

purple[^]

Ahead Together

Digitally Enabled Secured Lender for MSMEs



Our Company



Ahead
TOGETHER

Since 1993

Started retail
lending from 2022

Six like minded
professionals having
130+ years of cumulative
work experience came
together to create a Large
Institution

Listed on BSE & CSE
Limited

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.

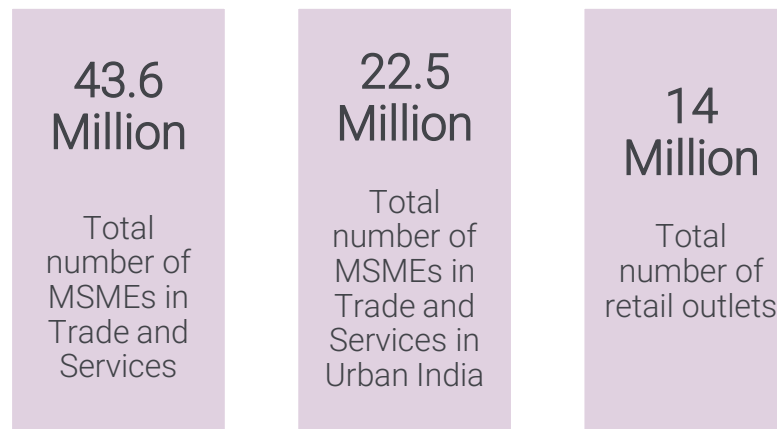


The majority of India's MSMEs are "nano" or "mini" businesses, with close to 96% of MSMEs having annual revenue of less than 1 Cr and roughly 80 percent under 10 Lakhs.

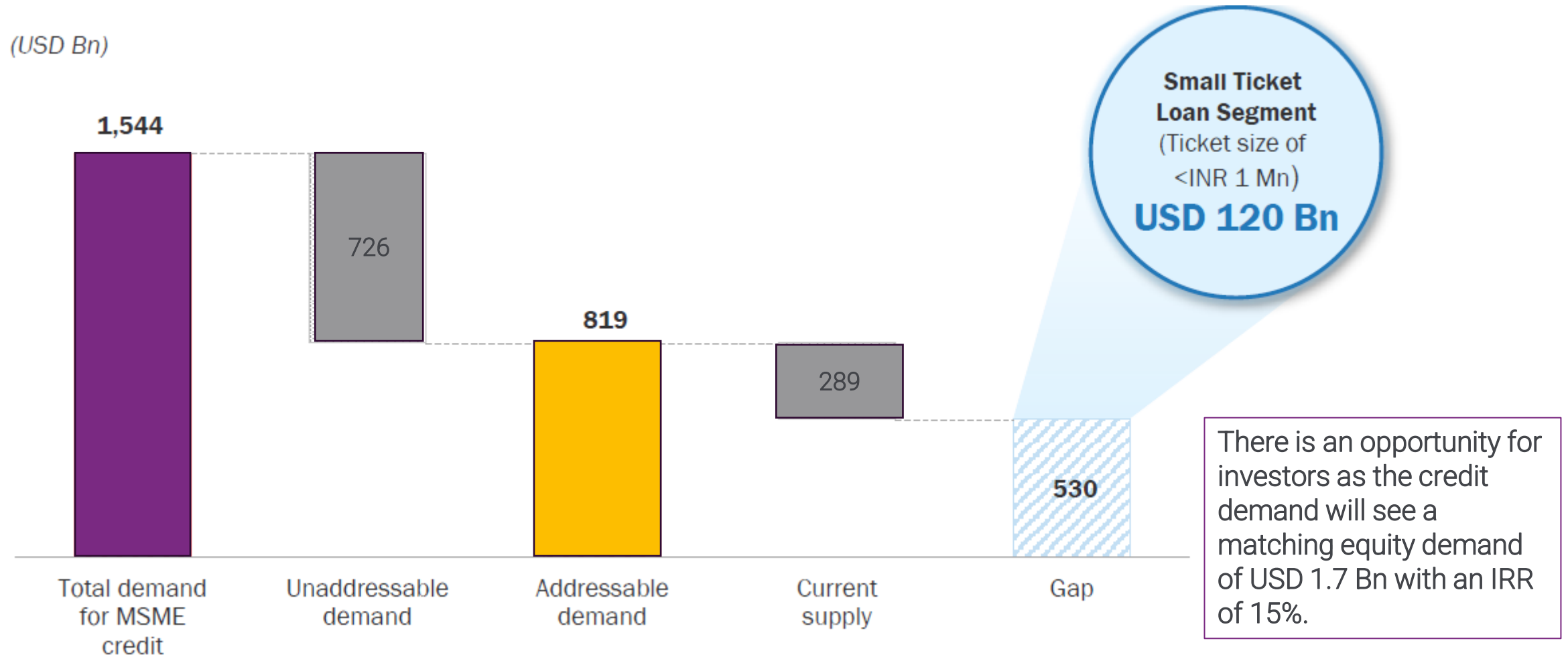
- Of the micro enterprises only 11% have access to credit
- Of this, 64% are in small cities
- And only 30% of their credit needs are being met
- Despite government interventions, renewed focus by lenders, the small & medium enterprise segment lacks access to proper banking.

