

July 23, 2020

To
The General Manager,
(Listing & Corporate Relations)
BSE Limited
25th 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, July 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, we hereby inform that the Board of Directors, at its meeting held today i.e. Thursday, July 23, 2020 has *inter alia* approved the following:

1. Unaudited Standalone and Consolidated Financial Results for the Quarter ended June 30, 2020 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 Quarter ended June 30, 2020 along with this letter;
2. The Board had appointed Mr. Runit Dugar as the Interim Chief Financial Officer of the Company w.e.f. February 01, 2020, accordingly, the appointment of Mr. Runit Dugar (PAN: AEXPD0410L) was regularized as the Chief Financial Officer of the Company on the recommendation of the Nomination and Remuneration Committee;
3. Noting of the resignation submitted by M/s. BSR & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) as the statutory auditor of the Company;
4. Appointment of M/s. MSKA & Associates, Chartered Accountants, (Firm Registration No: 105047W), as the statutory auditor of the Company, as recommended by the Audit Committee, to fill the casual vacancy caused due to resignation of BSR & Co. LLP, Chartered Accountants to hold the office upto the ensuing Annual General Meeting;
5. Annual General Meeting (AGM) – The 32nd Annual General Meeting of the shareholders of the Company is scheduled to be held on Thursday, September 17, 2020 through video conferencing (VC) or other audio-visual means;
6. Closure of Company's Register of Members and Share Transfer Books from Saturday, September 12, 2020 to Thursday, September 17, 2020 (both days inclusive) for the purpose of the 32nd Annual General Meeting of the Company to be held on Thursday, September 17, 2020;

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, Kiroli Road, Vidyavihar (w), Mumbai – 400086

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

The meeting of the Board of Directors commenced at 6.00 p.m. (IST) and concluded at 8.20 p.m. (IST).

Kindly take the same on your records and oblige.

Yours truly,

For Niyogin Fintech Limited

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PATANKAR

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Makarand Patankar
Whole-Time Director
DIN: 01584128

Niyogin Fintech Limited

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Chairman's Update to Investors: Q1 FY2020-21

Last few months will be recorded as the most unprecedented in the human history with tremendous effect of COVID-19 pandemic on lives and businesses. While this has created very challenging environment for all businesses, including us, we also believe that this pandemic has created and accelerated the need for digitisation especially for micro/small businesses (MSMEs) which operate with a heavy manual set up -this is a huge opportunity and we are devoting a lot of management time and resources in addressing this.

This presents a tremendous opportunity for Niyogin which is aligned to our vision of creating digital platform for MSMEs. We have been actively working through this quarter to execute on our strategy to being fully tech-centric and credit light. We have made steady execution progress over the past quarter. Our distribution build momentum accelerated with highest every quarterly partner addition. Our digital WealthTech SaaS platform has seen strong adoption in the first couple of months of launch. This adoption reflects the demand and rapid shift towards a fully digital delivery model from physical operating models. Additionally, we are piloting a tech eco-system which enables us integrate into the work flow of the client base as well as our network partners.

We have remained focused on de-risking our current loan book and re-aligning our cost base, we have made good process on these initiatives. This realignment creates room for us to allocate capital in right areas as we work towards new products and delivery mechanisms. On balance sheet, we have remained very watchful and have not been putting on risk. The current focus remains on collections and progressively we intend to narrow the credit focus and identify and accelerate specialised segments. In summary, we are re-wiring Niyogin to be tech-centric ecosystem, more specialised and data driven from a credit standpoint and capital-efficient, and we look forward to this exciting journey.

Key Highlights – Q1FY21

- Retail partner base of 2,733, growth of 42% QoQ YoY
- 808 retail partners added – highest ever in a quarter
- Highest single month activation rate in the month of June – 4x of 6 month average.
- Registered platform customer base of 19,853, a L-F-L growth of 34% YoY
- Wealth AUM of INR 6,827M, up 28% YoY
- Loan Book of INR 1,370 M, up 104% YoY

We ended the quarter with a registered platform user base of 19,853 and our retail partner network expanded to 2,733 with highest ever additions in a quarter. On credit, we ended Q1 FY21 with a loan book of INR 1,370M and a disbursal of INR 36M. The disbursements are in line with our revised strategy to de-focus on generalized credit, de-risking our existing exposure and weak external operating environment. Our WealthTech business continues to see good traction both on direct to customer and B2B. We ended the quarter with wealth AUM of INR 6,827 M, growth of 28% YoY despite market volatility and risk aversion in debt mutual fund category.

