

A blue-tinted background image showing a family of four in a cafe. A woman is seated on the left, smiling and looking down at a cup. A man is seated next to her, looking at a tablet. Another man is seated on the right, smiling and looking at the tablet. A child is seated in the background, also looking at the tablet. The scene is set in a bright, modern cafe with large windows and indoor plants.

# niyogin

Investor Presentation

Q1 - FY20

## We are niyogin

India's first end-to-end  
digital lending platform

## Our Vision

Sanskrit for “**empowerment**”, niyogin is born out of a deep understanding of the real problems faced by small businesses every day - beginning with collateral free access to credit. We are a passionate team of people who are **re-imagining the future of small businesses in India by applying technology, data, analytics and human understanding**

Our vision is to be the country's **best small business centric organization**, empowering customers through an ecosystem of products, partnerships, technology and exceptional customer experience.

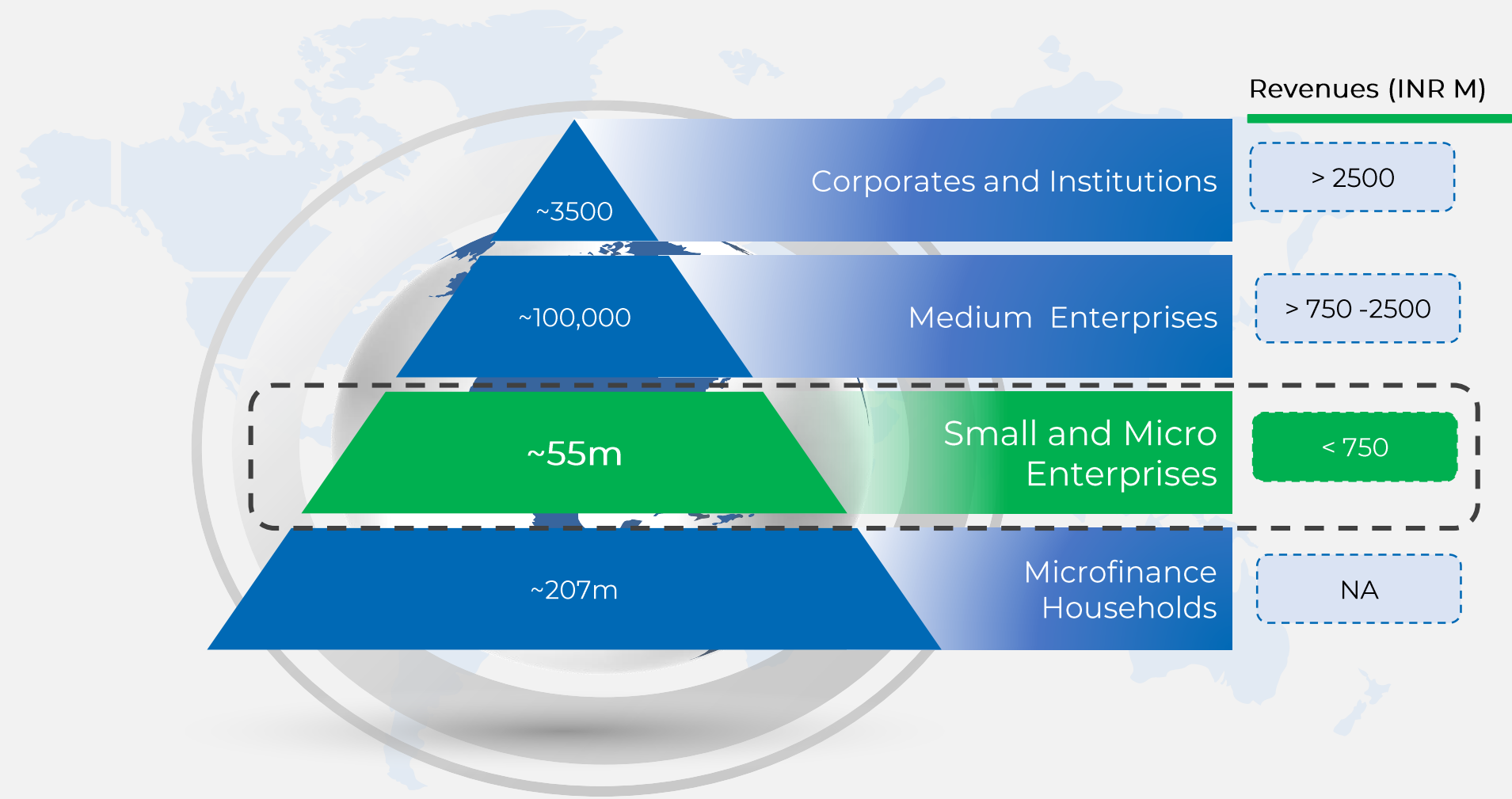
## Our Mission

Our mission is to **give small businesses access to a holistic support system**, through cost efficient, innovative technology and a committed network of partners



