

IntraSoft Technologies Limited



Investor Presentation
7th November, 2016

BSE: 533181, NSE: ISFT



ECommerce Snapshot (Q2 FY 2016-17)

123Stores

REVENUES

₹ 215 Crores

ORDERS

6,69,714

SUPPLIERS

1783

REVENUE GROWTH

43%

GROSS MARGIN

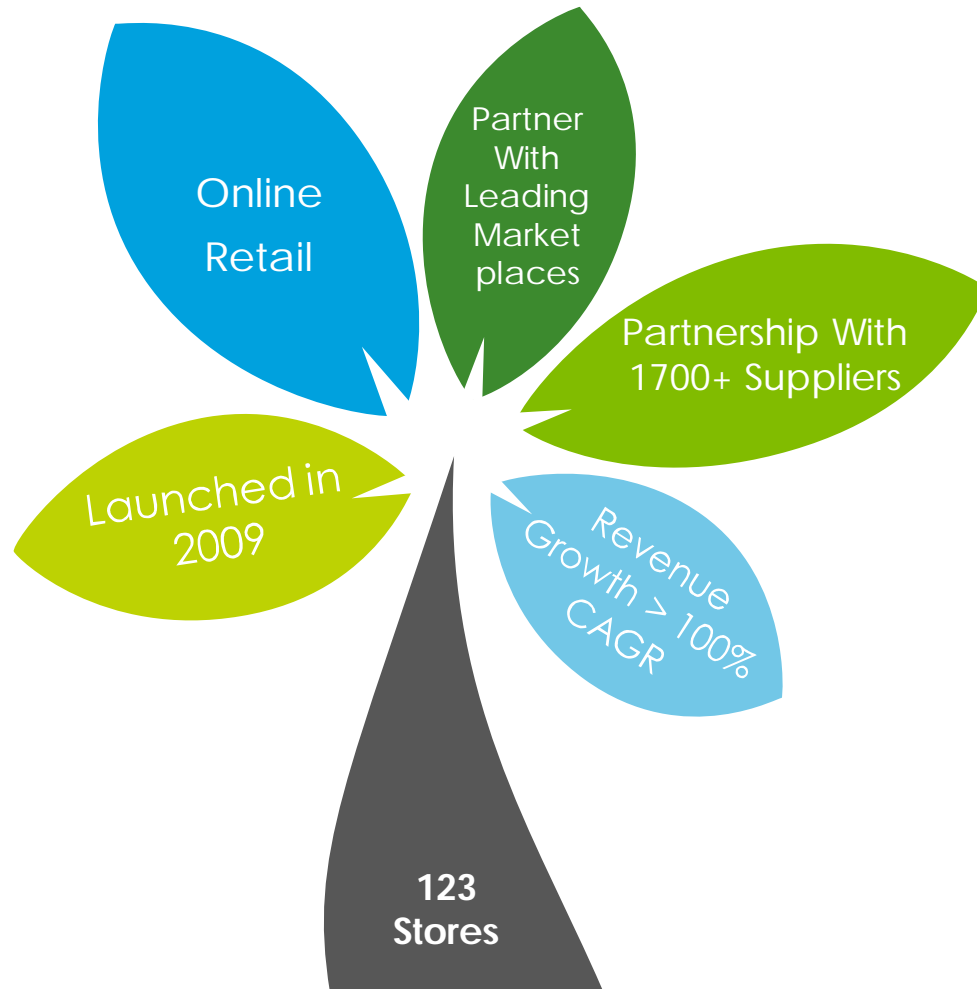
19.8%

UNIQUE PRODUCTS

5,55,000



Our Business



Launch & Recognition

- #262 On Internet Retailer 2016 Guide
- #1641 On Inc. 5000 Fastest Growing US Co.
- 7th Fastest Growing Web-Only Retailer In US

Online Retail

Business Model Is Creating A Large Distribution Network Wherein It Offers Customers Better Experience By Leveraging Technology, Supply Chain & Supplier Relationships.

Multiple Marketplaces

Along With Selling On 123Stores, We Have Shop In Shop Partnerships With Leading Retailers Like Amazon, Ebay, Sears And Others

