

purple 

Ahead Together

Digitally Enabled Secured Lender for MSMEs



— Purple Finance : Who we are

- Digitally enabled lender for MSMEs
- Focused on secured lending
- Started off journey with the states of Gujarat, Maharashtra and Madhya Pradesh
- Seasoned executive team with credible background
- Listing approval obtained to become a listed entity through reverse merger with another listed NBFC

Seasoned Executive Team With Credible and Proven Background



Amitabh Chaturvedi

Founder & Executive Vice Chairman

- 30+ years of experience and has built successful organizations
- BFSI veteran known for converting startups into large enterprises, building team and scale



Rajeev Deoras

Co-Founder & Executive Director

- 37+ years of experience in building Corporate Banking, credit, risk & private equity
- known for setting up banking franchises & enterprise risk practice



Sabyasachi Rath

Co-Founder and CEO

- 25+ years of experience in the entire spectrum of lending in Corporate, SME and Retail
- Known for setting up large retail distribution network & business turnaround through automation



Seasoned Executive Team With Credible and Proven Background



Souvik Dasgupta

Co-Founder and CBO

- 23+ years of experience in Secured Lending , Cross Border Payments , Fx Treasury management
- Known for setting up large retail distribution network & business turnaround through automation



Sonal Vira

Co-Founder and CFO

- A Chartered Accountant with 16+ years of working experience in building corporate banking franchise across Indian & MNC Banks.
- Known for her expertise in managing Treasury & Finance functions



Mrinalini Sahai

Co-Founder and Head-Legal and Compliance

- 6+ years of experience in managing legal & compliance of NBFC, private equity, asset management businesses.
- In-depth understanding of statutory compliances, governance matters and regulatory reporting



Significantly Large MSME Market

MSMEs are broadly defined as businesses with annual revenue up to INR 250 Cr. (approximately \$ 35 million). MSMEs can be further broken down into smaller categories by annual revenue.

MICRO
Up to INR 5 Cr

SMALL
INR 5-75 Cr

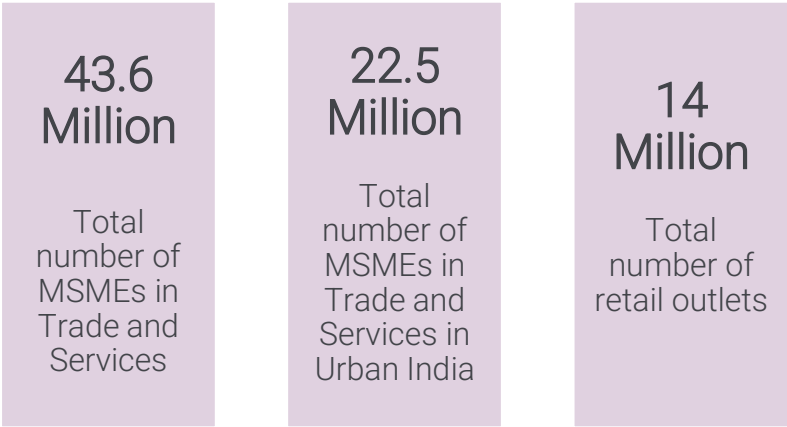
MEDIUM
INR 75-250 Cr

The majority of India's MSMEs are "nano" or "mini" businesses, with close to 96% of MSMEs having annual revenue of less than 1 Cr and roughly 80 percent under 10 Lakhs.

