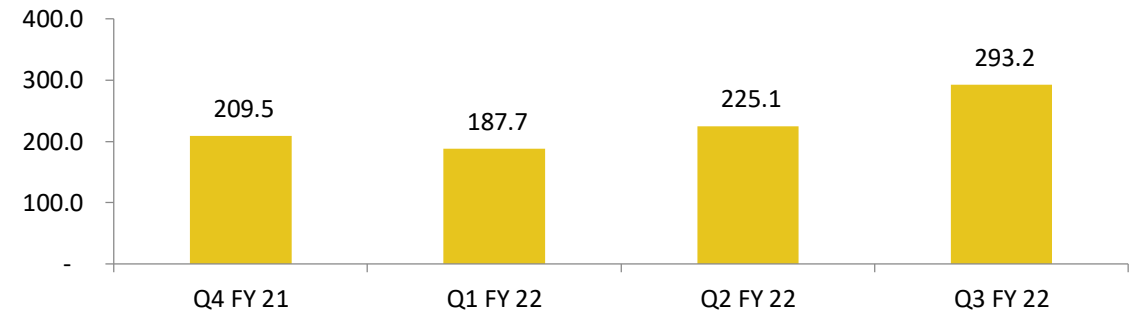
Operations in 9 states: 170 active branches .

Started its operations in April 2017 and has made cumulative disbursement of INR 1148 Cr.

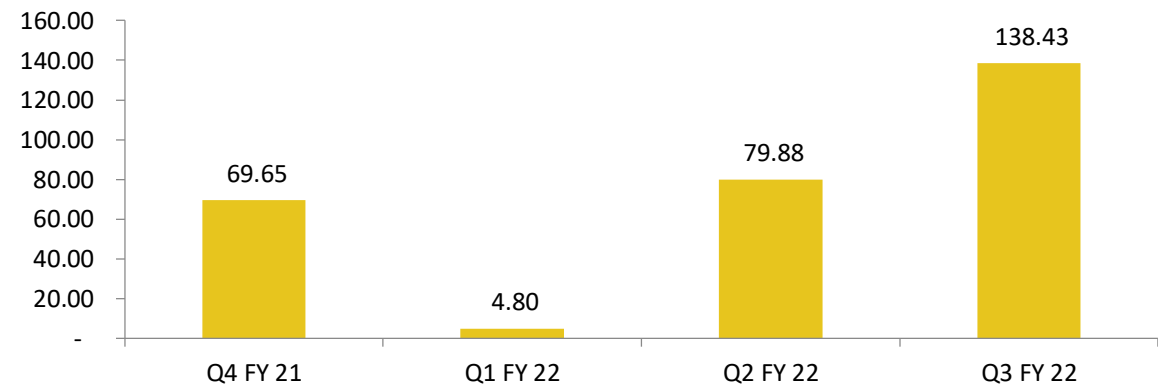
Handled by a team of 700 plus employees and managed by leadership team having cumulative experience of more than 50 years.

Active borrowers stands at 104K (approx).

AUM (INR Cr.)



Disbursement (INR Cr.)



3. 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



24 Commodities
lent against



e-Auction Services

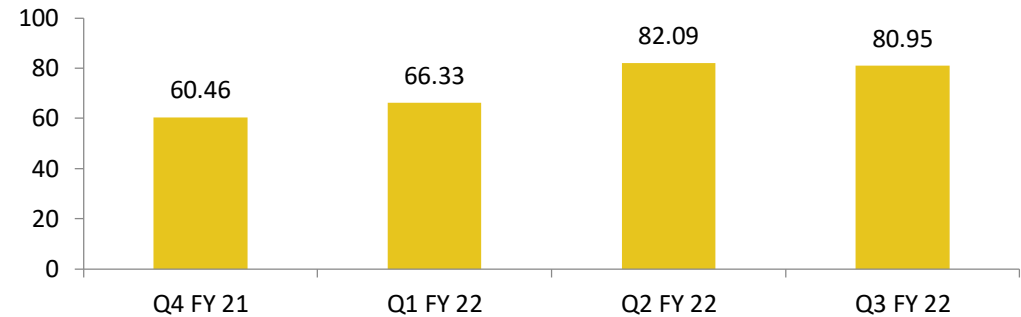
Agri Commodity & Others

Segment is focussed towards providing finance in non essential and exchange traded agri commodities.

