

# **About Power2SME**

Power2SME is India's first 'Buying Club' for SMEs that started operations in 2012. The company focuses on the small and medium business enterprise segment and its mission is to "Empower SMEs to enable the India growth story". As the Buying Club for SMEs, the company focuses on reducing their purchase prices and increasing productivity. Headquartered in Gurgaon, Power2SME also has offices in Mumbai, Pune, Ahmedabad, Chennai, Surat, Cuttack and Kolkata.

Power2SME is creating India's No. 1 B2B Digital Ecosystem for SMEs which delivers raw material procurement at competitive prices and access to finance at improved rates of interest thus driving higher efficiencies and profitability. At present, Power2SME more than 55,000 MSMEs registered as members.

Our Key Value proposition must be viewed across our stakeholders

SMEs	Suppliers	Financial Institutes
<ul> <li>✓ Lower cost of raw material, hence improved margins</li> <li>✓ Improved access to bank financing with cheaper ROI</li> <li>✓ Transparency with GPS tracked deliveries</li> <li>✓ Provide a level playing field to SMEs to list their products on B2B marketplace</li> </ul>	<ul> <li>✓ A fillip to institutional sales</li> <li>✓ Reduced cost of client servicing</li> <li>✓ Improved efficiency in working capital management</li> </ul>	<ul> <li>✓ Access to credit worthy SMEs who have passed robust</li> <li>✓ Accreditation test at Power2SME</li> <li>✓ Access to complete transaction history with P2S</li> <li>✓ Negligible CAC</li> </ul>

### The Business Model

# Raw Material aggregation

Power2SME has an innovative business model which enables the small and medium enterprises to obtain the most optimal pricing for their procurement needs. The company pools the demand of multiple SMEs for raw materials for their business needs, thus allowing it to not only obtain the most optimal pricing, but also have an access to a larger pool of quality suppliers.

Power2SME buys directly from the manufacturer and sells to SMEs, cutting out the middle link of distributors and wholesalers. The services on offer go beyond being a match making platform as the firm takes complete ownership of the entire order process, including taking title of the goods, which ensure quality of the raw material at the best price with flexible payment options made available to SMEs. Power2SME also provides online platform that enables the SME customers to track all their purchases as well as undertake transactional activity such as placing new enquiries, checking price quotes, uploading purchase orders, checking status of delivery, account statement, notification of payment due etc.

Power2SME has SME clients with turnover ranging from Rs 1 crores to Rs 250 crores and works with established suppliers such as SAIL, GAIL, Rathi Steel, Jindal Steel, Haldia Petrochemicals, amongst several others.

<u>www.power2sme.com</u> Page 3



#### Access to Funds via FinanSME

Finance is the biggest problem for any SME as they struggle to meet their growth and operational requirements. Getting unsecured loans from banks is a lengthy process and requires lot of documentation. Power2SME acts a facilitator by bringing together SMEs & financial institutes on a common platform called FinanSME. In order to ease the pressures on cash flow and facilitate smooth running of business, Power2SME helps provide bill finance facility to its partner SMEs. Our Bill Finance facility plugs in the mismatches in the cash flow and relieves the SMEs rom worries on commitments.

### Address SME's MRO requirement via SMEshops

SMEshops is the most user-friendly virtual marketplace to buy & sell goods online for SMEs in India and is one stop provider for all SME MRO (Maintenance, repair and operations) needs. With over 1.5 Lac SKUs already available on our website catalogue, SMEshops is one of the fastest moving in product acquisition and gaining seller trust from across geographies.

#### **Company Investors**

The firm has successfully completed Series A, B, C, D & E funding. Our Investors are International Finance Corporation (IFC) Nandan Nilekani, Kalaari Capital, Accel Partners and Inventus Capital Partners

- Investment amount with dates
  - o \$2 Million, series A funding, June 2012
  - o \$ 6 Million, series B funding, June 2013
  - o \$7 Million, Series C funding, July 2014
  - o Undisclosed Amount, Series D funding, December 2015
  - o \$ 36 million, Series E, August 2017

# **Awards and Accolades**

The company has won numerous awards and accolades. Some of the most prestigious awards are 'Top 100 Innovative Company 2014' by Inc India and 'Best strategy inline with Business' award under Global HR Excellence category in Jan 2015. Power2SME was selected amongst the Red Herring's Top 100 Global list for the year 2013. Power2SME was also one of the winner companies in the Red Herring's Top 100 Asia list for the year 2013. Mr. R Narayan, Founder and CEO, Power2SME won the 'Serial Entrepreneur of the Year' award at the Entrepreneur India Awards 2013.

## R. Narayan elected as Sr. Vice President for FICCI-CMSME

Established in December 2013, Confederation of Micro, Small and Medium Enterprises (CMSME) aims to empower Indian MSMEs and build their competitiveness. Provide a holistic grid to connect MSMEs with mentors, incubators & accelerators and assist them through capacity building programs & services.

www.power2sme.com Page 3