

### **A Single Step is the starting point for every journey**

As Niyogin embarks on its first step in the real world, I want to express my gratitude to you - our shareholders for investing their money and more importantly trust, at a stage, when all we had was a concept and a business plan.

Your management team has worked hard over the past six months to set-up the infrastructure for our pilot in Maharashtra which went live in end 2017 when we made our first loan. We will use the pilot to build proof of concept, iron out the kinks in the business model and be ready to go nationwide in 2018. I am sure there will be multiple challenges in this journey, which is evident from some of the difficulties that the team has surmount in the build phase. Nonetheless, we are committed to the vision and implementation and have geared ourselves to adapt to the change in business the environment in the future as we embark on this journey.

### **Niyogin = Empowering Micro and Small Businesses**

The vision of Niyogin is built on empowerment (Niyogin means “empower” in Sanskrit) of micro and small businesses in the country with a state of the art digital infrastructure which enables them access to credit and other relevant services & products (both financial and non-financial) in a low cost, transparent and easily accessible format which helps improve their productivity significantly and grow effectively in a fiercely competitive domestic and global environment .The biggest opportunity in fintech today is in areas where customers are under-served and benefit most significantly from the efficiency, analytics and transparency that digitization can provide.

### **Digitization has proliferated on the back of improved data access and mobile phone ubiquity**

India has made significant improvements in its digital infrastructure which has allowed for platforms and private business models such as Niyogin to use API's (Application Program Interface) to access data which enables automation of credit decisioning, making it far more superior to manual decisioning processes in terms of time, consistency and cost. We have the ability to link with multiple databases such as Aadhar (National ID verification) database, income and sales tax databases, credit bureaus, banks and legal databases while also using social media data points to run algorithms to analyse the credit worthiness of potential clients – this allows for a comprehensive view of the client from a under-writing standpoint in a way that was simply not possible even a year or two back to an environment now where the smartphone has become ubiquitous alongside payments infrastructure to create transaction efficiency and fulfilment.

### **A true omni-channel model which combines under-utilized ground knowledge with digital efficiency**

At Niyogin, we have created a true omni-channel model, intelligently taking the best of both the on-line and off-line worlds to create a seamless customer experience. We are launching the business model with our business associates in the 3i Network (tax, accounting, advisory focused) who have been operating for over 20 years and are present across 400 locations in the country, especially in Tier 2 and 3 cities where they have well established financial advisory relationships with a lot of small and micro businesses.

They see this as a strong opportunity to increase longevity of their client relationships by increasing the breadth of services and solutions that they can offer to their clients and also enhance their revenue streams. We will leverage their local understanding/financial knowledge and build digitally enabled localised solutions for the heterogenous MSME client segments.

### **Platform Approach = Ecosystem of Partnerships**

Finally, we strongly believe in building an ecosystem of relevant partnerships to address our customers' needs rather than operate a traditional product driven lending model which is the way most conventional finance organizations (and even some of the new age fintech firms) have built their business.

We are working on running a capital efficient business model for our shareholders in conjunction with partners who have bigger, deeper balance sheets than ours while establishing strategic digital partnerships to access products and solutions to address the varied needs of our potential customers and business associates.

We will begin work on the platform soon to create a digitized ecosystem for our customers for their financial and business needs- more on this later.

### **Adapt and be Flexible = Feel our Way Along the Journey**

We are truly excited at the business potential, the time is right, the team is focused, the distribution force has bought in, the beta tech platform is state of the art, the partnerships are being forged.....a lot of work is ongoing to build proof of concept as we take our first step !

At the same time, nothing is pre-determined and we have a flexible approach to be able to feel our way and learn as we embark on this journey, with our first step via a pilot in Maharashtra.

We will be in constant touch with you, our investors through this journey and look forward to any feedback or comments you may have for us.

Best Wishes for 2018 and look forward to feedback from you as we begin this exciting journey. It is also gratifying to note that your investment is now in the money given the recent flexibility in stock trading limits

Thank You.

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