Suppliers Direct Fulfillment Network

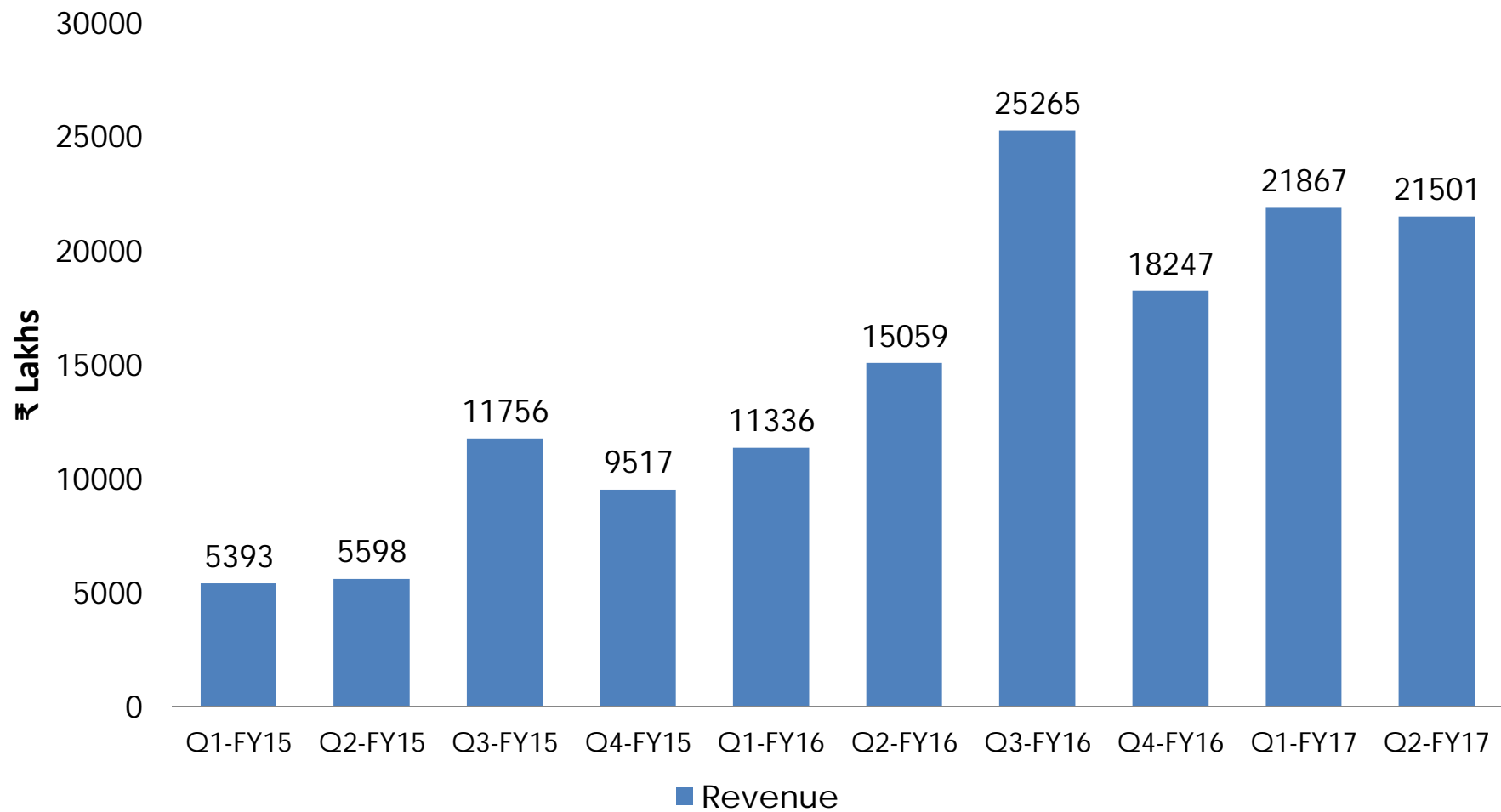
- Partnership With Over 1700 Suppliers
- Extensive Catalogue Of Over 550,000 Unique SKUs

