



NCML- Structured Trade Finance



National Collateral Management Services Limited

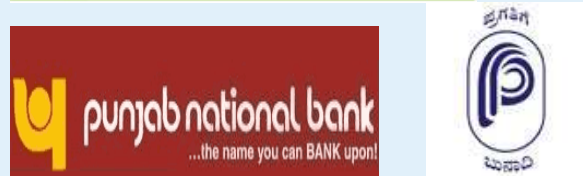
Promoted by – FAIRFAX financial holdings

FAIRFAX
FINANCIAL HOLDINGS LIMITED

Other Shareholders :



Partner Banks



Clients List Snapshot



Aditya Birla Money

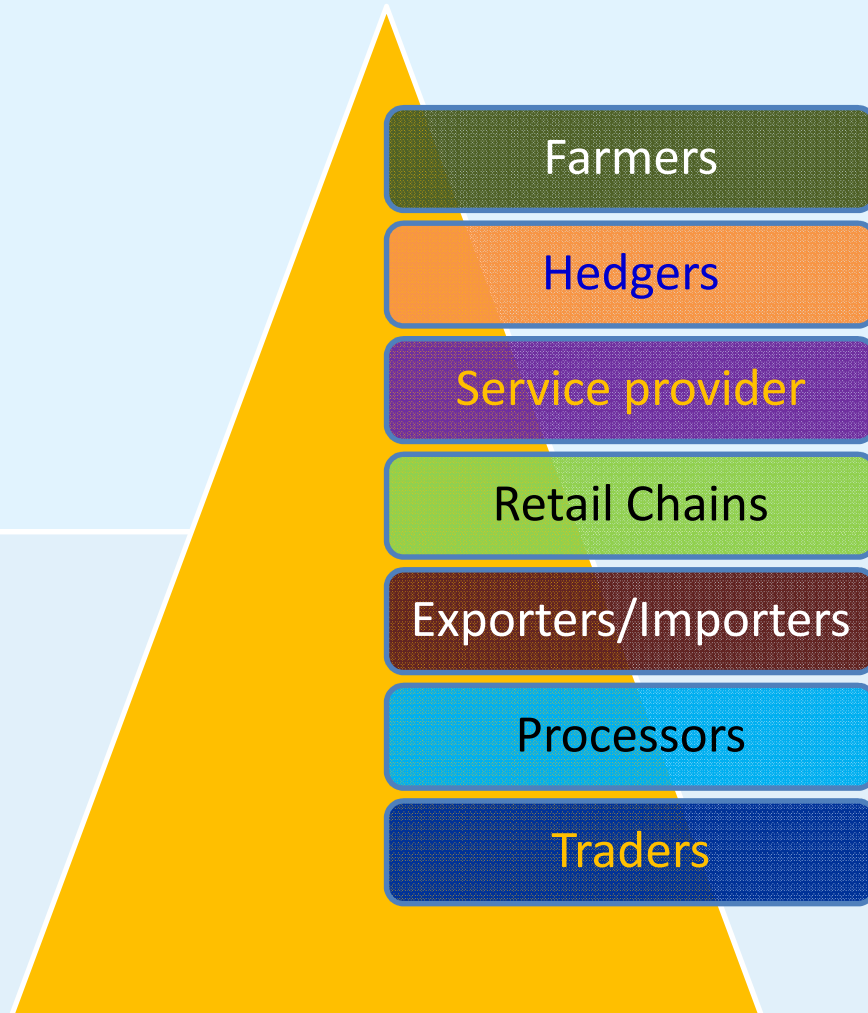


Commodities Handled : 57 Commodities 11 Categories

Grain Wheat Paddy Maize Barley Millet Sorghum	Pulses Yellowpeas Chickpeas Black Mapte Pigeon Peas Bengal Gram Beans Horsegram Red lentils	Oilseed Soybean Mustard Cottonseed Castor RiceBran Groundnut Seasme	Spice Pepper Chillies Turmeric Cummins Coriander Cardamom Clove Ginger Star Aniseed Tamerind	Fibre Cotton Jute	Beverage Tea Coffee	Exotic Guar Mentha Cashew Areacanut Butter Fenugreek Psyllium Starch
				Minerals Coal Iron Ore Steel	Milk Prod. Milk (SMP) Butter	
				Fertilizer	Sweeteners Sugar Honey Jagerry Raisins Mango Jelly	