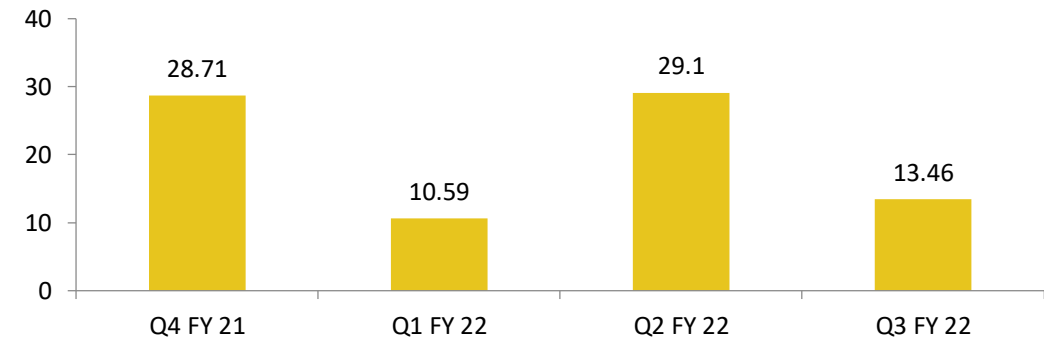
Operations spread across all the major mandis in western, central and southern India.

Started in 2016 and Cumulative disbursement stands at more than INR 1092 Cr.

AUM (INR Cr.)