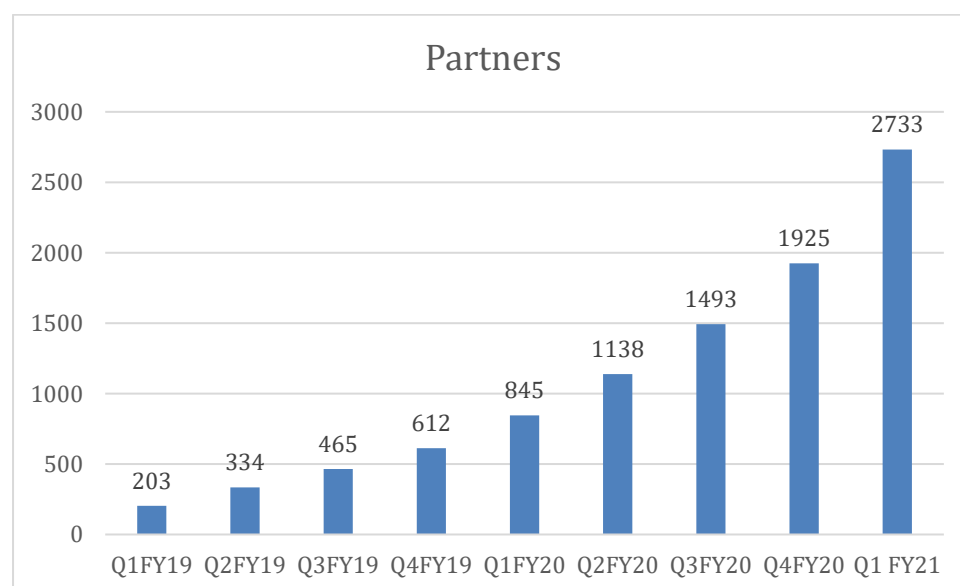
	Q1FY20A	Q1FY21A
Retail Partners	845	2,733
Platform Users (L-F-L)*	14,846	19,853
Activation Rate	21%	14%
Wealth AUM	INR 5,321 M	INR 6,827 M
Platform Solutions	1	4

Note: * Defined as partners + customers on-boarded on the platform.

