

ANNUAL REPORT FOR THE FINANCIAL YEAR 2023-24

CORPORATE INFORMATION:-**COMPANY IDENTIFICATION NUMBER**

U67120MH1996PTC355036

BOARD OF DIRECTORS

Mr. Bhupinder Singh
Mr. Saurabh Jhalaria
Mr. Vivek Bansal
Mr. Siddharth Parekh
Mr. Venkatesh Vishwanathan

COMPANY SECRETARY

Mr. Abhijeet Shinde (From January 17, 2024 till July 24, 2024)

STATUTORY AUDITORS

P N A M & CO. LLP,
Chartered Accountants,
ICAI Firm Registration No. 001092N/N500395

REGISTERED & CORPORATE OFFICE

Unit No. 1203, 12th Floor, B Wing, The Capital,
Plot No. C - 70, G Block, Bandra - Kurla Complex,
Bandra East, Mumbai - 400 051.
www.incredcapital.com
022 68446100

REGISTRAR AND TRANSFER AGENT

Link Intime India Private Limited,
C 101, Embassy 247, L.B.S. Marg,
Vikhroli (West), Mumbai - 400083.
rnt.helpdesk@linkintime.co.in
810 811 6767

Dear Shareholders,
InCred Capital Financial Services Private Limited ("the Company")

The Directors have pleasure in presenting the 27th Annual Report along with the Audited Financial Statements of your Company for the financial year ended March 31, 2024.

1. FINANCIAL HIGHLIGHTS OF THE COMPANY:

The highlights of the financial statements of the Company for the financial year 2023-2024 are as under:

(INR in lakhs)

PARTICULARS	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Income from Operations	12,265.21	8,421.83	33,125.10	15,195.77
Other Income	1,069.99	1,633.16	2,250.58	1,253.76
Total Income	13,335.20	10,054.99	35,375.68	16,449.53
Expenses	9,872.59	8,595.98	34,900.23	22,215.51
Depreciation & Amortization	797.29	733.91	1,143.98	1,008.15
Total Expenses	10,669.88	9,329.90	36,044.21	23,223.66
Share of Loss of Associate	-	-	(611.72)	70.45
Profit before exceptional items and tax	2,665.32	725.09	(1,280.25)	(6,844.58)
Exceptional Items	317	-	(566.57)	2,603.00
Profit after exceptional items and before tax	2,348.32	725.09	(1,846.82)	(9,447.58)
Tax Expense	625.41	(258.66)	365.75	(2,195.25)
Profit After Tax	1,722.91	983.75	(2,212.57)	(7,252.33)
OCI Income (Net of Tax)	2.04	(5.77)	(34.93)	(24.25)

OVERVIEW OF THE FY 2023-24

During the year under review, the Company's standalone revenue from operations stood at INR 13,335.20 lakhs as compared to INR 10,054.99 lakhs in previous year. The standalone profit after tax stood at INR 1,722.91 lakhs as compared to INR 983.75 lakhs in previous year.

During the year under review, the Company's consolidated revenue from operations stood at INR 35,375.68 lakhs as compared to INR 16,371.62 lakhs in previous year. The consolidated loss after tax stood at INR 2,212.57 lakhs as compared to INR 7,252.33 lakhs in previous year.

2. CHANGE IN THE NATURE OF BUSINESS

During the year under review, the Reserve Bank of India ("RBI") vide its order dated July 04, 2023, accepted the application made by the Company for voluntarily surrendering its NBFC License in accordance with the RBI press release dated December 01, 2022.

The Company itself and through its subsidiaries is an integrated provider of financial services to corporate and institutional clients through asset management and investment banking platforms. The Company brings together some of India's most experienced banking professionals, backed by global and domestic marquee investors to provide world-class products and services to its clients. The Company is also engaged in the business of Structured Finance Advisory and also acts as a Sponsor to various Scheme of Alternative Investment Funds.

3. DIVIDEND

In order to conserve the resources for future business requirements, the Board of Directors of the Company has not recommended dividend on the equity shares of the Company for the financial year ended March 31, 2024.

4. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

During the year under review, the provisions of Section 125(2) of the Companies Act, 2013 do not apply to the Company as no dividend was declared or paid in the previous financial years.

5. CHANGES IN SHARE CAPITAL

There was no change in the authorized and paid-up share capital during the financial year 2023-24.

6. DEBENTURES

The Company has issued Secured Unlisted Unrated Redeemable Non-Convertible Debenture aggregating to Rs. 1,56,47,00,000 during FY 23 - 24. The total debentures outstanding as on March 31, 2024, is Rs. 2,44,17,00,000.

7. EMPLOYEE STOCK OPTION SCHEME

The Company believes that its success is largely determined by the quality of its workforce and their commitment towards achieving the goals of the Company. To enable the employees of the Company and its subsidiaries to participate in the future growth and success of the Company, the Company has implemented InCred Capital Financial Services Private Limited Employees Stock Option Scheme ("Scheme").

In terms of Section 62 of the Act read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014, the disclosures for F.Y. 2023-24, is annexed in **Annexure I** to this report.

8. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS.

The Board has adopted in all material respects, an adequate internal financial controls system over financials reporting and such internal financial controls were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company.

The Company also has procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures. During the year, such controls were tested and no reportable material weaknesses in the operations were observed.

9. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES.

As on March 31, 2024, the Company has four wholly-owned subsidiaries viz. InCred Asset Management Private Limited, InCred Wealth and Investment Services Private Limited, InCred Alternative Investment Services Private Limited and InCred Overseas Holdings Private Limited (Foreign Body Corporate). Further, On July 11, 2023, the Company has acquired Equity share Capital of Booth Fintech Private Limited alongwith its subsidiary viz., mValu Technology Services Private Limited. Further, on November 08, 2023, Booth Fintech Private Limited has incorporated another wholly owned subsidiary viz., InCred Value Plus Private Limited. Consequently, mValu Technology Services Private Limited and InCred Value Plus Private Limited became the step down subsidiaries of the Company.

Further, on July 25, 2024, InCred Overseas Holdings Private Limited has acquired 90% of Ordinary Shares of InCred Global Wealth Pte. Ltd (Foreign Body Corporate). Consequently, w.e.f. July 25, 2024,

InCred Global Wealth Pte. Ltd. became the subsidiary of InCred Overseas Holdings Private Limited and step down subsidiary of the Company.

On January 01, 2024, the Company has incorporated subsidiary viz., InCred Global Insight Partners Private Limited, which ceased to be subsidiary of the Company on February 15, 2024.

As on March 31, 2024, in accordance with the meaning of Section 2(6) of the Companies Act, 2013, the Company has one Associate Company viz. Alpha Fintech Private Limited and does not have any joint ventures. Further, Oro Financial Consultants Private Limited is wholly owned subsidiary of Alpha Fintech Private Limited.

The statement containing salient features of the financial statement of subsidiaries pursuant to first proviso to sub section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014, in form AOC-1, is provided in **Annexure II.**

Pursuant to Section 129(3) of the Companies Act, 2013, the Company has prepared consolidated financial statements comprising of the balance sheet as on March 31, 2024, profit & loss accounts as on March 31, 2024 and the cash flow statements of the Company which shall be laid before the ensuing Annual General Meeting of the Company. The audited consolidated financial statements together with Auditors' Report forms part of the Annual Report.

10. PUBLIC DEPOSITS

Your Company has not accepted any public deposits during the year under review within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

11. STATUTORY AUDITORS AND THEIR REPORT

M/s P N A M & Co. LLP (formerly known as M/s. Soni Chatrath & Co. Chartered Accounts) (FRN :001092N) were re-appointed as the Statutory Auditors of the Company at 24th Annual General Meeting of the Company to hold the office as the Statutory Auditors of the Company for a term of 5 (Five) year until the conclusion of the Annual General Meeting of the Financial Year 2026-27 at such remuneration as was mutually agreed between the Board of Directors of the Company and the said Auditors.

However, M/s P N A M & Co., LLP, vide its letter dated September 04, 2024, have resigned from the position of Statutory Auditor of the Company as the number of statutory audits currently handled by its partner was exceeding the permissible limit in accordance with the ICAI Code of Ethics, causing the casual vacancy in the position of the statutory auditors of the company.

In this regard, the Board of Directors, at its meeting held on September 4, 2024 noted and accepted the resignation of M/s P N A M & Co. LLP. The Board also placed on record its appreciation to outgoing Auditors for their contribution to the Company with their audit processes and standards of auditing. In this regard, after obtaining their consent and eligibility certificate under Section 139(1) of the Companies Act, 2013, the Board of Directors of the Company at their meeting held on September 4, 2024 appointed M/s M S K A & Associates (Firm Registration Number: 105047W) as the Statutory Auditors of the Company under Section 139(8) of the Companies Act, 2013, to fill the casual vacancy consequent to the resignation of M/s P N A M & Co. LLP.

As required by Section 139(8) of the Companies Act, 2013, the appointment is also to be ratified and approved at a general meeting of the Company. Accordingly, the Board of Directors recommends the said appointment for the ratification and approval of shareholders at the ensuing AGM of the Company. Further, the Board, subject to the approval of the shareholders, approved appointment of M/s M S K A & Associates (Firm Registration Number: 105047W) as the Statutory Auditors of the Company for a period of 5 (five) years from the conclusion of the ensuing 27th AGM till the conclusion of the 32nd AGM to be held in the year 2029 at such remuneration plus out of pocket expenses and applicable taxes, as may be mutually agreed between the Board of Directors of the Company and the Auditors. Appropriate resolution seeking Members approval for the appointment of M/s M S K A & Associates as the Statutory Auditors of the Company is appearing in the Notice convening the ensuing AGM of the Company.

The Audit for the financial year 2023-24 was conducted by M/s P N A M & Co. LLP (formerly known as M/s. Soni Chatrath & Co. Chartered Accounts) (FRN :001092N) and there are no qualification, reservation or adverse remark or disclaimer made by the auditor in his report. The notes on financial statements referred to in the Auditors Report are self-explanatory and therefore do not call for any comments.

The Auditors' Report along with the financial statements of the company for the financial year ended March 31, 2024, form part of the Annual report. During the year under review, there were no frauds reported under Section 143(12) of the Companies Act, 2013 to the Board.

12. MAINTENANCE OF COST RECORDS

In view of the nature of activities which are being carried on by the Company, the maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Act is not applicable on the Company and hence such accounts and records are not maintained.

13. EXTRACT OF THE ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3) (a) of the Act, copy of the Annual Return of the company prepared in accordance with Section 92(1) of the Act read with Rule 11 of the companies (Management and Administration) Rules, 2014 for FY 2023-24 is placed on the website of the company and is accessible at the web-link: <https://www.incredcapital.com>.

14. DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Considering the nature of activities carried out by the Company, the particulars regarding conservation of energy and technology absorption as required to be disclosed pursuant to Section 134(3) (m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are not applicable to your company.

FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review, the Company had spent an amount of INR 99.84 lakhs towards foreign exchange whereas foreign earnings were INR 20.66 lakhs.

15. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, the Company was required to spend 2% of its average net profit, calculated as per the provisions of Section 198 of the Act, made during the three immediately preceding financial years on activities under Corporate Social Responsibility ("CSR")

During the year, the Company was required to spent Rs. 21,75,393/- towards its CSR obligation. In this connection, the Company had spent an amount of Rs. 55,01,600/- to K.C.Mahindra Education Trust, an eligible fund specified under Schedule VII, amounting to an excess spent of Rs. 33,26,207/-. Further, as per the provisions of the Section 135 of the Act, a Company can carry forward its eligible excess amount spent towards its CSR obligation for a period of three financial years. Thus, in the light of the above provision, the Company is eligible to utilize the excess amount spend during the FY 2023-24 towards the CSR obligations in the immediately succeeding three financial years.

Further, pursuant to the provisions of the Section 135 (9) of the Companies Act, 2013, the Company was not required to constitute Corporate Social Responsibility Committee since the amount required to be spent as a CSR activity was not exceeding the threshold limits of Rs. 50 Lakhs as prescribed under the Companies Act, 2013.

The Company has also formulated a policy with respect to its activities under CSR ("CSR Policy") in accordance with the requirements of the Act and containing details specified therein which is available on the website of the Company at <https://www.incredcapital.com/investor-relations/>

An annual report on activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 has been appended as **Annexure III** to this Report.

16. DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP)

As on the date of this report, the Board of Directors of the Company comprises of 5 (five) Non-Executive Directors.

During the year under review, Mr. Varun Shah resigned from the post of Company Secretary and Mr. Mitesh Kamariya was appointed as the Company Secretary of the Company w.e.f April 24, 2023. Further, Mr. Mitesh Kamariya has resigned from the post of Company Secretary and Mr. Abhijeet Shinde was appointed as the Company Secretary of the Company w.e.f. January 17, 2024.

Subsequent to the year under review, Mr. Abhijeet Shinde resigned as a Company Secretary w.e.f July 24, 2024.

The Board places on record its appreciation for the invaluable contributions and guidance provided by Mr. Varun Shah, Mr. Mitesh Kamariya and Mr. Abhijeet Shinde during their association with the Company.

Based on the declarations and confirmations received in terms of the provisions of the Companies Act, 2013, none of the Directors on the Board of your Company are disqualified from being appointed or to continue as Directors.

17. BOARD OF MEETINGS

The Board met at regular intervals inter-alia to discuss, review, and consider various matters. During the year the Board met 10 (Ten) times during the period under review. These meetings were held on April 24, 2023, June 17, 2023, July 11, 2023, September 06, 2023, October 09, 2023, December 08, 2023, December 27, 2023, January 17, 2024, February 13, 2024 and March 15, 2024. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

18. COMMITTEES CONSTITUTED BY THE BOARD

The Company has several committees which have been established as a part of the best corporate governance practices and are in compliance with the requirements of the relevant statutory and regulatory provisions of applicable laws and statutes.

The Company is not statutorily required to constitute an Audit committee and Nomination and Remuneration Committee as required under section 177(1) & 178 (1) of the Act respectively for the year under review. However, the Company has constituted a "Nomination and Remuneration Committee" ("NRC"), which is responsible for the implementation, administration and superintendence of the "ESOP Scheme" and during the year under review, the NRC met twice viz., April 01, 2023 and December 27, 2023.

The Company has also constituted Finance Committee. 12 (Twelve) meetings were held during the period under review. These meetings were held on August 29, 2023, September 13, 2023, October 26, 2023, November 29, 2023, December 08, 2023, December 13, 2023, January 17, 2024, February 19, 2024, February 29, 2024, March 05, 2024, March 07, 2024 and March 15, 2024.

19. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

As per the requirements of section 177(9) of the Act, your Company is not mandatorily required to establish vigil mechanism for the directors and employees to report their genuine concerns or grievances.

20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The disclosures regarding, details of loans given, guarantee given, security provided and investments made by the Company are provided under notes forming part of the financial statements of the Company for the year ended March 31, 2024.

21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, the contracts or arrangements with related parties have been on arms' length and in ordinary course of business. The particulars of such contracts or arrangements with related parties referred to Section 188(1), as prescribed in Form AOC-2 under Rule 8(2) of the Companies (Accounts) Rules, 2014, are specified in the **Annexure IV** annexed to this report.

22. RISK MANAGEMENT

The Company does not mandatorily require to have a formal Risk Management policy. However, it internally manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The company's management systems, organizational structures, processes, standards, code of conduct and behavior together forms a system that governs how the company conducts the business and manages associated risks.

23. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

During the year under review, there were no transactions as one time settlement and no loans were taken from Banks or Financial Institutions, accordingly no valuation was required to be obtained, hence the above information to be given is not applicable.

24. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the directors, hereby declare that to the best of our knowledge and belief:

- a. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. We have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit of the Company for that period;
- c. We had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. We have prepared the annual accounts on a going concern basis; and
- e. We had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

25. General Disclosures

Your Directors state that for the period ended March 31, 2024, no disclosure is required in respect of the following items and accordingly confirm as under:

- a. The Company has neither revised the financial statements nor the Board's report.
- b. The Company has not received any complaint of sexual harassment pursuant to Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013.
- c. There are no material changes or commitments affecting the financial position of the Company between March 31, 2024 and the date of this report.

- d. No significant or material orders which impact the going concern status and Company's operations in future were passed by Regulators/Courts/Tribunals.
- e. There was no issue of equity shares with differential rights as to dividend, voting or otherwise during the period.
- f. The Company has not issued any shares (including sweat equity shares) to its employees under any scheme during the period.
- g. The provisions of Section 149 & 197 of the Companies Act, 2013 are not applicable to the Company.
- h. The Company has complied with applicable Secretarial Standards issued by the Institute of the Company Secretaries of India.
- i. No petition/application has been admitted under Insolvency & Bankruptcy Code, 2016 by National Company Law Tribunal.

26. ACKNOWLEDGEMENTS

The Directors express their sincere gratitude to Ministry of Corporate Affairs, Registrar of Companies, other government and regulatory authorities, lenders, financial institutions and the Company's bankers for the ongoing support extended by them. The Directors also place on record their sincere appreciation for the continued support extended by the Company's stakeholders and employees and the trust reposed by them in the Company.

For and on behalf of the Board of Directors
InCred Capital Financial Services Private Limited

Sd/-
Bhupinder Singh
Director
DIN: 07342318

Sd/-
Saurabh Jhalaria
Director
DIN: 07908327

Place: Mumbai
Date: September 04, 2024

Annexure I

Disclosure under the Employee Incentive Scheme pursuant to the provisions of Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 as on financial year ended March 31, 2024

Particulars	Disclosures
Number of options granted (in FY 2023-24)	52778
Number of options vested (in FY 2023-24)	259773
Number of options exercised (in FY 2023-24)	109756
Total number of shares arising as a result of exercise of options	109756
Number of options lapsed / cancelled (in FY 2023-24)– includes both vested and unvested	45659
Weighted Average Exercise Price	INR 600.94
Variation of terms of options	None
Money realised by the exercise of options	50781193
Total number of options in force	508061

Details of options granted to Key Managerial Personnel (“KMP”): NA

Details of employees who received a grant of options in any one year of options amounting to five per cent or more of options granted during that year:

Mr. Arjun Badhwar
Mr. Prateek Indwar

Details of identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant:

NIL

**For and on behalf of the Board of Directors
InCred Capital Financial Services Private Limited**

Sd/-

Sd/-

**Bhupinder Singh
Director
DIN: 07342318**

**Saurabh Jhalaria
Director
DIN: 07908327**

Place: Mumbai

Date: September 04, 2024

**Annexure II
Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part “A”: Subsidiaries

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

1	Sr. No.	1	2	3	4	5	6	7
2	Name of the Subsidiary / Associate Company	InCred Asset Management Private Limited (Formerly Known as InCred Capital Investment Advisors and Managers Private Limited)	InCred Wealth and Investment Services Private Limited	InCred Alternative Investments Private Limited	InCred Overseas Holdings Private Limited	Booth Fintech Private Limited	InCred Value Plus Private Limited	mValu Technology Services Private Limited
3	Registered Office	1203 B Wing, The Capital, C 70, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400051.	1203 B Wing, The Capital, C 70, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400051.	1203 B Wing, The Capital, C 70, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400051.	39 Robinson Road, #18-02, Robinson Point, Singapore 068911.	1203 B Wing, The Capital, C 70, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400051.	1203 B Wing, The Capital, C 70, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400051.	1203 B Wing, The Capital, C 70, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400051.
4	Nature of Business	The Company is acting as Investment Manager to various Alternative Investment Schemes which is registered with SEBI as a Category II and III AIF and providing Portfolio Management Services.	The Company is primarily engaged in the business of distribution of financial products by mobilizing funds and assets of various classes of investors. The Company has obtained the registration as Mutual Fund distributor from Association of Mutual Fund of India (AMFI) w.e.f. March 17, 2022.	The Company is acting as Investment Manager to various Alternative Investment Schemes	The Company is acting as holding company	The Company is engaged in the business of auxiliary to financial activities	The Company is engaged in the business of auxiliary to financial activities	The Company is registered with an AMFI under ARN: 275918 and also registered with APMI having registration no: APRN00175. Further, the Company is also acting as an Authorised Participant for InCred Capital Wealth Portfolio Managers Private Limited, which has broking licence. The Company also trades in commodities
5	No. Of Branches	1	11	1	Nil	Nil	1	5
6	Reporting period	1 st April 2023 to 31 st March 2024	1 st April 2023 to 31 st March 2024	1 st April 2023 to 31 st March 2024	24 th August 2023 to 31 st March, 2024	1 st April 2023 to 31 st March 2024	8 th November 2023 to 31 st March 2024	1 st April 2023 to 31 st March 2024
7	Reporting currency	Rupee	Rupee	Rupee	SGD	Rupee	Rupee	Rupee