LARGE  
UNDERSERVED  
MARKET

Small and micro  
enterprises with  
turnover less than  
~\$10m

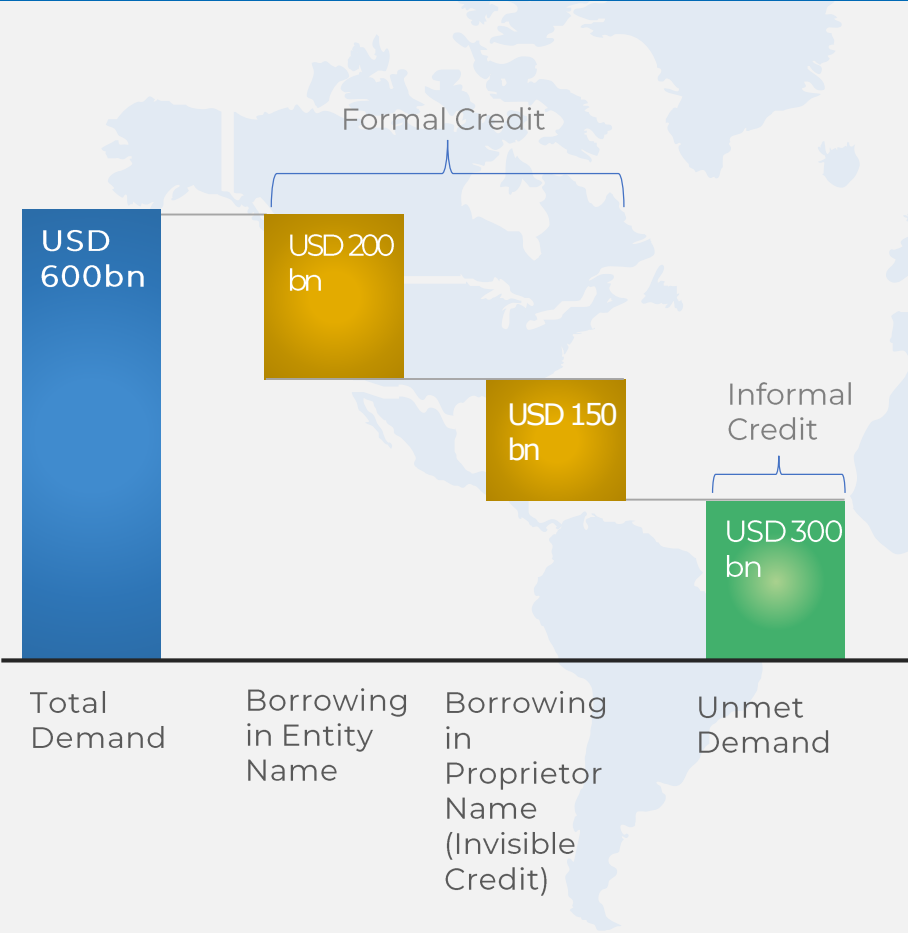


Sources : E&Y Evolving Landscape of microfinance in India, 2016  
Annual report – MSME India 2017-18

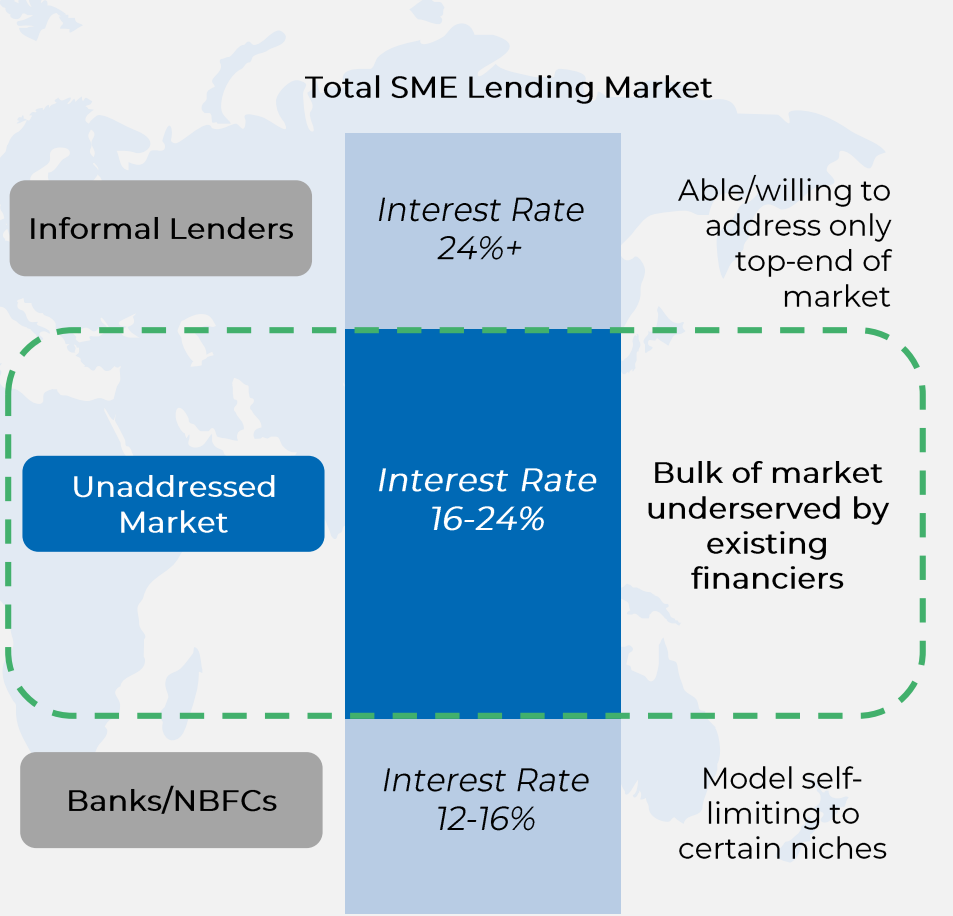
INCREASING  
CREDIT GAP

The estimated MSME credit gap is ~US\$300bn growing at 7%+ per annum

Expected Finance Gap in MSME Sector



Unaddressed market with extremely attractive yields



Source: BCG report, Nov 2018

LARGE  
OPPORTUNITY =  
MICRO & SMALL  
FIRMS

Our target market  
comprises of micro  
and small enterprises,  
with turnover <\$3m  
and credit gap \$105 b