Partners

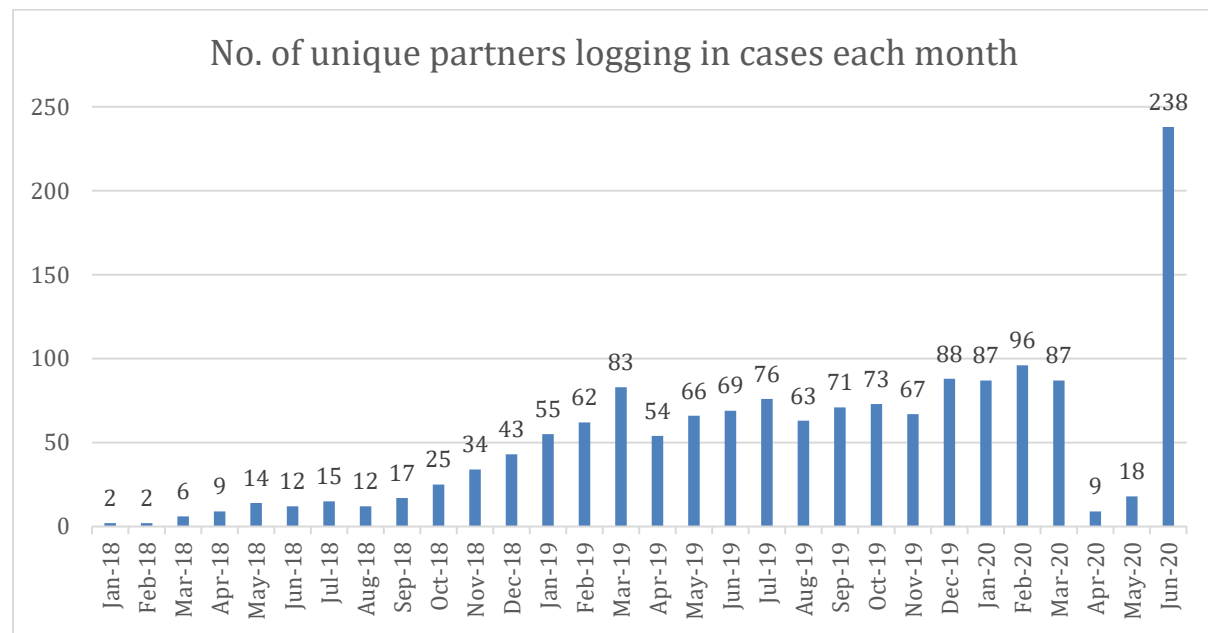
Our partner network expansion gained further momentum this quarter as we added 808 partners - highest ever addition in a single quarter. We ended the quarter with 2,733 partners vs 845 in Q1FY20, up 3x YoY. As we had highlighted in our previous update, our focus is on building deeper penetration in each location and we have been complementing these geographies with the on-ground sales team. As outlined in the strategy above, we have begun to leverage this channel for our non-balance sheet centric products. This was the first quarter of the full-throttle execution on non-balance sheet centric and we have seen strong response.

We are focused on expanding our product stack on the platform to leverage the full potential of this distribution network. The demand for a fully digital platform for our partners has seen strong traction. Our focus in FY21 is to drive this mission to rapidly scale this network and deliver the platform play. We continue to believe that getting into the workflow of the partners and using that to access MSME's is the part forward as we digitize our business model – we are piloting a tech ecosystem which targets those objectives.



As discussed in the previous updates, we have been guarded in our underwriting given the challenging environment and reduced focus on generalized credit. We had two non-balance sheet product introductions in the channel this quarter and we have seen strong adoption rates from our channel. Our cumulative activation rate stood at 14% in the quarter with June having the highest ever unique active partners in a month. Of the 238 partners active in June, only ~10% of this were for on-balance sheet unsecured credit, while ~90% bulk of the activation came from our platform products – WealthTech SaaS platform and mortgage partnership. These are early days in the new product journey but we have seen logins almost equally split

between the two products. This showcases the potential power of the network that we are building and acceptance of new platform products. As we continue to populate this network with new products, we expect the full effect of network to translate in customer acquisition and revenue scale. This re-affirms our view of empowering our partners with a digital platform play to serve customers.



Platform Users

We are pleased to report that our registered platform user count stands at 19,853, an L-F-L growth of 34% YoY. We acquired 1,301 new users in the quarter. Our retail partner channel build continues and this along with partnerships remains the primary customer acquisition channel for us. Our payments partnerships have been slowed with most parts of India being under lockdown through the quarter. Key highlight for this quarter was the launch of WealthTech SaaS platform and the mortgage partnership. Both these have seen good traction with good early adoption of this platform. We remain focused on scaling these offerings through even as we refine and add more features through this year. Technology led digital enablement of partners continues to resonate well with our partner ecosystem and we see partners and the customer-centricity to be a feature of our execution.

Risk

As highlighted we have been focused on de-risking the balance sheet with strong focus on collections. The lockdown and moratorium have impacted the collections particularly in April and May; however, with some easing of lockdowns we are seeing improved activity month on month basis. Our primary borrower set, the MSMEs, continue to face challenging business environment. We have a firm ear to the ground and are actively engaged with our customers on a regular basis to understand their own business environment. At an aggregate level our collections efficiency has been improving month on month with May being the low point of collections. We see that collection efficiency is better in rural India vs. Urban cities which continue to operate in partial lockdown and/or with heavy restrictions.

