

Bank of Baroda's



Integrate. Accelerate. Transform

Integrate, Accelerate & Transform with Bank of Baroda's Supply Chain Finance

Introduction:

Supply Chain Finance (SCF) is Short-Term Working Capital finance to DEALERS/ VENDORS ("Spoke") having business relationships with LARGE CORPORATES ("Anchor") to optimize working capital requirements of both Spoke & Anchor. Supply Chain Finance is a fine blend of Bill Discounting & Overdraft products with the essence of optimizing finance & flexibility for the customer. All transactions are linked to a base document (Invoice) between the Anchor & the Spoke.

Integrate:

An INTEGRATED finance solution for our customer's business which ensures that dealers/ Vendors and large corporates always have working capital when they need it the most.

Accelerate:

The fastest & complete digital system, every feature of our product has been designed to ACCELERATE Customer's business, giving it a cutting edge over others.

Transform:

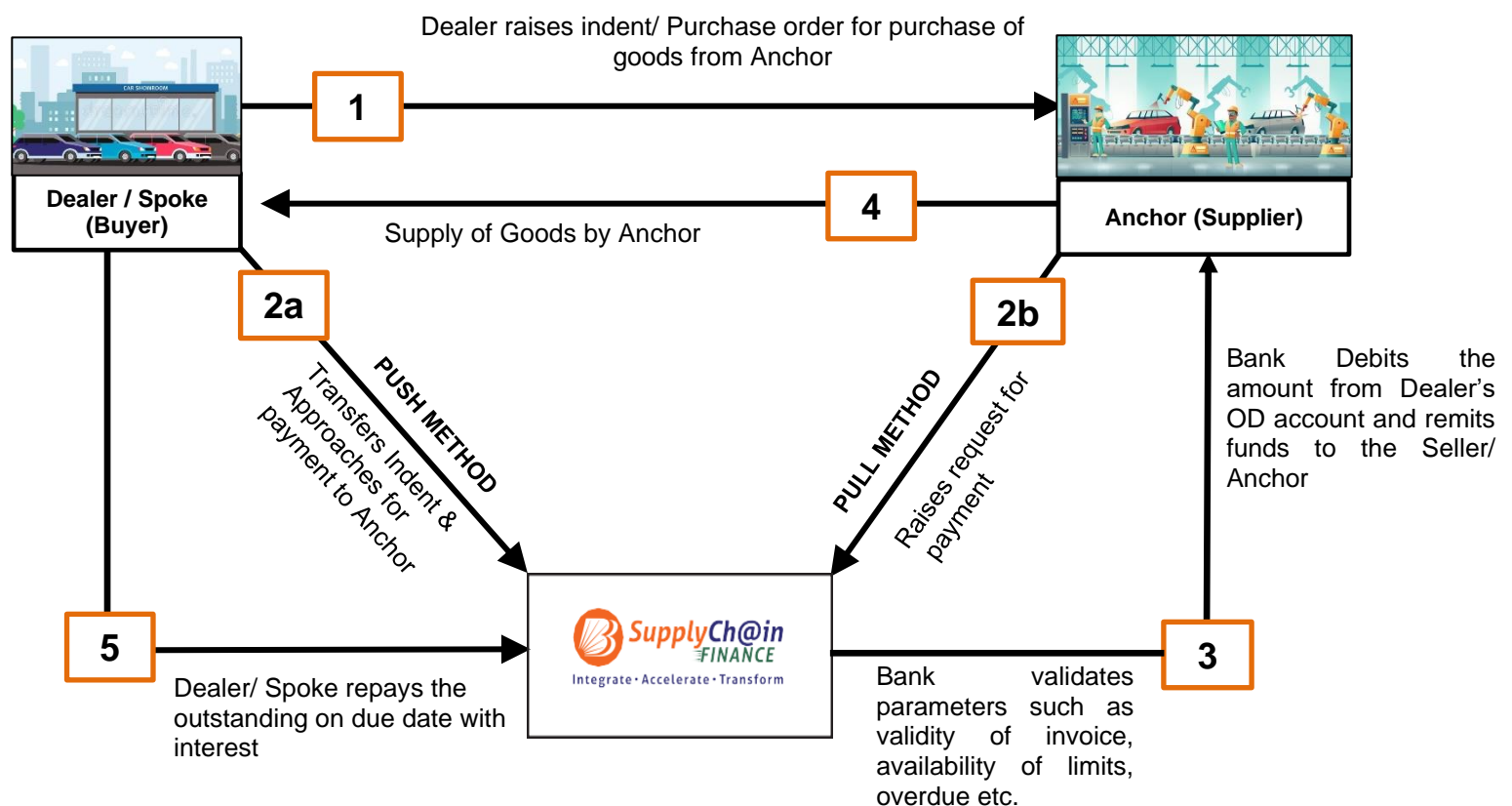
Our best-in-class Supply Chain Finance platform optimizes your business synergies and nurtures relationships with your Vendors & Dealers to TRANSFORM your business for the next big leap.