8	Exchange rate on the last day of the financial year	Not Applicable	Not Applicable	Not Applicable	83.37	Not Applicable	Not Applicable	Not Applicable
9	Share Capital	3,300 lakhs	817.58 lakhs	303 lakhs	9,078.99	45.08 lakhs	50	15.83
10	Reserves and Surplus	(1582.54) lakhs	32,390.35 lakhs	(2,174.60) lakhs	(6.66)	1,213.06	(15.89)	1303.89
11	Total assets (Fixed assets + Investments + Other assets)	2,668.86 lakhs	64,012.44 lakhs	1,901.56 lakhs	9,078.90	8,139.59	395.88	3062.42
12	Total liabilities (Deposits + Borrowings + Other liabilities + Provisions)	951.40 lakhs	30,804.50 lakhs	3,720.61 lakhs	6.57	2,422.83	361.77	1,742.70
13	Investments	NA	12,895.97 lakhs	NIL	1,544.43	1,369.72	187.50	8.91
14	Turnover	2308.30 lakhs	20436.62 lakhs	901.72 lakhs	1,501	-	24.73	0.32
15	Profit/(Loss) Before Tax	(235.36) lakhs	(752.88) lakhs	(2,350.36) lakhs	(7,993.50)	(245.22)	(15.89)	(409.45)
16	Provision for tax	3.82 lakhs	288.85 lakhs	(590.68) lakhs	-	38.35	-	-
17	Profit/(Loss) After Tax	(239.18) lakhs	(1041.73) lakhs	(1,759.68) lakhs	(7,993.50)	(283.57)	(15.89)	(409.45)

- Names of subsidiaries which are yet to commence operations: NA
- Names of subsidiaries which have been liquidated or sold during the year: NA

Part “B”: Associates

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associate Companies	Alpha Fintech Private Limited	Oro Financial Consultants Private Limited (wholly owned subsidiary of Alpha Fintech Private Limited)
1. Latest audited Balance Sheet Date	March 31, 2024	March 31, 2024
2. Date on which the Associate or Joint Venture was associated or acquired	January 30, 2023	January 30, 2023
3. Shares of Associate/Joint Ventures held by the company on the year end		
No.	15797	64,50,000
Amount of Investment in Associates/Joint Venture	INR 1,57,970	INR 64,50,000
Extend of Holding%	25.54%	100%
4. Description of how there is significant influence	Associate Company	Wholly owned subsidiary of Associate Company
5. Reason why the associate/joint venture is not consolidated	N.A.	N.A.
6. Net worth attributable to shareholding as per latest audited Balance Sheet	(1,085.72)	524.55
7. Profit/Loss for the year		
i. Considered in Consolidation	(611.72)	-
ii. Not Considered in Consolidation	(745.46)	-

1. As on March 31, 2024, the Company does not have any joint ventures
2. Names of associates or joint ventures which are yet to commence operations: NA
3. Names of associates or joint ventures which have been liquidated or sold during the year: NA

**For and on behalf of the Board of Directors
InCred Capital Financial Services Private Limited**

Sd/-

Bhupinder Singh
Director
DIN: 07342318

Sd/-

Saurabh Jhalaria
Director
DIN: 07908327

Place: Mumbai
Date: September 04, 2024

ANNEXURE III

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. The Company's CSR mission is to contribute to the social and economic development of the community through a series of interventions. Company's strategy is to integrate its activities in community development, social responsibility and environmental responsibility and encourage each business unit or function to include these considerations into its operations. The Company, for Corporate Social Responsibility activities, strives to promote education and ensure environmental sustainability/ ecological balance etc.

The CSR Policy adopted by your Company is available on the website of the Company at <https://www.incredcapital.com/investor-relations/>

2. Since the amount to be spent by a Company under CSR activities does not exceed INR 50 Lakhs, the Company does not require to constitute CSR Committee.
3. Impact assessments of CSR Projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014: Not Applicable
4. Amount available for set off in pursuance of sub -rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and the amount required for set off for the financial year:

Sr. No.	Financial Year	Amount available for set off from preceding financial years (in INR)	Amount required to be set-off for the financial year, if any (in INR)
1.	2022-23	-	-
2.	2021-22	-	-
-	2020-21	-	-
	Total		

5. Average net profit of the company as per section 135(5): INR 1,087.70 lakhs
6. CSR obligation

Sr. No.	Particulars	Amount (INR in Lakhs)
a.	Two percent of average net profits of the company as per section 135(5)	21,75,393
b.	Surplus arising out of the CSR Projects or programmes or activity of the previous financial years	NIL
c.	Amount required to be set off for the financial year	NIL
d.	Total CSR obligation for the financial year (7a + 7b- 7c)	21,75,393

7. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Trust	Amount.	Date of transfer.
Rs. 55,01,600	-----	-----			

(b) Details of CSR amount spent against **ongoing projects** for the financial year:

(b) Details of CSR amount spent against ongoing projects for the financial year.												
1	2	3	4	5		6	7	8	9	10	11	
Sr. No.	Name of the project	Items from the list of activities in Schedule VII of the act.	Local Area (Yes/No)	Locati on of the Projec t		Project duration	Amou nt alloca ted for the proje ct (in INR)	Amou nt spent in the curre nt finan cial year (in INR)	Amou nt transf erred to unspe nt CSR accou nt for the projec t as per sectio n 135(6) (in INR)	Mode of Impleme ntation Direct (Yes/No)	Mode of Implementatio n- Through Implementing Agency	
				State	Distr ict						Na me	CSR Registrat ion No.
NIL												

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

1	2	3	4	5		6	7	8	
Sr. No.	Name of the Project	Items from the list of activities in schedule VII of the act	Local Area (Yes/No)	Location of the project		Amount spent for the project (in INR)	Mode of Implementation on Direct (Yes/No)	Mode of Implementation through Implementing Agency	
				State	District			Name	CSR Registration number
1	Nanhi Kali	Promoting Education	Yes	Maharashtra	Mumbai	55,01,600	Yes	K.C. Mahindra Education Trust	CSR000 00511

(d) Amount spent in administrative overheads: NA

(e) Amount spent on Impact Assessment, if applicable: NA

(f) Total amount spent for the financial year (8b + 8c + 8d + 8e): INR 55,01,600

(g) Excess amount for set off, if any: NIL

8. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer.	
1.	2022-23	NIL	NIL	-	NIL	-	NIL
2.	2021-22	NIL	NIL	-	NIL	-	NIL

3.	2020-21	NIL	NIL	-	NIL	-	NIL
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(b) Details of CSR amount spent in the financial year for **ongoing projects** of preceding financial year(s): NA

9. In case of creation or acquisition of capital asset, furnish the details relating to asset so created or acquired through CSR spent in the financial year. **(asset – wise details).**
- (a) Date of creation or acquisition of the capital asset (s): NA
 - (b) Amount of CSR spent for creation or acquisition of capital asset: NA
 - (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: NA
 - (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):NA
10. Specify the reason(s), if the company has failed to spend two per cent of the average net profits as per section 135(5): NA

**For and on behalf of the Board of Directors
InCred Capital Financial Services Private Limited**

Sd/-

**Bhupinder Singh
Director
DIN: 07342318**

Sd/-

**Saurabh Jhalaria
Director
DIN: 07908327**

**Place: Mumbai
Date: September 04, 2024**

**Annexure IV
Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

1. Name(s) of the related party and nature of relationship	2. Nature of contracts/arrangements/transactions	3. Duration of contracts/arrangements/transactions	4. Salient terms of contracts/arrangements/transactions including the value, if any	5. Justification for entering into such contracts/arrangements/transactions	6. Date of approval by the board of directors	7. Date on which the special resolution was passed in general meeting
Not applicable since all the transactions have been entered at arm's length with related parties.						

2. Details of material contracts or arrangements or transactions at arm's length basis:

1. Name(s) of the related party and nature of relationship	2. Nature of contracts/arrangements/transactions	3. Duration of contracts/arrangements/transactions-	4. Salient terms of Contracts/arrangements/transactions including the value, if any (INR in lakhs)	5. Date of approval by the board of directors	6. Amount paid as advance, if any
InCred Financial Services Limited	Investments in Market Linked Debentures	FY 23-24	1,150.00	NA	NA
InCred Wealth and Investment Services Private Limited	Investments in Market Linked Debentures	FY 23-24	7,540.00	NA	NA
InCred Overseas Holdings Pte Limited	Investment in Subsidiary	FY 23-24	9,058.43	NA	NA
InCred Wealth and Investment Services Private Limited	Investment in Market Linked Debentures	FY 23-24	9,900.00	NA	NA
InCred Capital Wealth Portfolio Managers Private Limited	Purchase of Investments	FY 23-24	3,031.16	NA	NA
InCred Wealth and Investment Services Private Limited	Purchase of Investments	FY 23-24	5,749.61	NA	NA
InCred Financial Services Limited	Purchase of Investments	FY 23-24	150.00	NA	NA
InCred Financial Services Limited	Sale of Investments	FY 23-24	1,293.88	NA	NA

InCred Wealth and Investment Services Private Limited	Sale of Investments	FY 23-24	5,056.68	NA	NA
InCred Wealth and Investments Services Private Limited	Purchase of CCPS of Subsidiary Booth Fintech Private Limited	FY 23-24	1,047.13	NA	NA
InCred Financial Services Limited	Purchase of Equity Shares of Subsidiary Booth Fintech Private Limited	FY 23-24	1,736.49	NA	NA
InCred Wealth and Investment Services Private Limited	Deemed Investment in Subsidiary	FY 23-24	510.55	NA	NA
KMPs	Remuneration paid to KMPs	FY 23-24	318.40	NA	NA

**For and on behalf of the Board of Directors
InCred Capital Financial Services Private Limited**

Sd/-

Sd/-

**Bhupinder Singh
Director
DIN: 07342318**

**Saurabh Jhalaria
Director
DIN: 07908327**

**Place: Mumbai
Date: September 04, 2024**

Independent Auditor's Report

To the Members of InCred Capital Financial Services Private Limited

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of InCred Capital Financial Services Private Limited ("the Company") which comprises the Standalone Balance sheet as at 31st March 2024, the Standalone Statement of Profit and Loss including other comprehensive income, the Standalone Cash Flows Statement and the Standalone Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon. The board report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report the fact.

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements, that give a true and fair view of the standalone financial position, standalone financial performance including other comprehensive income, standalone cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for the safeguard of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that gives true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

That Board of Directors is also responsible for overseeing the company's financial reporting process.

Auditor's responsibilities for the audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Standalone Balance sheet, the Standalone Statement of Profit and Loss including other comprehensive income, the Standalone Cash Flow Statement and the Standalone Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.
 - e. On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

- f. With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure 'B'.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigation which may impact its standalone financial position in its standalone financial statements.
 - ii. The Company did not have any long-term contract, including derivative contracts for which there were any material foreseeable losses.
 - iii. There is no amount that is required to be transferred to the Investor Education and Protection Fund by the Company as on the close of the year.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note no. 45(vi) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the note no. 45(vii) to the financial statements, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
 - v. The company has not declared or paid any dividend during the year.