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%

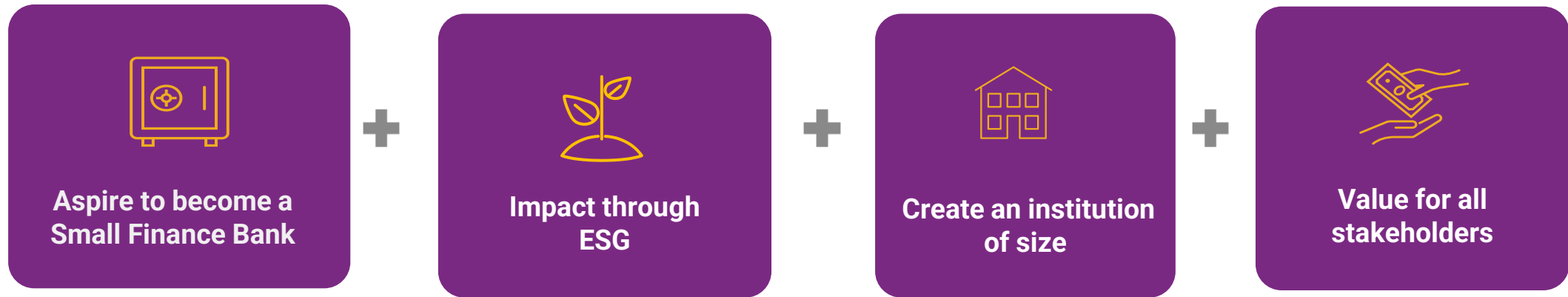


Unbanked MSME market : attractive investment opportunity



Source : Aventus Report on MSME Lending

Aspire to be a Small Finance Bank for the MSME



FOUNDERS



Amitabh Chaturvedi

Founder & Executive 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

CEO & Co-Founder

- 27+ 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



FOUNDERS



Souvik Dasgupta

CBO & Co-Founder

- 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

CFO & Co-Founder

- 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

Legal / Compliance Head &

Co-Founder

- 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



BOARD OF DIRECTORS



Amitabh Chaturvedi

Founder & Executive Chairman

Mr. Amitabh works with a distinct entrepreneurial style and has led large teams.



Rajeev Deoras

Co-Founder & Executive Director

Mr. Rajeev is known to have a keen eye for detail and has a meticulous approach in discharging his responsibilities.



Minal Chaturvedi

Non-Executive Director

Ms. Minal oversees business development activities and strategic initiatives at Purple. also a Yoga enthusiast and a qualified Yoga trainer.



Ajay Kumar Pandey

Non-Executive Director (Independent)

Mr. Ajay holds an empanelment with Indian Council of Arbitration and has expertise in the functional areas viz. Business Leadership, Strategy, Telecoms, Power & Infrastructure and Urban Planning.



Sumeet Sandhu Gill

Non-Executive Director (Independent)

Ms. Sandhu has over 22 years of experience across Investments & Insurance, in the financial industry and has launched new segments, products and channels as well as set up new businesses from ground up to build market share and create value



Amit Sonawala

Non-Executive Director (Independent)

Mr. Sonawala has 30 years of extensive and diverse experience in Business, Legal matters, Company affairs, Corporate compliance. Proficiency certificate holder as an Independent Director from (IICA)

LEADERSHIP TEAM



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Kotak Mahindra Bank



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Vinay Patel

Head Of Operations

- 20+ years of experience with various banking and non-banking finance companies.
- Rich experience in the areas of Operation, Credit and Risk Management and has worked with some of India's leading brands in the financial services Prior to joining Purple Finance



Saurabh Lall

Head Credit

- 30 years of experience worked in the NBFC space since 1992. Associated with Organizations like Ashok Leyland Finance for 6 years, Tata Motor Finance Ltd for 3 years, GE Capital Transportation Financial Services Ltd. Magma Fincorp Ltd. for 9 years, Barota Finance Ltd. for 1.5 years and Satin Finserv Ltd. for 3 years.
- Has been in Credit domain since 2001 and as Credit Head for 5 years.