OUR OFFERINGS

Dealer Invoice Financing (Dealer Finance):

Working Capital Credit Limits for select dealers of large corporates, enabling them to avail short term financing for procurement of inventory from large corporates.



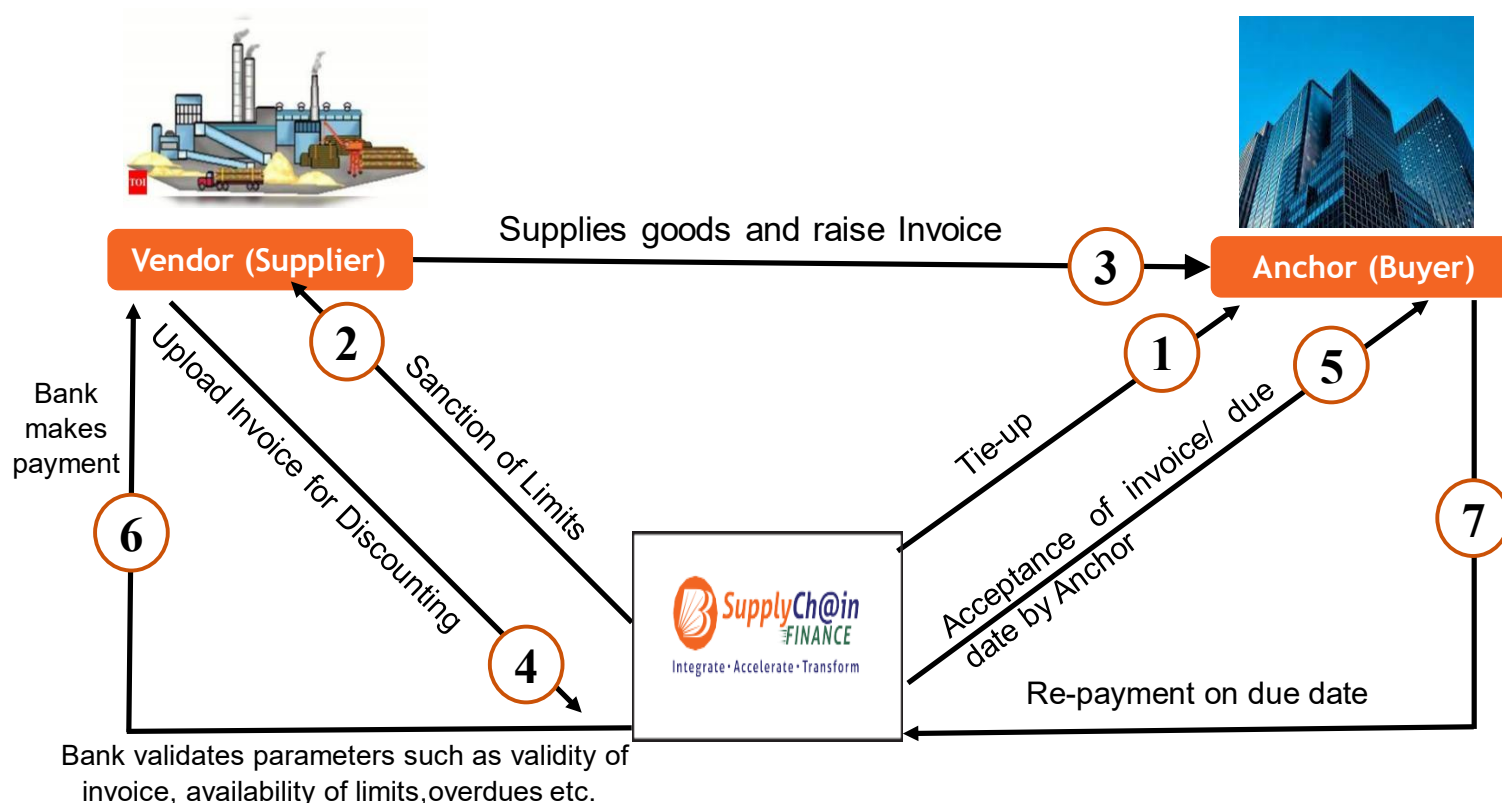
The Dealer (Spoke) raises a purchase order requesting a consignment of goods and forwards it to the supplier and initiates the request for finance by uploading the invoices electronically on the Supply Chain Finance platform. Validation of the transaction parameters like availability of credit limit, validity of invoice, overdue position etc are digitally verified by the Supply Chain Finance system. On successful validation, finance is instantaneously created by the system and disbursement is credited into the Supplier's (anchor's) account.