Revenue Growth

Revenues Are Growing At A Fast Pace. Yearly Revenue Growth > 100% Over Time

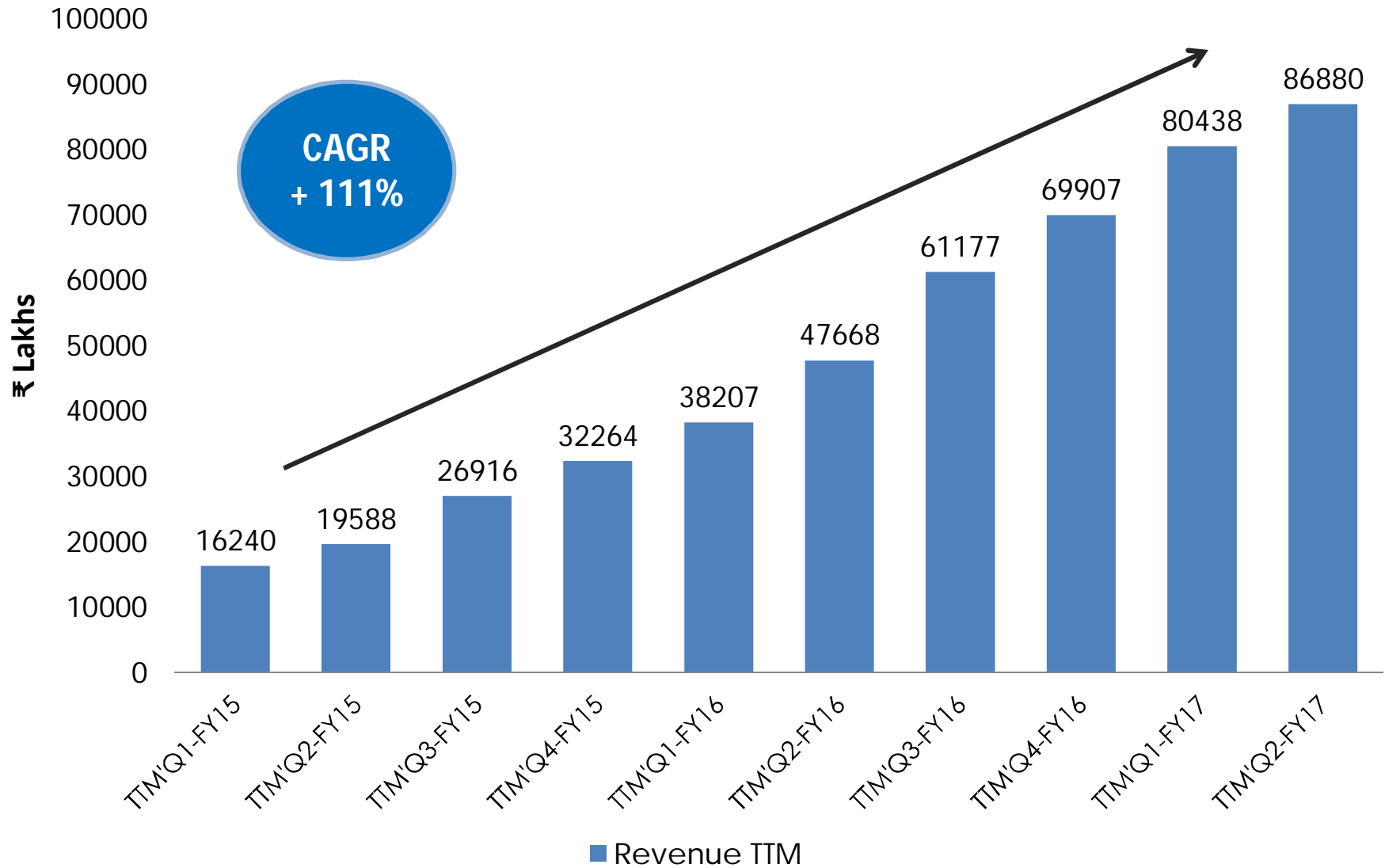


ECommerce Revenues Continue To Grow Above Industry Rates