Leveraging on Network, Presence & Contact



Depth of Coverage

- Dedicated presence throughout all major markets in India

Breadth of Coverage

- Ability to provide SCM, Warehousing, Collateral Control, Testing & Certification Services

Local Knowledge

- Local knowledge of top and middle tier traders, larger corporates and processors

Excellent Contacts

- Including all major trading companies, banking institutions and NBFC

NCML : Business Segments



Supply Chain Management



Storage & Preservation



Collateral Management

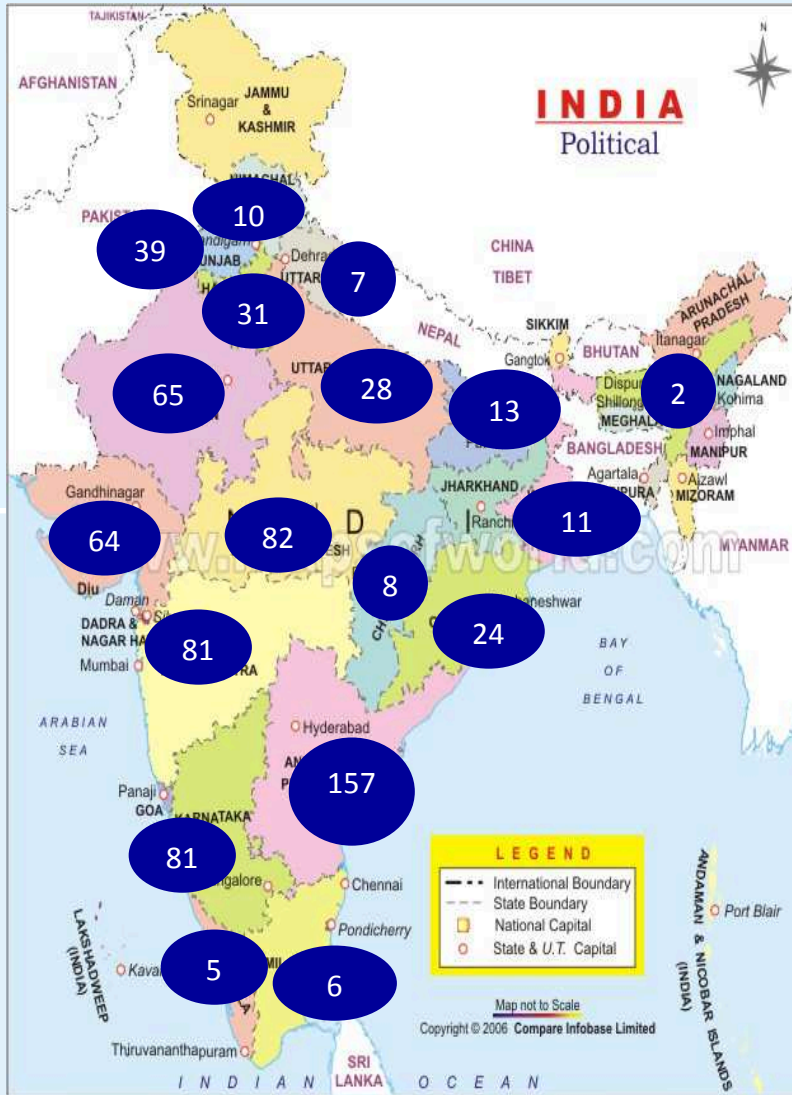


Testing & Certification