The Supplier (Anchor) ships the goods consignment. On the due date the Dealer (Spoke) liquidates the outstanding invoice amount. The entire process is fully automated and featured with real-time e-alerts and e-reports sent to the clients at each leg of the transaction.

Vendor Invoice Financing (Vendor Finance):

Working Capital Facility for Vendors of large corporates to access quicker realization of Bills and invoices accepted by large corporates to optimize their working capital cycles.

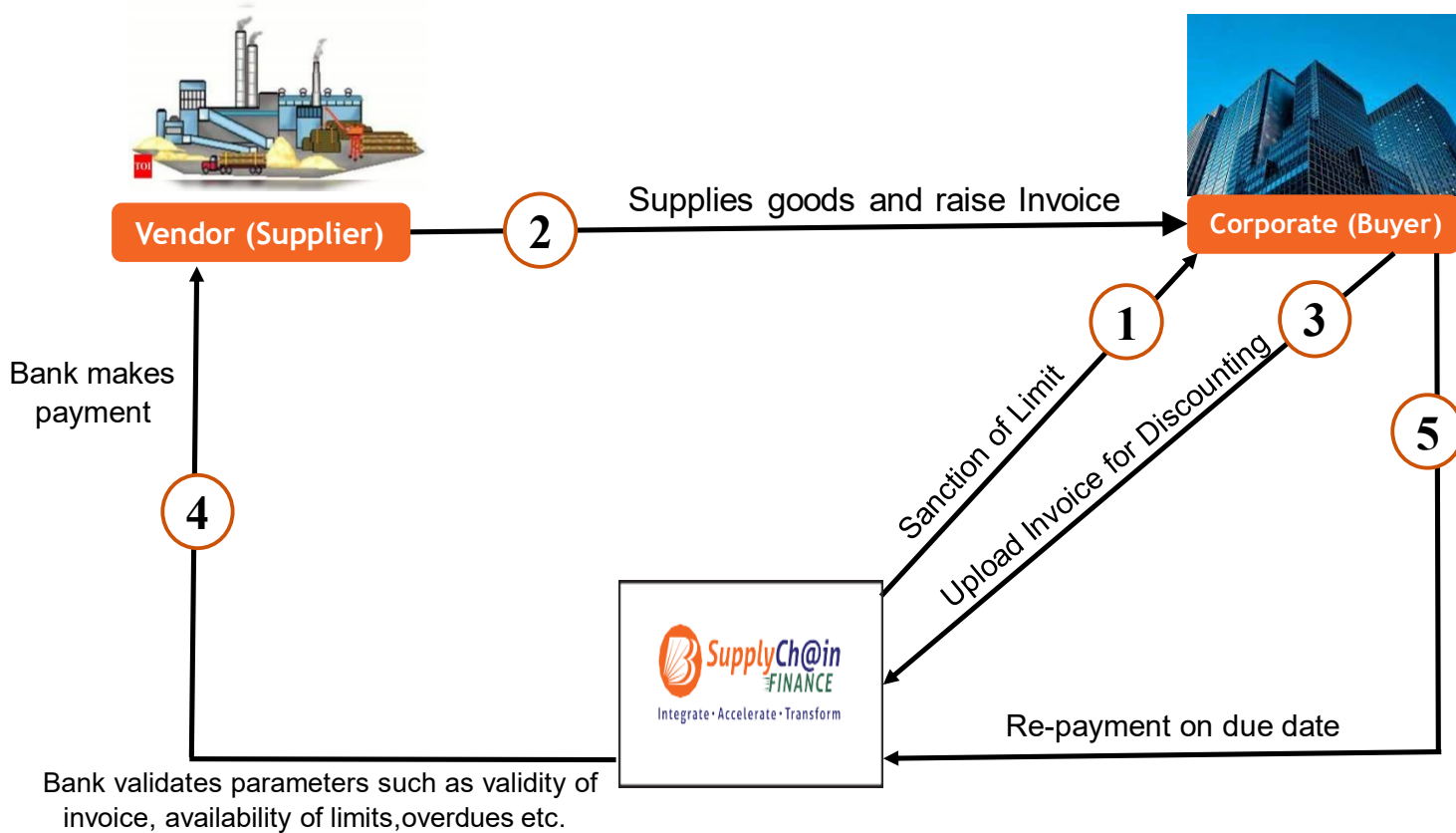
Vendor Invoice Financing (Vendor Finance) - Work Flow of Post Shipment Financing