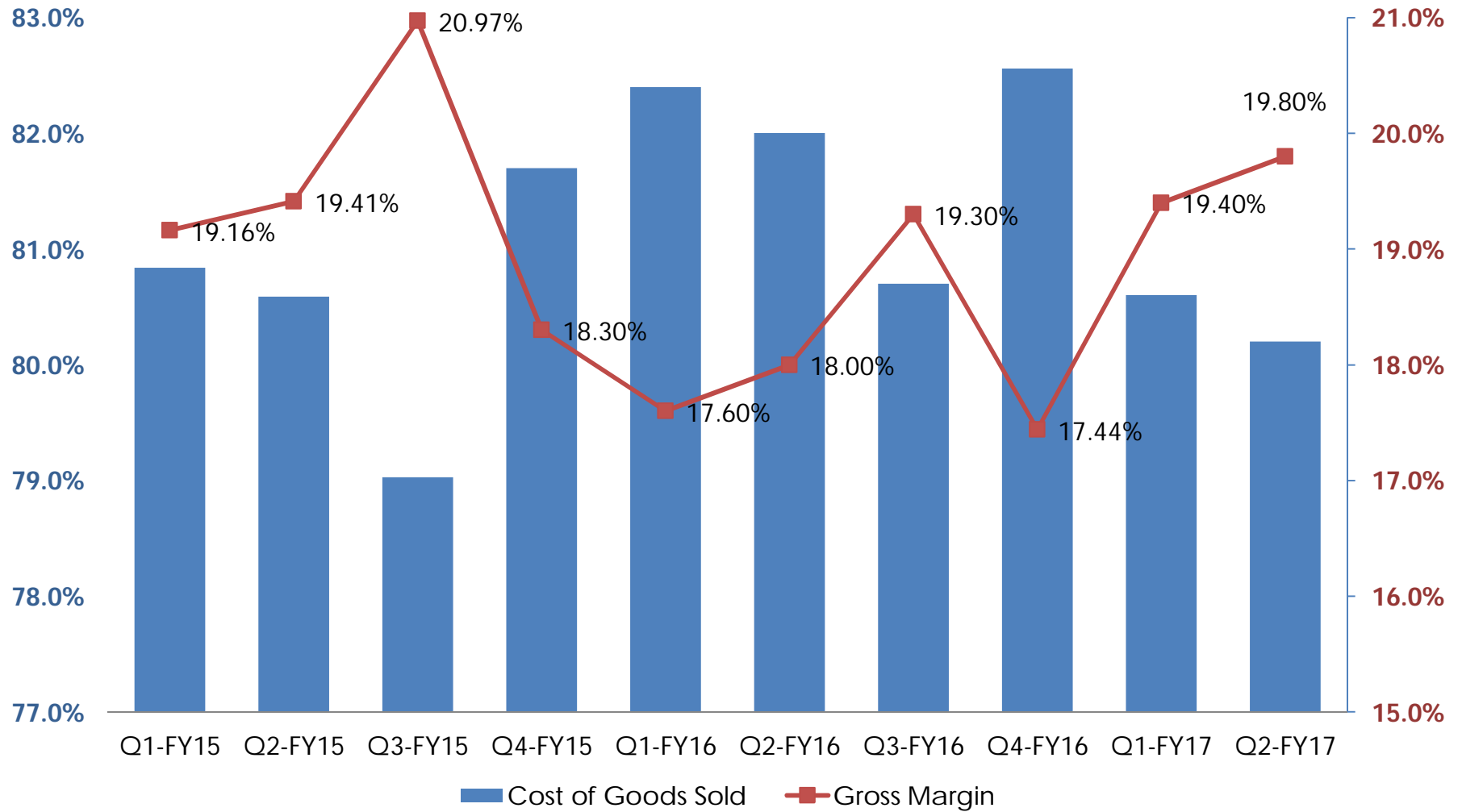
TTM Revenue Is On The Rise



TTM refers to Trailing Twelve Months



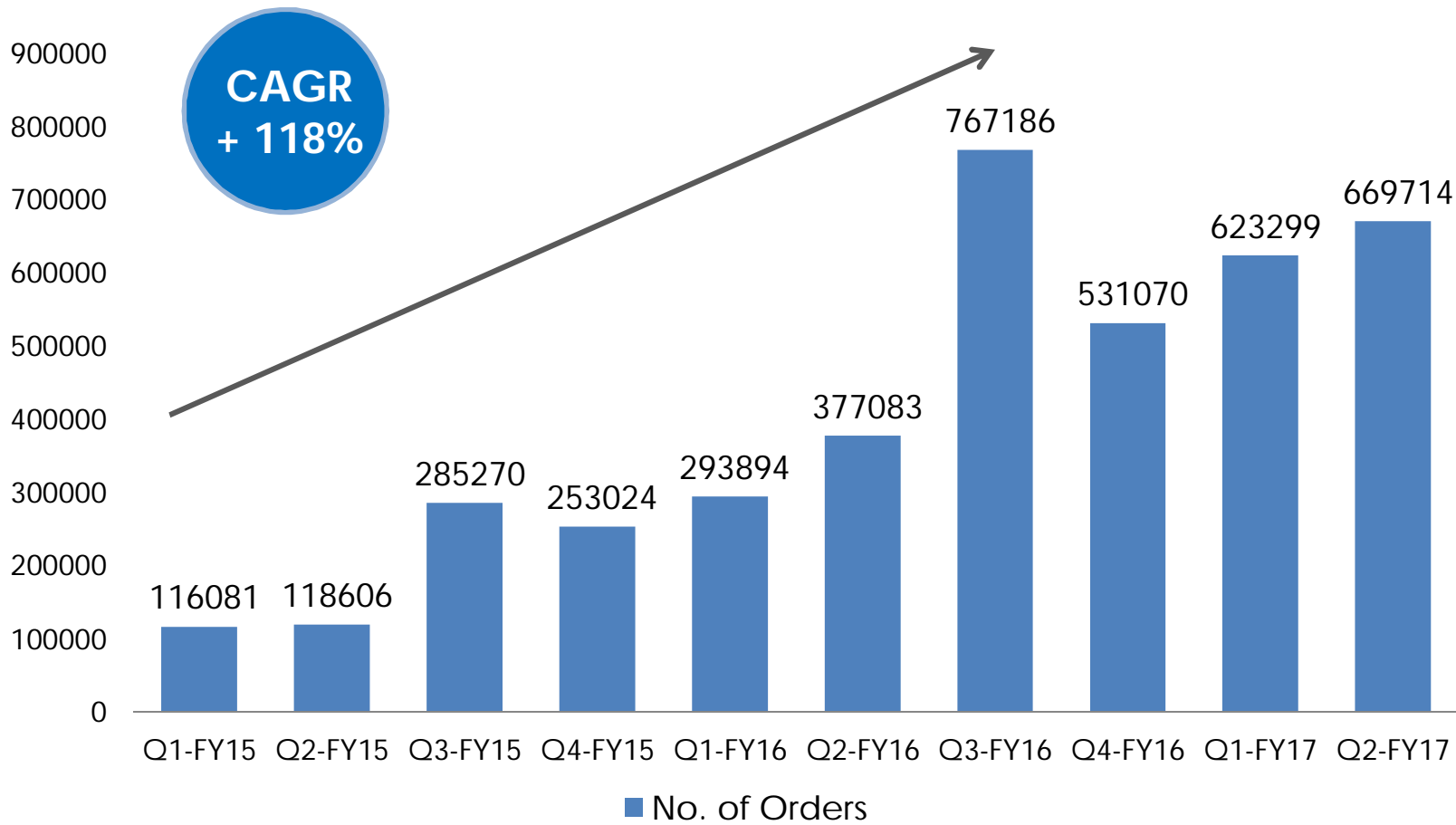
While Maintaining Gross Margin