LEADERSHIP TEAM



Gunjan Mishra Browne
Head Human Resource

- 12+ years of experience, Seasoned HR Professional with experience in building People Management Strategies, Business Partnership, Culture & Engagement with various NBFCs
- Expert in driving entire people function, including Talent Acquisition, L&D, Talent Management, HR Operations, HR Tech and Total Rewards



Prashant Pandey
Chief Technology Officer

- 24+ years wealth of experience in various roles within the tech department with various companies and Institutions.
- Organisations like Probus Insurance Broker Pvt Ltd, Reliance General Insurance Company Ltd, bringing a deep understanding of both the technical and strategic aspects of technology management.



Asim Padhi
Head Product and Policy

- 24+ years of experience of working with Banks and NBFCs. He has as worked in organizations like GE capital, Standard Chartered Bank, ICICI Bank, Reliance Capital and Karvy Financial Services.
- He has expertise in Credit, Risk, Operations and designing policies and processes. His experience in various functions makes him excel in the product development activity



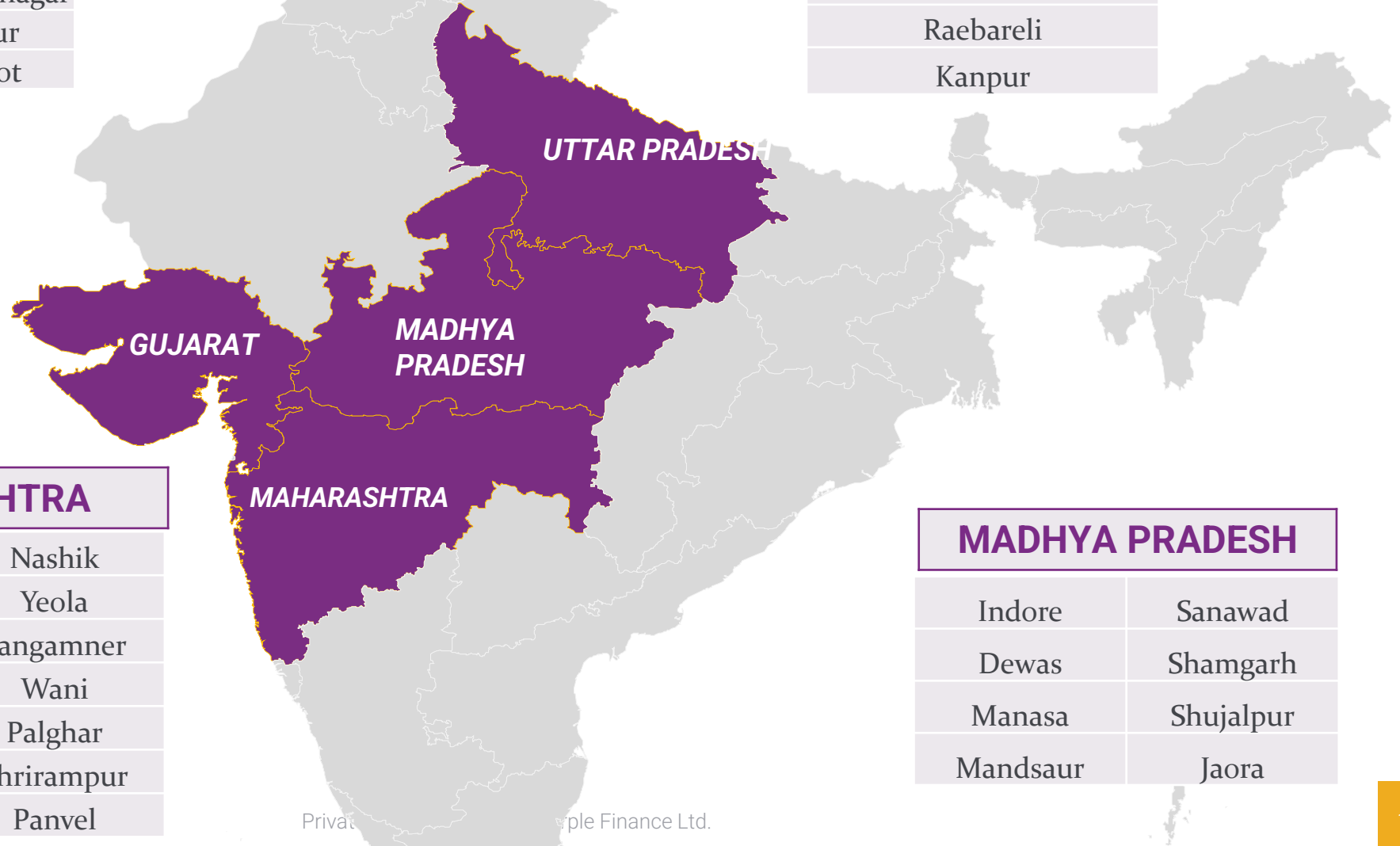
Our Presence

GUJARAT

Ahmedabad	Himmatnagar
Palanpur	Jetpur
Bayad	Rajkot

UTTAR PRADESH

Lucknow
Raebareli
Kanpur



MAHARASHTRA

Mumbai - HO	Nashik
Kalyan	Yeola
Virar	Sangamner
Bhandara	Wani
Nagpur	Palghar
Gondia	Shrirampur
Hinganghat	Panvel