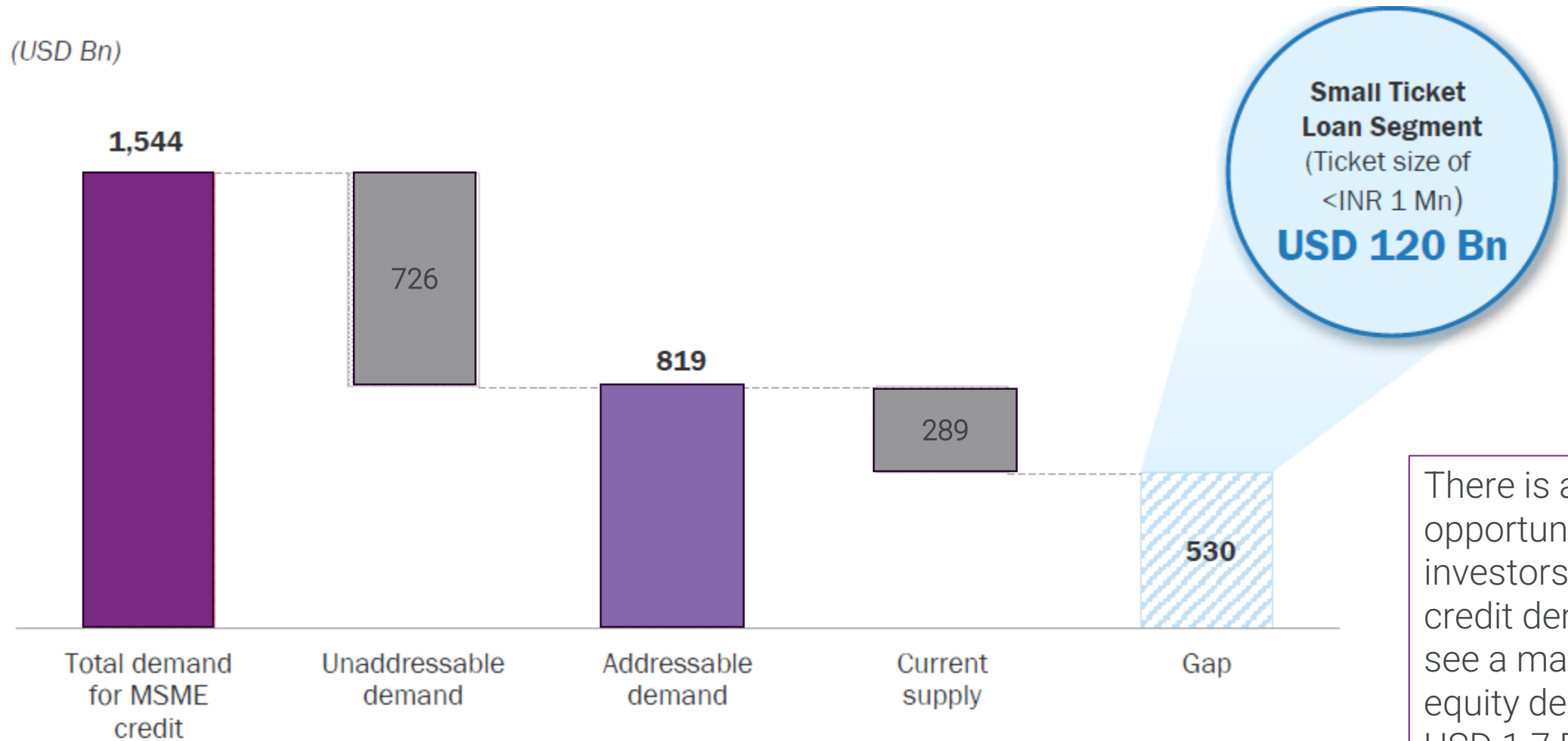
- Of the micro enterprises only 11% have access to credit
- Of this, 64% are in small cities
- And only 30% of their credit needs are being met
- Despite government interventions, renewed focus by lenders, the small & medium enterprise segment lacks access to proper banking.

MSME Distribution by Sector

Activity Category	No. of MSMEs (in Million)	Share
Manufacturing	19.66	31%
Trade	23.03	36%
Services	20.69	33%
Electricity	0.003	0%
Overall MSME	63.38	100%



Unbanked MSME market : attractive investment opportunity



There is an opportunity for investors as the credit demand will see a matching equity demand of USD 1.7 Bln with an IRR of 15%.

