



IRIS Business Services Limited

24th August, 2018

To,
BSE Limited
Corporate Relationship Department,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001

Scrip Code: 540735

Sub: Intimation under Regulation 30(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/ Madam,

Pursuant to regulation 30(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing regulations"), please find enclosed herewith copy of Press Release issued by the company.

This will also be made available on the Company's website at www.irisbusiness.com.

The above is for your information and records.

Thanking You,

Yours faithfully,
For **IRIS Business Services limited**

A handwritten signature in black ink, appearing to read "Jay Mistry".

Jay Mistry
Company Secretary & Compliance Officer



Encl: As above



Press Release

Hyderabad, August 21, 2018

MSMEs in Telengana who are GST compliant can look forward to availing higher credit facilities from banks and NBFC. This was stated here today by S. Swaminathan, CEO of IRIS Business Services Limited, a GST Suvidha Provider (GSP). “Given that the state already has a credit deposit ratio of over 115 % which is well above the national average, the state should now try to focus on the Credit GDP ratio to spur growth,” he said. In fact, Telengana can take the lead in the country by being the first to leverage the benefits of GST to promote lending, especially to its 24 lakh MSMEs. The state can enable a MSME focused and GST led credit offering which can be combined with targeted incentive structures such as interest subvention and credit guarantees, he added.

According to KV Srinivasan, the Founder & CEO of Profectus, an NBFC with operations in Telengana, more and more finance companies are now willing to fund MSMEs on the basis of the sales reported by them in their monthly GST returns. “We would ask for collateral as we had no independent means to verify their sales figures. But now if borrowers are willing to share their monthly GST returns with us, it a completely different story altogether,” Srinivasan said.

Independent studies reveal that 92% of MSMEs in India lack access to formal finance. It is also estimated that a credit gap of 56% exists in the MSME sector for India as a whole. This is because, traditionally, lending by banks and finance companies has always been against collateral. If manufacturing MSMEs are unable to provide sufficient collateral and have always therefore been under funded, it is even more so for those in the services sector.

With the introduction of GST, all of this is set to change. “ As a GSP, we can help filers access their verified returns which they can then submit to the lender to access finance,” said Swaminathan, explaining the role of IRIS as a GSP. IRIS Business Services Limited of Navi Mumbai, a leading GST Suvidha provider (GSP) is at the forefront of ushering in this change and is in the process of putting together a consortium of lenders to address this issue. Lenders may now access the GST filings of a borrower and their way bill data as well, with the consent of the borrower.

“We have presence in Telengana already and are confident of rolling this out very soon,” says Srinivasan. Swaminathan revealed that as many as ten other NBFCs including new age Fintechs are gearing up to follow suit very quickly for a pan India rollout of their SME lending program based on GST filings.

Elaborating on a role for the state government, Srinivasan said that they could popularise it by helping organise awareness camps across the Industrial estates across the state through the state finance corporation and the industries department. He said that it would also be good to try and formulate a policy to bring it under the Mudra guarantee scheme to attract more funds and quickly.

Swaminathan pointed out credit to GDP ratio for India as a whole stands at a dismal 55.7% compared to China’s 208.7 %. “With GST one can catalyse a dramatic increase in credit offtake, leading to the democratisation and formalisation of credit across India and specifically in Telengana,” Swaminathan added. According to him, the service sector has always been under served by banks and NBFCs and a special focus on them has the greatest potential for job creation.