MADHYA PRADESH

Indore	Sanawad
Dewas	Shamgarh
Manasa	Shujalpur
Mandsaur	Jaora

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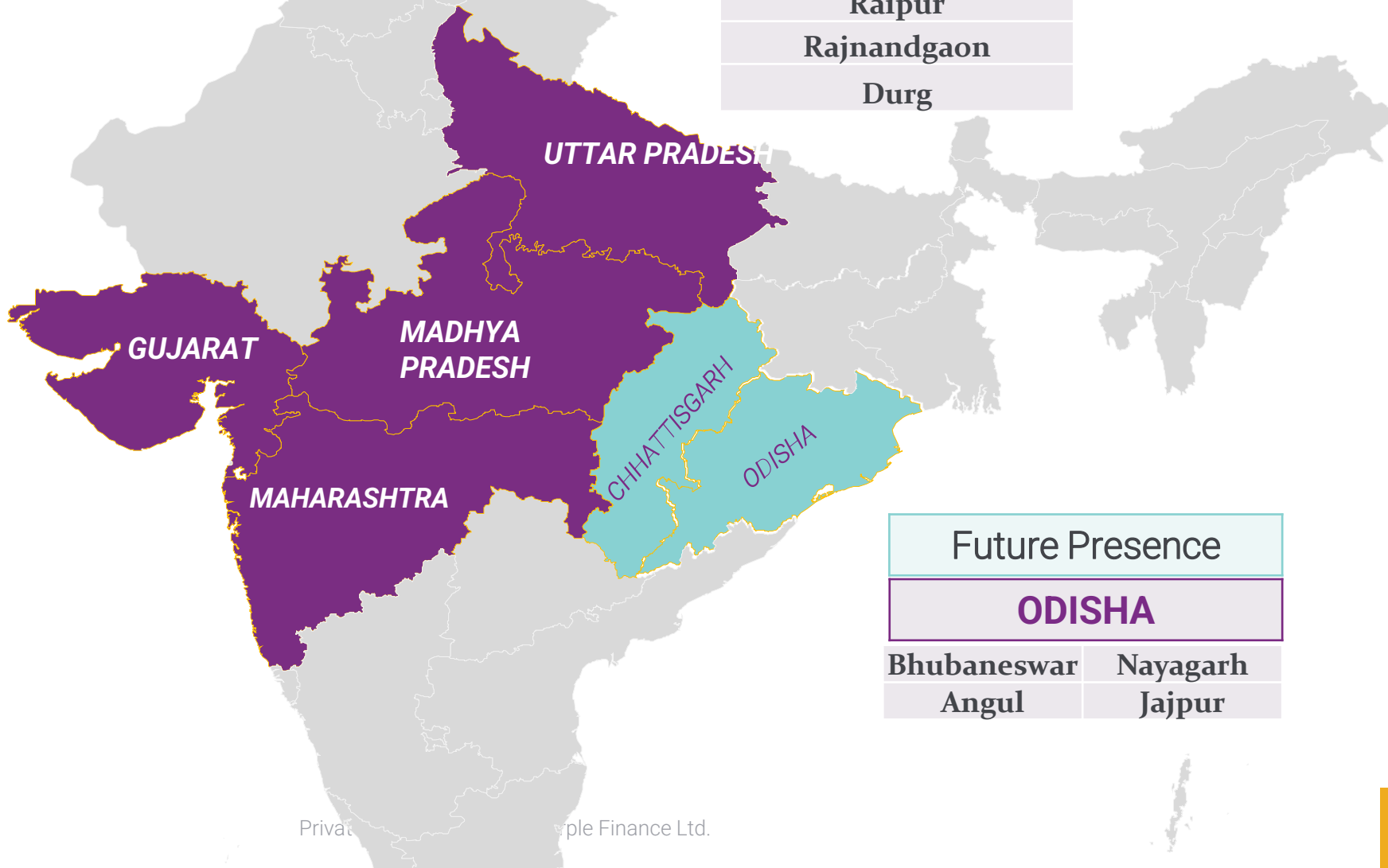
Indore	Sanawad
Dewas	Shamgarh
Manasa	Shujalpur
Mandsaur	Jaora

Our Presence

Future Presence

CHHATTISGARH

Raipur
Rajnandgaon
Durg



Future Presence

ODISHA

Bhubaneswar	Nayagarh
Angul	Jajpur

Functions



Digital NBFC Focused on Secured Lending









Being consistent & right

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. 30 Lakh
-  ROI 19% to 23%
-  Door to door tenor of up to 10 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