## Credit Gap in MSME - India

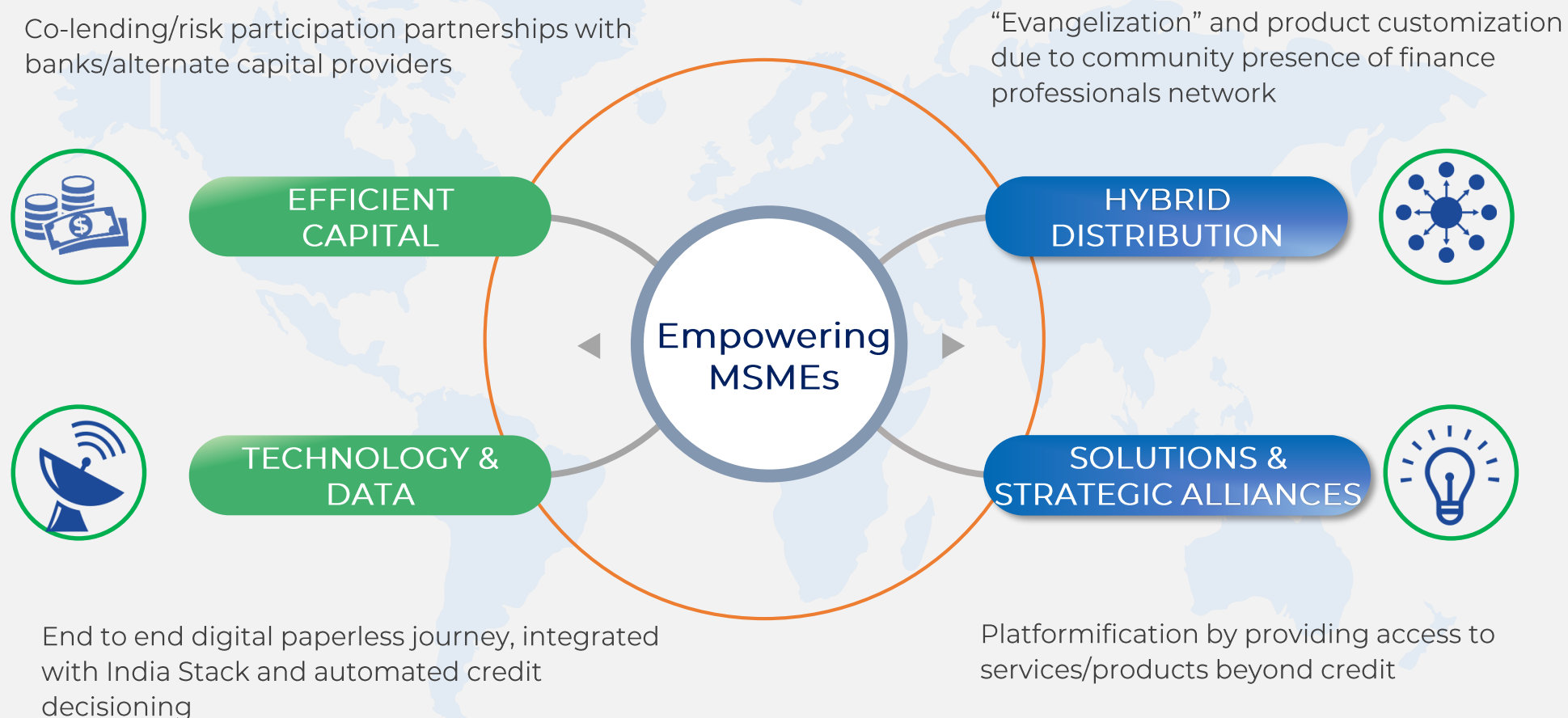
Revenue Segment (INR m)	No. of Units (mn)	Credit Demand (INR tr)	Bank Credit Supply (INR tr)	Credit Gap (INR tr)
< 1.5 m	41.4	4.1	0.9	3.2
1.5 m - 3 m	5.6	1.7	0.6	1.1
3 m - 15 m	4.5	4.8	2.1	2.7
15 m - 30 m	1.3	2.3	1.0	1.3
30 m - 180 m	1.8	7.2	3.6	3.6
Total	54.6	20.1	8.2	11.9

Source: Deloitte Analysis, MSME Annual Report, RBI, Industry Reports  
\*data doesn't capture details of medium enterprises with revenue > INR 750m

There is a large funding gap between microfinance and commercial capital that can be filled by a formalized lending process to micro and small enterprises and niyogin aims to address through its innovative business model

## NIYOGIN CAPITALISING ON THE OPPORTUNITY

Externalizing the 4 key components beyond credit to create an ecosystem which enables multifaceted partnerships and engagement is the ultimate goal of niyogin



## THE JOURNEY

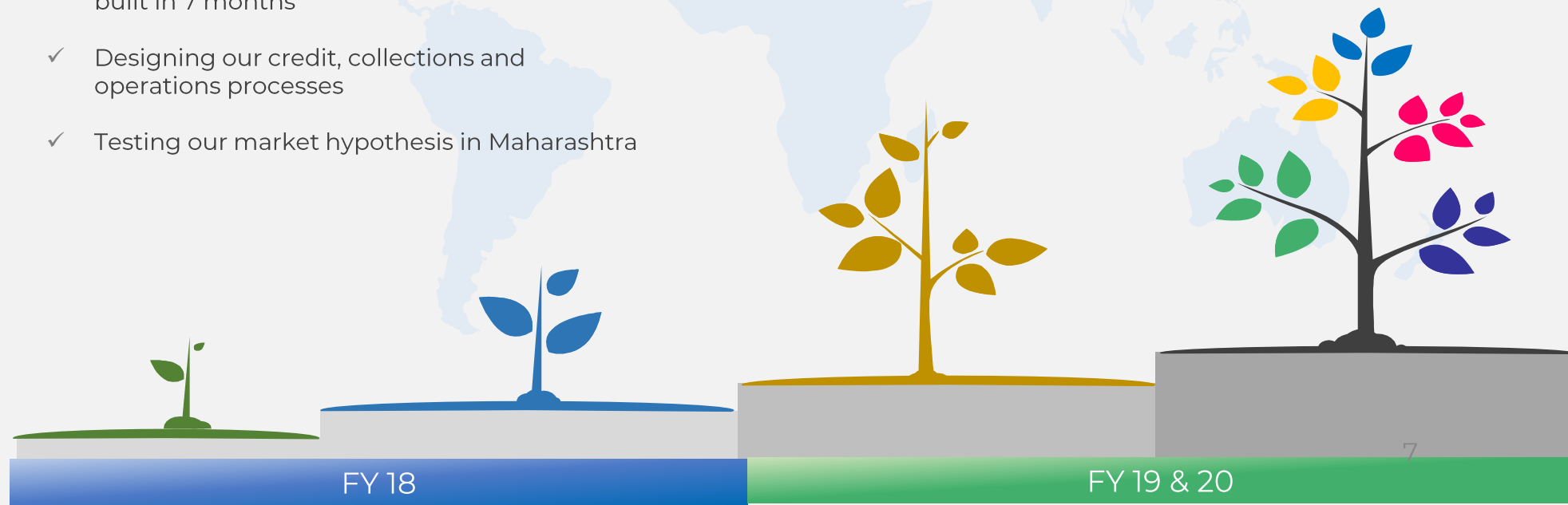
We raised equity capital in 2017 & developed a scalable technology & digital platform for our MSME business