The Buyer [anchor] raises a purchase order requesting a consignment of goods and forwards it to the supplier. The Vendor [spoke] ships the goods consignment and initiates the request for finance by uploading the invoices electronically on the supply chain finance platform. Once the invoices are electronically accepted by the Buyer [anchor], validation of the transaction for parameters like availability of credit limit, validity of invoice, overdue position etc. is digitally verified by the Supply Chain Finance system. On successful validation, finance is instantaneously created by the system and disbursement is credited into Vendor's [spoke's] account. On the due date the Anchor liquidates the outstanding invoice amount. The entire process is fully automated and featured with real-time e-alerts and e-reports sent to the clients at each leg of the transaction.

Corporate Invoice Financing (Payable Finance) - Workflow of Payables based solutions Payable Finance:

Working Capital Limits for Large Corporates to make payments to their vendors.

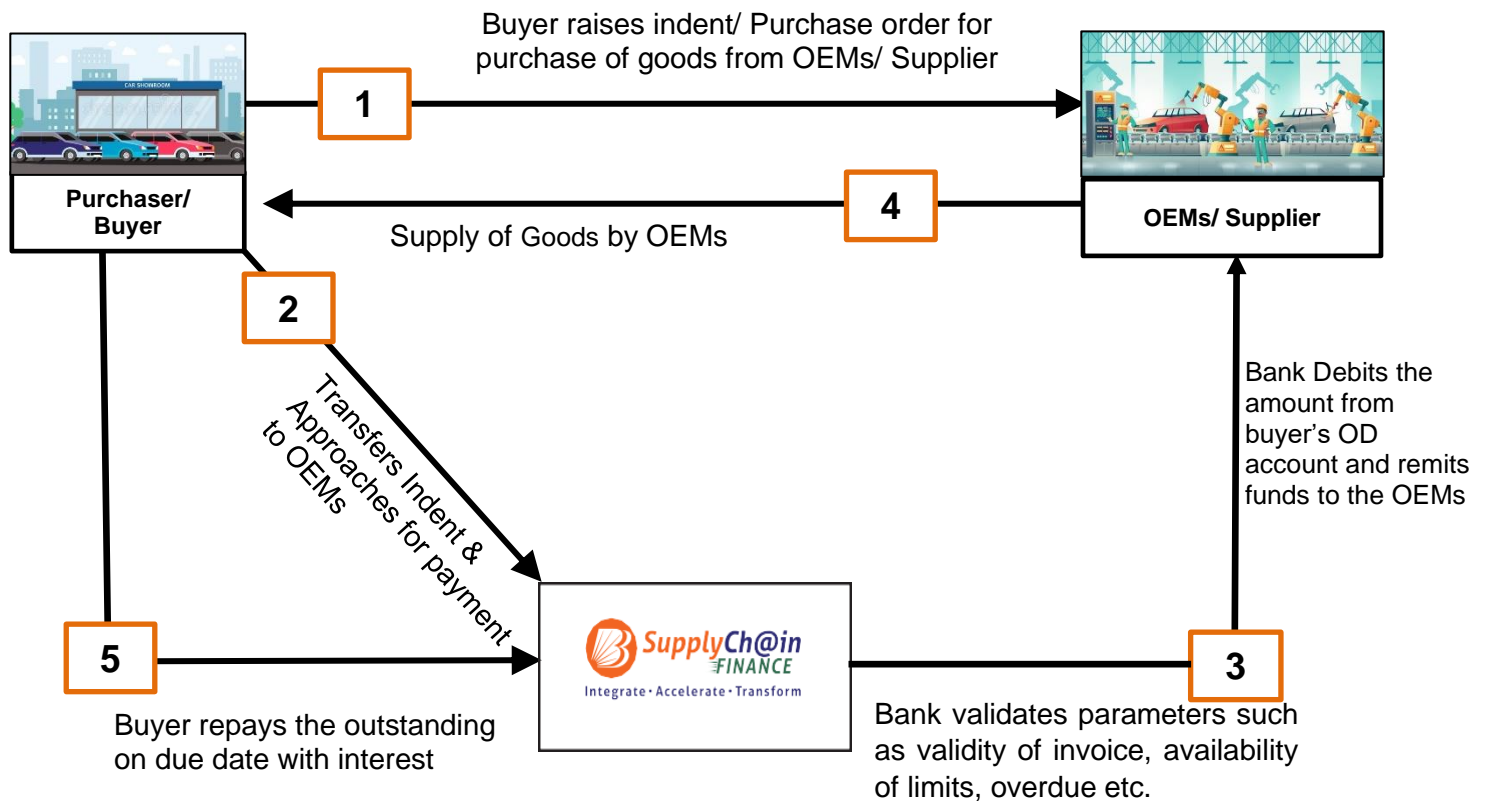


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The Buyer [anchor] raises a purchase order requesting a consignment of goods and forwards it to the supplier. The Vendor [spoke] ships the goods consignment, and Anchor initiates the request for finance by uploading the accepted invoices electronically on the supply chain finance platform. Once the validation of the transaction for parameters like availability of credit limit, validity of invoice, overdue position etc. is digitally verified by the Supply Chain Finance system, finance is instantaneously created by the system and disbursement is credited into Vendor's [spokes] account. On the due date the Anchor/ Corporate liquidates the outstanding invoice amount. The entire process is fully automated and featured with real-time e-alerts and e-reports sent to the clients at each leg of the transaction.

Inventory Funding:

Inventory funding facilitates the buyers for Bulk purchases of Inventory /manage and acquire inventory from OEMs for their captive consumptions (ie)/ for production purposes. Inventory funding helps the borrower/ buyer to streamline the operations, enhance cash flow and support efficient production management by providing working capital finance for maintaining the required level for inventory.



