

January 23, 2020

To  
The General Manager,  
(Listing & Corporate Relations)  
BSE Limited  
25<sup>th</sup> Floor, Phiroze Jeejeeboy Towers,  
Dalal Street, Mumbai – 400001

**Ref.: Regulation 30 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements), 2015.**

**Sub: Outcome of Board Meeting of the Company held on Thursday, January 23, 2020.**

**Script Code:** 538772

Dear Sir,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and further to our letter dated on January 15, 2020, we hereby inform that the Board of Directors, at its meeting held today i.e. Thursday, January 23, 2020 has *inter alia* approved the following:

1. Unaudited Standalone and Consolidated Financial Results for the Nine months/ Quarter ended December 31, 2019 pursuant to Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. Please find enclosed the financial results and the Limited Review Report for the Nine months/ Quarter ended December 31, 2019 along with this letter; and
2. Appointment of Mrs. Subhasri Sriram (DIN: 01998599) as an additional director designated as Independent Director of the Company basis recommendation of the Nomination & Remuneration Committee for a tenure of 5 years w.e.f. January 23, 2020 subject to the approval of the shareholders of the Company at the next Annual General Meeting. Brief details of appointment are mentioned below:

<b>Reason for Change</b>	Appointment
<b>Date of Appointment &amp; Terms of Appointment</b>	Appointed with effect from January 23, 2020
<b>Brief Profile</b>	<ul style="list-style-type: none"><li>➤ Subhasri Sriram is a finance professional with close to three decades of experience across various industries, out of which, more than 15 year has been at CFO position in a leading financial services business.</li><li>➤ Mrs. Sriram is a fellow of Institute of Company Secretaries and Institute of Cost Accountants of India. She also holds a Post</li></ul>

**Niyogin Fintech Limited**

(CIN L65910TN1988PLC131102)

**Regd office:** MIG 944, Ground Floor, TNHB Colony, 1st Main Road, Velachery, Chennai, Tamil Nadu- 600042

**Corporate office:** Neelkanth Corporate IT Park, 311/312, 3rd Floor, Kirod Road, Vidyavihar (w), Mumbai – 400086

email : info@niyogin.in | Website : www.niyogin.com

	<p>Graduate Diploma in Cyber Laws.</p> <ul style="list-style-type: none"> <li>➤ Mrs. Sriram has won the "Best Performing CFO in the NBFC Sector" Award for the year 2013 at the 8<sup>th</sup> edition of the awards instituted by leading business television channel CNBC TV18. Again, in June 2016, she was selected as one of the top 100 most influential CFO's of the country.</li> <li>➤ She currently serves on the Board of Take Solutions Limited as an Executive Director and Chief Financial Officer. For the last two continuous years Take Solutions Limited has won the Golden Peacock Award for Corporate Governance, instituted by the Institute of Directors, London, under her leadership. She also serves as the Board member of TVS Electronics Limited, APA Engineering Private Limited, Ecron Acunova Limited and Jaikirti Management Consultancy Private Limited.</li> </ul>
<b>Disclosure of Relationships</b>	NA

The meeting of the Board of Directors commenced at 11.00 a.m. and concluded at 2.30 p.m.

Kindly take the same on your records and oblige.

Yours truly,

**For Niyogin Fintech Limited**

**Makarand Patankar**  
**Whole-Time Director**  
**DIN: 01584128**

**Encl: a/a**

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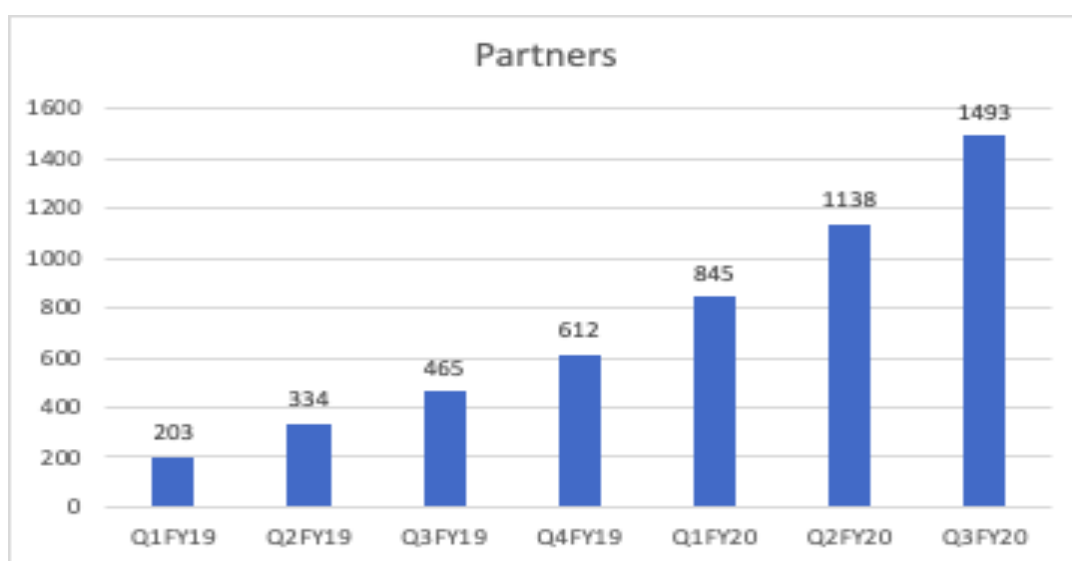
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## Chairman's Update to Investors: Q3-2020