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

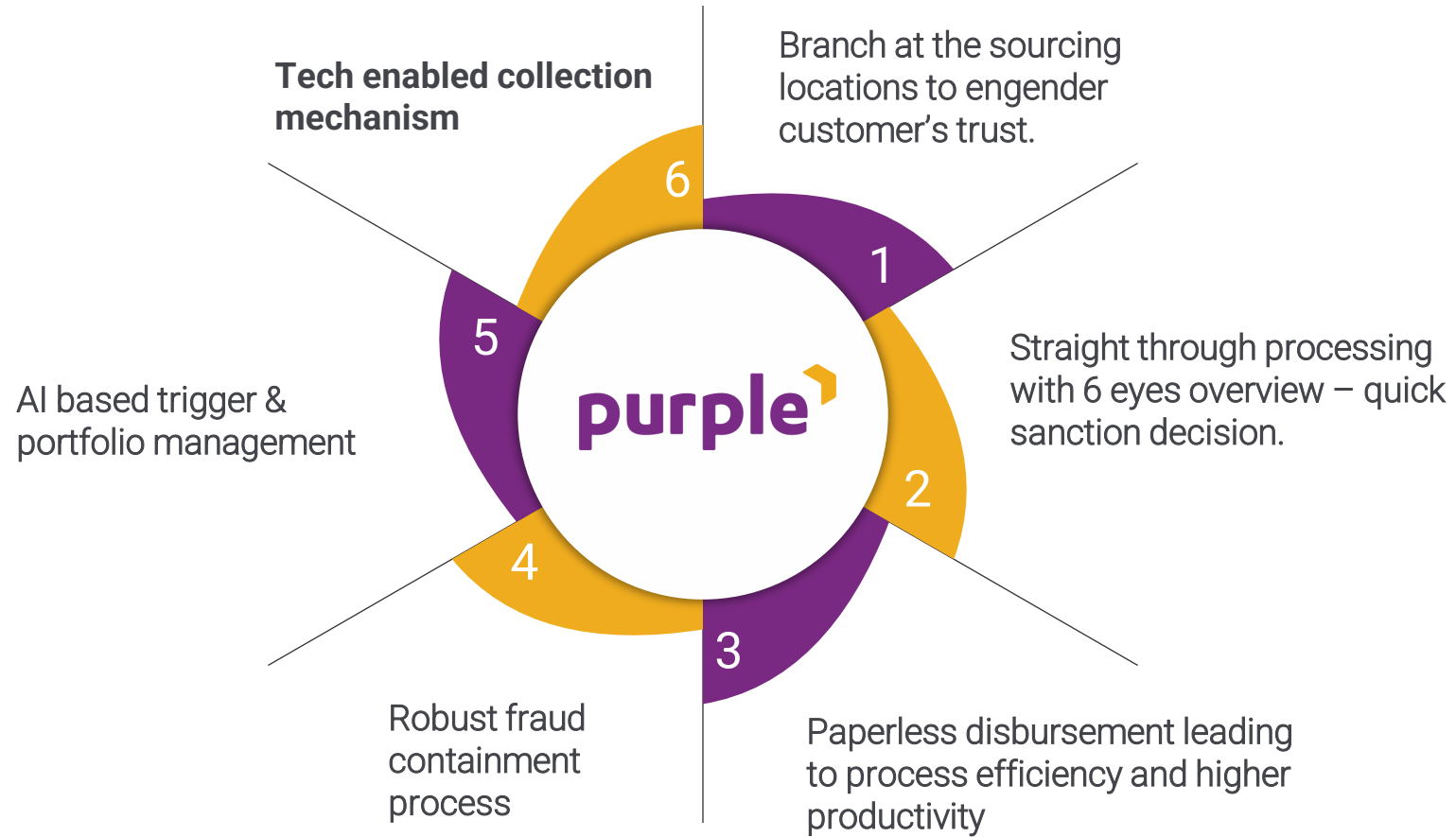


Strong risk & governance

for sustainability and profitability

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