P N A M & CO. LLP

Chartered Accountants

- vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As provision to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For P N A M & Co. LLP

Chartered Accountants

ICAI Firm Reg. No.: 001092N/N500395

PARV
BANSAL

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by PARV BANSAL
Date: 2024.09.04
18:15:46 +05'30'

Parv Bansal

Partner

Membership No.: 515167

UDIN: 24515167BKBJBY1153

Place: New Delhi

Date: 04th September 2024

P N A M & CO. LLP

Chartered Accountants

Annexure - A to the Independent Auditors' Report

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of InCred Capital Financial Services Private Limited on the accounts of the Company for the year ended 31st March 2024.

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- i. a. (A) The Company has maintained proper records showing full particulars, including quantitative details and the situation of Property Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of Intangible Assets.
- b. The Company has a regular program of physical verification of its fixed assets by which all fixed assets are verified once in every three years. No material discrepancies were noticed on such verification. In our opinion, the frequency of verification of fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold any immovable property as on 31st March 2024.
- d. The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- e. There are no proceedings that have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. a. The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
- b. According to the information and explanations given to us, the Company has not been sanctioned any working capital limits during the year ended 31st March 2024, therefore reporting on clause 3(ii)(b) of the Order is not applicable to the Company.
- iii. a. During the year the investment made, guarantee provided, security given and the terms and conditions of the grant of all loans and guarantee provided to companies, firms, LLPs or any other parties are not prejudicial to the Company's interest.

(In INR Lakhs)

S.no.		Loans	Guarantees	Security
A.	Aggregate amount granted / provided during the year			
	- Subsidiaries and associates	17,843.01	-	-
	- Others	32,705.00	13,500.00	-
B.	Balances outstanding as at balance sheet date			
	- Subsidiaries and associates	2,088.07	-	-
	- Others	30,336.10	13,500.00	-

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- b. The investments made, guarantee provided, security given and the terms and conditions of the grant of all above-mentioned loans and guarantees provided, during the year, are, in our opinion, prima facie, not prejudicial to the company's interest.
- c. In respect of loans and advances in the nature of loans granted by the Company as part of its business of providing loans to individuals and corporates, the schedule of repayment of principal and payment of interest has been stipulated by the Company. All the receipts and repayments of such loans are regular and there are no overdue amounts as on the balance sheet date.
- d. In respect of loans and advances, there are no amounts overdue as at the balance sheet date therefore reporting under clause 3(iii)(d) of the Order is not applicable.
- e. No loan granted by the company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- f. The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, LLPs or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable.
- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of section 73 to 76 of the Companies Act, 2013 and the rules made thereunder, to the extent applicable, therefore reporting under clause 3 (v) is not applicable.
- vi. The Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the services rendered by the Company. Thus, reporting under clause 3(vi) of the Order is not applicable.
- vii. a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, goods and service taxes, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, and other material statutory dues were in arrears as at 31st March 2024 for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to us, there are no material dues of income-tax, and other material statutory dues which have not been deposited with the appropriate authorities on account of any dispute.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

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Chartered Accountants

- ix.
 - a. In respect of loans, according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
 - b. The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
 - c. The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
 - d. On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.
 - e. On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
 - f. On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on the pledge of securities held in its subsidiaries, joint ventures or associate companies therefore reporting under clause 3(ix)(f) of the Order is not applicable.
- x.
 - a. The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
 - b. During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi.
 - a. No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
 - b. No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
 - c. As represented to us by the management, there are no whistle-blower complaints received by the Company during the year.
- xii. In our opinion and according to the information and explanations given to us the Company is not a Nidhi Company as defined in section 406 of the Companies Act, 2013 therefore reporting under clause 3(xii) is not applicable to the Company.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013 therefore reporting under clause 3(xiv) is not applicable to the Company.

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- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. a. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- b. In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios disclosed in Note 44 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. There is no amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, that has been transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act.

For P N A M & Co. LLP
Chartered Accountants
ICAI Firm Reg. No.: 001092N/N500395

**PARV
BANSAL**

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Date: 2024.09.04
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Parv Bansal
Partner
Membership No.: 515167

UDIN: 24515167BKBjBY1153
Place: New Delhi
Date: 04th September 2024

Annexure - B to the Independent Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls over financial reporting of InCred Capital Financial Services Private Limited as of 31st March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2024, based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For P N A M & Co. LLP

Chartered Accountants

ICAI Firm Reg. No.: 001092N/N500395

**PARV
BANSAL**

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PARV BANSAL
Date: 2024.09.04
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Parv Bansal

Partner

Membership No.: 515167

UDIN: 24515167BKBJBY1153

Place: New Delhi

Date: 04th September 2024

Particulars	Note No.	As at 31st March 2024	As at 31st March 2023
A. ASSETS			
1. Non-current assets			
(a) Property, plant and equipment	3	496.15	329.97
(b) Capital work in Progress	4	10.79	10.79
(c) Goodwill		1,046.84	1,363.84
(d) Other intangible assets	5	4,619.21	5,198.40
(e) Financial assets			
Non Current Investments	6	78,239.79	57,115.61
Others non-current financial assets	7	508.83	63.18
(f) Deferred tax assets (Net)	31	290.20	458.31
(g) Other non current assets	8	78.83	51.51
Total non-current assets		85,290.65	64,591.61
2. Current assets			
(a) Financial assets			
Current Investments	9	5,207.82	3,232.20
Trade receivables	10	902.75	1,356.04
Cash and cash equivalents	11	1,593.47	759.31
Loans	12	32,294.31	-
Others current financial assets	13	345.83	1,140.49
(b) Current tax assets (Net)	14	299.82	892.03
(c) Other current assets	15	161.00	30.03
Total current assets		40,804.99	7,410.11
Total Assets		1,26,095.64	72,001.72
B. LIABILITIES AND EQUITY			
1. Equity			
(a) Equity share capital	16	1,321.14	1,321.14
(b) Other equity	17	62,723.85	60,354.39
Total Equity		64,044.99	61,675.53
2. Liabilities			
Non Current liabilities			
(a) Financial liabilities			
Non-current borrowings	18	22,165.18	9,099.68
Lease Liability		282.21	129.45
Other non-current financial liabilities	19	13.00	13.00
(b) Non-current provisions	20	59.16	51.10
Total non-current liabilities		22,519.55	9,293.24
Current liabilities			
(a) Financial liabilities			
Lease Liabilities		177.82	162.09
Trade payables	21	-	-
(i) total outstanding dues of micro and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro and small enterprises		349.58	406.33
Borrowings	22	36,969.45	-
Other current financial liabilities	23	1,935.66	341.24
(b) Other current liabilities	24	91.05	112.84
(c) Current provisions	25	7.54	10.45
Total current liabilities		39,531.10	1,032.95
Total Liabilities		62,050.65	10,326.19
Total Liabilities and Equity		1,26,095.64	72,001.72

The accompanying notes are an integral part of the standalone financial statements

Note 1 & 2

As per our report of even date.

For **P N A M & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 001092N/N500395

PARV BANSAL
Digitally signed by PARV BANSAL
Date: 2024.09.04
18:16:57 +05'30'

Parv Bansal
Partner
Membership No.: 515167
Place : New Delhi
Date : 04 September 2024

For and on behalf of the Board of Directors of
InCred Capital Financial Services Private Limited

BHUPINDER SINGH
Digitally signed by BHUPINDER SINGH
Date: 2024.09.04
15:10:42 +05'30'

Bhupinder Singh
Director
DIN - 07342318
Place : Mumbai
Date : 04 September 2024

SAURABH JHALARIA
Digitally signed by SAURABH JHALARIA
Date: 2024.09.04
15:02:50 +05'30'

Saurabh Jhalaria
Director
DIN - 07908327
Place : Mumbai
Date : 04 September 2024

Particulars	Note No.	Year ended 31st March 2024	Year ended 31st March 2023
(I) Income			
(i) Revenue From operations	26	12,265.21	8,421.83
(ii) Other Income	27	1,069.99	1,633.16
Total revenue from operations (I = i + ii)		13,335.20	10,054.99
(II) Expenses			
(i) Employee benefits expenses	28	3,300.00	4,858.83
(ii) Finance costs	29	4,172.66	514.45
(iii) Depreciation, amortization and impairment	3 & 5	797.29	733.91
(iv) Others expenses	30	2,399.93	3,222.70
Total expenses (II = i + ii + iii + iv)		10,669.88	9,329.90
(III) Profit/(loss) before tax and exceptional items (III = I - II)		2,665.32	725.09
(IV) Exceptional items		317.00	-
(V) Profit/(loss) before tax (V = III - IV)		2,348.32	725.09
(VI) Tax Expense:	31		
(i) Current tax		461.42	-
(ii) Deferred tax		163.99	(298.45)
(iii) Pertaining to earlier years		-	39.79
Total tax expense (VI = i + ii + iii)		625.41	(258.66)
(VII) Profit/(loss) for the period (VII = V - VI)		1,722.91	983.75
(VIII) Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
(i) Remeasurements of the defined benefit plans		6.16	(10.22)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(4.12)	4.45
Subtotal (A = i + ii)		2.04	(5.77)
(B) Items that will be reclassified to profit or loss			
(i) Net Gain/ (Loss) on instruments through other comprehensive income		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Subtotal (B = i + ii)		-	-
Total other comprehensive income (VIII = A + B)		2.04	(5.77)
(IX) Total comprehensive income for the period (IX = VII + VIII)		1,724.95	977.98
(X) Earnings per share (EPS) (Face value of INR. 10 each)			
Basic (INR.)	32	13.51	8.66
Diluted (INR.)		13.04	8.14

The accompanying notes are an integral part of the standalone financial statements

Note 1 & 2

As per our report of even date.