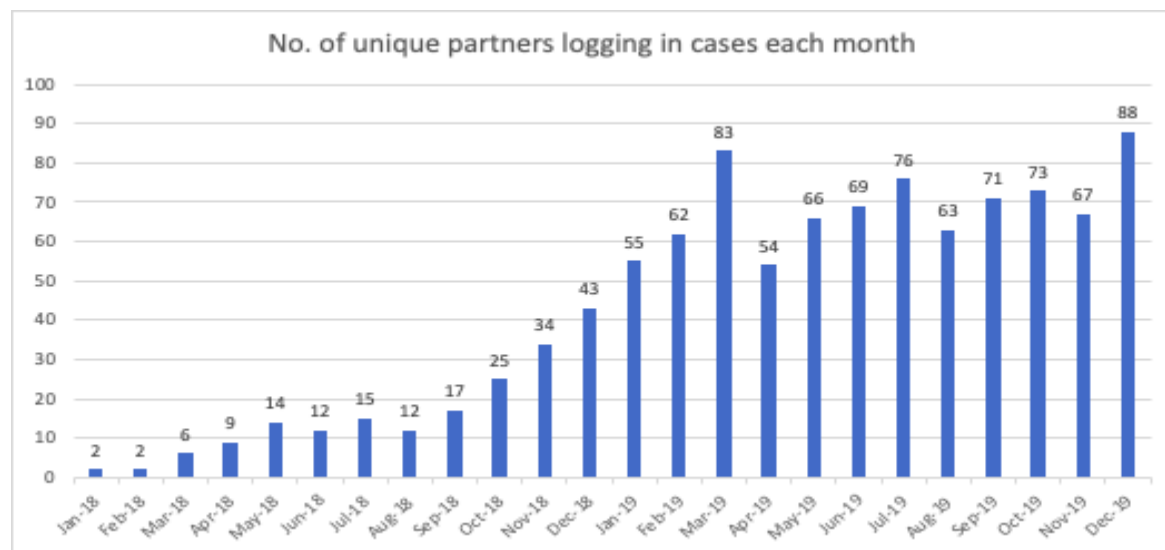
Q3FY20 was an execution focused quarter as we accelerated our distribution build, disbursement and new products. We ended the quarter with a total platform customer base of 15,652 and our retail partner network expanded to 1,493. On credit, we ended Q3FY20 with a loan book of INR 1,561M (USD 22M) and a disbursement of INR 1,071M (USD 15M). We are excited to report that in our direct wealth business we crossed the USD 100M AUM milestone this quarter. We ended the quarter with wealth AUM of INR 7,643 M (USD 107 M), growth of 21% QoQ. We continue to make good progress on our partnerships. We remain steadfast in our vision to be the digital platform empowering small businesses through our proprietary distribution model.

### Partners

Our partner network expansion gained further momentum this quarter as we added 355 partners - highest ever addition in a single quarter. We ended the quarter with 1,493 partners vs 1,138 in Q2FY20, up 31% QoQ. As we had highlighted in our previous update, our focus is on building deeper penetration in each location and we have been appending these geographies with on ground sales team. This coupled with our more focused event based offline marketing initiatives that allow us to engage with our potential partners directly has led to an increased pace of partner addition. This is not only allowing us to build deeper partner coverage, accelerate on-boarding, build brand recognition but also optimise our cost of partner acquisition. We remain focused on taking our partner base to 1800 partners this year – in line with our full-year guidance. The microsite program continues to see good traction and we have grown our partner microsites by 27% QoQ to 190+. We continue to see improved attach rates for our microsite program. As our partner base continues to expand, our focus is on improving touch points with the partner and bringing in new non-credit based products for our partner network to drive activation rates.



As discussed in the previous updates, we have been guarded in our underwriting given the challenging macroeconomic environment. In parallel we have tightened our customer selection criteria, induced greater sales discipline to improve the quality of the funnel. This has led to higher upfront rejects in the channel and has impacted our activation rates for the quarter. However we are seeing improved quality of funnel and this is reflecting in better aggregate approval rates. We had another strong quarter of new partner additions, and our investments in handholding these new partners for platform adoption continues. New partners have a learning curve on the platform adoption and we continue to invest in sales effort to get them activated on the platform. Our cumulative activation rate stood at 22% in the quarter with December having the highest ever unique active partners in a month.

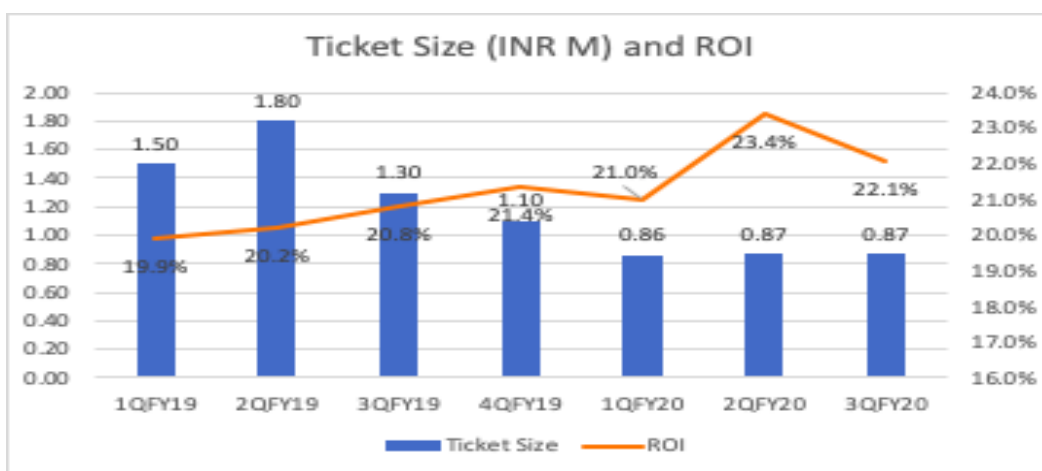
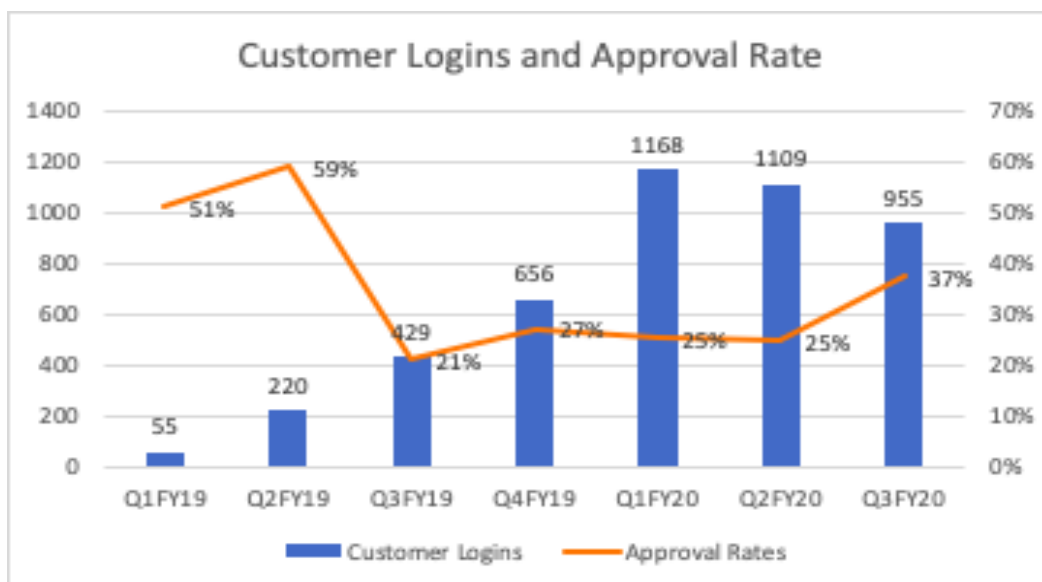


