

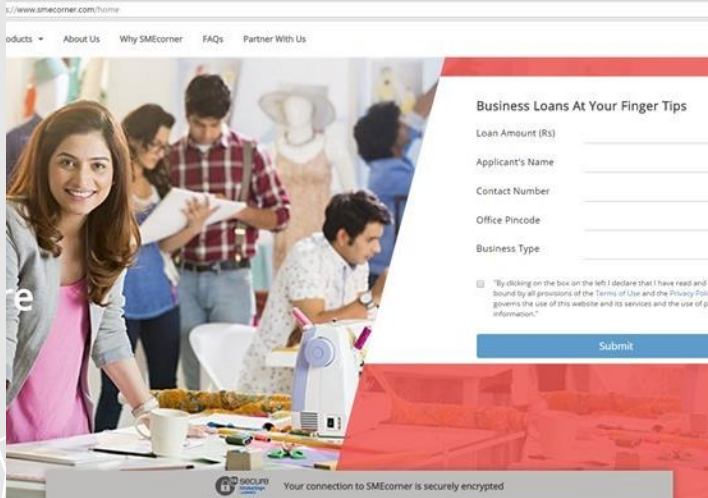
Dutch Good Growth Fund



Ministry of Foreign Affairs of the Netherlands

Dutch Good Growth Fund

SMEcorner



Leveraging digital technologies to serve small businesses in India

DGGF's Seed Capital and Business Development (SCBD) facility is supporting SMEcorner, an innovative fintech start-up in India. SMEcorner leverages digital technologies to quickly serve small businesses (3-5 days), at competitive pricing, while keeping operating costs low.

Using multiple data analysis, SMEcorner is expected to provide unsecured, cashflow-based lending to a vast number of small businesses. Via a digital platform, service delivery will happen through a streamlined process that is not time-consuming and cumbersome for neither the lender or the borrower. The initiative brings innovation in the Indian financial system, where traditional, lengthy credit assessment and need for collateral greatly limit the access to finance for small companies.

From a market perspective, Indian Small businesses are still largely excluded from lending. SMEcorner will provide digital loans in the range of INR 800K to 2.5m (equivalent of USD 10-30K), mostly to trading and manufacturing companies.

The SCBD support is provided via a direct equity investment, to enable SMEcorner to quickly go live, test the credit scoring model and build up a loan portfolio of local small businesses. If this start-up phase proves successful, SMEcorner will have the potential to attract Series A investors and to expand into a major digital lender in India.