For **P N A M & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 001092N/N500395

PARV BANSAL
Digitally signed by
PARV BANSAL
Date: 2024.09.04
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Parv Bansal
Partner
Membership No.: 515167
Place : New Delhi
Date : 04 September 2024

For and on behalf of the Board of Directors of
InCred Capital Financial Services Private Limited

BHUPINDER SINGH
Digitally signed
by BHUPINDER
SINGH
Date: 2024.09.04
15:11:49 +05'30'

Bhupinder Singh
Director
DIN - 07342318
Place : Mumbai
Date : 04 September 2024

SAURABH JHALARIA
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SAURABH
JHALARIA
Date: 2024.09.04
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Saurabh Jhalaria
Director
DIN - 07908327
Place : Mumbai
Date : 04 September 2024

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
A. Cash flow from operating activities		
Profit/ (Loss) before tax	2,348.32	725.09
Adjustments to reconcile profit before tax to net cash flows from operating activities		
- Depreciation and amortisation	797.29	733.91
- Profit on sale of investments	(7,831.93)	(1,476.86)
- MTM on Borrowings	2,392.41	
- Interest Income on Loans	(759.00)	(1,410.92)
- Fair value gain on financial instruments at fair value through P&L		(128.04)
- Rent expense on deferred lease rentals	10.78	6.50
- Allowance for credit loss	361.47	(102.67)
- Assets written off	329.08	
- Loss on sale of fixed assets		0.86
- Interest on Borrowings	3,983.42	377.66
- Interest on unwinding of financial liabilities	48.84	35.54
- Interest on unwinding of financial assets	(10.52)	(6.23)
- Share based payment to employees	644.51	2,777.34
Operating profit/loss before working capital changes	2,314.66	1,532.17
Adjustments for (increase) / decrease in operating assets:		
- Trade receivables	429.87	1,018.07
- Other financial assets	137.83	(1,118.48)
- Other non-financial assets	(158.55)	333.39
Adjustments for increase / (decrease) in operating liabilities:		
- Trade payables	(58.65)	(1,906.91)
- Deposits		(2.44)
- Other financial liabilities	1,594.42	(539.76)
- Other non-financial liabilities	(21.79)	(256.95)
- Provisions	11.30	2.94
Cash generated from / (used in) operations	4,249.09	(937.98)
Direct taxes (paid) net of refunds	130.80	(491.46)
Net cash flow from (used in) operating activities (A)	4,379.89	(1,429.44)
B. Cash flows from investing activities		
- Purchase of Property, Plant and Equipment	(13.71)	(18.34)
- Purchase of Intangible assets (including under development)		
- Capital work in progress		(9.70)
- Proceeds from sale of fixed assets		9.15
- Net Proceeds from Loans	(32,421.17)	26,888.95
- Interest Income on Loans	759.00	1,410.92
- Investment in Subsidiary	(13,594.59)	(45,739.85)
- Proceeds from sale of Subsidiary	874.81	
- Purchase of investments	(1,31,316.33)	(2,76,227.76)
- Proceeds from sale of investments	1,26,377.78	2,68,993.05
Net cash flow from / (used in) investing activities (B)	(49,334.21)	(24,693.58)
C. Cash flows from financing activities		
- Share Capital		161.63
- Securities premium (Net of Share issue expenses)		13,716.78
- Proceeds from Borrowings	1,00,249.82	13,270.00
- Repayment of Borrowings	(53,379.30)	(4,532.00)
- Interest payment on borrowings	(822.96)	(47.97)
- Payment of lease liabilities	(259.07)	(164.23)
Net cash flow from / (used in) in financing activities (C)	45,788.49	22,404.20
Net increase / (decrease) in cash and cash equivalents (A + B + C)	834.16	(3,718.82)
Cash and cash equivalents at the beginning of the year	759.31	4,478.13
Cash and cash equivalents at the end of the year [Refer Note 1 below]	1,593.47	759.31
Net increase / (decrease) in cash and cash equivalents during the year	834.16	(3,718.82)

Notes to Standalone cash flow statement
1. Components of cash and cash equivalents
Cash on hand
With banks - on current account & fixed deposits

-	-
1,593.47	759.31
<u>1,593.47</u>	<u>759.31</u>

The accompanying notes are an integral part of the standalone financial statements

Note 1 & 2

As per our report of even date

For P N A M & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 001092N/N500395

For and on behalf of the Board of Directors of
InCred Capital Financial Services Private Limited

PARV
BANSAL

Digitally signed by
PARV BANSAL
Date: 2024.09.04
18:17:35 +05'30'

Parv Bansal
Partner
Membership No.: 515167
Place : New Delhi
Date : 04 September 2024

BHUPINDER
SINGH

Digitally signed
by BHUPINDER
SINGH
Date: 2024.09.04
15:12:14 +05'30'

Bhupinder Singh
Director
DIN - 07342318
Place : Mumbai
Date : 04 September 2024

SAURABH
JHALARIA

Digitally signed by
SAURABH JHALARIA
Date: 2024.09.04
15:03:52 +05'30'

Saurabh Jhalaria
Director
DIN - 07908327
Place : Mumbai
Date : 04 September 2024

A. Equity share capital

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
<u>Issued, subscribed and fully paid-up</u>		
<u>Equity share capital of INR 10 each issued</u>		
Balance as at the beginning of the year	1,275.74	989.98
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the year	1,275.74	989.98
Changes in equity share capital during the year	-	285.76
Balance as at the end of the year	1,275.74	1,275.74

B. Preference share capital

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
<u>Issued, subscribed and fully paid-up</u>		
<u>Compulsorily convertible preference shares of INR 10 each</u>		
Balance as at the beginning of the year	-	-
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the year	-	-
Additions during the year	-	60.35
Changes during the year	-	(60.35)
Balance as at the end of the year	-	-
<u>Optionally convertible preference shares of INR 10 each</u>		
Balance as at the beginning of the year	45.40	45.40
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the year	45.40	45.40
Changes during the year	-	-
Balance as at the end of the year	45.40	45.40
Total	45.40	45.40

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C. Other equity

Particulars	Share application money pending allotment	Reserves and Surplus				De Re p
		Contingency reserve	Share based payment reserve	Statutory reserve	Securities premium	
Balance as at 31st March 2022	-	0.54	291.72	719.06	36,364.38	
Profit / (loss) for the year	-	-	-	-	-	
Other comprehensive income for the year	-	-	-	-	-	
Total comprehensive income for the year (net of tax)	-	-	-	-	-	
Transfer / utilisations:						
Share application money pending allotment	-	-	-	-	-	
Utilisation on conversion of Share capital	-	-	(51.50)	-	(2.94)	
Premium on private placement	-	-	-	-	20,885.01	
Amounts utilised towards share issue expenses	-	-	-	-	(531.65)	
Transferred to statutory reserve from retained earnings	-	-	-	196.75	-	
Employee stock option expense	-	-	2,777.34	-	-	
Reserves acquired on amalgamation/merger	-	-	-	-	-	
Balance as at 31st March 2023	-	0.54	3,017.56	915.81	56,714.80	
Profit / (loss) for the year	-	-	-	-	-	
Other comprehensive income for the year	-	-	-	-	-	
Total comprehensive income for the year (net of tax)	-	-	-	-	-	
Transfer / utilisations:						
Share application money pending allotment	-	-	-	-	-	
Utilisation on conversion of Share capital	-	-	-	-	-	
Premium on private placement	-	-	-	-	-	
Amounts utilised towards share issue expenses	-	-	-	-	-	
Transfer to Debenture Redemption Reserve	-	-	-	-	(420.07)	
Transferred to/from statutory reserve from/to retained earnings	-	-	-	(915.81)	-	
Employee stock option expense	-	-	644.51	-	-	
Reserves acquired on amalgamation/merger	-	-	-	-	-	
Balance as at 31st March 2024	-	0.54	3,662.07	-	56,294.73	

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

For P N A M & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 001092N/N500395

PARV
BANSAL
Parv Bansal
Partner
Membership No.: 515167

Place : New Delhi
Date : 04 September 2024

For and on behalf of the Board of Directors of
InCred Capital Financial Services Private Limited

BHUPINDER
SINGH
Digitally signed by
BHUPINDER SINGH
Date: 2024.09.04
15:13:04 +05'30'

Bhupinder Singh
Director
DIN - 07342318

Place : Mumbai
Date : 04 September 2024

SAURABH
JHALARIA
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SAURABH JH
Date: 2024.09
15:04:57 +05'

Saurabh Jhalaria
Director
DIN - 07908327

Place : Mumbai
Date : 04 September 2024

Note 1 : General information

1.1. Corporate information

InCred Capital Financial Services Private Limited ('the Company') was incorporated in India on 27th March 1996 under the provision of Companies Act, 1956 having CIN U67120MH1996PTC355036.

The Company was registered with RBI to carry on the business of Non-Banking Financial Company without accepting public deposits ("NBFC") and was granted Certificate of Registration (CoR) bearing No B-13.02415. The Company applied for surrender of NBFC CoR and the same was accepted by RBI vide its letter dated July 17, 2023.

The Company is an integrated provider of advisory services to corporate and institutional clients through capital markets and investment banking platforms. One of the primary business of ICFSP is also to engage in purchase and sale of securities.

The registered office of the Company is Unit No. 1203, 12th Floor, B Wing, The Capital, Bandra Kurla Complex Mumbai - 400051.

1.2. Basis of preparation

The Standalone financial statement of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Act.

These standalone financial statements are approved for issue by the Board of Directors on 04 September 2024

B. Functional and presentation currency

The standalone financial statements are presented in Indian Rupees ('INR'), which is also the Company's functional currency. All the amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

C. Basis of measurement

The standalone financial statements have been prepared on a going concern basis under historical cost convention and on an accrual method of accounting except for the following items:

- (i) Certain financial assets and liabilities that are measured at fair value/amortised cost
- (ii) Net defined benefit asset / liability - plan assets are measured at fair value less present value of defined benefit obligation; and
- (iii) Share-based payments - measured at fair value

D. Use of estimates and judgements

The preparation of the standalone financial statements in conformity with Ind AS requires that management make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities as of the date of the standalone financial statements and the income and expense for the reporting period. The actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The Company makes certain judgments and estimates for valuation and impairment of financial instruments, fair valuation of employee stock options, useful life of property, plant and equipment, deferred tax assets and retirement benefit obligations. Management believes that the estimates used in the preparation of the standalone financial statements are prudent and reasonable.

Significant judgements

Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

Recognition of deferred tax assets/liabilities

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases and unutilised business loss and depreciation carry forward and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry forward and unused tax credits could be utilised.

Recognition and measurement of provisions and contingencies

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

Discounting of long-term financial assets/liabilities

All financial assets/liabilities are required to be measured at fair value on initial recognition. In case of financial assets/liabilities which are required to be subsequently measured at amortised cost, interest is accrued using the effective interest method.

Impairment of financial assets

The Company recognises loss allowances for expected credit losses on its financial assets measured at amortised cost. At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Leases

The determination of lease term for some lease contracts in which the Company is a lessee, including whether the Company is reasonably certain to exercise lessee options. The determination of the incremental borrowing rate used to measure lease liabilities.