## Customers

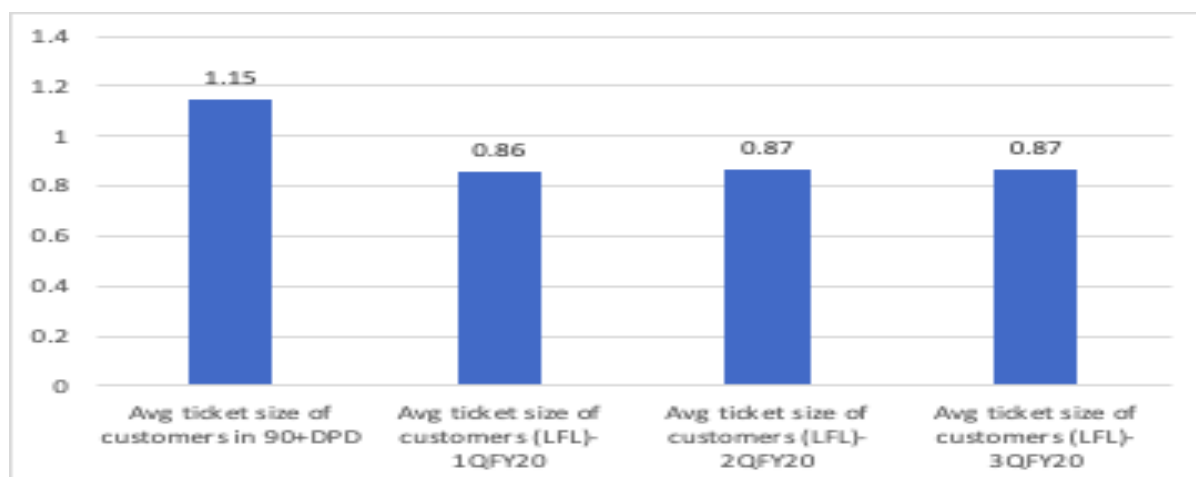
With the introduction of non-credit based products, we moved to a platform centric customer reporting. We are pleased to report that our platform customer count stands at 15,652, a L-F-L growth of 6.7% QoQ. Outside of capital partnerships, we have acquired 236 new credit customers in the quarter and 753 customers beyond credit. Our retail partner channel build continues and this along with partnerships remains the primary customer acquisition channel for us. Our payments partnership is scaling up steadily that allows us to tap into a massive small retail store opportunity. We are happy to report that we have added a new wallet centric partnership that further expands our small retail store reach across India. In addition to our domain-centric partnerships, we introduced new capital partnerships that allows us to scale quickly. We are working with our partners to expand product penetration to solve problems for the segment ranging from short-cycle tech-driven small ticket loans to low ticket NTC centric solutions.

## Credit

Our total disbursement for Q3FY20 stood at INR 1,071M vs INR 243M in Q2, up 340% QoQ. Adjusting for our capital partnerships our disbursements grew 35% QoQ. The approval rates stood at 37% for the quarter driven by better funnel quality and rising share of partnerships. As highlighted earlier we have seen better portfolio performance with small tickets and we continue to focus on keeping our ticket sizes in check. Our like for like ticket size stood at INR0.87M same as the previous quarter.



Our Q3 like for like disbursal yields stood at 22.1% as against 23.4% in Q2, a drop of 130bps QoQ. Our average tenor for the quarter stood at 21 months vs. 23.8 months in Q2. The drop in yields is primarily driven by the mix shifts; however we expect to maintain yields within this range. We continue to invest in enhancing our collections capability as we expand our distribution network and geographical footprint. This is beginning to show positive early signs both in bucket stabilization and recoveries. We have already taken the corrective actions over the past three-quarters visible in our ticket sizes, yields and tenor. Overall our gross NPA ratio stood at 2.93% and the net NPA ratio was 0.72%. We have a judicious provisioning policy in place and our provision coverage is more than adequate.



## Partnerships

In the non-retail centric channel our execution focus remains on partnership-based business lines. This strategy gives us low cost access to customer base and transaction-based underwriting. The products in these partnerships are high velocity, high yield but short tenor. We continue to make good progress on ramping up the payment centric partnerships. Tech centric players are choosing to partner with us driven by our technology stack, ability to customise solutions and experience in underwriting in specific domains such as payments. These partnerships are at higher yields given the target market segment. We expanded the scope of our partnership strategy to include new specific capital partnerships within the self-employed segment. We disbursed INR743M under these capital partnerships in Q3FY20 which gave us access to 22K+ customers. We expect the revenue impact of the payment centric as well as capital centric partnerships to be fully reflected in the coming quarter (Q4FY20).

## Products

We had an exciting quarter on the product front as we tapped into new areas within credit and non-credit product stack. Through our partnership with some exciting companies, we have introduced one new credit product in the quarter. This allows us to tap into an attractive payments/wallet market where merchants require daily settlement for their digital transactions. In addition, this is helping us get transaction-based data to build non-traditional underwriting. This opportunity gives us access to over 15,000 small merchants that are moving to digital platforms. Our wealth platform continues to see good traction with industry-leading statistics of AUM/customer. We continue to expand the product stack and we introduced an industry first product - a SaaS based direct platform for B2B customers to manage their treasury. This product allows us to digitise and bring in efficiency for small and medium businesses including startups to digitally manage their treasury, get cash flow advisory along with all the advantages of low-cost direct plans. Our initial product feedback is promising and we are pleased to announce that we have already started accruing AUM on this product. Further we plan to take this product into our retail distribution which will allow our partners to take this SaaS offering to their SME customers.