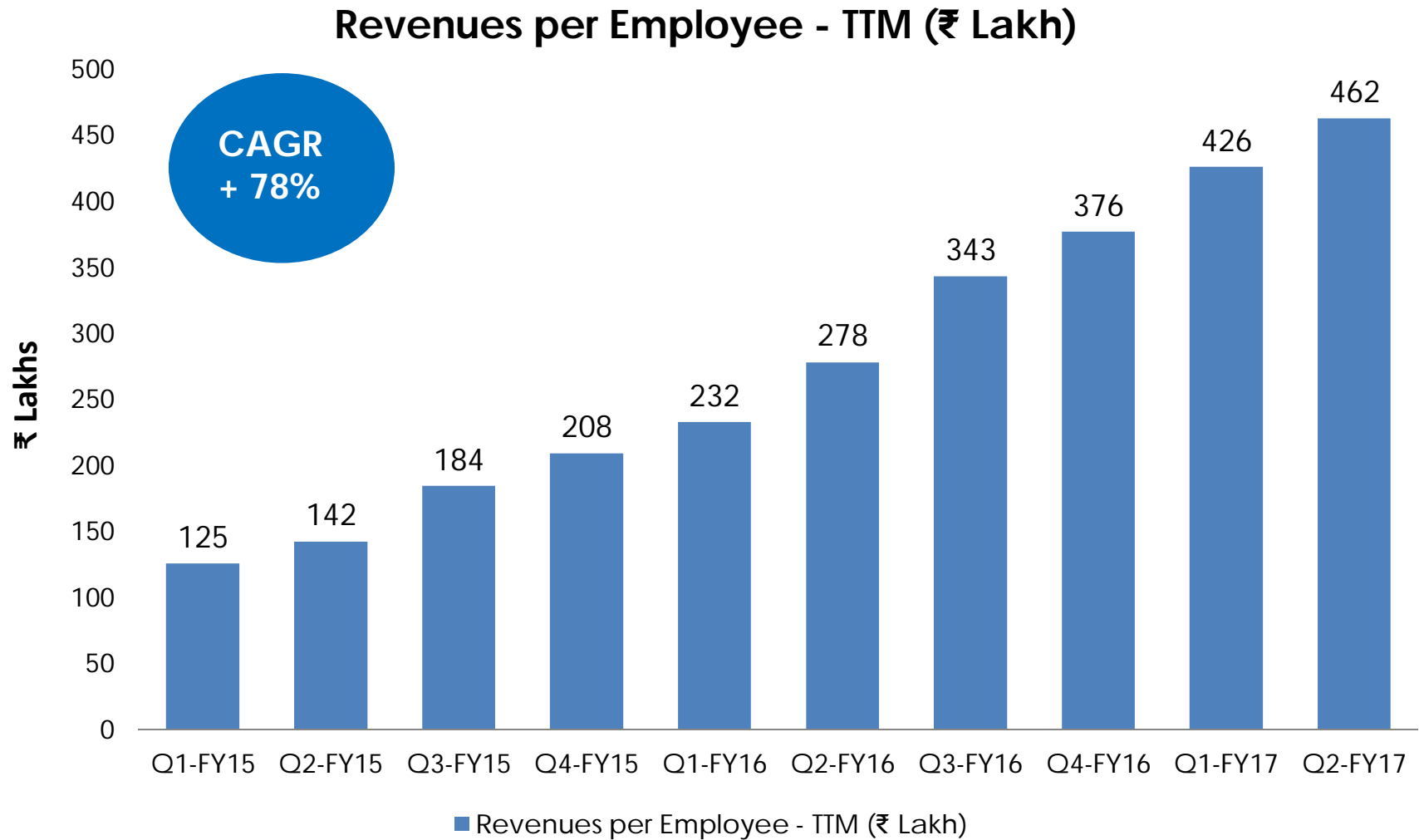
Robust Order Fulfillment Platform

We Relentlessly Deploy Our Technological Expertise Towards Building Highly Automated Order Fulfillment Systems, Which Allows Us To Scale