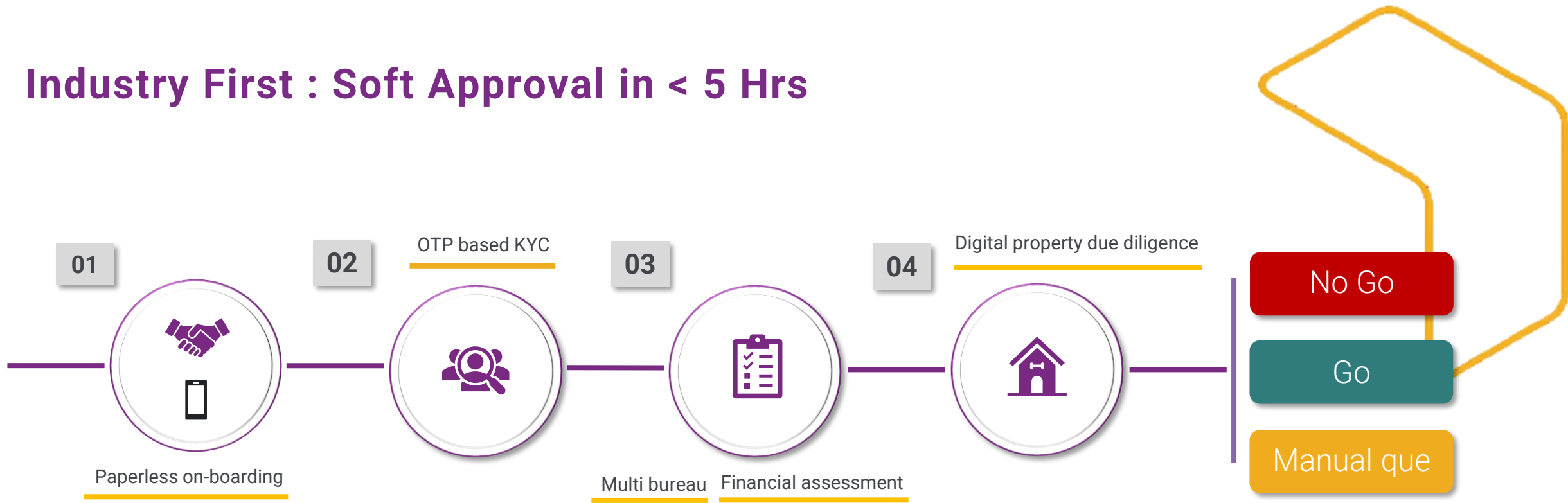
Digital End to End But With High Touch



Technology Partners



Industry First : Soft Approval in < 5 Hrs



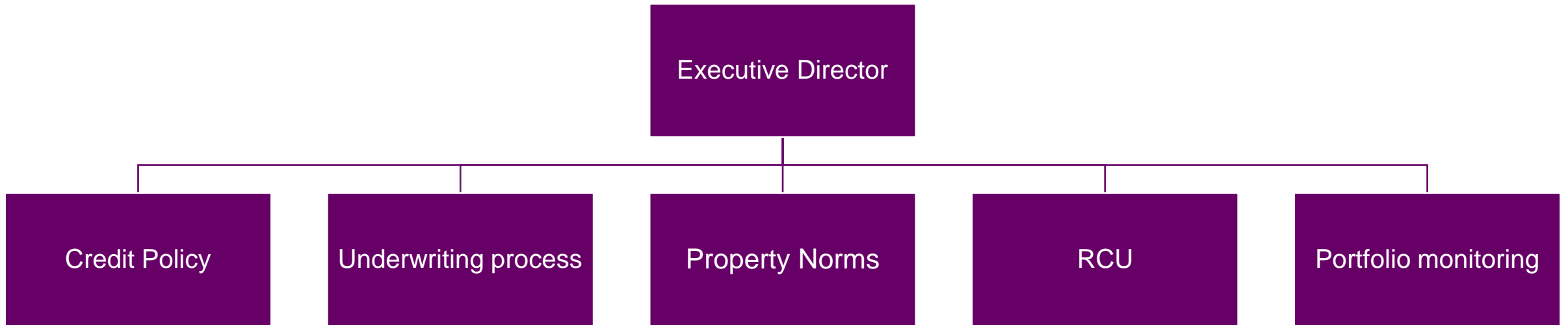
- › Digitally assisted journey
- › Complete process in < 5 hrs.