Partnerships in progress
Leading Private Sector Bank
Premier Housing Finance Company
B2B Fashion Internet Platform
Small business owner centric platforms (ex - Payment)
Insurtech Platform
Compliance API Platform
Tech platform as a service

## **Technology, Data and Platformification**

Niyogin technology Architecture is now matured and tested for volumes. Architecture was built and tested keeping in mind end to end business workflows and functionality with long term growth vision. Four pillars which were built considering the flexible and nimble architecture framework which has now helped to build robust digital lending organization

On the credit side, we continue to drive iterations on our lending algorithms. We have automated and redefined score cards across our product, top Industry segments etc basis data plus experience we have gathered since inception. We continue to make progress on monetisation of our technology platform stack as a service, specifically for emerging financial services companies. Strategic technology partnerships are done in areas of services where we can go to market jointly within the architecture build that's done by Niyogin. Our PaaS based revenue stream is beginning to take shape. Our tech architecture remains agile and future ready to absorb and deliver a multi-product stack platform proposition to our customers and partners.

## **Impact**

Impact is core to Niyogin's foundation philosophy and we continue to take steps to root this within our operating business. This is reflected in our distribution network that is geared beyond metros, products that we bring to market and target market. In addition to our distribution network we are forging new partnerships that allows us access micro businesses. Our new small retailer settlement product enables merchants readily access capital, is again a step in that direction. NTC remains a large impact area with a massive opportunity and we have begun taking small steps towards building these capabilities. We remain committed to delivering an impact centric problem-solving approach to small businesses and business owners.

## **Financial Highlights**

Starting FY20, as per statutory requirements, the company has adopted Indian accounting standards (Ind AS). As part of Ind AS adoption, we have moved to an expected credit loss (ECL) method for provisioning from FY20. The ECL statistical model is applied across the investment and the total loan book. There are two major components to ECL based method of provisioning 1) Probability of default (PD) and 2) Loss given default (LGD). The switch to ECL based provisioning for a young organisation like ours leads to a more conservative provisioning approach given limited data history that feeds ECL's statistical models. We note that as we have begun building more history with larger cohort; and the models are stabilising and should drive moderation in our ECL over the coming quarters.

The Moneyfront acquisition was completed on 19 August 2019 and has been consolidated for the full-quarter of Q3FY20.

For Q3FY20, on a standalone basis we had disbursements of INR 1,071M, up 3.4x QoQ and a loan book of INR 1,561M, up 1.1x QoQ. Bulk of the disbursements were back ended and thus on a standalone basis, we delivered a total income of INR 67.4M, a growth of 12% YoY and we delivered a customer revenue growth of 25% QoQ accelerating vs. Q2FY20. Contribution from customer revenue continues to grow and stood at 72% vs. 64% in Q2FY20. Moneyfront's major contribution comes from advertising revenues which have seasonality and lumpiness towards 4Q of the fiscal year.

Our cash burn for 3QFY20 was at INR 36M, primarily driven by ECL. The increase in ECL from Q2 to Q3 has been impacted by higher loan book, capital partnerships and lower GDP estimate factor in our statistical ECL models. About 42% of the ECL charge in the quarter is coming from our capital partnerships as per Ind AS requirement. Our entire capital partnership book is current, despite which, we have had to take an INR 23.7M ECL in the quarter.

This has impacted our reported PAT. Our 30+ book on L-F-L basis is more than 90% provisioned basis the ECL methodology.

Overall adoption of ECL has caused P&L volatility in 9MFY20 but we have chosen the most prudent and conservative estimations both on the parameters of PD and LGD versus normal industry practice. In our view, ECL costs should moderate into FY21 as we build more data history. This will be driven by a larger cohort, improved cohort movement, greater data history, the maturity of treasury investments, and high current provisioning levels.

We remained focused on cost efficiency and our cash operating costs (excluding ECL) remained in check and grew 4% QoQ. We had highlighted that growth trajectory should improve in 2HFY20 and our core customer revenue growth has accelerated in this quarter. Further we expect continued customer revenue growth in Q4 and this should open up significant room for operating leverage through FY21.

<b>Standalone (INR M)</b>	<b>Q3FY2020</b> <i>(31Dec 2019)</i>	<b>Q3FY2019</b> <i>(31 Dec2018)</i>	<b>YoY Change</b>
Total Income	67.4	60.0	12%
Total Expenses (excl ECL)	88.8	89.5	-1%
ECL	56.2	0.8	NM
Reported Profit/(Loss)	-77.7	-30.2	NM
Depreciation and amortization	8.7	8.2	6%
ESOP	9.1	16.3	-44%
Cash Profit/(Loss) *	-36.2	-5.7	NM

Note : \* Ex ECL on capital partnerships for Q3FY20 as the loans are standard



Standalone (INR M)	9MFY2020 (31 Dec 2019)	9MFY2019 (31 Dec 2018)	YoY Change
Total Income	194.3	166.4	17%
Total Expenses (excl ECL)	266.3	210.8	26%
ECL	98.5	0.3	NM
Reported Profit/(Loss)	-170.5	-44.6	NM
Depreciation and amortization	25.9	22.3	16%
ESOP	33.0	21.5	53%
Cash Profit/(Loss) *	-87.9	-0.8	NM

Note: \* Ex ECL on capital partnerships for 9MFY20 as the loans are standard

### Business Outlook

We are readjusting our business outlook for FY20 to reflect our execution thus far and our guarded underwriting trends. We maintain our guidance for partners addition, adjust the credit customer count, and raise our disbursal guidance to INR 1,800M+ for FY20. Our expanding network, product introductions and accelerating partnerships give us confidence of strong exit rates for FY20.

	FY19A	Q1FY20A	Q2FY20A	Q3FY20A	FY20E
Partners	612	845	1138	1493	1800
Customers*	434	606	822	1058	1300+
Approvals/ Disbursals	INR 615M+ (USD8.8M)	INR 232M (USD 3.4M)	INR 243M (USD 3.45M)	INR 1,071M (USD 15M)	INR 1800M+ (USD25M)
Partnerships	4	5	6	6	7
Solutions beyond Credit	1	1	1	2	3

Note: \* Credit customers. FY19- based on average USD/INR=69.99. FY20E based on USD/INR = 71.35 as on 31 Dec 2019 closing rates.