Structurally we do believe that credit still remains an attractive long-term opportunity and see ourselves to be more specialised and data centric. As part of the strategic realignment, we intend to bring this specialised focus into our retail channel and push up risk-adjusted returns.

Our total disbursement for Q1FY21 stood at INR 36M vs INR 232M in Q1FY20, down 84% YoY. We expect our approval rate to remain low. These disbursements in Q1 were very

selective. Even though the bucket movements remain in freeze given the on-going moratorium we continue to actively evaluate risk and create provisioning to cover the same. Given our shift towards tech-centric model with focus on specialised credit, we continue to actively evaluate risk and create provisioning to cover the same even as buckets remain in freeze.

Technology and Products

These two remain the key for our realigned strategy and they will get more integrated as we move towards more tech centricity and platform delivery. We introduced - a SaaS-based direct treasury platform, wealth analytics stack, and platform for our retail partners to digitise and/or build a new local wealth business. The wealth platform and products of Investdirect, our subsidiary, is being channelised. Q1FY21 was a significant quarter as we launched the SaaS wealth platform in our retail channel. The value proposition of the product is that it allows partners to build and transfer their brick and mortar wealth practice to a fully digital transaction capable platform. Further we executed our mortgages partnership with India's leading private lender and launched the same in our retail channel. Additionally, this quarter we invested in ramping up our construction of the business builder product. This build is part of our endeavour to deliver a digital workspace for small businesses to get them ready for digital world and make their business more efficient. We believe, these product investments allow us to now fully exploit the Niyogin network, platform capability, and expand the addressable market. We have made good progress on wealth analytics platform with marquee client wins. This continues to reinforce our view on solutioning and tech capabilities. We look to accelerate our investments in these areas to further scale these offerings. Our core B2C segment of the platform continues to see good traction with industry-leading statistics of AUM/customer.

Financial Highlights

Overall our P&L performance has been impacted by ECL, and this has got further magnified given the massive disruption we are seeing on economy and livelihoods due to COVID-19 and the on-going lockdown. Even with the COVID-19 specific charge, our operating performance was good and we delivered a positive Non-GAAP PAT.

For Q1FY21, on a standalone basis, we delivered a total income of INR 79M, a growth of 22% YoY. Moneyfront's revenues remain seasonal and with most of this coming in 2H of the fiscal year. Advertising environment remains difficult but we expect our fee income initiatives in the WealthTech platform to drive revenues.

Excluding ESOP charges, we delivered a positive Adj PAT of INR 2.5M in Q1FY21. We stay focused on cost efficiency and our cash operating costs (excluding ECL) remain in check. We have executed and continue to drive several measures to bring in cost efficiencies and create room for growth and investments without further pushing up the cost base substantially.

On-going impact of COVID-19

This pandemic has led to a disruption of economic activity thereby impacting small businesses across the country. RBI has provided relief in the form of a moratorium to the borrowers and we have extended the same to our customers as requested. This has also led to DPD bucket freeze as of February 29, 2020. Given the sharp drop in the economic activity, as a prudent measure, we have taken provisioning related to COVID -19 in Q1FY21.

Most of the ECL charge in Q1 is driven by the on-going impact of the pandemic. This is been led by a sharp cut in GDP estimates for FY21 that reflects in elevated PDs.

Standalone (INR M)	Q1FY2021	Q1FY2020	YoY Change
	(30 June 2020)	(30 June 2019)	
Total Income	79.1	65.0	22%
Total Expenses (excl ECL)	66.1	88.0	-25%
ECL	18.8	13.1	44%
Reported Profit/(Loss) (A)	-5.8	-36.1	NM
Depreciation and amortisation	8.3	8.6	-3%
ESOP (B)	8.3	11.4	-27%
Cash Pre-Provisioning Profit	29.7	-3.0	NM
Non-GAAP PAT (C) = (A) + (B)	2.5	-24.7	NM