E. Presentation of standalone financial statements

Standalone financial statements of the Company are presented as per Schedule III ('Division III') of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs ('MCA'). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7, Statement of Cash Flows. The disclosure requirements with respect to items in the Standalone Balance Sheet and Standalone Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the standalone financial statements along with the other notes required to be disclosed under the notified Accounting Standards, and RBI regulations to the extent applicable.

F. Current / Non-current classification of assets and liabilities

All assets and liabilities are classified into current and non-current.

Assets:

An asset is classified as current when it satisfies any of the following criteria:

- (i) It is expected to be realised in, or is interested in sale or consumption in, the Company's normal operating cycle;
- (ii) It is held primarily for being traded;
- (iii) It is expected to be realised within 12 months after the reporting date; or
- (iv) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

- (i) It is expected to be settled in the Company's normal operating cycle;
- (ii) It is held primarily for being traded;
- (iii) It is due to be settled within 12 months after the reporting date; or
- (iv) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Current liabilities include the current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as Non-current.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. The Company has identified 12 months as their operating cycle for classification of their current assets and liabilities.

Note 2 : Material accounting policies

2.1. Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for the asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The Company has an established control framework with respect to the measurement of fair values. The management has the overall responsibility for overseeing all significant fair value measurements, including Level 3 fair value.

The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair values of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- (i) **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (ii) **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- (iii) **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2.2. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when company becomes party to the contractual provisions of the instruments.

A. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss ('FVTPL'), transaction costs that are directly attributable to its acquisition.

B. Classification of financial assets:

Financial assets:

On initial recognition, a financial asset is classified as measured at:

- Amortised Cost
- Fair value through other comprehensive income ('FVOCI')
- Fair value through profit and loss ('FVTPL')

Financial assets measured at amortised cost:

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment), unless the asset is designated at FVTPL:

- (i) the financial asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- (ii) the Contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

Financial assets measured at Fair Value through Profit and Loss ('FVTPL'):

A financial asset which is not classified in above category is subsequently measured at FVTPL. Where assets are measured at fair value, gains and losses are recognized entirely in the Statement of Profit and Loss.

C. Subsequent recognition of financial assets:

The assets classified in the aforementioned categories are subsequently measured as follows:

Financial assets at amortised cost:

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Statement of Profit and Loss.

Financial assets at FVTPL:

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Standalone Statement of Profit and Loss.

Debt investments at FVOCI:

These assets are subsequently measured at fair value. Interest income under the EIR method, foreign gains and losses and impairment are recognised in Standalone Statement of Profit and Loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Standalone Statement of Profit and Loss.

Equity investments designated at FVOCI:

These assets are subsequently measured at fair value. Dividends are recognised as income in Standalone Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to Standalone Statement of Profit and Loss.

D. Classification of financial liabilities:

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as on initial recognition.

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

E. Subsequent recognition of financial liabilities:

All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable and incremental transaction cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs profit and loss.

The Company's financial liabilities include trade payables and other financial liabilities.

F. Offsetting of financial instruments

A financial asset and a financial liability is offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

G. Reclassification of financial assets and financial liabilities

The Company is required to reclassify financial assets when and only when it changes its business model for managing financial assets.

Reclassifications are expected to be very infrequent. Such changes must be determined by the company's senior management as a result of external or internal changes and must be significant to the company's operations and demonstrable to external parties.

Further reclassification is not allowed in following cases:

- Investments in equity instruments irrevocably designated as at FVOCI cannot be reclassified,
- Reclassification of financial liabilities.

2.3. Impairment

A. Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss model (ECL) for measurement and recognition of impairment loss. At each reporting date, the Company assesses whether the receivables have been impaired. The Company is exposed to credit risk when the customer defaults on his contractual obligations.

The Company records allowance for expected credit losses (ECL) for all loans and debt investments, together with loan commitments to customers.

The ECL allowance is based on the credit losses expected to arise over the life of the asset, unless there has been no significant increase in credit risk since origination, in which case the allowance is based on the 12 months' expected credit loss. Both life time expected credit loss and 12 months' expected credit loss are calculated on individual loan / instrument basis.

At the end of each reporting period, the Company performs an assessment of whether the loan's / investment's credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the asset.

Based on the above, the Company categorises its loans into Stage 1, Stage 2 and Stage 3 as under:

Stage 1: When loans are first recognised, the Company recognises an allowance based on 12 months' expected credit loss. Stage 1 loans also include facilities where the credit risk has improved and the loan has been re-classified from Stage 2.

Stage 2: When a loan has shown significant increase in credit risk since origination, the Company records an allowance for the life time expected credit loss. Stage 2 loans also include facilities where the credit risk has improved and the loan has been re-classified from Stage 3.

Stage 3: When a loan is credit impaired, the Company records an allowance for the life time expected credit loss.

The Company calculates ECLs based on probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to the Company in accordance with the contract and the cash flows that the Company expects to receive.

Key elements considered for ECL calculation are as under:

Probability of Default (PD): It is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

Exposure at Default: The Exposure at Default is an estimate of the exposure at a future default date.

Loss Given Default (LGD): LGD is an estimate of the loss arising in case where a default occurs. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realization of any security.

B. Impairment of non-financial assets

The carrying values of assets at each balance sheet date are reviewed to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of the asset is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment loss is recognised in the Statement of Profit and Loss for such excess amount.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.4. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.5. Investments

Investment in subsidiaries

Investment in subsidiaries is carried at cost less impairment if any in the standalone financial statement.

Investment in Mutual Fund

The company uses Net Asset Value (NAV) to fair value investments in mutual funds.

Investment in Equity

The company uses Net Asset Value (NAV) to fair value investments in equity.

Investment in AIF

The company uses Net Asset Value (NAV) to fair value investments in AIF.

2.6. Property, plant and equipment

A. Recognition and measurement

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. The cost of an item of property, plant and equipment comprises of its purchase price, including import duties and non-refundable purchase taxes after deducting trade discounts and rebates and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management and the initial estimate of the cost of dismantling, removing the item and restoring the site on which it is located, referred to as 'decommissioning, restoration and similar liabilities', the obligation for which an enterprise incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during the period.

Borrowing costs relating to acquisition of an item of property, plant and equipment which takes substantial period to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital Work-in-Progress'.

Repairs & Maintenance costs are recognized in the net profit in the Statement of Profit and Loss when incurred.

Property, plant and equipment held for sale is valued at lower of their carrying amount and net realizable value. Any write-down is recognized in the statement of profit and loss.

B. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

C. Derecognition

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

D. Depreciation

Depreciation on property, plant and equipment is calculated on a straight-line method (SLM). The rates of depreciation used are those which have been calculated as per the method specified in Schedule II of the Companies Act, 2013. The Companies Act, 2013 prescribes that the asset should be written off over its useful life as estimated by the management and provides the indicative useful lives for the different class of assets.

The useful life as per Schedule II are as follows:

Asset Group	Useful life as per Schedule II
Furniture and fittings	10
Computers	3
Office Equipment's	5
Vehicle	8
Leasehold improvements	Over the life of
ROU Assets	Over the life of

Depreciation is not recorded on capital work in progress until construction and installation is completed and assets are ready for its intended use.

Depreciation on addition to property, plant and equipment is provided on pro-rata basis from the date the asset is ready for use. Depreciation on sale/ deduction of property, plant and equipment is provided for up to the date of sale, deduction and discarding as the case may be.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimated useful life as given above best represent the period over which management expects to use these assets.

2.7. Intangible assets

A. Recognition and measurement

Intangible assets are stated at cost of acquisition less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

B. Subsequent expenditure

Subsequent expenditure on an intangible asset is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure are recognised in the Statement Profit and Loss as incurred.

C. Amortization

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful life using the straight-line method, and is included in depreciation, amortisation and impairment in the Statement of Profit and Loss.

The intangible assets are amortised over the estimated useful life of 3 years.

Amortisation methods, useful life and residual values are reviewed at each reporting date and adjusted prospectively.

2.8. Income tax

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income ('OCI').

A. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- (i) has a legally enforceable right to set off the recognised amounts; and
- (ii) intends to realise the asset or settle the liability on a net basis or simultaneously.

B. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- (i) temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit and loss; and
- (ii) temporary differences related to investments in subsidiaries and associates to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted as on the reporting date. Taxes relating to items recognised directly in equity or OCI is recognised in equity or OCI.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- (i) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- (ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

2.9. Borrowing costs

Borrowing costs include interest expense as per the effective interest rate (EIR) and other costs incurred by the Company in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of those tangible fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized. Other borrowing costs are recognized as an expense in the year in which they are incurred.

2.10. Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

2.11. Leases

The Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates.

2.12. Revenue from operations

The Company has adopted Ind AS 115, Revenue from Contracts with Customers.

The Company recognised revenue primarily from various activities as follows:

- (i) Interest income or expense is recognised using the effective interest rate method.
- (ii) Other operational revenue represents income earned from the activities incidental to the business and is recognized when the right to receive the income is established as per the terms of the contract

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

2.13. Earning per share

The basic earnings per share ('EPS') is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.14. Provisions, contingent liabilities and contingent assets

A. Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expenses relating to a provision is presented in the Statement of Profit and Loss.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

B. Onerous contracts

Provisions for onerous contracts are recognized when the expected benefits to be derived from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

Provisions, contingent assets, contingent liabilities and commitments are reviewed at each reporting date.

2.15. Foreign currencies

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR).

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on transaction/settlement of monetary items are recognised in statement of profit and loss in the period in which they arise.

2.16. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to chief operating decision maker. An operating segment is a component of the Company that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relate to transactions with other components of the same entity, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the chief operating decision maker.

2.17. Events after the reporting period

Events after the reporting period are those events, both favourable and unfavourable that occur between end of the reporting period and the date on which the standalone financial statements are approved for issue.

A. Adjusting events

Events which provide further evidence of conditions that existed at the end of the reporting period are adjusting events. Financials have been adjusted for those events.

B. Non-adjusting events

Events which are of indicative of conditions that arise after the end of the reporting period are Non-adjusting events. Disclosure of the nature of event and estimate of its financial effect have been made in the standalone financial statements.

There have been no events after the reporting date that require disclosure in these standalone financial statements.

2.18. Related party disclosure

A related party is any party of entity that controls or can significantly influence the management or operating policies of the Company during the reporting period.

The Company has disclosed names of related parties with relationship and transaction between Company and its related parties in the Notes to standalone financial statements .

2.19. Employee benefits

A. Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

B. Compensated absences

The Company does not have a policy of encashment of unavailed leaves for its employees and are not permitted to carry forward the leaves. Hence there is no liability towards compensated absence.