Source : Aventus Report on MSME Lending

Purple Finance : Aspire to be one of the largest Digital lenders for the MSME



Listed Play to Focus on Governance from Day One – Ease of Exit

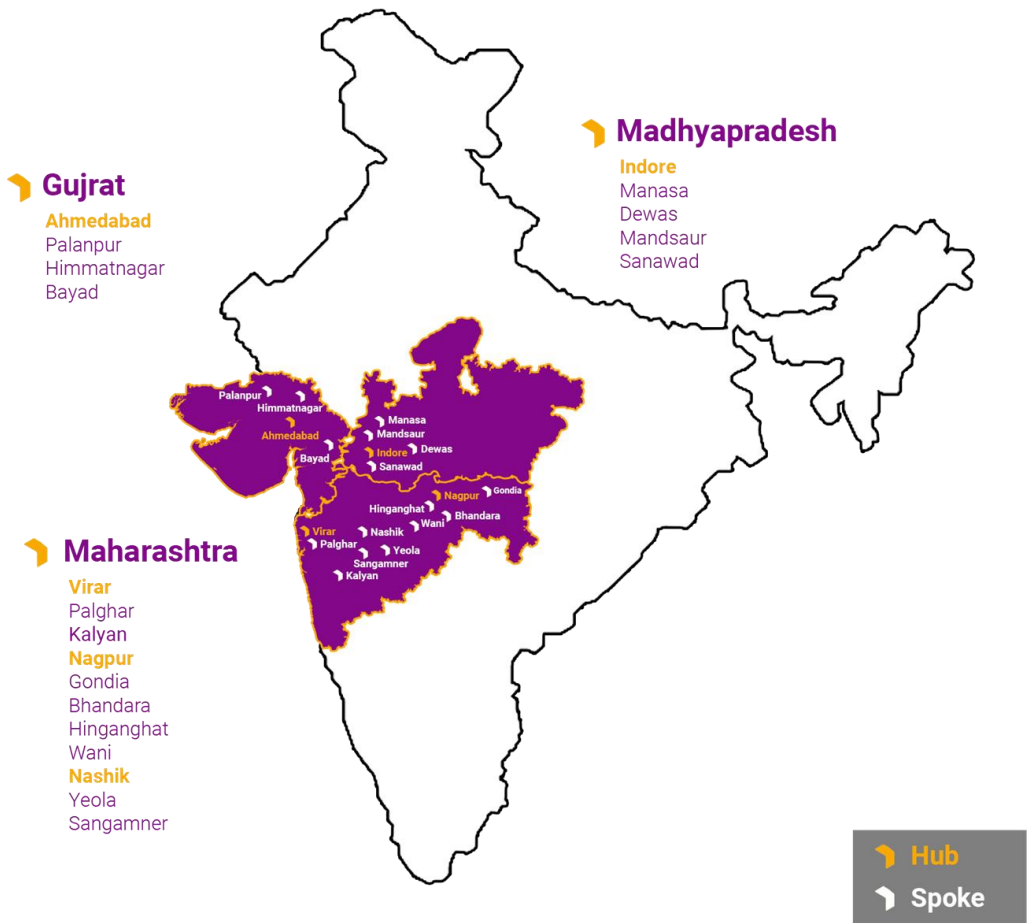
- Strong compliance from Day 1
- Following more stringent guidelines than applicable to NBFCs
- Due to higher transparency from day 1 ability to raise capital and get better rating
- Able to provide path to liquidity to investors