### BUILT A STRONG FOUNDATION

- ✓ Capital raise of \$40m
- ✓ Setting up a strong management and execution team
- ✓ Creating meritocratic culture
- ✓ Technology, data and digital infrastructure built in 7 months
- ✓ Designing our credit, collections and operations processes
- ✓ Testing our market hypothesis in Maharashtra

### COMMERCIALISATION

- Partners : 800+ partners onboarded and originating loans for us
- Expansion of our distribution across 10 states and 131 locations
- Disbursals : INR 800m+
- Customers : 600+ customers
- Acquisition of Moneyfront, a new age wealth management platform
- Partnership with payment provider targeting “kirana” segment
- Completed first supply chain financing transaction with Asia’s leading internet B2B fashion platform



## EXPANDING BEYOND CREDIT

Exploring the wealth  
management  
opportunity while  
creating a value-based  
ecosystem with the  
customer at the center

### Moneyfront benefits with...



Capital infusion to  
accelerate growth



Access to physical  
distribution channel

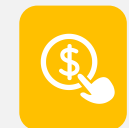


Tech and Data  
Sciences  
infrastructure

### niyogin benefits with...



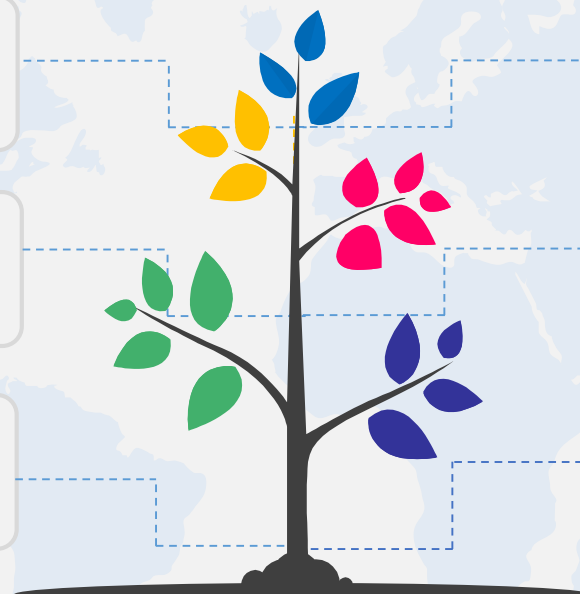
Expanding into a fast  
growing "white space"  
beyond MSME credit



Value proposition on  
the liability side for  
MSMEs



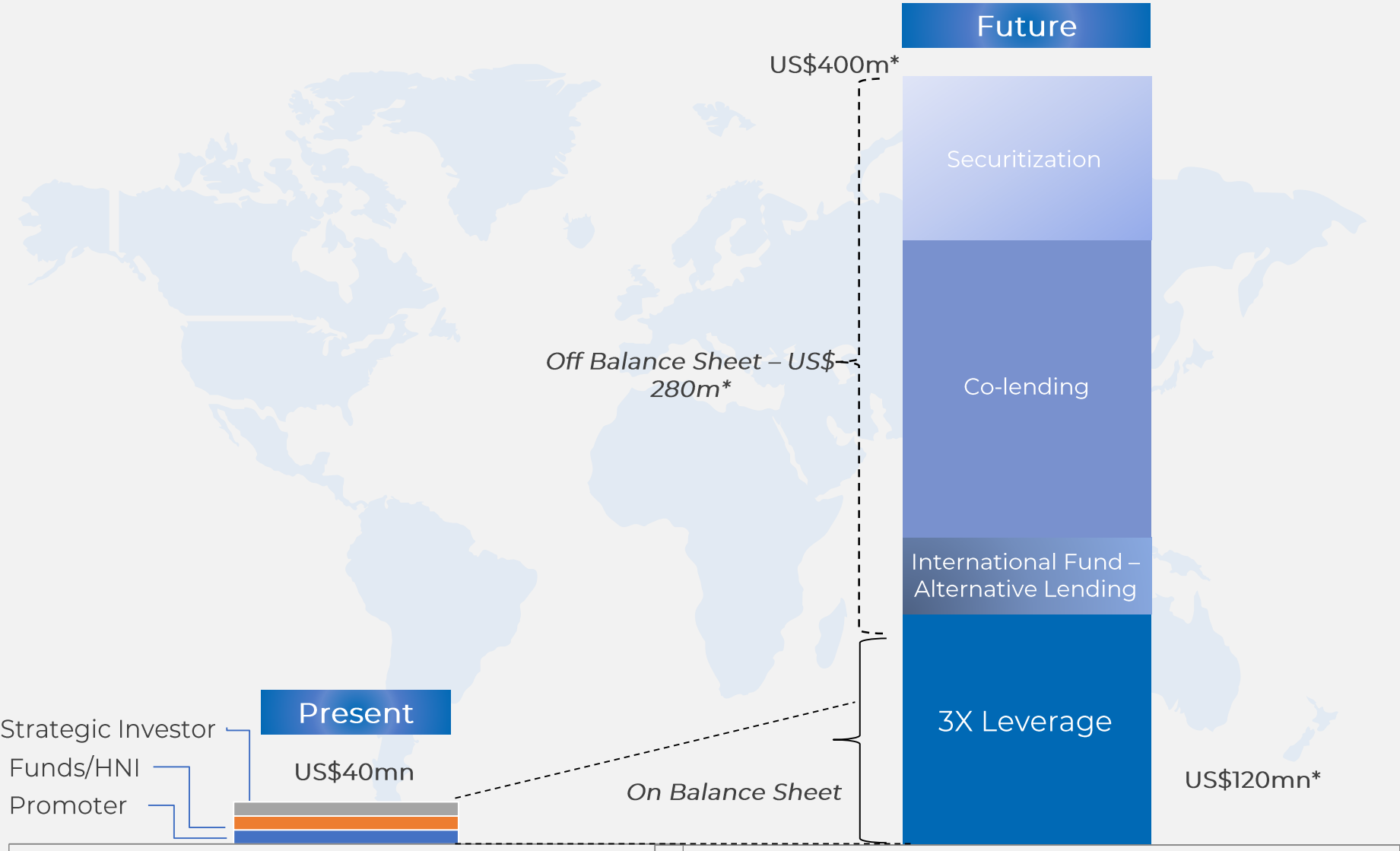
Access to individual  
customer base of 10K+ &  
AUM of ~USD 71 Mn (INR  
5000 Mn)