These are unprecedented times and we are navigating through this with de-risking the balance sheet, actively managing costs and driving tech-centricity with product development and adoption in the market. We believe that this also provides an attractive opportunity to fintech players like us, as small businesses need to formalise and digitise quickly as a traditional offline way of doing business undergoes, perhaps, a structural change. As discussed in the opening remarks, we are executing to a tech-centric business strategy to capture this structural opportunity that this event provides to us. We continue to focus on scaling the distribution network and are re-introducing our guidance for the full-year with new metrics that are relevant and aligned to the business model. Our balance sheet remains strong which 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 letter 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

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Limited review report on unaudited quarterly standalone financial results of Niyogin Fintech Limited under Regulation 33 of the Securities and Exchange Board of India (Listing 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 for the quarter ended 30 June 2020 (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. Attention is drawn to the fact that the figures for the three months ended 31 March 2020 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
5. 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 recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

6. As described in Note 7 to the Statement, in respect of overdue but standard accounts where moratorium benefit has been granted and the staging of those accounts at 30 June 2020 is based on the days past due status as on the date when the moratorium benefit was granted in accordance with the Covid-19 Regulatory Package announced by Reserve Bank of India vide notifications dated 27 March 2020, 17 April 2020 and 23 May 2020. Further, the extent to which the Covid-19 pandemic will impact the Company's financial performance is dependent on future developments, which are highly uncertain.

Our conclusion is not modified in respect of these matters.

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

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

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Sameer Mota

Partner

Mumbai
23 July 2020

Membership No: 109928
UDIN: 20109928AAAAGJ1929

<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, Kiroli Road, Vidyavihar (West), Mumbai - 400086</p> <p style="text-align: center;">Statement of Unaudited standalone financial results for the quarter ended 30 June 2020</p> <p style="text-align: right;">(Amounts in lac)</p>					
Sr. No.	Particulars	Quarter ended			Year ended
		30-06-2020 Unaudited	31-03-2020 Audited	30-06-2019 Unaudited	31-03-2020 Audited
1	Revenue from operations				
	Interest income	743.19	763.96	596.38	2,468.77
	Fees and commission income	-	-	-	5.71
	Net gain on fair value changes	32.91	43.37	52.25	266.68
	Other operating income	1.14	2.83	1.63	12.22
	Total revenue from operations	777.24	810.16	650.26	2,753.38
2	Other income	13.27	9.17	-	9.17
3	Total income (1+2)	790.51	819.33	650.26	2,762.55
4	Expenses				
	(a) Finance costs	5.86	6.26	7.85	28.70
	(b) Impairment on financial instruments	188.15	715.45	130.84	1,700.25
	(c) Employee benefits expenses	396.45	364.85	485.13	1,767.23
	(d) Depreciation, amortization and impairment	83.77	85.38	85.50	344.63
	(e) Others expenses	174.97	271.78	301.38	1,251.05
	Total expenses	849.20	1,443.72	1,010.70	5,091.86
5	Loss before exceptional items and tax (3-4)	(58.69)	(624.39)	(360.44)	(2,329.31)
6	Exceptional items	-	-	-	-
7	Loss before tax (5-6)	(58.69)	(624.39)	(360.44)	(2,329.31)
8	Tax expense:				
	(a) Current tax	-	-	-	-
	(b) Deferred tax	-	-	-	-
9	Loss for the period/ year from continuing operations (7-8)	(58.69)	(624.39)	(360.44)	(2,329.31)
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/ year (9+12)	(58.69)	(624.39)	(360.44)	(2,329.31)
14	Other comprehensive income/ (loss)				
	(a) Items that will not be reclassified to profit or loss				
	(i) Remeasurement of the defined benefit plans	(0.50)	14.41	0.22	11.95
	(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	-	-	-	-
	Other comprehensive income/ (loss) (a+b)	(0.50)	14.41	0.22	11.95
15	Total comprehensive loss for the period/ year (13+14)	(59.19)	(609.98)	(360.22)	(2,317.36)
16	Earnings per equity share (Refer note 11)				
	(a) Basic (₹)	(0.07)	(0.73)	(0.43)	(2.72)
	(b) Diluted (₹)	(0.07)	(0.73)	(0.43)	(2.72)

Notes:

- 1 The unaudited financial results of the Company have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard (referred to as 'Ind AS') - 34, Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 (the 'Act') read with relevant rules issued thereunder 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'). Any application guidance/ clarifications/ directions issued by Reserve Bank of India ('RBI') or other regulators are implemented as and when they are issued/ applicable.
- 2 The above unaudited financial results for the quarter ended 30 June 2020 along with comparative quarter have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at its meeting held on 23 July 2020.
- 3 In compliance with the SEBI Listing Regulations, a limited review of the standalone financial results for the quarter ended 30 June 2020 has been carried out by the Statutory Auditors.
- 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 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.
- 5 Pursuant to the shareholders agreement dated 25 February 2019, the Company has been allotted 0.001% Non-Cumulative Compulsory Convertible Preference Shares by InvestDirect amounting to Rs. 150 lac on 18 October 2019 and Rs. 100 lac on 26 February 2020.
- 6 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 Act and the rules and regulations made thereunder, of Information Interface India Private Limited with the Company and their respective shareholders and creditors (the 'Scheme'). The Scheme as aforesaid is subject to necessary approvals by the stock exchange, the 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. On 9 July 2020, the Company has received the Observation letter from the BSE Limited.
- 7 In accordance with the board approved moratorium policy read with RBI guidelines dated 27 March 2020, 17 April 2020 and 23 May 2020 relating to 'COVID-19 - Regulatory Package', the Company has granted moratorium up to six months on the payment of installments falling due between 1 March 2020 and 31 August 2020 to all eligible borrowers. For all such accounts where the moratorium is granted, the asset classification has remained standstill during the moratorium period (i.e. the number of days past due shall exclude the moratorium period for the purposes of asset classification as per the Company's policy). This relaxation does not automatically trigger a significant increase in credit risk. The Company continues to recognise interest income during the moratorium period and in the absence of other credit risk indicators, the granting of a moratorium period does not result in accounts becoming past due and automatically triggering Stage 2 or Stage 3 classification criteria.

The impact of COVID-19 on the global economy and how governments, businesses and consumers respond is uncertain. This uncertainty is reflected in the Company's assessment of impairment loss allowance on its financial assets which are subject to a number of management judgements and estimates. In relation to COVID-19, judgements and assumptions include the extent and duration of the pandemic, the impacts of actions of governments and other authorities, and the responses of businesses and consumers, along with the associated impact on the global economy. While the methodologies and assumptions applied in the impairment loss allowance calculations remained unchanged from those applied while preparing the financial results for the year ended 31 March 2020, the Company has separately incorporated estimates, assumptions and judgements specific to the impact of COVID-19 pandemic and the associated support packages in the measurement of impairment loss allowance. The Company has been maintaining a healthy capital adequacy ratio and has adequate capital and financial resources to run its business. During the quarter ended 30 June 2020, the Company has considered an additional charge of Rs 159.66 lac in the financial results, due to a management overlay, to reflect deterioration in the macroeconomic outlook. The final impact of this pandemic is very uncertain and the actual impact may be different than that estimated based on the conditions prevailing as at the date of approval of these financial results. Management will continue to closely monitor the material changes in the macro-economic factors impacting the operations of the Company.
- 8 During the quarter ended on 31 March 2020, the Company has allotted an aggregate of 75,697 equity shares pursuant to the exercise of options under the Employees Stock Options Plan 2018.
- 9 There is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company.
- 10 The Company has regrouped Interest Income on Fixed Deposits of Rs. 91.87 lac and Interest Income on unwinding of security deposit of Rs.0.60 lac from 'Other Income' to 'Interest Income' for the quarter ended 30 June 2019.

Notes: (Continued)

- 11 Earnings per share for the interim periods is not annualized.