Higher Levels Of Automation Leads To Improved Productivity

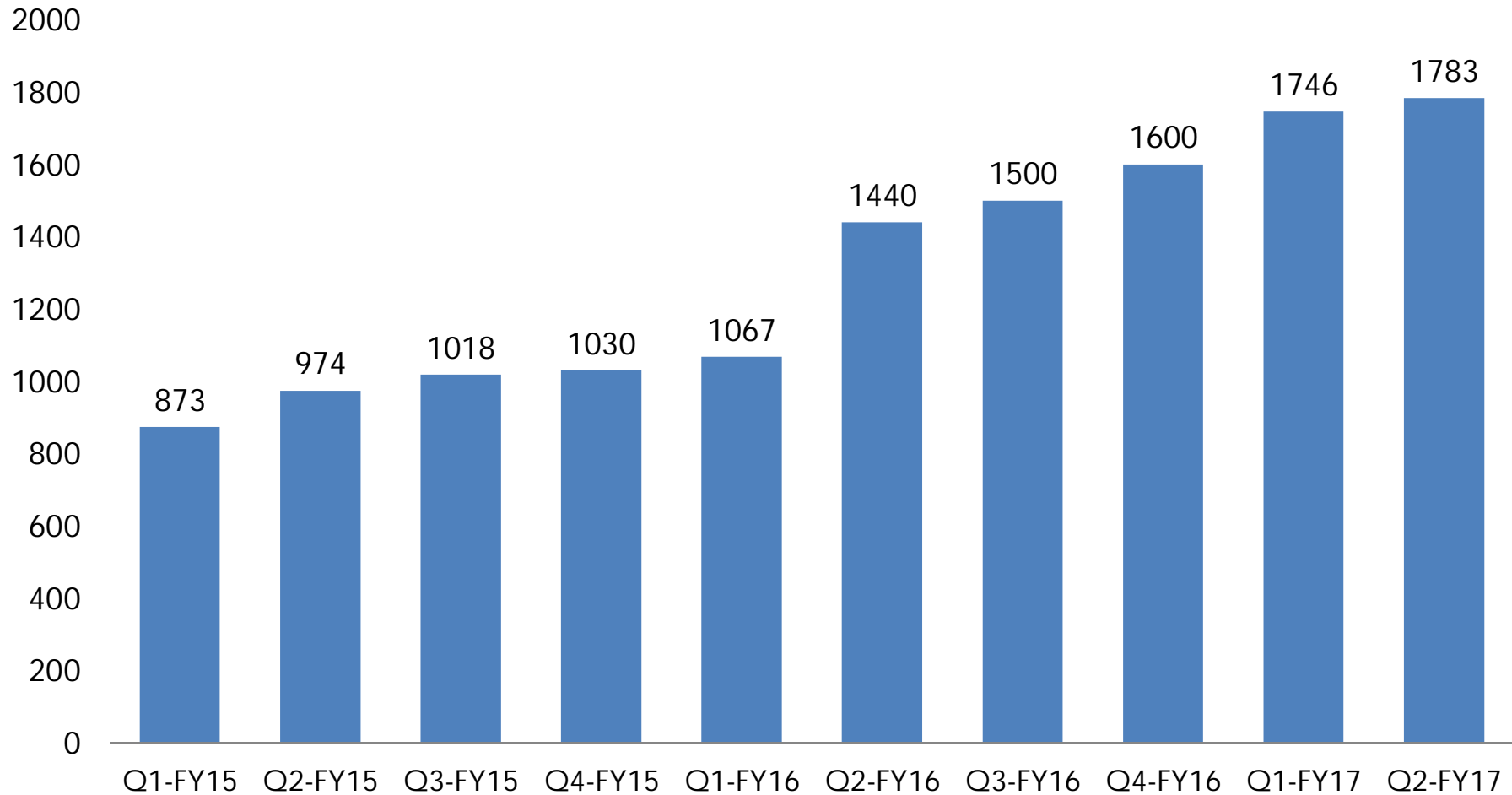


TTM refers to Trailing Twelve Months



An Expanding Supplier Network

Number of Suppliers



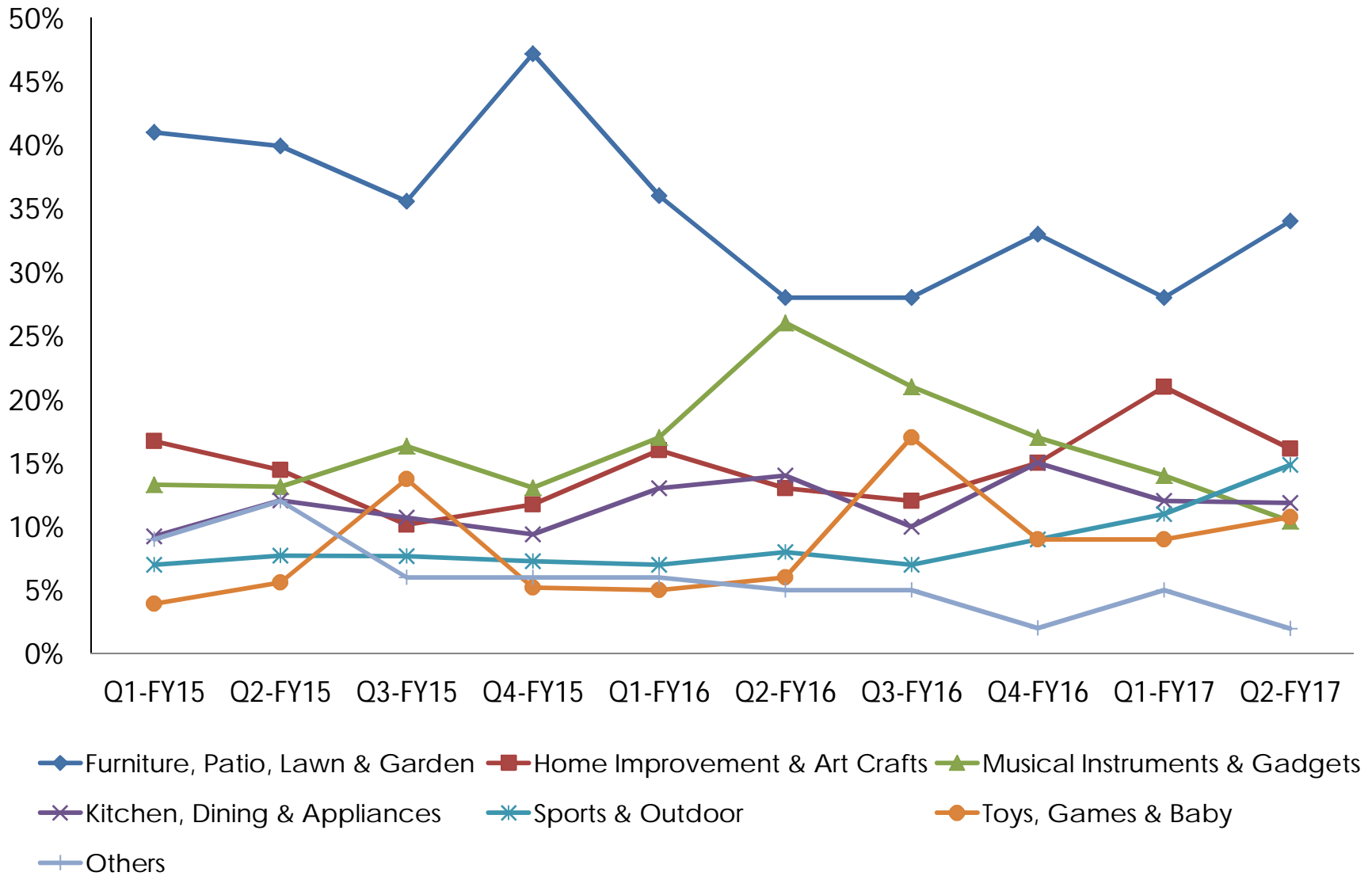


Our Product Catalogue Continues To Grow...