C. Post-employment benefits

Defined contribution plans

Retirement benefit in the form of provident fund is a defined contribution scheme. The company is statutorily required to contribute a specified portion of the basic salary of an employee to a provident fund as part of retirement benefits to its employees. The contributions during the year are charged to the statement of profit and loss.

Defined benefit plans - Gratuity

The Company's liability towards gratuity scheme is determined by independent actuaries, using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement of defined benefit plans, comprising of actuarial gains / losses, return on plan assets excluding interest income are recognised immediately in the balance sheet with corresponding debit or credit to Other Comprehensive Income (OCI). Remeasurements are not reclassified to statement of profit and loss in the subsequent period.

2.19 Statement of Cash flows

Cash flows are reported using the indirect method in accordance with Ind AS 7 Statement of Cash Flows, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.20 Exceptional items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items is disclosed separately as exceptional items.

InCred Capital Financial Services Private Limited

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Notes to standalone financial statements for the year ended 31st March 2024

(All amounts in INR Lakhs, unless otherwise stated)

Note 3 : Property, plant and equipment

Particulars	ROU Assets	Furniture and fixtures	Leasehold Improvements	Office equipment	Vehicle
Gross carrying amount:					
As at 31st March 2022	456.25	25.91	96.83	34.32	77.21
Additions during the year	30.59	-	-	0.17	-
Acquired via Merger	-	20.55	68.39	46.53	-
Disposals during the year	-	-	-	-	12.21
As at 31st March 2023	486.84	46.47	165.22	81.02	65.00
Additions during the year	395.71	0.05	-	0.96	-
Disposals during the year	28.87	-	-	-	-
Write offs during the year	-	20.55	68.39	46.70	-
As at 31st March 2024	853.68	25.97	96.83	35.27	65.00
Accumulated depreciation:					
As at 31st March 2022	209.27	4.81	36.17	12.36	6.50
Depreciation charge during the year	100.13	2.80	22.36	8.70	8.79
Acquired via Merger	-	17.93	68.39	37.23	-
Accumulated depreciation on disposals	-	-	-	-	2.61
As at 31st March 2023	309.40	25.53	126.92	58.29	12.69
Depreciation charge during the year	163.51	2.60	22.42	6.41	8.15
Accumulated depreciation on disposals	11.88	-	-	-	-
Write offs during the year	-	18.14	68.39	39.11	-
As at 31st March 2024	461.03	10.00	80.95	25.60	20.84
Net carrying amount:					
As at 31st March 2024	392.66	15.97	15.88	9.68	44.16
As at 31st March 2023	177.44	20.93	38.30	22.72	52.31

Note 4 : Capital work in Progress

Particulars	Total
As at 31st March 2022	1.09
Additions during the period	9.70
Capitalized during the period	-
As at 31st March 2023	10.79
Additions during the period	-
Capitalized during the period	-
As at 31st March 2024	10.79

Aging for CWIP :

Particulars	Less than 1 year	1 - 2 years	2 -3 years	More than 3 years	Total
Projects in progress	-	9.70	1.09	-	10.79
As at 31st March 2024	-	9.70	1.09	-	10.79

Aging for CWIP :

Particulars	Less than 1 year	1 - 2 years	2 -3 years	More than 3 years	Total
Projects in progress	9.70	1.09	-	-	10.79
As at 31st March 2023	9.70	1.09	-	-	10.79

Note 5 : Other intangible assets

Particulars	Software	Technology Development	Brand	Customer Relationships	Total
Gross carrying amount:					
As at 31st March 2022	5.43	-	-	-	5.43
Additions during the year	-	2,411.50	575.00	2,789.50	5,776.00
Disposals during the year	-	-	-	-	-
As at 31st March 2023	5.43	2,411.50	575.00	2,789.50	5,781.43
Additions during the year	-	-	-	-	-
Disposals during the year	-	-	-	-	-
As at 31st March 2024	5.43	2,411.50	575.00	2,789.50	5,781.43

Accumulated amortisation and impairment:					
As at 31st March 2022	5.00	-	-	-	5.00
Amortisation charge during the year	0.43	241.15	57.50	278.95	578.03
Disposals	-	-	-	-	-
As at 31st March 2023	5.43	241.15	57.50	278.95	583.03
Amortisation charge during the year		241.81	57.66	279.71	579.18
Disposals					-
As at 31st March 2024	5.43	482.96	115.16	558.66	1,162.21
Net carrying amount as at 31st March 2024	-	1,928.54	459.84	2,230.84	4,619.21
Net carrying amount as at 31st March 2023	-	2,170.35	517.50	2,510.55	5,198.40

Technology Development is acquired through Business Combination with Clamant Tech Services Private Limited
Brand Name and Customer Acquisition are the intangibles acquired through Business Combination with MAPE Advisory Group Private Limited

Note 6 : Non Current Investments

Particulars	As at 31st March 2024	As at 31st March 2023
(A) Investments carried at fair value through profit or loss		
In Alternate Investment Fund	10,632.10	4,695.25
In Portfolio Management Services	502.83	402.27
In Non Convertible Debentures & Market Linked Debentures	2,055.28	1,274.78
In Derivative assets	1,841.97	811.31
	15,032.18	7,183.60
(B) Investments carried at cost		
In Subsidiaries (unquoted)		
InCred Asset Management Private Limited	5,049.31	4,900.00
InCred Wealth and Investment Services Private Limited	42,811.40	42,300.85
InCred Alternative Investments Private Limited	1,518.50	1,511.00
Booth Fintech Private Limited	2,464.63	-
InCred Overseas Holding Private Limited (Singapore)	9,058.43	-
In Associates (unquoted)		
Alpha Fintech Private Limited	2,305.34	1,220.16
	63,207.61	49,932.01
Total - Gross (A + B)	78,239.79	57,115.61
Less: Impairment loss allowance	-	-
Total - Net of impairment loss allowance	78,239.79	57,115.61
(A) Investments in India	69,181.36	57,115.61
(B) Investments outside India	9,058.43	-
Total - Gross (A + B)	78,239.79	57,115.61
Less: Impairment loss allowance	-	-
Total - Net of impairment loss allowance	78,239.79	57,115.61

Note 7 : Others non-current financial assets

Particulars	As at 31st March 2024	As at 31st March 2023
Financial assets carried at amortized cost:		
Rental deposits	38.09	62.62
Other Advances	-	68.51
Advance to Broker	470.73	0.57
	508.83	131.70
Less: Allowance for impairment loss	-	(68.51)
Total	508.83	63.18

Note 8 : Other non current assets

Particulars	As at 31st March 2024	As at 31st March 2023
Balances with government authorities	-	25.96
Deferred rent expense	14.01	11.43
Prepaid Expenses	64.82	13.87
Others	-	0.26
Total	78.83	51.51

Note 9 : Current Investments

Particulars	As at 31st March 2024	As at 31st March 2023
Investments carried at fair value through profit or loss		
In Mutual Funds	0.29	-
In Equity Shares - Unlisted	2,435.30	1,539.11
In Non Convertible Debentures & Market Linked Debentures	2,772.23	1,693.09
Total	5,207.82	3,232.20
Aggregate amount of unquoted investments	5,196.31	3,232.20
Aggregate amount of quoted investments	11.51	-

Note 10 : Trade receivables

Particulars	As at 31st March 2024	As at 31st March 2023
Secured, considered good	-	-
Unsecured, considered good	933.08	1,362.95
Significant increase in credit risk	-	-
Credit impaired	-	-
	933.08	1,362.95
Less: Allowance for impairment loss	(30.32)	(6.91)
Total	902.75	1,356.04

As at 31st March 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) Undisputed Trade Receivables - Consider good	915.38	17.70	-	-	-	933.08
ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-
iv) Disputed Trade Receivables - Considered goods	-	-	-	-	-	-
v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-
Total	915.38	17.70	-	-	-	933.08

As at 31st March 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) Undisputed Trade Receivables - Consider good	1,362.95	-	-	-	-	1,362.95
ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-
iv) Disputed Trade Receivables - Considered goods	-	-	-	-	-	-
v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-
Total	1,362.95	-	-	-	-	1,362.95

Note 11 : Cash and cash equivalents

Particulars	As at 31st March 2024	As at 31st March 2023
Cash on hand	-	-
Balances with banks (of the nature of cash and cash equivalent)	1,593.47	759.31
Total	1,593.47	759.31

Note 12 : Loans

Particulars	As at 31st March 2024 Amortised cost	As at 31st March 2023 Amortised cost
Unsecured and Considered Good ^a		
(i) Intercompany deposits to others	7,730.99	-
(ii) Intercompany deposits to related party	24,693.18	-
Total - Gross	32,424.17	-
Less: Impairment loss allowance	(129.86)	-
Total - Net of impairment loss allowance	32,294.31	-

^aIntercompany deposits has been given for general business purpose.

Note 13 : Others current financial assets

Particulars	As at 31st March 2024	As at 31st March 2023
Receivable towards Investments	-	725.11
Rental Deposits	72.11	-
Advance to Broker	-	1.50
Merger receivable	456.44	407.25
Others	28.46	6.63
	557.02	1,140.49
Less: Impairment loss allowance	(211.20)	-
Total	345.83	1,140.49

Note 14 : Current tax assets (Net)

Particulars	As at 31st March 2024	As at 31st March 2023
Income tax refundable (net of provision for income tax)	299.82	892.03
Total	299.82	892.03

Note 15 : Other current assets

Particulars	As at 31st March 2024	As at 31st March 2023
Prepaid expenses	142.40	19.01
Others	0.03	0.53
Deferred rent expense	4.32	-
Advance for expenses	14.26	10.49
Total	161.00	30.03

InCred Capital Financial Services Private Limited

CIN: U67120MH1996PTC355036

Notes to standalone financial statements for the year ended 31st March 2024

(All amounts in INR Lakhs, unless otherwise stated)

Note 16 : Equity share capital

Particulars	As at 31st March 2024	
	Number	Amount
Authorised share capital [Refer note 'd' below]		
Equity shares of INR. 10/- each	3,41,94,000	3,419.40
Compulsorily convertible preference shares of INR 10/- each	7,16,000	71.60
Optionally convertible redeemable preference shares of INR 10/- each	6,00,000	60.00
	3,55,10,000	3,551.00
Issued, subscribed and paid up capital		
Equity Shares of INR. 10/- each fully paid up	1,27,57,390	1,275.74
Optionally convertible redeemable preference shares of INR 10/- each fully paid-up	4,53,962	45.40
Total issued, subscribed and paid-up share capital	1,32,11,352	1,321.14

a. Terms and rights attached to Equity shares

The Company has only one class of equity shares. The equity shares have a paid up value of INR 10 per share. Each holder of equity shares is entitled to vote in proportion of the share of shareholder. Each shareholder is entitled to receive interim dividend when it is declared by the Board of Directors. The final dividend proposed by the Board of Directors are paid when approved at the general meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company proportionately along with the holders of compulsory convertible preference shares of all preferential amounts. The distribution shall be according to the members right and interest in the company.

b. Terms and rights attached to Optionally convertible redeemable preference shares

Pursuant to Composite Scheme of Arrangement between Clamant Tech Services Private Limited ('Transferor Company'), InCred Wealth Private Limited ('Demerged Company 1'), MAPE Advisors Private Limited ('Demerged Company 2'), InCred Wealth and Investment Services Private Limited ('Resulting Company 1') and InCred Capital Financial Services Private Limited ('Company' or 'Transferee Company' or 'Resulting Company 2') passed by the NCLT Mumbai sanctioning the Composite Scheme the Company had allotted 4,53,962 Class A Optionally convertible redeemable preference shares ("OCRPS"). Based on the valuation of the Company, the liability portion arising out of redemption option is immaterial and therefore not accounted for.