Product highlights:

1. For inventory funding products, though we are tied-up with the anchors who have a dealer distribution network, the same to be treated as different product under SCF, as the purpose of finance is different from the Dealer Invoiced Financing facility.
2. The Buyers need not to have a formal dealership agreement for Inventory Funding Facility.

Digitized Transaction Processing

- Seamless, integrated, digitized processing system which delivers near real time disbursements.

Fastest Credit Approval

- Standardized fast track digitized credit approval process with centralized approvals.

Real Time Alerts & Reports

- Real time alerts and reports enables effective working capital management & monitoring of account.

Flexible Credit Limits

- Meeting the business requirements for festive sales or bulk orders with Fast Track Adhoc credit limits.

Fully Automated Transaction Processing

- Fully automated transaction processing system enables faster disbursement & transparent transaction processing.
- Automated reconciliation with ERP system and electronic tracking of funding status.

Competitive Pricing

- Attractive & competitive pricing for customers.



Integrate • Accelerate • Transform

Advantages of Supply Chain Finance:

Supplier / Vendor

- Early payment reduces financial dependence on the buyer
- Reduces the cost of capital by leveraging buyer's credit rating
- Increases certainty of cash flows
- Provides post-shipment; WIP financing
- Financial discipline

Anchor / Manufacturer

- Minimize investment in working capital
- Reduces the cost of goods sold [COGS]
- Reduces total cost of borrowing
- Automation reduces administration cost
- Increases cash flow
- Increases stability of supply chain
- Ensures availability of goods for end users
- Increases sales

Dealer

- Provides much needed working capital for purchase of inventory
- Lower cost of funds than other working capital products
- Increases sense of financial discipline due to short duration
- Automation reduces administration cost



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