We Sell Diversified Product Categories





Fast Moving Inventory Model

- **Only SKUs With High Saleability**

- Fast Moving SKUs And Longer Life Cycle Products
- Use Of Business Analytics And Business Intelligence
- Past History Of The Product

- **Fast Ship-out Times**

- Able To Ship Goods Out Quickly
- Better Control Over The Transaction



- **For Specific Season, Timeframe And Promotion**

- We Anticipate Demand From Specific Occasions/Season
- Ensures Goods In Stock To Meet Holiday Expectations

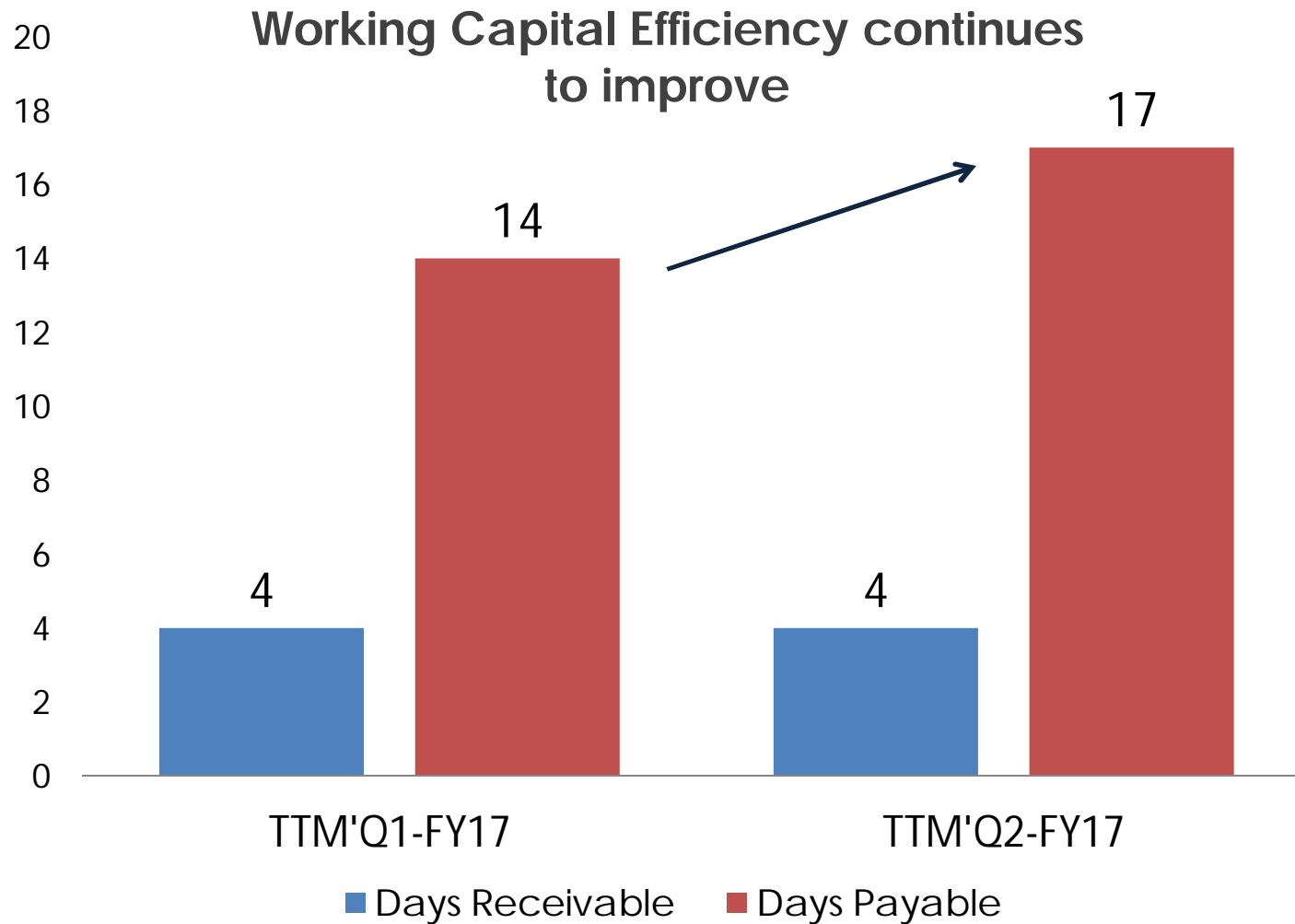
- **Better Margins**

- Bulk Buying From Suppliers Reduces Costs
- Inward Transportation Becomes Competitive Because Of Bulk Buying
- High Inventory Turnover Ratio

Inventory Turnover Ratio = Cost Of Goods Sold by Average Inventory at the Fulfillment Centres, excluding Goods in Transit



Working Capital Efficient Business Model



Basis TTM (Trailing Twelve Months)



The Way Forward...