Weather Intelligence

Presence



18 States + 2 Union Territory

1073 Locations

102 Commodities

VAT registration for 15 states

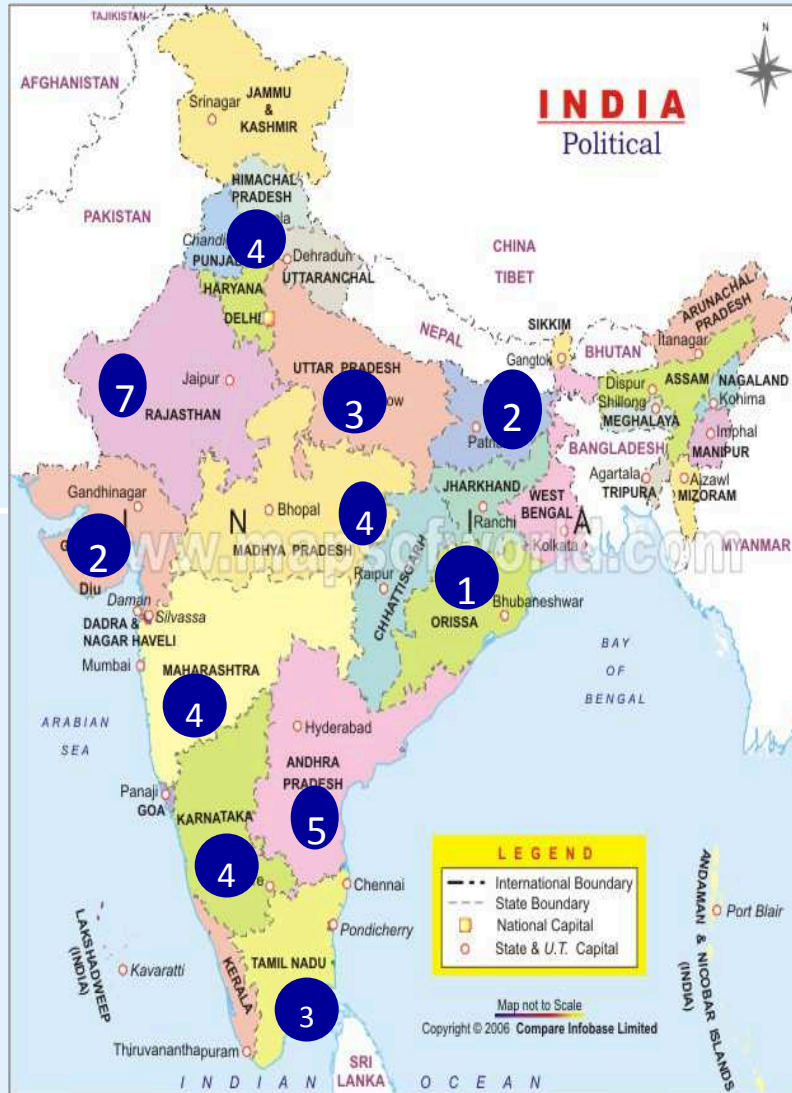
+29,240 Clients

AUM – Rs 143 Billion

2200 feet on street executives

29 Mandi licence across India

Permanent Footprints



39 Locations

12 States

NCML owned warehouse at 39 location across India

Owned warehouses at Key cotton belt

- Telangana – Adilabad, Bhainsa
- AP – Guntur
- Gujarat – Kadi, Rajkot, Gondal
- Maharashtra – Hinganghat, Yavatmal, Akola
- Rajasthan - Sriganganagar

Apart from above NCML has 825 leased warehouses across India.