In summary, our distribution build is accelerating with a focus on building a platform dedicated to solving for MSMEs. The external environment remains tough particularly for MSMEs, and we continue with our prudent underwriting approach. We are excited about our new partnerships and execution on the wealth business that allows us to build on the platform strategy. We are on track for executing our key strategic priorities - a 3X expansion of our distribution network, new products and scaling our partnerships. A strong balance sheet provides us with a solid base to capture the significant growth potential in this space and we are confident about the long-term success.

Thank you for your support and look forward to our continuing engagement in our journey to be India's premier MSME focused fintech ecosystem.

Thank You.

**Amit Rajpal**  
**Non-Executive Chairman and Co-founder**  
**Niyogin Fintech Limited**

**Disclaimer:**

Certain information published herein contains “forward-looking information”, including “future oriented financial information” and “financial outlook” (collectively referred to herein as forward-looking statements). Except for statements of historical fact, the information contained herein constitutes forward-looking statements and includes, but is not limited to, the (i) projected financial performance of the Company; (ii) the expected development of the Company’s business, projects and joint ventures; (iii) execution of the Company’s vision and growth strategy, including with respect to future M&A activity; (iv) sources and availability of third-party financing for the Company’s projects; (v) completion of the Company’s projects that are currently underway, in development or otherwise under consideration; (vi) renewal of the Company’s current customer, supplier and other material agreements; and (vii) future liquidity, working capital, and capital requirements. Forward-looking statements are provided to allow potential investors the opportunity to understand management’s beliefs and opinions in respect of the future so that they may use such beliefs and opinions as one factor in evaluating an investment.

These statements are not guarantees of future performance and undue reliance should not be placed on them. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause actual performance and financial results in future periods to differ materially from any projections of future performance or result expressed or implied by such forward-looking statements.

Although forward-looking statements contained in this presentation are based upon what management of the Company believes are reasonable assumptions, there can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company undertakes no obligation to update forward-looking statements if circumstances or management’s estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements.

# B S R & Co. LLP

Chartered Accountants

5th Floor, Lodha Excelus,  
Apollo Mills Compound  
N. M. Joshi Marg, Mahalaxmi  
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India

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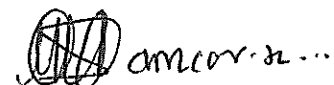
## Limited review report on unaudited quarterly standalone financial results and standalone year-to-date results of Niyogin Fintech Limited under Regulation 33 of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulation, 2015

### To the Board of Directors of Niyogin Fintech Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of Niyogin Fintech Limited (the 'Company') for the quarter ended 31 December 2019 and year-to-date results for the period from 1 April 2019 to 31 December 2019 (the 'Statement').
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 '*Interim Financial Reporting*' ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'SEBI Listing Regulations'). Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 '*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI Listing Regulations and the Securities Exchange Board of India Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For B S R & Co. LLP  
Chartered Accountants

Firm's Registration No: 101248W/W-100022



Sameer Mota  
Partner

Mumbai  
23 January 2020

Membership No: 109928  
UDIN: 20109928AAAAAH4097

<p style="text-align: center;">Niyogin Fintech Limited CIN: L65910-MH1988-PLC23-9746 Registered Address: M.I.G 944, Ground Floor, TNHB Colony, 1st Main Road, Velachery, Chennai, Tamil Nadu - 600042 Corporate Address: Neelkanth Corporate IT Park, 311/312, 3rd Floor, Kirol Road, Vidyavihar (West), Mumbai - 400086 Statement of unaudited standalone financial results for the quarter and year to date period ended 31 December 2019 (Amounts in lac)</p>						
Sr. No.	Particulars	Quarter ended			Year to date period ended	
		31-12-2019 Unaudited	30-09-2019 Unaudited	31-12-2018 Unaudited	31-12-2019 Unaudited	31-12-2018 Unaudited
1	<b>Revenue from operations</b>					
	Interest income	500.81	448.32	478.48	1,453.04	1,238.79
	Fees and commission income	5.00	0.71	-	5.71	-
	Net gain on fair value changes	94.89	76.17	25.71	223.31	131.08
	Other operating income	4.05	3.71	0.45	9.39	0.75
	<b>Total revenue from operations</b>	<b>604.75</b>	<b>528.91</b>	<b>504.64</b>	<b>1,691.45</b>	<b>1,370.62</b>
2	Other income	69.65	89.64	95.80	251.76	293.75
3	<b>Total income (1+2)</b>	<b>674.40</b>	<b>618.55</b>	<b>600.44</b>	<b>1,943.21</b>	<b>1,664.37</b>
4	<b>Expenses</b>					
	(a) Finance costs	7.10	7.49	7.74	22.44	12.92
	(b) Impairment on financial instruments	562.38	291.57	7.68	984.79	2.76
	(c) Employee benefits expenses	448.62	468.63	485.41	1,402.38	1,130.02
	(d) Depreciation, amortization and impairment	86.96	86.80	82.01	259.26	223.57
	(e) Others expenses	345.60	332.29	319.83	979.27	741.52
	<b>Total expenses</b>	<b>1,450.66</b>	<b>1,186.78</b>	<b>902.67</b>	<b>3,648.14</b>	<b>2,110.79</b>
5	Loss before exceptional items and tax (3-4)	(776.26)	(568.23)	(302.23)	(1,704.93)	(446.42)
6	Exceptional items	-	-	-	-	-
7	Loss before tax (5-6)	(776.26)	(568.23)	(302.23)	(1,704.93)	(446.42)
8	<b>Tax expense:</b>					
	(a) Current tax	-	-	-	-	-
	(b) Deferred tax	-	-	-	-	-
9	Loss for the period from continuing operations (7-8)	(776.26)	(568.23)	(302.23)	(1,704.93)	(446.42)
10	Profit/ (loss) from discontinued operations	-	-	-	-	-
11	Tax expenses of discontinued operations	-	-	-	-	-
12	Profit/ (loss) from discontinued operations (after tax) (10-11)	-	-	-	-	-
13	Loss for the period (9+12)	(776.26)	(568.23)	(302.23)	(1,704.93)	(446.42)
14	<b>Other comprehensive income</b>					
	(a) Items that will not be reclassified to profit or loss					
	(i) Remeasurement of the defined benefit plans	(0.82)	(1.86)	0.86	(2.46)	0.52
	(ii) Income tax relating to Items that will not be reclassified to profit or loss	-	-	-	-	-
	(b)(i) Items that will be reclassified to profit or loss	-	-	-	-	-
	(ii) Income tax relating to Items that will be reclassified to profit or loss	-	-	-	-	-
	<b>Other comprehensive income (a+b)</b>	<b>(0.82)</b>	<b>(1.86)</b>	<b>0.86</b>	<b>(2.46)</b>	<b>0.52</b>
15	<b>Total comprehensive loss for the period (13+14)</b>	<b>(777.08)</b>	<b>(570.09)</b>	<b>(301.37)</b>	<b>(1,707.39)</b>	<b>(445.90)</b>
16	<b>Earnings per equity share (Refer note 11)</b>					
	(a) Basic (₹)	(0.90)	(0.67)	(0.36)	(2.00)	(0.54)
	(b) Diluted (₹)	(0.90)	(0.67)	(0.36)	(2.00)	(0.54)