Continue Building Our Brand

- Add New Suppliers And New Products
- Improve Supply Chain Dynamics
- Leverage Investments In Technology To Drive Efficiencies
- Increase Reach By Adding New Market Places
- Provide A Better Shopping Experience With A Better Price Point



Financial Performance – IntraSoft Technologies Ltd

Consolidated Profit & Loss For The Quarter Ended 30th September, 2016				
Particulars	Quarter Ended		Half Year Ended	
	Sep-16	Sep-15	Sep-16	Sep-15
₹ (In Lakhs)				
Income From Operations	21,897.77	15,391.66	44,114.87	27,159.31
Cost Of Goods Sold (Incl. Shipping)	17,248.16	12,359.18	34,877.34	21,705.27
Gross Profit	4,649.61	3,032.48	9,237.53	5,454.04
Sales & Marketing Expenses	3,169.81	2,104.54	6,409.71	3,738.41
Employee Benefit Expenses	596.74	492.82	1,159.70	981.22
General & Administrative Expenses	391.79	302.63	716.41	529.53
Earnings /(Deficit) From Operations	491.27	132.49	951.71	204.88
Other Income (Net)	338.00	85.88	403.73	223.91
Earnings Before Interest, Tax, Depreciation & Amortization & Exceptional Item	829.27	218.37	1,355.44	428.79
Depreciation & Amortization	46.40	37.74	91.64	72.02
Earnings Before Interest, Tax & Exceptional Item	782.87	180.63	1,263.80	356.77
Finance Costs	85.77	45.89	157.84	81.05
Profit Before Tax & Exceptional Item	697.10	134.74	1,105.96	275.72
Exceptional Items	-	61.33	-	61.33
Profit Before Tax (PBT)	697.10	196.07	1,105.96	337.05
Tax Expense	156.92	29.68	301.13	48.37
Profit After Tax (PAT)	540.18	166.39	804.83	288.68



ECommerce Fact Sheet

Particulars	FY 2014-15					FY 2015-16					FY 2016-17	
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2
E-Commerce Revenue (₹ Lakh)	5393	5598	11756	9517	32264	11336	15059	25265	18247	69907	21867	21501
TTM - E-Commerce Revenue (₹ Lakh)	16240	19588	26916	32264	32264	38207	47668	61177	69907	69907	80438	86880
Y-o-Y Growth	169%	149%	165%	128%	151%	110%	169%	115%	92%	117%	93%	43%
% of Yearly Revenue	17%	17%	36%	30%	100%	16%	22%	36%	26%	100%		
Cost of Goods Sold (Incl. Shipping)	80.8%	80.6%	79.0%	81.7%	80.4%	82.4%	82.0%	80.7%	82.6%	81.7%	80.6%	80.2%
Gross Margin (%)	19.2%	19.4%	21.0%	18.3%	19.6%	17.6%	18.0%	19.3%	17.4%	18.3%	19.4%	19.8%
Number of Orders	116081	118606	285270	253024	772981	293894	377083	767186	531070	1969233	623299	669714
Y-o-Y Growth	198%	206%	223%	186%	204%	153%	218%	169%	110%	155%	112%	78%
Number of Suppliers	873	974	1018	1030	1030	1067	1440	1500	1600	1600	1746	1783
Number of Products (SKU's)	140528	171538	205000	210000	210000	230000	265000	310000	500000	500000	535000	555000
Revenues by Product Categories												
Furniture, Patio, Lawn & Garden	41%	40%	36%	47%	41%	36%	28%	28%	33%	30%	28%	34%
Musical Instruments & Gadgets	13%	13%	16%	13%	14%	17%	26%	21%	17%	20%	14%	10%
Home Improvement & Art Crafts	17%	14%	10%	12%	13%	16%	13%	12%	15%	14%	21%	16%
Kitchen, Dining & Appliances	9%	12%	11%	9%	10%	13%	14%	10%	15%	13%	12%	12%
Toys, Games & Baby	4%	6%	14%	5%	8%	5%	6%	17%	9%	11%	9%	11%
Sports & Outdoor	7%	8%	8%	7%	7%	7%	8%	7%	9%	8%	11%	15%
Others	9%	7%	5%	7%	7%	6%	5%	5%	2%	4%	5%	2%
End of Period Inventory (₹ Lakh)	205	426	807	1213	1213	1771	3237	4233	5530	5530	5759	5832
Inventory Turnover, average - TTM											11.4	10.7
Accounts Receivable Days - TTM											4	4
Accounts Payable Days - TTM											14	17
Number of Employees , average	138	153	162	166		177	182	189	195		190	178
Revenues per Employee - TTM (₹ Lakh)	125	142	184	208		232	278	343	376		426	462

End of Period Inventory = Inventory at the Fulfillment Centres, excluding Goods in Transit

Inventory Turnover Ratio = Cost Of Goods Sold by Average Inventory at the Fulfillment Centres, excluding Goods in Transit



IntraSoft Technologies Ltd

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