- › Imaging tech & self populated application
- › Entire process through API

- › In house BRE
- › Digital property assessment in ~ 3 hours

CREDIT-RISK

Credit-Risk Framework



Credit Policy Highlight



Target Segment

- SENP in semi urban and rural areas of Tier 3 and 4 cities
- Micro Enterprises

Product

- Secured lending by registered mortgage
- Working Capital/ Home improvement

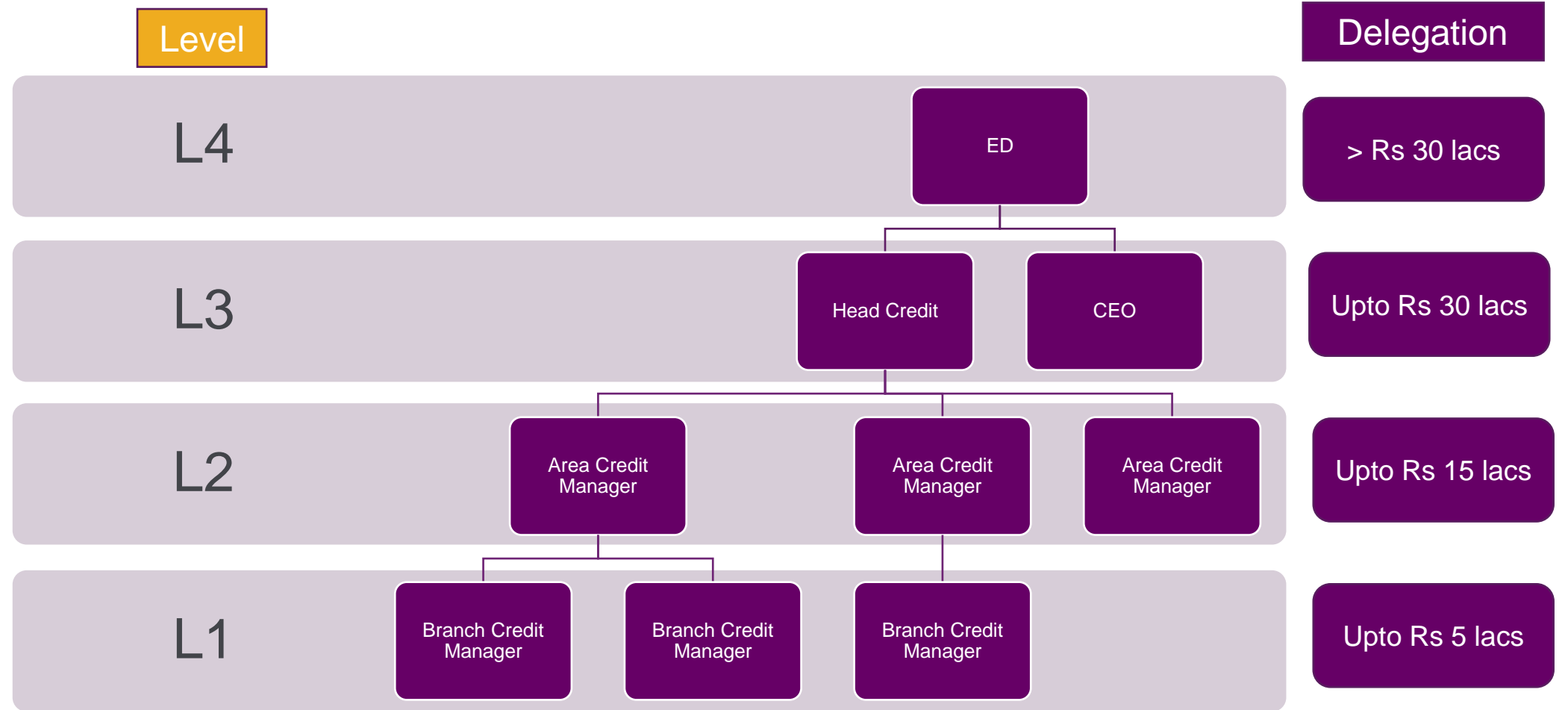
Property Acceptance

- SORP and SOCP
- Registered mortgage
- Boja/ Lien marking acceptance

Customer Selection and Acceptance

- Entry age : 21 years
- Exit age : 65 years
- Tenor band : 1-10 years
- Cibil score : ≥ 640 or NTC
- Crif HM : Mandatory
- Loan band : Rs 3-30 lacs
- Lady co-borrower : Mandatory
- Geo Limit : 100 km from hub and 50 km from spoke
- Onsite visit : Mandatory
- Bank statement : 12 months
- Income model : Assessed
- FOIR : $\leq 55\%$
- LTV : $\leq 60\%$

Credit Structure and Delegation of authority



Upto 6 Lakh is approved at regional level jointly by Cluster Business Head and Area Credit Manager

Underwriting Process Flow



CREDIT PROCESS

CUSTOMER

- EXISTENCE
- KYC AUTHENTICATION
- ADDRESS VALIDATION

PROCESS

- CREDIT BUREAU DEDUPE
- ONSITE VISIT & PERSONAL DISCUSSION
- STABILITY
- BUSINESS
- REFERENCE CHECK
- LIFESTYLE

CASH FLOW

- BILLS (PURCHASE AND SALE)
- INCOME VALIDATION
- EXPENSES AND CONSUMPTION
- FOIR
- DECISION

PROPERTY

- LEGAL SEARCH & TEAL REPORT
- TECHNICAL EVALUATION
- REGISTERED MORTGAGE
- RCU
- LIEN LETTER ACKNOWLEDGEMENT
- BOJA

DOCUMENTATION

- HYGIENE
- DATA ENTRY
- DISBURSEMENT
- CERSAI-CHARGE CREATION
- ARCHIVAL

Property acceptance Norm

- Only Self-Occupied residential Property(SORP)
- Only Self-Occupied Commercial Property(SOCP)
- Mandatory Registered Mortgage on all properties funded
- Mandatory RCU of Property documents