*[Handwritten Signature]*



**Niyogin Fintech Limited**

(CIN L65910TN1988PLC131102)



## Notes:

- The unaudited standalone financial results of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 (the 'Act'). The Company has adopted Ind AS from 1 April 2019 with effective transition date of 1 April 2018 and accordingly, these financial results together with the results for the comparative reporting period have been prepared in accordance with the recognition and measurement principles as laid down in Ind AS 34 - Interim Financial Reporting, prescribed under section 133 of the Act and the other accounting principles generally accepted in India.

This transition to Ind AS has been carried out from the erstwhile Accounting Standards notified under the Act, read with rule 7 of Companies (Accounts) Rules, 2014 (as amended), guidelines issued by Reserve Bank of India ('RBI') and other generally accepted accounting principles in India (collectively referred to as the 'Previous GAAP'). Accordingly, the impact of transition has been recorded in the opening reserves as at 1 April 2018 and the corresponding adjustments pertaining to comparative previous quarter and nine months as presented in these financial results have been restated / reclassified in order to conform to current period presentation.

These unaudited standalone financial results have been drawn up on the basis of Ind AS that are applicable to the Company effective from 1 April 2019 based on the Press Release issued by the Ministry of Corporate Affairs ('MCA') on 18 January 2016. Any application guidance / clarifications / directions issued by RBI or other regulators are implemented as and when they are issued / applicable.

- In compliance with Regulation 33 of the Securities Exchange Board of India (the 'SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, a limited review of the standalone financial results for the quarter and year to date period ended 31 December 2019 has been carried out by the Statutory Auditors.

As permitted under circular no. CIR/CFD/FAC/62/2016 dated 5 July 2016 issued by the SEBI, the Company has opted to avail exemption for submission of Ind AS compliant financial results for the previous year ended 31 March 2019.

- As required by Ind AS 101-'First-time Adoption of Indian Accounting Standards', the loss reconciliation between the figures previously reported under the Previous GAAP and restated as per Ind AS is as under:

(Amount in lac)

Particulars	Year to date period ended 31 December 2018	Quarter ended 31 December 2018
A. Net loss as per the Previous GAAP	(426.75)	(290.35)
B. Effects of transition to Ind AS on the statement of profit and loss:		
i Reversal of provisions created under previous GAAP	18.49	7.68
ii Impact on application of Expected Credit Loss method on loans	(18.49)	(7.68)
iii Impact of fair value method for share based payment	(15.73)	(11.12)
iv Impact on application of Interest income and finance cost by application of Effective Interest Rate method	19.67	0.28
v Investments carried at Fair value through profit or loss	(23.36)	(3.22)
vi Recognition of lease expenses as per Ind AS 116	(20.71)	(2.35)
vii ECL on Investment at amortised cost	15.73	-
viii Others	4.73	4.53
Total adjustments (i+ii+iii+iv+v+vi+vii+viii)	(19.67)	(11.88)
C. Net loss for the period as per Ind AS (A+B)	(446.42)	(302.23)
D. Total other Comprehensive income	0.52	0.86
E. Total comprehensive loss as per Ind AS	(445.90)	(301.37)

- The Board of Directors, at its meeting held on 28 May 2018, had approved allotment of 4,732,433 equity shares to non-promoter investor pursuant to conversion option exercised by the investor in respect of 4,732,433 Compulsorily Convertible Non-Cumulative Preference Shares held by it in the Company.
- The Board of Directors of the Company at its meeting held on 11 February 2019 approved issuance of up to 1,143,277 equity shares of the Company to the shareholders of InvestDirect Capital Services Private Limited ('InvestDirect') for a total consideration not exceeding Rs. 860 lacs in consideration for acquiring 50.01% stake in InvestDirect. The said issue was also approved by the Company's shareholders vide postal ballot, results of which were declared on 27 March 2019. On 5 August 2019, the SEBI had accorded approval to MoneyMap Investment Advisors Private Limited (Subsidiary of InvestDirect). Subsequent to the SEBI approval, the Board had allotted 1,142,895 equity shares to the shareholders of InvestDirect at fair value of Rs. 536 lacs on 19 August 2019. InvestDirect became a Subsidiary of the Company w.e.f 19 August 2019.
- Pursuant to the shareholders agreement dated 25 February 2019, the Company has been allotted Non-Cumulative Compulsory Convertible Preference Shares amounting to Rs 150 lac by InvestDirect on 18 October 2019.