Mumbai
23 July 2020

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

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RAM
PATANKAR

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PATANKAR
Date: 2020.07.23
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Makarand Ram Patankar

Whole Time Director

DIN: 01584128

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Limited review report on unaudited quarterly consolidated financial results of Niyogin Fintech Limited under Regulation 33 of the Securities and Exchange Board of India (Listing 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') and its subsidiaries (the Parent and its subsidiaries together referred to as the 'Group') for the quarter ended 30 June 2020 (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 the following entities:

Name of the Company	Relationship
Niyogin Fintech Limited	Holding Company
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 of Niyogin Fintech Limited under Regulation 33 of the Securities and Exchange Board of India (Listing and Disclosure Requirements) Regulation, 2015 (Continued)

5. Attention is drawn to the fact that the figures for the three months ended 31 March 2020 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
6. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 8 below, 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, including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. As described in Note 8 to the Statement, in respect of overdue but standard accounts where moratorium benefit has been granted and the staging of those accounts at 30 June 2020 is based on the days past due status as on the date when the moratorium benefit was granted in accordance with the Covid-19 Regulatory Package announced by Reserve Bank of India vide notifications dated 27 March 2020, 17 April 2020 and 23 May 2020. Further, the extent to which the Covid-19 pandemic will impact the Group's financial performance is dependent on future developments, which are highly uncertain.

Our conclusion is not modified in respect of these matters.

8. We did not review the interim financial information of two subsidiaries included in the Statement, whose interim financial information reflect total revenues (before consolidation adjustments) of Rs. 7.37 lakhs, total net loss after tax (before consolidation adjustments) of Rs. 40.92 lakhs and total comprehensive loss (before consolidation adjustments) of Rs. 40.92 lakhs, for the quarter ended 30 June 2020, as considered in the unaudited consolidated financial results. These interim financial information have been reviewed by other auditors whose reports have been furnished to us by the 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 reports of the other auditors 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

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Sameer Mota
Partner

Mumbai
23 July 2020

Membership No: 109928
UDIN: 20109928AAAAGK7681

<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> <p style="text-align: center;">Statement of Unaudited consolidated financial results for the quarter ended 30 June 2020</p> <p style="text-align: right;">(Amounts in lac)</p>				
Sr. No.	Particulars	Quarter ended		Year ended
		30-06-2020 Unaudited	31-03-2020 Audited	31-03-2020 Audited
1	Revenue from operations			
	Interest income	743.30	764.07	2,468.99
	Fees and commission Income	-	-	5.70
	Net gain on fair value changes	33.90	43.79	267.94
	Other income	7.41	31.15	48.53
	Total revenue from operations	784.61	839.01	2,791.16
2	Other income	13.27	12.28	13.65
3	Total income (1+2)	797.88	851.29	2,804.81
4	Expenses			
	(a) Finance costs	6.39	6.84	30.38
	(b) Impairment on financial instruments	188.15	715.45	1,700.24
	(c) Employee benefits expenses	429.14	394.97	1,843.00
	(d) Depreciation, amortization and impairment	111.34	112.87	408.99
	(e) Others expenses	184.86	291.12	1,287.11
	Total expenses	919.88	1,521.25	5,269.72
5	Loss before exceptional items and tax (3-4)	(122.00)	(669.96)	(2,464.91)
6	Exceptional items		-	-
7	Loss before tax (5-6)	(122.00)	(669.96)	(2,464.91)
8	Tax expense:			
	(a) Current tax	-	-	-
	(b) Deferred tax	(5.63)	(5.63)	(13.14)
		(5.63)	(5.63)	(13.14)
9	Loss for the period/ year from continuing operations (7-8)	(116.37)	(664.33)	(2,451.77)
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/ year (9+12)	(116.37)	(664.33)	(2,451.77)
14	Other comprehensive income/ (loss)			
	(a) Items that will not be reclassified to profit or loss			
	(i) Remeasurement of the defined benefit plans	(0.50)	14.41	11.95
	(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	-	-	-
	Other comprehensive income/ (loss) (a+b)	(0.50)	14.41	11.95
15	Total comprehensive loss for the period/ year (13+14)	(116.87)	(649.92)	(2,439.82)
16	Loss is attributable to:			
	Owners of the Company	(87.54)	(644.36)	(2,390.55)
	Non-controlling interest	(28.83)	(19.97)	(61.22)
17	Other comprehensive income/ (loss) is attributable to:			
	Owners of the Company	(0.50)	14.41	11.95
	Non-controlling interest	-	-	-
18	Total comprehensive income/ (loss) is attributable to:			
	Owners of the Company	(88.04)	(629.95)	(2,378.60)
	Non-controlling interest	(28.83)	(19.97)	(61.22)
19	Earnings per equity share (Refer note 11)			
	(a) Basic (₹)	(0.10)	(0.75)	(2.80)
	(b) Diluted (₹)	(0.10)	(0.75)	(2.80)