RCU Norms

- Profile check
- KYC/ Salary/ bank document check
- Onsite visit to Gram panchayat office and SRO to check documentation
- All original property documents undergo RCU

Portfolio Analytics and Early Warning Approach



Delinquency and portfolio analytics

- Early Vintage Delinquency Analysis
- Month on Board Delinquency Analysis
- Cheque Bounce Analysis
- Cheque Bounce Analysis vs. MOB and Early Vintage
- Roll Forward
- Roll Backward
- Flow Analysis
- Net Flow Analysis
- Loss forecasting based on flow for various MOB
- Lag delinquency Analysis
- Lead delinquency Analysis



External data analytics

- CIBIL Scrub
- Retro CIBIL Score
- Indebtness Increase in early vintage analyzed from CIBIL
- CERSAI Scrub

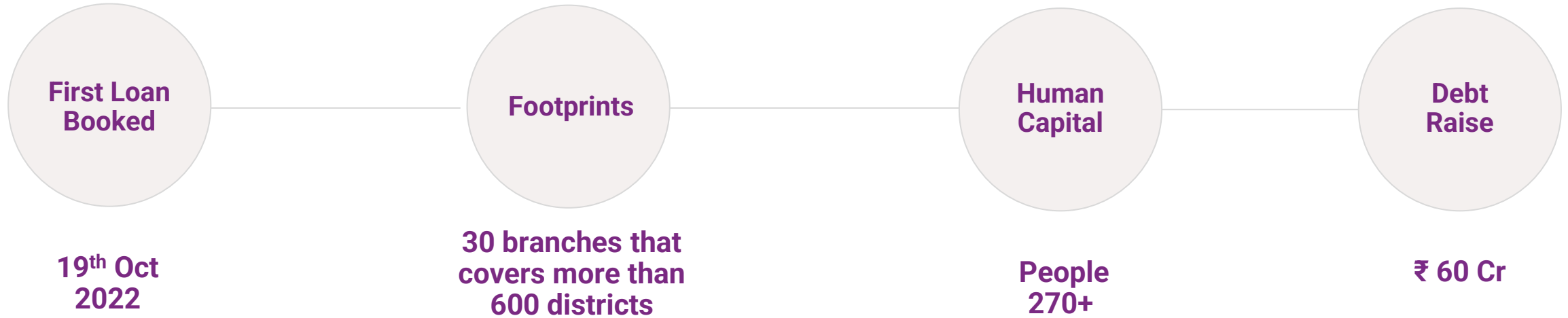


Trigger management

- Exposure Caps
- Triggers for Business Segment/ Product/ Region/ Branch to be set
- Portfolio to be stressed on various parameters of flow, roll forward, vintage etc.

JOURNEY SO FAR

Current Traction : We have impacted more than 3000 lives



Portfolio Snapshot

- Disbursement till date – Rs ~75 Crs
- No of customers – ~1250
- 100% have women borrowers or co borrowers.

CUSTOMER PROFILE

Customer Details

Customer Name & Location

• Darshika Patkar, Virar - Maharashtra

Business

• Stitching Ladies garments from home

Current Annual Income

• 4,20,000/-

CIBIL Score of Applicant

• 777

Our Funding Amount

• 6,20,000 /-

LTV & FOIR

• 53% & 42%

Collateral

• Self Occupied Residential Property Flat

End Use

• For renting out shop of her own

Before our funding



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Yearly Income Increased
from 4.2 Lakh pa to 9.6 Lakh
pa

After our funding



Priv

Customer Details

Customer Name & Location

• Panchal Ravchandbhai Punambhai, Bayad - Gujarat

Business

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

Current Annual Income

• 3,60,000/-

CIBIL Score of Applicant

• 736

Our Funding Amount

• 4,00,000 /-

LTV & FOIR

• 38% & 45%

Collateral

• Self Occupied Residential Property row house

End Use

• For purchasing two buffalos to sell milk to Amul Dairy

Before our funding



After our funding



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

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

Purple Customer Case Study I – Kirana Store



Business :
Kirana Store

Location :
Virar East

Loan Amount
: ₹ 700,000

FOIR : ~48%

LTV : ~ 56%

Purple Impact

- Reduced borrowing cost, resulting savings & better cashflows
- Working capital for business for higher stocking & inventory
- Timely disbursement of loan , funded in time

Customer Case Study II : Canteen and Tiffin Centre



Business :
Canteen

Location :
Virar

Loan Amount
: ₹ 700,000

FOIR :
~51.81%

LTV : ~
35.54%

Purple Impact

- Reduced borrowing cost, resulting savings & better cashflows
- Increase in business
- Cashflow increased by 1.5 X

Thank You



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