With this strategic partnership, niyogin (50.1% controlling stake) and Moneyfront will have the solutions, platform and distribution heft to address the credit and the wealth needs of the underserved customers in non-urban locations pan India

DIFFERENTIATOR - 1  
EFFICIENT CAPITAL

A balance sheet light capital strategy based on risk participation while enabling cost-effective extension of credit



The niyogin capital model enables flexible alignment of institutional risk appetite to appropriate target segments

\*proposed numbers basis current capital of niyogin

## DIFFERENTIATOR – 2

### HYBRID DISTRIBUTION

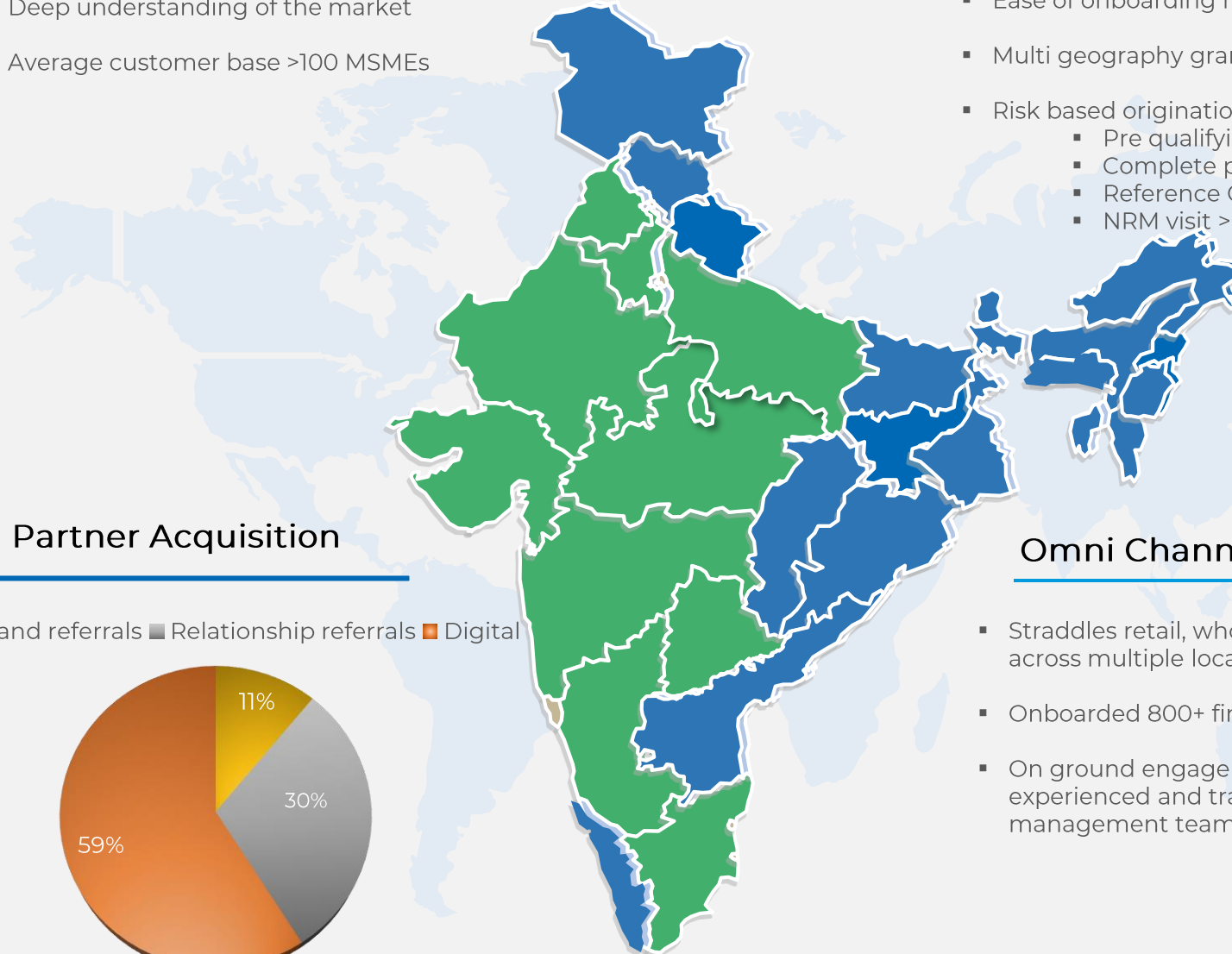
Enables steady growth  
of customer acquisition  
and loan origination  
funnel

#### Partner Profile

- Average experience of ~10 years
- Deep understanding of the market
- Average customer base >100 MSMEs