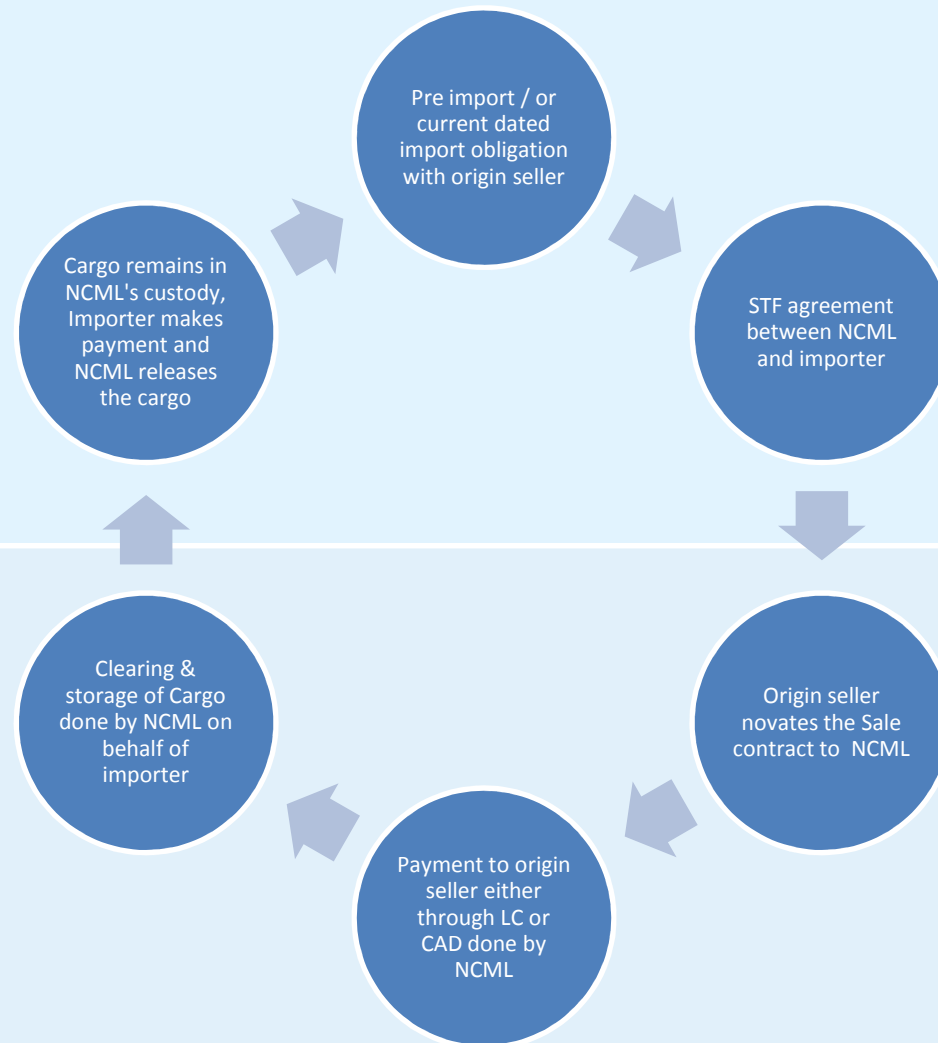
Warehouse space can also be made available as per specific requirement



Structured Trade Finance

- Structured Trade Finance (STF) is an alternative mean of providing trade financing facility so as to overcome the difficulty of obtaining conventional payment guarantees
- Unlike traditional financing, STF looks to the flow of the goods and their origins – with repayment realized from import and sale of commodity in domestic market
- NCML's risk assessment is primarily related to the company's ability to perform
- By focusing on the individual transaction structure and the company's business performance capability, as opposed to their balance sheet, STF provides an alternative and cost effective financing tool to companies in the commodity arena

How STF works (for Imports)



NCML has successfully disbursed more than 400 crs in various commodities under STF



Vendor Managed Inventory (Off Balance sheet Financing)

- The goal of off-balance sheet financing is to reduce or maintain a company's debt at or below a prescribed level so that its debt-to-equity ratio is low. When a company has a favorable ratio, that company appears to be a good credit risk
- The asset / inventory (cotton bales) purchased for consumption at a later date, remain in the books of vendor (NCML)
- Off balance Sheet financing helps the company to preserve its borrowing line for other critical and efficient functions
- Off Balance Sheet Funding ensures proper due diligence, checks and controls and compliances pertaining to the borrower and the respective state laws, where the cargo is stored.

Vendor Managed Inventory (Off Balance sheet Financing)

NCML and Borrower enter into and VMI agreement covering all terms of trade.

Borrower decides the supplier and the purchase price for cotton

Borrower remits margin money to the tune of 20% to 25% towards the purchase price

NCML purchases the cotton bales and remits 100% of the invoice value to the supplier

The title of the cargo purchased vests with NCML, and the cargo is stored under the custody of NCML warehouse

On due date or as per the requirement of the borrower, NCML releases the cargo on receipt of the proportionate amount from borrower inclusive of all charges

NCML has successfully disbursed more than 900 crs through Vendor Managed Inventory



NCML also offers end to end Supply Chain Solutions for Cotton Procurement

- **Procurement** - Bulk procurement using multiple channels
Mandi/Broker/Trader/Processor
- **Sampling & Grading** – On site spot sampling by experienced classers, quality certification, moisture testing & stack sealing
- **Logistics** – Grading, Loading, Unloading services
- **Inventory management** – stock MIS, periodic audits, quality control
- **Dispatch management** – fleet arrangement, weight monitoring, in time delivery management

Thank You

National Collateral Management
Services Ltd.

website: www.ncml.com