First step >: Digital NBFC Focused on Secured Product

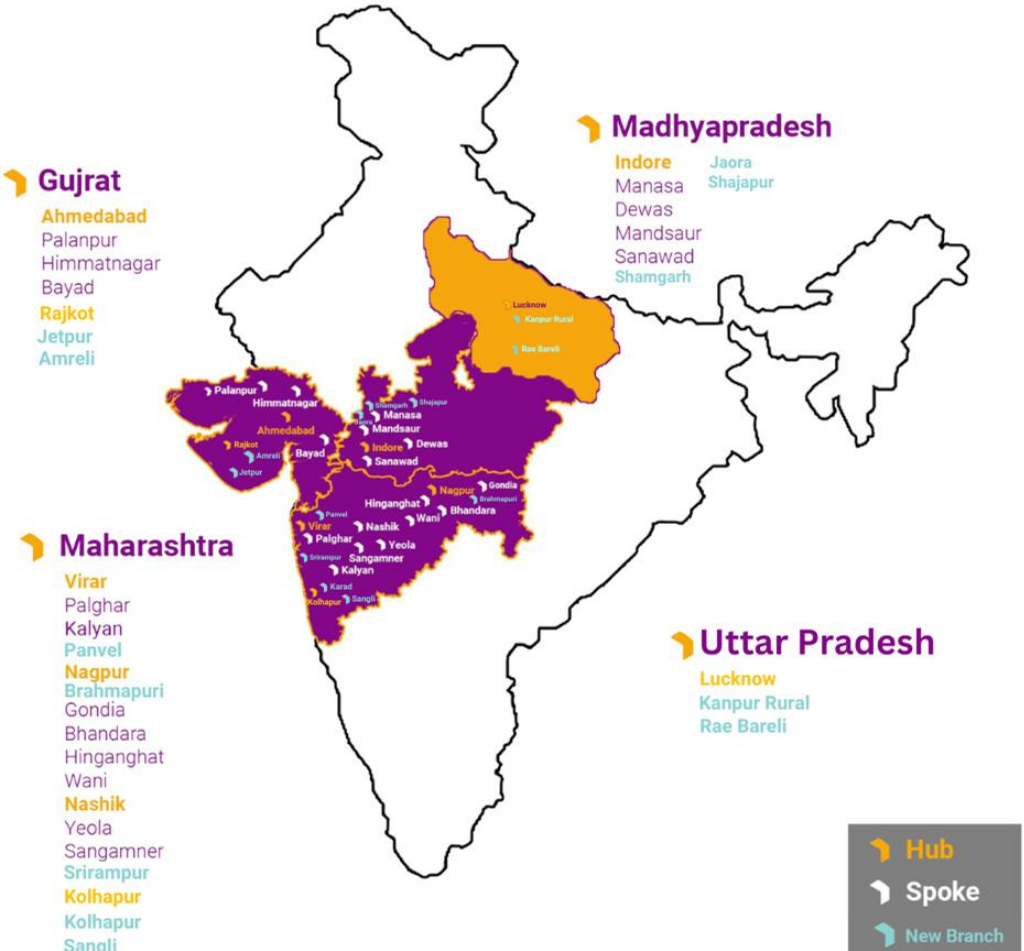


Being consistent & right

Current Foot Print



Proposed Geographical Expansion









Secured MSME loans

Who we target

- A micro enterprise**
Annual turnover does not exceed Rs 40 lakh
- Sector agnostic**
Manufacturers, traders, wholesalers, and services
- Loan purpose**
 - Business expansion
 - Asset purchase
 - Construction/renovation of business/residential premises
 - Working capital requirement