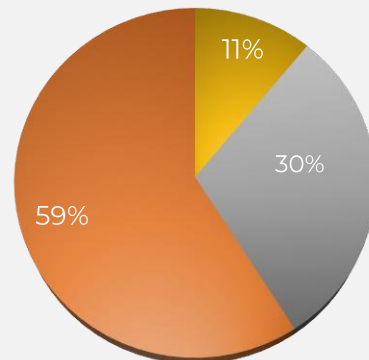
#### Partner Onboarding

- Activity takes less than 5 minutes
- Ease of onboarding resulting 14x growth in FY19
- Multi geography granular presence in 100+ locations
- Risk based origination initiation:-
  - Pre qualifying criteria > invite code sent
  - Complete partner KYC
  - Reference Checks
  - NRM visit > Risk categorization



#### Partner Acquisition

■ 3i and referrals ■ Relationship referrals ■ Digital



#### Omni Channel Distribution

- Straddles retail, wholesale and direct lending across multiple locations
- Onboarded 800+ financial advisor partners
- On ground engagement and activation driven by experienced and trained relationship management team

Empowering local connects with a digital first approach

## DIFFERENTIATOR – 3

### TECHNOLOGY

India's first paperless digital lending platform for MSMEs

- 26 Applications
- 72+ APIs
- Open source stack
- Secure Cloud Infrastructure

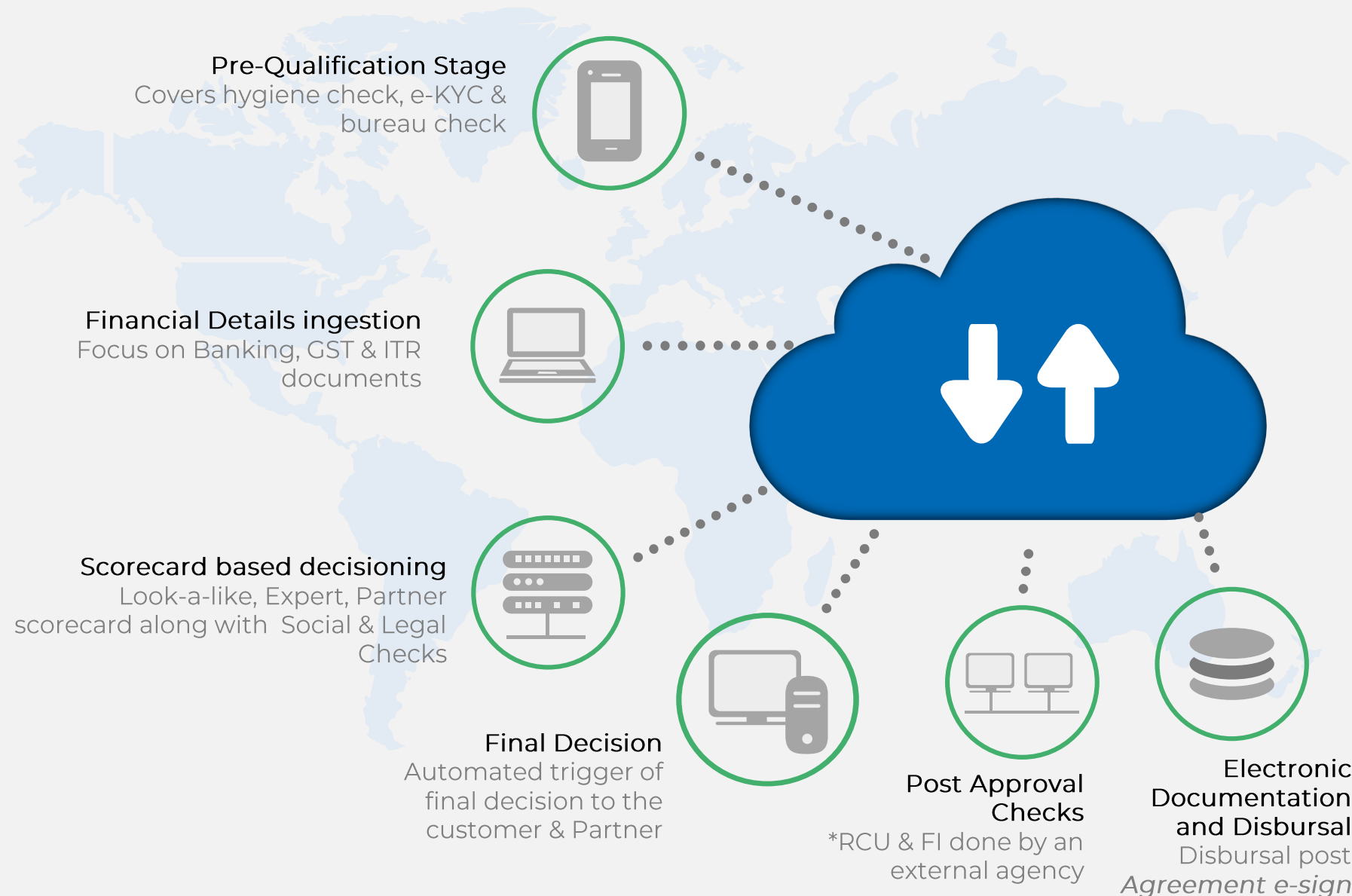
Bi-modal IT approach to deliver digital ecosystem and platform within 7 months



## DIFFERENTIATOR - 4

### CREDIT

Credit and underwriting processes are optimally automated to reduce TAT and increase scalability

