

January 31, 2025

To

BSE Limited

Phiroze Jeejeebhoy Towers,

Dalal Street, Fort

Mumbai - 400001

BSE Scrip Code: 538772

Subject: Outcome of meeting of the Board of Directors of Niyogin Fintech Limited (the "Company") – Intimation under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

Reference: Composite Scheme of Arrangement and Amalgamation between Niyogin Fintech Limited, Niyogin Finserv Limited and iServeU Technology Private Limited and their respective shareholders and creditors

Dear Sir/Ma'am,

In compliance with Regulation 30 read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended ("SEBI Listing Regulations"), we wish to inform you that the Board of Directors of the Company (the "Board") upon the Report of the Audit Committee and Independent Directors Committee, at its meeting held today, viz, January 31, 2025 has, *inter alia*, considered and approved the Composite Scheme of Arrangement and Amalgamation between Niyogin Fintech Limited ("Demerged Company"/ "Amalgamating Company"/ "NFL" / "Company"), and Niyogin Finserv Limited ("Resulting Company"/ "NFL 2") and iServeU Technology Private Limited ("Amalgamated Company"/ "iServeU") and their respective shareholders and creditors under sections 230 to 232 read with section 52 and 66 and other applicable provisions of the Companies Act, 2013 ("Act") (such scheme referred to as the "Scheme").

The Scheme *inter alia* provides for the following:

- (a) as a first step, demerger of the Demerged Undertaking (as defined in the Scheme) (comprising of the NBFC Business (as defined in the Scheme)) of NFL and vesting into NFL 2 and in consideration, the consequent issuance of equity shares of NFL 2 to all the shareholders of NFL in accordance with the Share Entitlement Ratio for Demerger (as defined in the Scheme), pursuant to provisions of Section 2(19AA) and other relevant provisions of the Income-tax Act (as defined in the Scheme) ("**Demerger**");
- (b) as a second step, followed immediately post first step, amalgamation of NFL (comprising of the Remaining Business (as defined in the Scheme) of NFL) with iServeU and in consideration, the consequent issuance of equity shares of iServeU to all the shareholders of NFL in accordance with the Share Entitlement Ratio for Amalgamation (as defined in the Scheme), pursuant to provisions of Section 2(1B) and other relevant provisions of the Income-tax Act (as defined in the Scheme) ("**Amalgamation**") and

Niyogin Fintech Limited

(CIN L65910TN1988PLC131102)

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

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- (c) various other matters consequential or otherwise incidental thereto viz. adjustment of the Capital Reserve arising on Demerger against the Securities Premium Account of the Resulting Company pursuant to the Demerger, adjustment of the Capital Reserve arising on amalgamation against the Securities Premium Account of the Amalgamated Company pursuant to the Amalgamation.

The Scheme is *inter alia* subject to receipt of the approvals of the requisite majority of the public shareholders and creditors (as maybe applicable) of the Companies, BSE Limited, the Securities and Exchange Board of India, National Company Law Tribunal, Chennai Bench and other regulatory authorities, as may be applicable.

The Scheme as approved by the Board would be available on the website of the Company at www.niyogin.com after submission of the same with BSE Limited.

Details as required under Regulation 30 of the SEBI Listing Regulations read with SEBI Circular No SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 ("SEBI Circular") are provided in the **Annexure I**.

The Board meeting commenced at 7:47 p.m. IST and concluded at 8:35 p.m. IST.

We request you to take this on record, and to treat the same as compliance with the applicable provisions of the SEBI Listing Regulations.

Yours faithfully,

For Niyogin Fintech Limited

Tashwinder Singh
MD & CEO
DIN: 06572282

Encl: a/a

Annexure I
Part A – Demerger

Sr.	Particulars	Details
1	Brief details of the division(s) to be demerged;	The Demerged Undertaking (<i>as defined in the Scheme</i>) means all the businesses, undertakings, activities, operations and properties of the Demerged Company, in relation to the NBFC Business (<i>as defined in the Scheme</i>) of the Demerged Company, as on the Appointed Date, on a going concern basis.
2	Turnover of the demerged division and as percentage to the total turnover of the listed entity in the immediately preceding financial year / based on financials of the last financial year;	The turnover of the Demerged Undertaking for the year ended 31 March, 2024 was Rs. 40.34 Crores on a consolidated basis representing 20.61 % of the total consolidated turnover of the Company for the year ended 31 March, 2024.
3	Rationale for demerger;	<p>The proposed Scheme seeks to separate the NBFC Business from the Remaining Business (as defined in the Scheme) of the Demerged Company and demerge it into the Resulting Company. The proposed Scheme would be in the best interests of the Parties and their respective shareholders, employees, creditors, and other stakeholders.</p> <ul style="list-style-type: none"> • Segregating the NBFC business from the Remaining Business to unlock value for existing shareholders of the Demerged Company through independent, market-driven valuation of NBFC business; • Pursuing growth in the respective business verticals with focused management approach, thereby allowing new opportunities to be explored for each business efficiently and de-risking the businesses from each other; and • The NBFC Business has a different growth trajectory and funding requirements vis-a-vis the Remaining Business. They would thus attract interests from different set of financial and strategic investors, unique to their respective business. Segregation of the two businesses pursuant to demerger is aimed at facilitating raising capital (equity and / or debt) in future.