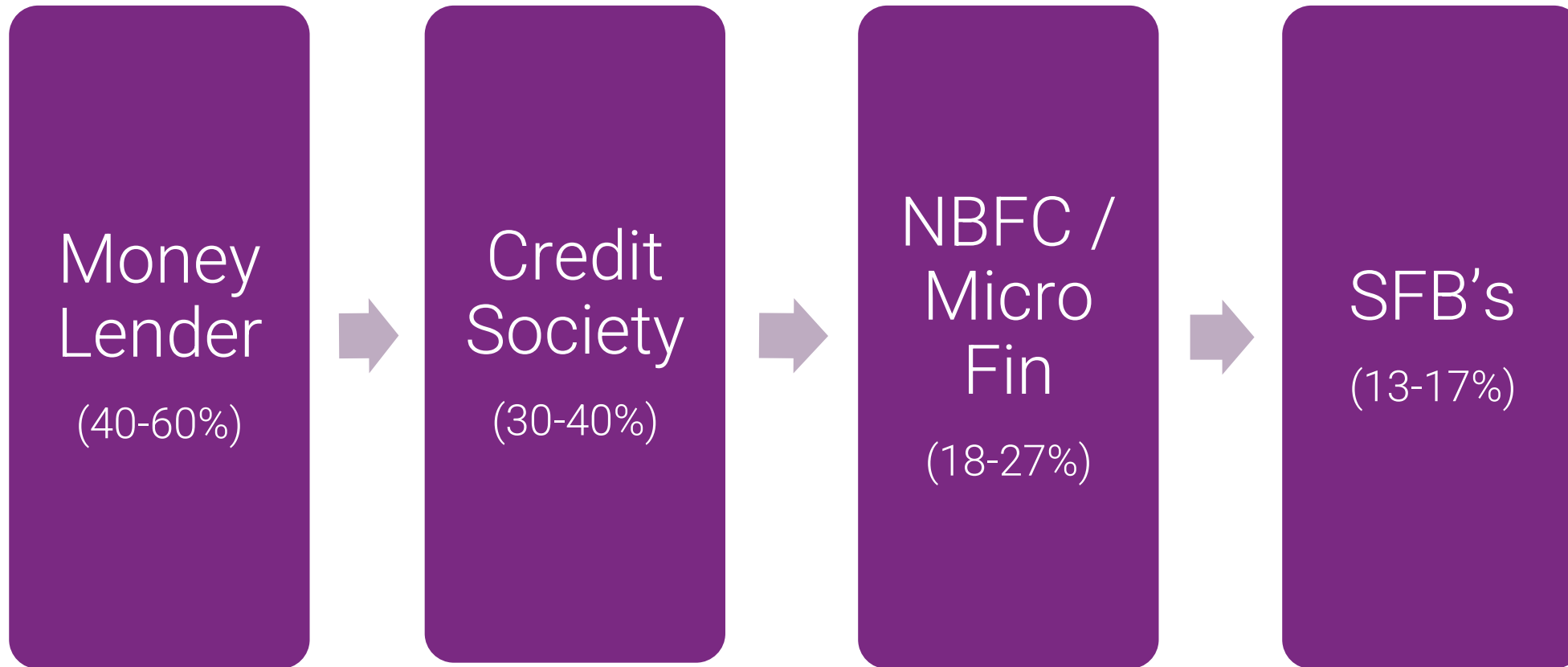
Product features

-  Loan up to Rs. 15 Lakh
-  ROI 19% to 23%
-  Door to door tenor of up to 7 years
-  Flexible repayment schedule
-  Can be availed by First Time Borrowers
-  Cash flow based assessment

Selection methodology

- 01 Declared Income Assessment**
Financial Statement and ITR etc.
- 02 Surrogate Assessment**
Bank Balances, Credit into Banks, Value of Installment paid
- 03 Liquid Income Assessment**
Personal Discussion and Business Assessment
- 04 Alternate Lending Assessment**
Alternate Data Source and Scorecard

Borrower Loan Journey



* During these loan journey's most of the borrowers also take consumer finance loan for Mobile / electronics / 2 wheelers.

3 Key Pillars Of Purple Execution

01



Differentiated strategy

to enter the market and operate

- Single secured product & focused smaller markets
- 360-degree customer engagement program
- Adopting a high-tech high touch strategy

02



Tech-as-an-enabler

for lean and agile operations

- Clear go /no go decision in < 5 hours
- Uberization of customer journey
- Customer interface in vernacular