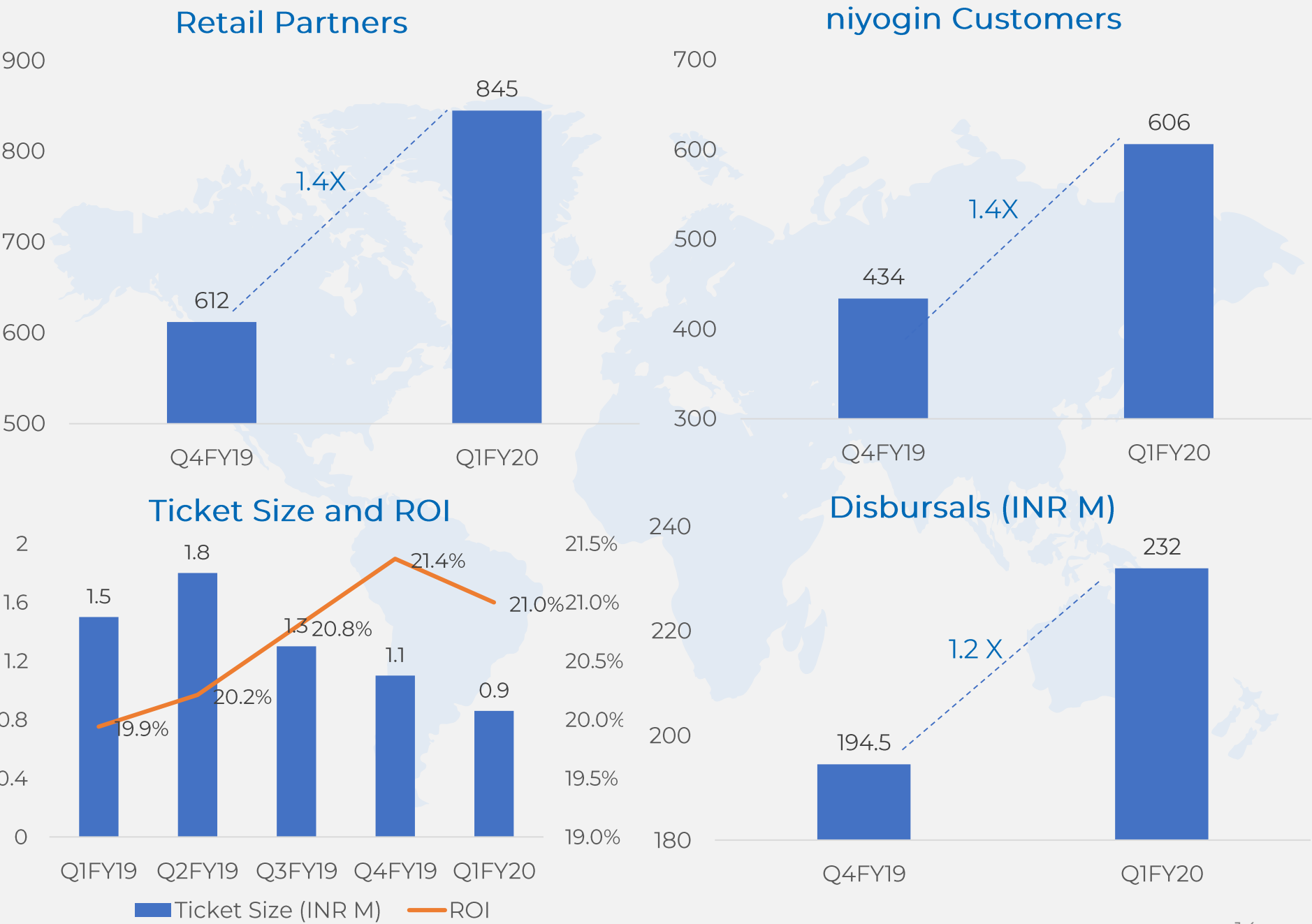


# FINANCIAL SNAPSHOT

Q1'19 vs Q1'20





INR M	Q1 FY2020 (30 Jun 2019)	Q1 FY2019 (30 Jun 2018)	YoY Change
Total Income	65.0	50.9	28%
Expenses	101.1	52.2	93%
Reported Profit/(Loss) (A)	(36.0)	(1.3)	NM
Depreciation and amortization	8.6	5.8	47%
ESOP (B)	11.4	-	NM
Cash Profit/(Loss)	(15.7)	5.7	NM

➤ 28% Q-o-Q increase in Total Income



## BUSINESS OUTLOOK

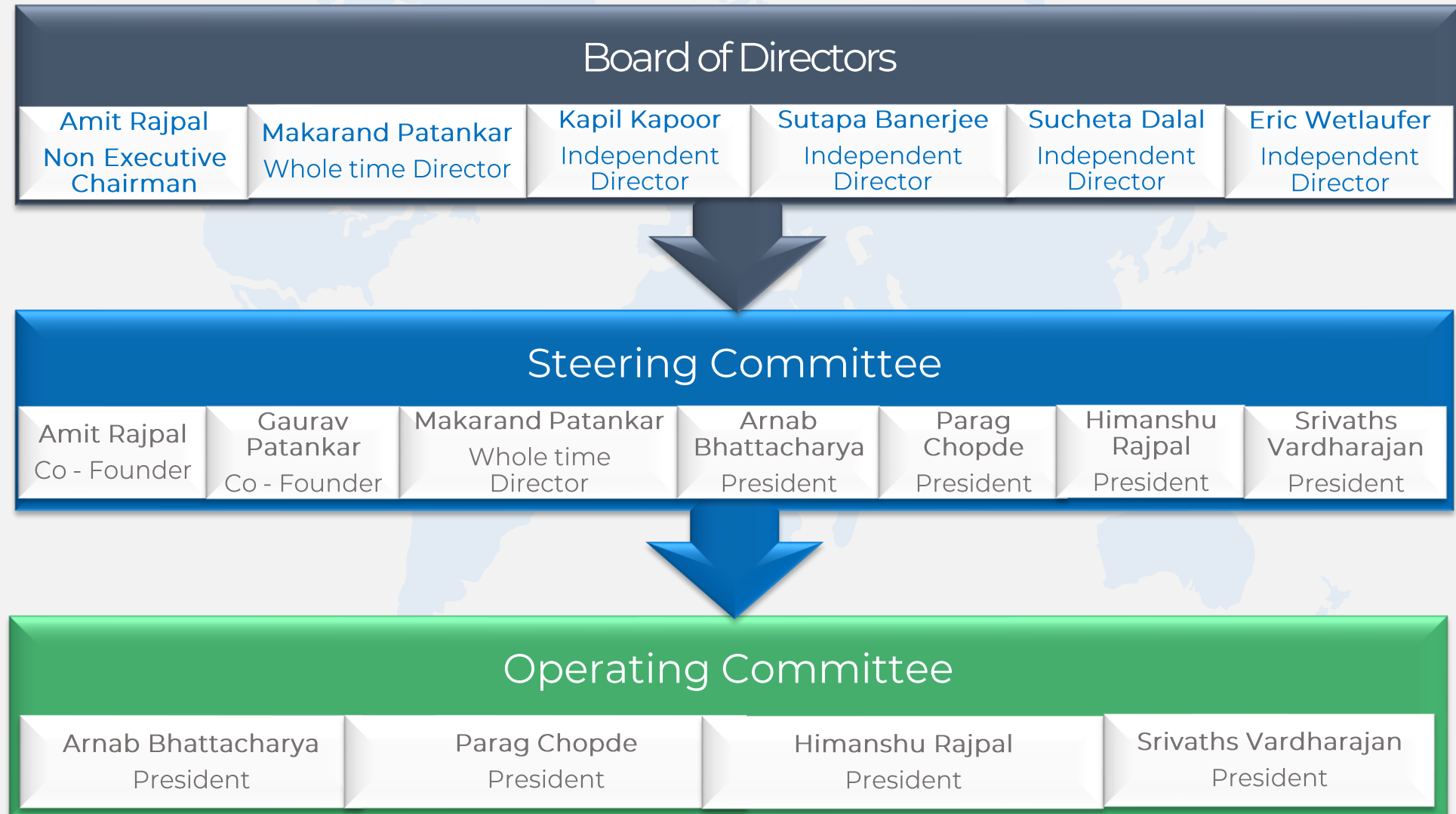
- Platformification – Key focus
- Expect to increase partner count by 3X YoY
- Growth to be driven by retail channel and partnerships