Sr.	Particulars	Details
4	Brief details of change in shareholding pattern (if any) of all entities;	<ul style="list-style-type: none"> NFL 2 is a wholly owned subsidiary of NFL. Upon the Scheme becoming effective and in consideration of the transfer and vesting of the Demerged Undertaking from NFL to NFL 2 in terms of this Scheme, NFL 2 shall, issue and allot equity shares to all the members of NFL, holding fully paid-up equity shares on the Record Date in the following manner: <i>1 fully paid-up equity share of Rs. 10/- each of NFL 2, credited as fully paid-up, for every 1 equity share of Rs. 10/- each of NFL</i>
5	In case of cash consideration – amount or otherwise share exchange ratio;	<ul style="list-style-type: none"> No cash consideration is payable under the Scheme The consideration for the demerger will be discharged by the issue of shares by the Resulting Company as follows: <i>1 fully paid-up equity share of Rs.10/- each of the Resulting Company, credited as fully paid-up, for every 1 equity share of Rs. 10/- each of the Demerged Company</i>
6	Whether listing would be sought for the resulting entity	Yes. The equity shares of the Resulting Company will be listed on BSE.

Part B – Amalgamation

Sr.	Particulars	Details		
		Name of the entity	Turnover (standalone) for the year ended 31 March, 2024	Total net worth (standalone) as on 31 March, 2024
1	Name of the entity(ies) forming part of the amalgamation/merger, details in brief such as, size, turnover etc.	Niyogin Fintech Limited	Rs. 40.34 Cr	Rs. 305.11Cr
		iServeU Technology Private Limited	Rs. 150.53 Cr	Rs. 22.11Cr
2	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length"	<p>In terms of General Circular No. 30/2014 dated July 17, 2014, issued by Ministry of Corporate Affairs ("MCA Circular"), the transactions arising out of compromises, arrangements and amalgamations under the Companies Act, 2013 ("Act"), will not attract the requirements of Section 188 of the Act.</p> <p>The consideration for the amalgamation will be discharged on an "arm's length" basis. Pursuant to the Scheme, the equity shares to be allotted by iServeU in consideration of the Amalgamation is based on the Valuation Report issued jointly by Icon Valuation LLP (Reg no. AAC-7924) and the Fairness Opinion given on the same by Saffron Capital Advisors Private Limited , a SEBI registered independent category – I merchant banker.</p>		
3	Area of business of the entity(ies)	<p>Niyogin Fintech Limited is registered with RBI as a Base layer, Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company under Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.</p> <p>NFL owns 51% equity shares of iServeU i.e. the Amalgamated company, a banking infrastructure platform service provider which provides various technology solutions to Banks, NBFCs, Financial Institution players and Corporate Business Correspondents.</p>		
4	Rationale for amalgamation/ merger	<ul style="list-style-type: none"> Post demerger, NFL will retain only a single asset i.e. 51% equity shares of iServeU. Hence, it is desirous of consolidating its Remaining Business (<i>as defined in the</i> 		

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		<p><i>Scheme</i>) with iServeU. The amalgamation will result in the shareholders of NFL directly holding shares in iServeU, leading to simplification of the corporate structure by consolidating multiple entities and reducing shareholding tiers; and</p> <ul style="list-style-type: none"> The Scheme would unlock value through price-discovery of the Amalgamated Company for shareholders and shall entail direct holding of marketable securities therein.
5	In case of cash consideration – amount or otherwise shareexchange ratio	<ul style="list-style-type: none"> No cash consideration is payable under the Scheme. The consideration for the amalgamation will be discharged by the issue of shares by the Amalgamated Company as follows: <ul style="list-style-type: none"> <i>56,107,380 equity shares of the Amalgamated Company of Re. 1/- each fully paid to be issued and allotted to the equity shareholders of the Amalgamating Company in proportion of the number of equity shares held by the equity shareholders of the Amalgamating Company in the Amalgamating Company.</i> <i>Based on the diluted capital of the Amalgamating Company (post conversion of outstanding equity warrants), the above, as at the date of approval of this Scheme results into a Share Exchange Ratio viz. the issue and allotment by the Amalgamated Company of 1 (One) equity share of Re. 1/- each fully paid of the Amalgamated Company for every 2 (Two) equity shares of Rs. 10/- each fully paid of the Amalgamating Company.</i>
6	Brief details of change in shareholding pattern (if any) of entity listed	<ul style="list-style-type: none"> Post the Scheme becoming effective, the Amalgamating Company shall be dissolved without being wound up. Accordingly, the change in shareholding pattern of the Amalgamating Company shall not be applicable. Remaining Business (<i>as defined in the Scheme</i>) of Amalgamating Company shall be transferred to and vested in the Amalgamated Company.

Yours sincerely,

For Niyogin Fintech Limited

Tashwinder Singh

MD & CEO

DIN: 06572282

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