**Niyogin Fintech Limited**

(CIN L65910TN1988PLC131102)

*[Signature]*



Regd. office: M.I. G-924, Ground Floor, TNHB Colony, 1st Main road, Velachery, Chennai, Tamil Nadu - 600042  
Corporate office: Niyogin Corporate IT Park, 311/312, 3rd Floor, Kirol Road, Vidyavihar (w), Mumbai - 400086  
email : info@niyogin.in | Website : www.niyogin.com

## Notes: (Continued)

- 7 During the quarter ended on 30 September 2019, the Company has granted an aggregate of 537,473 stock options under the NFL Employees Stock Options Plan 2018.
- 8 The Company at its Board Meeting held on 16 December 2019 approved the draft scheme of Amalgamation presented under section 230 - 232 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder, of Information Interface India Private Limited ("IIPL") with Niyogin Fintech Limited ("NFL") and their respective shareholders and creditors ("Scheme"). The Scheme as aforesaid is subject to necessary approvals by the stock exchange, Securities and Exchange Board of India, Reserve Bank of India, shareholders and creditors of the company(ies), as may be applicable, Chennai Bench of National Company Law Tribunal and such other statutory and regulatory approvals as may be required.
- 9 There is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company.
- 10 The unaudited standalone financial results for the quarter and year to date period ended 31 December 2019 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at its meeting held on 23 January 2020.
- 11 Earnings per share for the interim periods is not annualized.
- 12 The Company has adopted Ind AS 116- 'Leases', effective annual reporting period beginning 1 April 2018 and applied the standard to its leases, using modified retrospective method of transition, with the cumulative effect of initially applying the standard, recognized on the date of initial application (i.e. 1 April 2018).

For and on behalf of the Board of Directors  
Niyogin Fintech Limited



**Makarand Ram Patankar**  
Whole Time Director  
DIN: 01584128

Mumbai  
23 January 2020



**Niyogin Fintech Limited**

(CIN L65910TN1988PLC131102)

**Regd. office:** M.I.G 944, Ground Floor, TNHB Colony, 1st Main road, Velachery, Chennai, Tamil Nadu – 600042  
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email : [info@niyogin.in](mailto:info@niyogin.in) | Website : [www.niyogin.com](http://www.niyogin.com)

# B S R & Co. LLP

Chartered Accountants

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## **Limited review report on unaudited quarterly consolidated financial results and consolidated year-to-date results of Niyogin Fintech Limited pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulation, 2015**

To the Board of Directors of  
Niyogin Fintech Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Niyogin Fintech Limited (the 'Parent' or the 'Company') and its subsidiaries (the Parent and its subsidiaries together referred to as the 'Group') for the quarter ended 31 December 2019 and year-to-date results for the period from 1 April 2019 to 31 December 2019 (the 'Statement'), being submitted by the Parent pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'SEBI Listing Regulations').
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 '*Interim Financial Reporting*' ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the SEBI Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 '*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*', issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33 (8) of the SEBI Listing Regulations, to the extent applicable.

4. The Statement includes the results of following entities:

Name of the Company	Relationship
Niyogin Fintech Limited	Parent
Investdirect Capital Services Private Limited	Subsidiary
MoneyMap Investment Advisors Private Limited	Wholly owned subsidiary of Investdirect Capital Services Private Limited



**Limited review report on unaudited quarterly consolidated financial results and consolidated year-to-date results of Niyogin Fintech Limited pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulation, 2015 (Continued)**

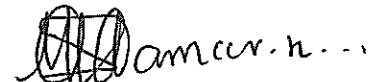
**Niyogin Fintech Limited**

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI Listing Regulations and the Securities and Exchange Board of India Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the financial information of two subsidiaries included in the Statement, whose unaudited financial information reflect total revenues of Rs. 8.89 lac and Rs. 11.22 lac, total net loss after tax of Rs. 40.95 lac and Rs. 59.27 lac and total comprehensive loss of Rs. 40.95 lac and Rs. 59.27 lac for the quarter ended 31 December 2019 and for the period from 19 August 2019 to 31 December 2019 respectively, as considered in the consolidated unaudited financial results. These unaudited financial information have been reviewed by other auditors whose reports have been furnished to us by management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the report of the other auditor and the procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of the above matter.