			
GOALS (YTD)	FY19 Actuals	FY20 Q1 Actuals	FY20 Target
Customers	434	606	2400+
Partners	612	845	1800
Disbursals	INR 615+M (USD 8.8M)	INR 232 Mn (USD 3.4M)	INR 1500+M (USD 21.7M)
Partnerships	4	5	7
Solutions beyond Credit	1	1	3

FY19- based on average USDINR=69.99. FY20E based on USD/INR = 68.95 as on 30 Jun 2019 closing rates

STRONG  
GOVERNANCE  
STRUCTURE

To calibrate growth of  
niyogin in a responsible  
manner



niyogin

## FOUNDERS

Our founders are  
proven Financial  
Institutional Investors



Amit Rajpal

Amit is the CEO of Marshall Wace Asia and is an expert in the area of financial services, investing and research with 20+ years of experience

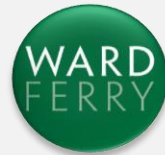


Gaurav Patankar

Gaurav is currently the Director of EM Investment Strategy at Bank of America Merrill Lynch and over the last 20 years has been an activist investor focused on emerging markets having worked at BNY Mellon, Citigroup, Millennium Partners and Lockheed Martin Pension and the co-founder of Information Interface India (niyogin's parent)

## KEY INVESTORS

Our investor base  
comprises of well  
established  
institutional funds  
and HNWI



WF Asian Reconnaissance Fund Limited



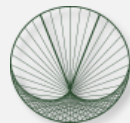
Carmignac Emerging Portfolio



Alchemy India Long Term Fund Ltd



Strategic India Equity Fund



Vikasa India EIF I Fund

## LEADERSHIP

Capable team brings  
best practices from  
established  
organizations



Arnab Bhattacharya  
President



Parag Chopde  
President



Srivaths Vardharajan  
President



Himanshu Rajpal  
President



Shanmugham  
Chief Credit  
Officer



Noorallah Charania  
Chief Operations  
Officer



Mandar Godbole  
Company  
Secretary



Vijay Sankar  
Head of  
Collections



Kapil Kini  
Head of Sales



Sandeep Akolkar  
Chief Finance  
Officer



Runit Dugar  
Head of Strategy,  
Product & IR



Andrews Rajan  
Head of Wholesale  
and Anchor  
Partnerships

The leadership team has a combined experience of 200+ years, having worked for companies such as:



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## Disclaimer

Thank You

## BOARD OF DIRECTORS

Esteemed board to calibrate growth of niyogin in a responsible manner

### Amit Rajpal

Amit is an expert in the area of financial services investing and research with 20+ years of experience with Morgan Stanley and Marshall Wace. He is credited with being the youngest Managing Director in Morgan Stanley at the age of 30

### Makarand Patankar

Mr. Patankar has over 40 years of experience in strategic and financial roles across financial services, pharmaceutical, healthcare and retail sector companies and has pioneered 3i

### Kapil Kapoor

Kapil is the Chairman of Infoedge India limited and has been serving on their Board of Directors since 2002. Kapil has an MBA from IIM Ahmedabad and a bachelors degree in Economics Honors from the Shri Ram College of Commerce, Delhi University

### Sutapa Banerjee

Sutapa has 24 years of experience in financial services across multinational banks - ANZ Grindlays and ABN AMRO. Sutapa was voted as the 'Top 20 Global Rising Stars of Wealth Management' by the institutional investor group in 2007 and as the top '50 most Powerful Women by Fortune India in 2012

### Sucheta Dalal

Recipient of Chameli Devi Award for outstanding journalism and Femina's Woman of Substance Award and the Padma Shri by the Government of India, Sucheta has worked with India's leading newspapers including the Financial Editor of The Times of India, Consulting Editor with Indian Express and Financial Express, amongst others

### Eric Wetlaufer

Eric Wetlaufer provides counsel as a director, advisor and investor to a range of large public to smaller private companies with a particular focus on technology and financial sectors. He currently serves on the Board of Directors of the TMX Group and of Soulpepper Theatre Company and is an advisor to GrainDiscovery, CryptoNumerics and Aion Foundation