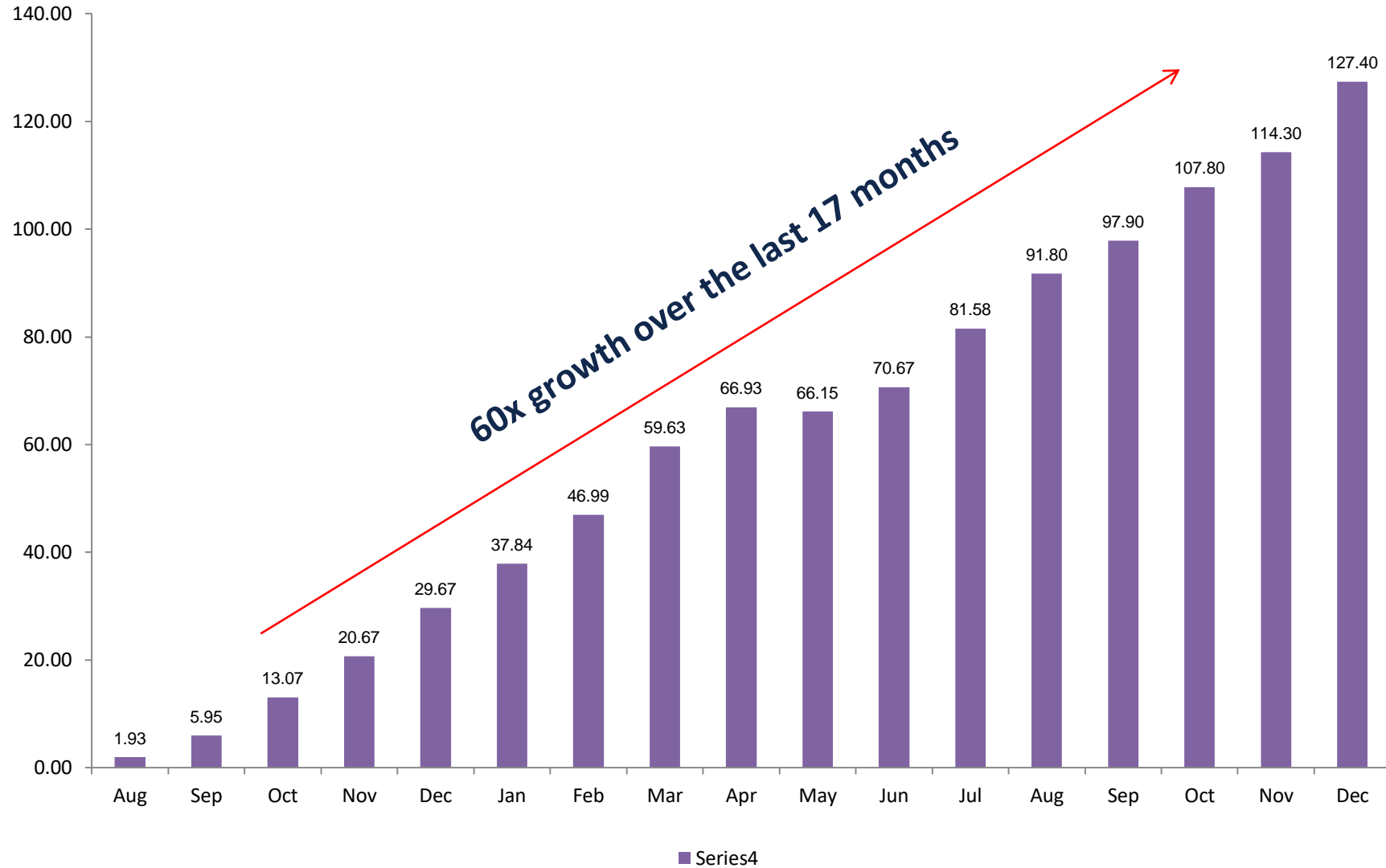
Disbursement (INR Cr.)



4. Scalerator



Business Performance: AUM



The AUM of all partners put together stands at **~127Cr** in 17 months of operations, including lockdown period

Q3 of 2021-22, grew by **30%** over Q2 of 2021-22, a significant performance

A near 127 Cr AUM in 17 months is a good trajectory and is expected to grow further

5. Boonbox - Profile

- Boonbox is a Rural Assisted Commerce platform that brings choice and convenience to the doorsteps of the rural consumer. Boonbox has catered to the needs and aspirations of rural consumers and delivered products like Consumer durables (TV, refrigerators, washing machines), Mobile phones, Kitchen appliances, and Fast Moving Consumer Goods to customers across 3,00,000 villages, in 16 states.
- Boonbox is unleashing to tap the \$100Bn Rural E-Commerce potential with its Vision to become one stop destination to satisfy all the needs of RURAL INDIA. Boonbox is serving the underserved but aspirational segment of Bharat by leveraging years of experience in last mile distribution and expertise in working in rural markets.
- In its 8 years of experience, Boonbox has developed a complete new rural ecosystem, which provides a rural consumer affordability, accessibility and assortment which in turn is alleviating their lifestyles.