For **B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No: 101248W/W-100022



**Sameer Mota**

*Partner*

Membership No: 109928

UDIN: 20109928AAAAAI4118

Mumbai  
23 January 2020

<p style="text-align: center;">Niyogin Fintech Limited CIN: L65910-MH1988-PLC23-9746 Registered Address: M.I.G 944, Ground Floor, TNHB Colony, 1st Main Road, Velachery, Chennai, Tamil Nadu - 600042 Corporate Address: Neelkanth Corporate IT Park, 311/312, 3rd Floor, Kirol Road, Vidyavihar (West), Mumbai - 400086</p>				
Statement of unaudited consolidated financial results for the quarter and year to date period ended 31 December 2019				
(Amounts in lac)				
Sr. No.	Particulars	Quarter ended		Year to date period ended
		31-12-2019 (Unaudited)	30-09-2019 (Unaudited)	31-12-2019 (Unaudited)
1	Revenue from operations	500.81	448.32	1,453.04
	Interest income	5.00	0.71	5.71
	Fees and commission Income	95.37	76.53	224.15
	Net gain on fair value changes	12.29	4.37	18.29
	Other income	613.47	529.93	1,701.19
	<b>Total revenue from operations</b>	<b>683.30</b>	<b>620.87</b>	<b>1,954.43</b>
2	Other income	69.83	90.94	253.24
3	<b>Total income (1+2)</b>	<b>683.30</b>	<b>620.87</b>	<b>1,954.43</b>
4	<b>Expenses</b>	<b>7.74</b>	<b>7.95</b>	<b>23.54</b>
	(a) Finance costs	562.38	291.57	984.79
	(b) Impairment on financial instruments	479.14	483.77	1,448.04
	(c) Employee benefits expenses	114.19	96.42	296.11
	(d) Depreciation, amortization and impairment	359.43	335.18	995.99
	(e) Others expenses	1,522.88	1,214.89	3,748.47
	<b>Total expenses</b>	<b>(839.58)</b>	<b>(594.02)</b>	<b>(1,794.04)</b>
5	<b>Loss before exceptional items and tax (3-4)</b>	<b>(839.58)</b>	<b>(594.02)</b>	<b>(1,794.04)</b>
6	Exceptional items	-	-	-
7	<b>Loss before tax (5-6)</b>	<b>(839.58)</b>	<b>(594.02)</b>	<b>(1,794.04)</b>
8	<b>Tax expense:</b>	<b>-</b>	<b>-</b>	<b>(7.51)</b>
	(a) Current tax	(5.63)	(1.88)	(7.51)
	(b) Deferred tax	(5.63)	(1.88)	(7.51)
9	<b>Loss for the period from continuing operations (7-8)</b>	<b>(833.95)</b>	<b>(592.14)</b>	<b>(1,786.53)</b>
10	Profit / (loss) from discontinued operations	-	-	-
11	Tax expenses of discontinued operations	-	-	-
12	<b>Profit / (loss) from discontinued operations (after tax) (10-11)</b>	<b>-</b>	<b>-</b>	<b>-</b>
13	<b>Loss for the period (9+12)</b>	<b>(833.95)</b>	<b>(592.14)</b>	<b>(1,786.53)</b>
14	<b>Other comprehensive income/ (loss)</b>	<b>(0.82)</b>	<b>(1.86)</b>	<b>(2.46)</b>
	(a) Items that will not be reclassified to profit or loss	-	-	-
	(i) Remeasurement of the defined benefit plans	-	-	-
	(ii) Income tax relating to Items that will not be reclassified to profit or loss	-	-	-
	(b)(i) Items that will be reclassified to profit or loss	-	-	-
	(ii) Income tax relating to Items that will be reclassified to profit or loss	(0.82)	(1.86)	(2.46)
	<b>Other comprehensive loss (a+b)</b>	<b>(0.82)</b>	<b>(1.86)</b>	<b>(2.46)</b>
15	<b>Total comprehensive loss for the period (13+14)</b>	<b>(834.77)</b>	<b>(594.00)</b>	<b>(1,788.99)</b>
16	<b>Loss is attributable to:</b>	<b>(805.11)</b>	<b>(580.19)</b>	<b>(1,745.74)</b>
	Owners of the Company	(28.84)	(11.95)	(40.79)
17	<b>Other comprehensive loss is attributable to:</b>	<b>(0.82)</b>	<b>(1.86)</b>	<b>(2.46)</b>
	Owners of the Company	-	-	-
	Non-controlling interest	-	-	-
18	<b>Total comprehensive loss is attributable to:</b>	<b>(805.93)</b>	<b>(582.05)</b>	<b>(1,748.20)</b>
	Owners of the Company	(28.84)	(11.95)	(40.79)
	Non-controlling interest	-	-	-
19	<b>Earnings per equity share (Refer note 9)</b>	<b>(0.94)</b>	<b>(0.68)</b>	<b>(2.05)</b>
	(a) Basic (₹)	(0.94)	(0.68)	(2.05)
	(b) Diluted (₹)	(0.94)	(0.68)	(2.05)



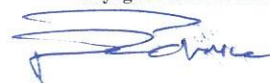
## Notes:

- 1 The unaudited consolidated financial results of Niyogin Fintech Limited (the 'Company') and its subsidiaries (collectively referred to as the 'Group') have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 (the 'Act'). The Group has adopted Ind AS from 1 April 2019 with effective transition date of 1 April 2018 and accordingly, these financial results have been prepared in accordance with the recognition and measurement principles as laid down in Ind AS 34 - Interim Financial Reporting, prescribed under section 133 of the Act and the other accounting principles generally accepted in India.

These unaudited consolidated financial results have been drawn up on the basis of Ind AS that are applicable to the Group effective from 1 April 2019 based on the Press Release issued by the Ministry of Corporate Affairs ('MCA') on 18 January 2016. Any application guidance / clarifications / directions issued by Reserve Bank of India or other regulators are implemented as and when they are issued / applicable.

- 2 In compliance with Regulation 33 of the Securities Exchange Board of India (the 'SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, a limited review of the consolidated financial results for the quarter and year to date period ended 31 December 2019 has been carried out by the Statutory Auditors.
- 3 The consolidated financial results include the unaudited consolidated financial results of its Subsidiary Company, InvestDirect Capital Services Private Limited ('InvestDirect'), which includes MoneyMap Investment Advisors Private Limited (100% Subsidiary of InvestDirect).
- 4 The Board of Directors of the Company at its meeting held on 11 February 2019 approved issuance of up to 1,143,277 equity shares of the Company to the shareholders of InvestDirect for a total consideration not exceeding Rs. 860 lacs in consideration for acquiring 50.01% stake in InvestDirect. The said issue was also approved by the Company's shareholders vide postal ballot, results of which were declared on 27 March 2019. On 5 August 2019, the SEBI had accorded approval to MoneyMap Investment Advisors Private Limited (Subsidiary of InvestDirect). Subsequent to the SEBI approval, the Board had allotted 1,142,895 equity shares to the shareholders of InvestDirect at fair value of Rs. 536 lacs on 19 August 2019. InvestDirect became a Subsidiary of the Company w.e.f 19 August 2019. With this acquisition of the InvestDirect, the Company is required to prepare the consolidated financial results for the first time for the quarter and year to date period ended 31 December 2019. Accordingly, no comparative figures for the consolidated financial results are required to be presented.
- 5 The Company at its Board Meeting held on 16 December 2019 approved the draft scheme of Amalgamation presented under section 230 - 232 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder, of Information Interface India Private Limited ("IIPL") with Niyogin Fintech Limited ("NFL") and their respective shareholders and creditors ("Scheme"). The Scheme as aforesaid is subject to necessary approvals by the stock exchange, Securities and Exchange Board of India, Reserve Bank of India, shareholders and creditors of the company(ies), as may be applicable, Chennai Bench of National Company Law Tribunal and such other statutory and regulatory approvals as may be required.
- 6 There is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Group.
- 7 During the quarter ended 30 September 2019, the Company has granted an aggregate of 537,473 stock options under the NFL Employees Stock Options Plan 2018.
- 8 The unaudited consolidated financial results for the quarter and year to date period ended 31 December 2019 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at its meeting held on 23 January 2020.
- 9 Earnings per share for interim periods is not annualized.
- 10 The Group has adopted Ind AS 116-'Leases', effective annual reporting period beginning 1 April 2018 and applied the standard to its leases, using modified retrospective method of transition, with the cumulative effect of initially applying the standard, recognized on the date of initial application (i.e. 1 April 2018).

For and on behalf of the Board of Directors  
Niyogin Fintech Limited



Makarand Ram Patankar  
Whole Time Director  
DIN: 01584128

Mumbai  
23 January 2020



**Niyogin Fintech Limited**

(CIN L65910TN1988PLC131102)

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