03

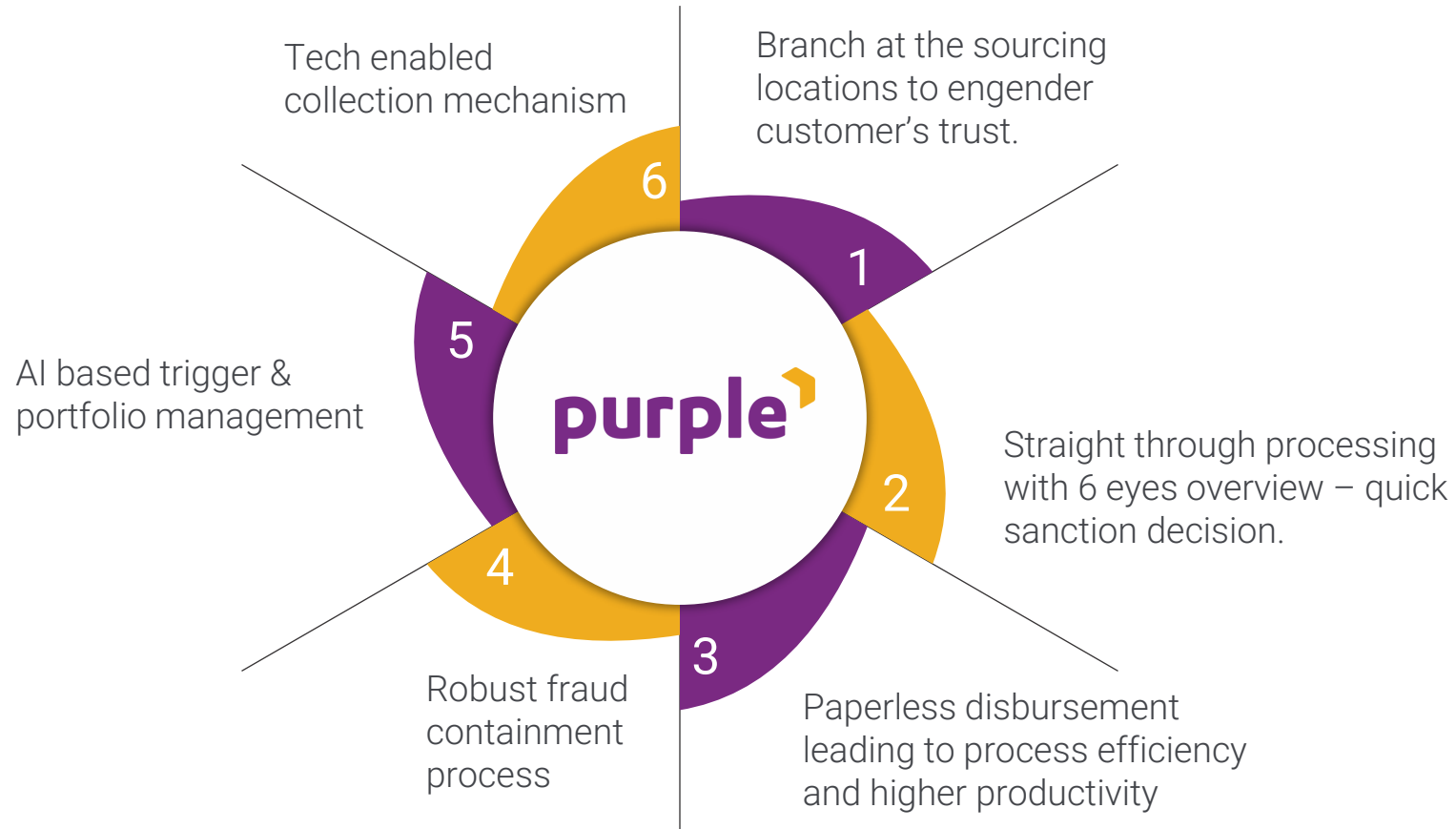


Strong risk & governance

for sustainability and profitability

- High caliber board
- Strong risk & governance as culture
- AI based under-writing & early warning process

Digital End to End But With High Touch



Current Traction : We have impacted more than 1500 lives

Traction

- First loan booked on October 19, 2022

Touch points

- Today Purple has 20 branches that covers more than 100 districts

Current team

- No of people – 165

Debt Raise

- Debt raise of ~ Rs.32 Cr done
- 10 Crs CC, 15 Crs Tier II, 7 Crs TL

Current Traction

Portfolio Snapshot

- AUM – Rs ~34 Crs
- No of customers – ~650; 100% have women borrowers or co borrowers.
- Nil NPA

Product snapshot

- Average ticket size – Rs. 5.15 lakhs
- Average LTV –42.97%
- Average ROI – 20.1%
- Average Bureau score – 735
- New to credit – 19%

Customer Name : Darshika Patkar

Location : Virar

Status : Widow

Family Member : Two Daughters and One Son

Business: Stitching Ladies garments from home

Family Members: Daughter working for a SME private company

Son contract employee with SEIMENS

Younger Daughter helps mother in business

Current Annual Income : 4,20,000/

CIBIL Score of Applicant : 777

Our Funding Amount : 6,20,000 /

LTV: 53%

FOIR : 42%

Collateral : Self Occupied Residential Property Flat

End Use : For renting out shop of her own

Funded in : April 2023

EMI: 13397/



Before our funding



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Yearly Income Increased from
4.2 Lakh pa to 9.6 Lakh pa

After our funding



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Customer Name : Panchal Ravchandbhai Punambhai

Location : Bayad, Gujarat

Family Member : Spouse, one Son and one Daughter

Business: Repairing of cycle and bike & Agri (Owns one Bigha Land)

Family Members: Son is working with Bajaj Fin serve on contract

Spouse is house wife

Daughter is studying

Current Annual Income : 3,60,000/

CIBIL Score of applicant: 736

Our Funding Amount : 4,00,000 /

LTV: 38%

FOIR : 45%

EMI: 8882/

Collateral : Self Occupied Residential Property row house

End Use : For purchasing two buffalos to sell milk to Amul Dairy

Before our Funding



- Milk Statement Taken from Amul App
- Additional Annual Income of 120000/ from these Buffalo

After our Funding



100640 - PANCHAL JAYSHREEBEN RVHANDBHAI						
Month Wise Report - 2023-2024						
Month	Milk Type	Qty	Fat	SNF	Rate	Amount
October	B	145.70	6.3	9.70	53.62	7812.36
November	B	93.86	6.3	9.70	53.52	5023.51
Total		239.56				12835.87

An Opportunity

Market fit

Big opportunity, at inflection point of tech and data democratization



Scalable business

Scalable with early adoption of tech, very large growing market



Founders fit

Strong team with complimentary skill sets & connect in the market



Well laid vision

Clearly defined strategy



Governance

High caliber board & strong corporate governance



Listed entity

Faster value creation & easy exit option



Thank You

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