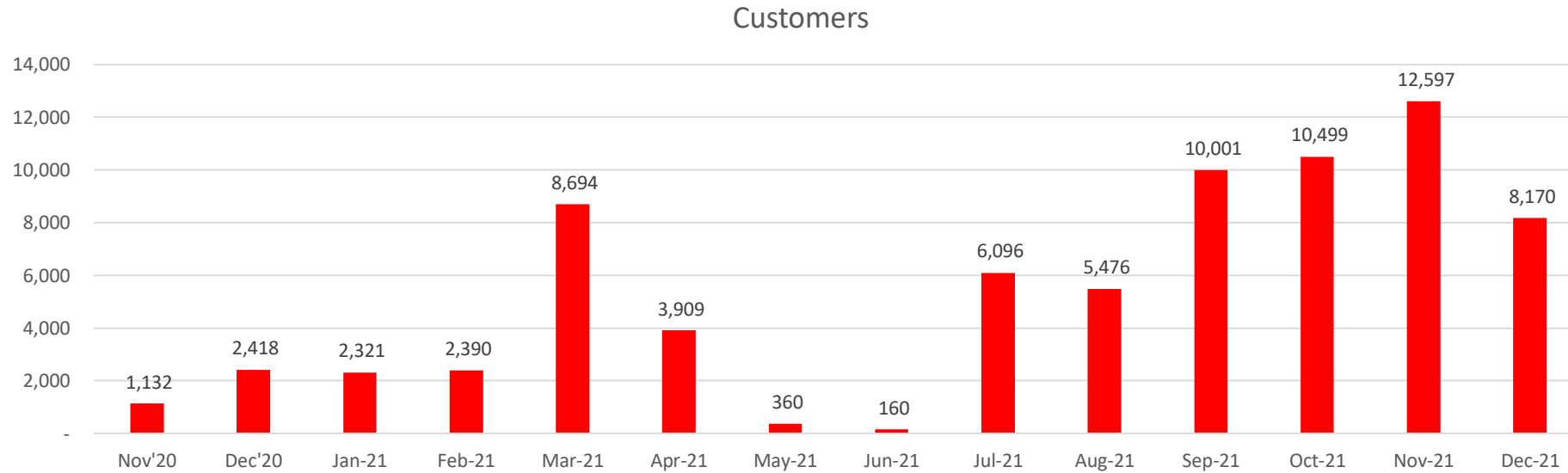
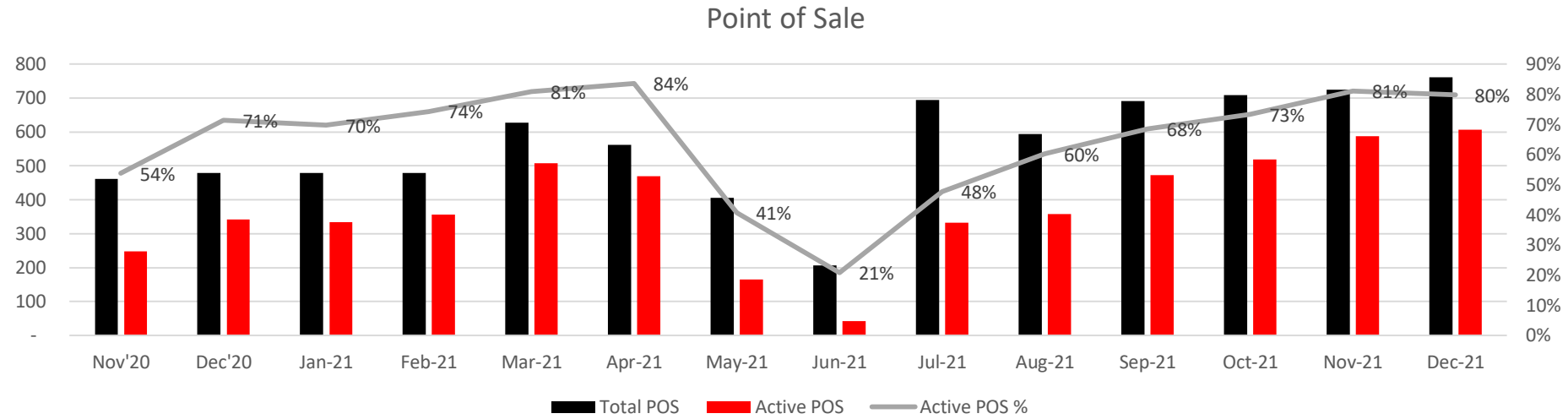
Boonbox – Business Model