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 the recognition and measurement principles laid down in the Indian Accounting Standard (referred to as 'Ind AS') - 34, Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 (the 'Act') read with relevant rules issued thereunder 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'). Any application guidance/ clarifications/ directions issued by Reserve Bank of India ('RBI') or other regulators are implemented as and when they are issued/ applicable.
- 2 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).
- 3 The above unaudited financial results for the quarter ended 30 June 2020 along with comparative quarter have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at its meeting held on 23 July 2020.
- 4 In compliance with the SEBI Listing Regulations, a limited review of the consolidated financial results for the quarter ended 30 June 2020 has been carried out by the Statutory Auditors.
- 5 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.
- 6 Pursuant to the shareholders agreement dated 25 February 2019, the Company has been allotted 0.001% Non-Cumulative Compulsory Convertible Preference Shares by InvestDirect amounting to Rs. 150 lac on 18 October 2019 and Rs. 100 lac on 26 February 2020.
- 7 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 Act and the rules and regulations made thereunder, of Information Interface India Private Limited with the Company and their respective shareholders and creditors (the 'Scheme'). The Scheme as aforesaid is subject to necessary approvals by the stock exchange, the 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. On 9 July 2020, the Company has received the Observation letter from the BSE Limited.
- 8 In accordance with the board approved moratorium policy read with RBI guidelines dated 27 March 2020, 17 April 2020 and 23 May 2020 relating to 'COVID-19 - Regulatory Package', the Group has granted moratorium up to six months on the payment of installments falling due between 1 March 2020 and 31 August 2020 to all eligible borrowers. For all such accounts where the moratorium is granted, the asset classification has remained standstill during the moratorium period (i.e. the number of days past due shall exclude the moratorium period for the purposes of asset classification as per the Group's policy). This relaxation does not automatically trigger a significant increase in credit risk. The Group continues to recognise interest income during the moratorium period and in the absence of other credit risk indicators, the granting of a moratorium period does not result in accounts becoming past due and automatically triggering Stage 2 or Stage 3 classification criteria.

The impact of COVID-19 on the global economy and how governments, businesses and consumers respond is uncertain. This uncertainty is reflected in the Group's assessment of impairment loss allowance on its financial assets which are subject to a number of management judgements and estimates. In relation to COVID-19, judgements and assumptions include the extent and duration of the pandemic, the impacts of actions of governments and other authorities, and the responses of businesses and consumers, along with the associated impact on the global economy. While the methodologies and assumptions applied in the impairment loss allowance calculations remained unchanged from those applied while preparing the financial results for the year ended 31 March 2020, the Group has separately incorporated estimates, assumptions and judgements specific to the impact of COVID-19 pandemic and the associated support packages in the measurement of impairment loss allowance. The Group has been maintaining a healthy capital adequacy ratio and has adequate capital and financial resources to run its business. During the quarter ended 30 June 2020, the Group has considered an additional charge of Rs 159.66 lac in the financial results, due to a management overlay, to reflect deterioration in the macroeconomic outlook. The final impact of this pandemic is very uncertain and the actual impact may be different than that estimated based on the conditions prevailing as at the date of approval of these financial results. Management will continue to closely monitor the material changes in the macro-economic factors impacting the operations of the Group.
- 9 During the quarter ended on 31 March 2020, the Company has allotted an aggregate of 75,697 equity shares pursuant to the exercise of options under the Employees Stock Options Plan 2018.
- 10 There is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Group.
- 11 Earnings per share for the interim periods is not annualized.

For and on behalf of the Board of Directors

Niyogin Fintech Limited

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Makarand Ram Patankar

Whole Time Director

DIN: 01584128

Mumbai
23 July 2020