

BUSINESS MODEL

Business Activities

As a Platform, Bridge Fintech Solutions Private Limited (“Company”) facilitates the following:

- Verification of borrower and lender (collectively referred to as “Participants”) details supported by KYC documents of the respective party.
- Assignment of a finzy score and associated finzy rating after analysis of the credit information for every borrower on the Platform.
- Matching of borrowers and lenders, based on return expectations and risk appetite.
- Diversification of lender’s investment across multiple loans.
- Documentation and execution of Loan agreement and any ancillary documentation that may be required to consummate the transaction on the Platform.
- Disbursement of loans to borrowers through a tightly controlled escrow mechanism.
- Automated EMI collection and transfer to lenders on monthly basis.
- Providing updated information to lender on loan performance and portfolio returns.
- Providing recovery services on best effort basis.

The Company does not at any point of time carry out or intends to carry out any of the following activities:

- Carry out lending activities by itself, i.e., invest its own funds in loans on the Platform.

- Provide any form of credit enhancement or credit guarantee to Participants.
- Commit any rate of return to lenders.
- Take any security from borrowers.
- Cross sell any other product.
- Raise deposits as defined under Section 45 I (bb) of the Reserve Bank of India Act, 1934 or the Companies Act, 2013.
- Hold on its own balance sheet, funds received from lenders for lending, or funds received from borrowers for servicing loans.
- Permit international flow of funds.

Participant Onboarding

A Participant signing up as a borrower on the Platform, will mandatorily be required to meet the below requirements:

- Have a PAN card
- Be an Indian resident with identity proof and address proof
- Are at least 18 years old
- Have regular source of income with take home salary of more than Rs 25,000 or an annual business income of at least 5 lakhs per annum.

A Participant signing up as a lender on the Platform, will mandatorily be required to meet the below requirements:

- Have a PAN card
- Be an Indian resident with identity proof and address proof.
- If an individual, of at least 18 years old.
- Must have self-declared annual income of more than INR 3 lakhs or net worth of more than INR 10 lakhs.

Revenue Model

The Company does not charge lender or borrowers any registration fees, documentation fees, prepayment fees or foreclosure fees. The Company's revenue model is based on earnings from loan processing fee that is charged to borrowers at the time of disbursement. This fee is linked to the finzy rating of a loan and can range between 2% to 4% of the loan amount being disbursed. This fee is recovered from the disbursement amount.

The Company will also levy penalty and charges for delayed payments and recovery services.

The Company charges a nominal 2% fee from Finzy Pro lenders on the EMIs collected every month. The Company levies GST of 18% on all fees.

The Company may earn excess returns over indicated returns as fee income in Finzy Flex product. Company may not earn any fees, if the returns from underlying loans are inadequate to offer indicated returns