Boonbox leverages the power of rural networks to fulfil the needs of the aspirational rural customer. The ecosystem created by Boonbox encompasses end-to-end of rural commerce:-

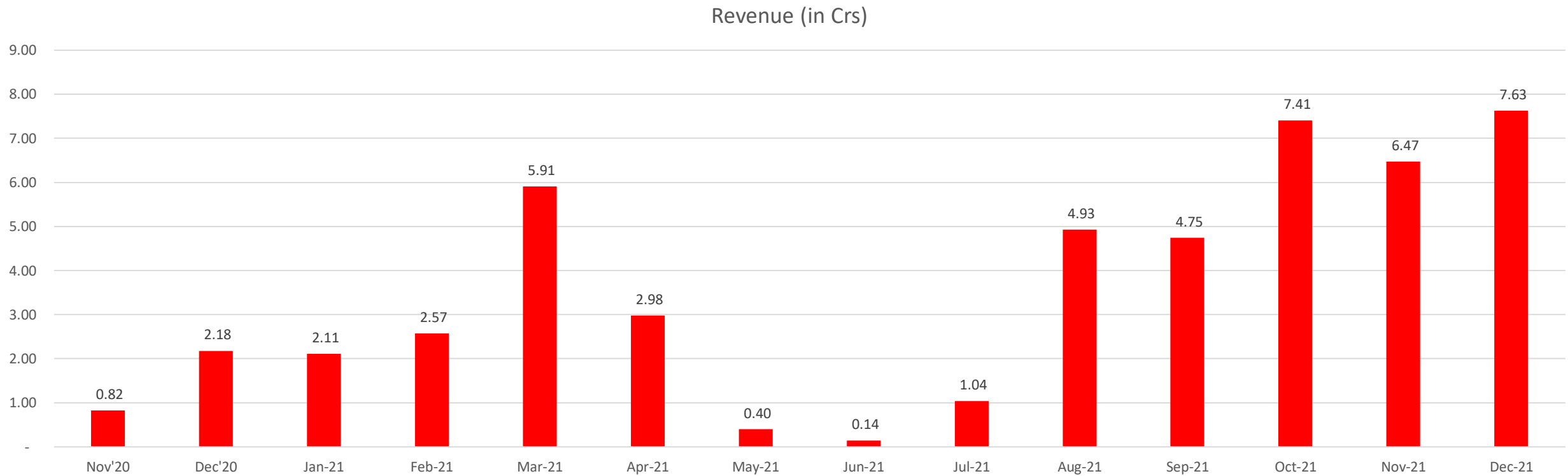
- 1. Customer acquisition:** Through tie ups with affiliates (typically microfinance institutions, banking correspondents, rural level NGOs etc.) which provide Boonbox access to a large captive customer base
- 2. Discovery and Catalogue:** Boonbox has access to the field force of its affiliates and trains them to showcase a catalogue of rural products (mobiles, consumer durables and cookware among others) to rural customers.
- 3. Financing:** Boonbox tie ups allow for financed purchases at the rural customer's level. The financing can either be provided by the affiliates directly or by the network of NBFCs lined up by Boonbox.
- 4. Category & Sourcing:** Curate Catalogues based on the understanding of the local markets is used to create the categories & products relevant for the rural consumers. Boonbox has direct tie-ups with all the leading Consumer brands like Samsung, LG, Whirlpool, Prestige, Butterfly etc) and procures directly from them through its centralized sourcing team.
- 5. Fulfillment:** Boonbox has created a network of rural last mile partners who deliver products to the doorstep of the customer in an efficient and timely manner
- 6. Servicing:** Boonbox operates an in-house multi-lingual call centre to support customers in product delivery and installation as well as provide first level customer support

Target Segment: Aspirational Rural Consumers with annual household income of >INR 1 lakh per annum. Addressable market estimated to be ~120 Mn Households

5. Boonbox- Business Performance



Revenue



THANK YOU