Therefore entire OCRPS has been considered as equity in nature. The conversion right is to be exercised by the holders of OCRPS after 90 days from the end of 3 (three) years from the Appointed Date.

OCRPS shall be redeemed at the option of the Company after the end of 3 (three) Years from the Appointed Date.

c. Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at 31st March 2024	
	Number	Amount
Equity shares		
At the beginning of the year	1,27,57,390	1,275.74
Add: Shares issued on conversion of CCPS and OCRPS during the year	-	-
Add: Shares issued during the year	-	-
Less: Bought back during the year	-	-
Outstanding at the end of the year	1,27,57,390	1,275.74
Instruments entirely equity in nature		
Compulsorily convertible preference shares		
At the beginning of the year	-	-
Add: Shares issued during the year	-	-
Less: Converted to Equity shares during the year	-	-
Outstanding at the end of the year	-	-
Optionally convertible redeemable preference shares		
At the beginning of the year	4,53,962	45.40
Add: Shares issued during the year	-	-
Less: Converted to Equity shares during the year	-	-
Outstanding at the end of the year	4,53,962	45.40
Total instruments entirely equity in nature	4,53,962	45.40

d. Details of shareholder(s) holding more than 5% of shares of the Company

Name of the shareholder	As at 31st March 2024		No.
	No. of shares held	% Holding	
<u>Equity shares</u>			
Bhupinder Singh ¹	43,90,180	33.23%	
MEMG Family office LLP	9,43,704	7.14%	
Paragon Partners Growth Fund-I	9,07,408	6.87%	
Ravi Pillai	-	-	
InCred Wealth Private Limited	9,67,840	7.33%	
<u>Optionally convertible redeemable preference shares</u>			
Ramprasad M	1,95,955	43.17%	
Jacob Mathew	1,03,201	22.73%	
Anu Jacob	92,753	20.43%	

1. 9665 equity shares are being held by Credentia Trusteeship Services Private Limited on behalf of Mr. Bhupinder Singh as agreed under Escrow agreement dated 15th December 2020.

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents shares.

e. Equity shares held by promoters of the company

Out of the equity shares issued by the company, shares held by its promoters:

Name of the shareholder	As at 31st March 2024			No. of shares held	As at
	No. of shares held	% of shares held	% Change during the year		
Bhupinder Singh	43,90,180	33.23%	3.63%	42,36,578	

f. Changes in authorized share capital of the Company

i) The Company has reclassified its Authorized share capital from from INR 350,000,000 (Indian Rupees Thirty-Five Crores) divided into: (a) 3,44,00,000 (Three Crores Forty Four Lakh) equity shares having the face value of INR 10/- (Indian Rupees Ten) each; (b) 6,00,000 (Six Lakh) optionally convertible redeemable preference shares having the face value of INR 10/- (Indian Rupees Ten) each; to (a) 3,36,84,000 (Three Crores Thirty Six Lakh Eighty Four Thousand) compulsorily convertible preference shares having the face value of INR 10/- (Indian Rupees Ten) each; (b) 6,00,000 (Six Lakh) optionally convertible redeemable preference shares having the face value of INR 10/- (Indian Rupees Ten) each. vide shareholders' approval at the Extraordinary General Meeting (EGM) held on 15th December 2020.

ii) Pursuant to Composite Scheme of Arrangement between Clamant Tech Services Private Limited ('Transferor Company'), InCred Wealth Private Limited ('Demerged Company 1'), MAPE Advisors Private Limited ('Demerged Company 2'), InCred Wealth and Investment Services Private Limited ('Resulting Company 1') and InCred Capital Financial Services Private Limited ('Company' or 'Transferee Company' or 'Resulting Company 2') passed by the NCLT Mumbai sanctioning the Composite Scheme the Authorised share capital i.e. Rs.51,00,000 of the Transferor Company has been transferred into Company.

Note 17 : Other equity

Particulars	As at 31st March 2024	As at 31st March 2023
Securities premium		
Balance as at the beginning of the year	56,714.80	36,364.38
Add: Additions during the year:		
- Premium on conversion of CCPS and OCRPS to equity shares during the year	-	(2.94)
- Premium on private placement	-	20,885.01
- Premium on ESOP exercised	-	-
Less: Utilized during the year:		
- Transfer to Debenture Redemption Reserve	420.07	-
- Amounts utilized towards share issue expenses	-	531.65
Balance as at the end of the year	56,294.73	56,714.80
Contingency reserve fund		
Balance as at the beginning of the year	0.54	0.54
Add: Addition during the year:		
- Transfer from surplus / (deficit) in statement of profit and loss	-	-
Less: Utilized during the year	-	-
Balance as at the end of the year	0.54	0.54
Share based payment reserve		
Balance as at the beginning of the year	3,017.56	291.72
Add: Addition during the year:	644.51	2,777.34
Less: Utilized during the year	-	51.50
Balance as at the end of the year	3,662.06	3,017.56
Statutory reserve fund pursuant to Section 45-IC of the RBI Act, 1934		
Balance as at the beginning of the year	915.81	719.06
Add: Addition during the year:		
- Transfer from surplus in statement of profit and loss	-	196.75
Less: Utilized during the year	915.81	-
Balance as at the end of the year	-	915.81
Debenture Redemption Reserve		
Balance as at the beginning of the year	-	-
Add: Addition during the year:	2,766.52	-
Less: Utilized during the year	-	-
Balance as at the end of the year	2,766.52	-
Surplus / (Deficit) in Statement of Profit & Loss		
Balance as at the beginning of the year	(294.32)	696.57
Add: Reserves on Merger	-	(1,772.12)
Add: Profit / (loss) after tax for the year	1,722.91	983.75
Add: Addition during the year on account of ESOP	-	-
Add: Transfer from Statutory reserve fund	915.81	-
Add: Other comprehensive income for the year, net of income tax	2.04	(5.77)
Amount available for appropriations	2,346.44	(97.57)
Less: Appropriations		
- Transfer to Debenture Redemption Reserve	(2,346.44)	-
- Transfer to Statutory reserve pursuant to Section 45-IC of the RBI Act, 1934	-	(196.75)
Balance as at the end of the year	-	(294.32)
Total	62,723.85	60,354.39

Note 18 : Non-current borrowings

Particulars	As at 31st March 2024	As at 31st March 2023
Secured - At amortised cost		
- Market Linked Debentures (including derivative component)	22,165.18	9,099.68
Total	22,165.18	9,099.68

Particulars	Nature of Security	Terms of Repayment	Maturity date	Issue value as at 31st March 2024
277, Secured Unlisted Redeemable Principal Protected - Market Linked Non-Convertible Debenture of INR 10,00,000	First Pari Passu charge over bonds/investments held by the Company with minimum asset cover of 1.00 times. The Company shall have option to trade/sell with the bonds subject to maintaining minimum asset cover all time during the tenure of the Debentures.	Redeemable with market linked coupon at the end of 1151 days from the date of allotment. Coupon is equal to 130% times the NIFTY Performance where Nifty Performance is computed as per the Initial and Final Nifty Levels given that Final Level is greater than Initial Level else Coupon is Zero.	07-07-2025	2,770.00
190 Secured Unlisted Redeemable Principal Protected - Market Linked Non-Convertible Debenture of INR 10,00,000	First Pari Passu charge over bonds/investments held by the Company with minimum asset cover of 1.00 times. The Company shall have option to trade/sell with the bonds subject to maintaining minimum asset cover all time during the tenure of the Debentures.	Redeemable with market linked coupon at the end of 1185 days from the date of allotment. Coupon is equal to 425% times the NIFTY Performance capped at 42.5%(max coupon) where Nifty Performance is computed as per the Initial and Final Nifty Levels given that Final Level is greater than Initial Level else Coupon is Zero.	11-09-2025	1,900.00
230 Secured Unlisted Redeemable Principal Not Protected - Market Linked Non-Convertible Debenture of INR 10,00,000	First Pari Passu charge over bonds/investments held by the Company with minimum asset cover of 1.00 times. The Company shall have option to trade/sell with the bonds subject to maintaining minimum asset cover all time during the tenure of the Debentures.	Redeemable with market linked coupon at the end of 1280 days from the date of allotment. If Final Nifty closes at higher than 30% of Initial Nifty, a coupon is paid at 60% of the Initial Nifty. If Final Nifty closes between 15% and 30% higher than Initial Nifty, the coupon is determined at 18.75% plus 275% of Return of the Nifty over 15%. If Final Nifty closes between 0% and 15% of Initial Nifty, the coupon is determined at 125% of the Return of the Nifty. If Final Nifty closes between minus 25% and 0% of Initial Nifty, the coupon is determined at 0%. If Final Nifty closes below minus 25% of the Initial Nifty, the redemption amount is Initial Nifty multiplied by the Nifty return.	02-03-2026	2,300.00
93 Secured Unlisted Redeemable Principal Not Protected - Market Linked Non-Convertible Debenture of INR 10,00,000	First Pari Passu charge over bonds/investments held by the Company with minimum asset cover of 1.00 times. The Company shall have option to trade/sell with the bonds subject to maintaining minimum asset cover all time during the tenure of the Debentures.	Redeemable with market linked coupon at the end of 1200 days from the date of allotment. If Final Nifty closes higher than Initial Nifty, a coupon is paid at 125% of the Nifty return. If Final Nifty closes between minus 25% and 0% of the Initial Nifty, the coupon is zero percent. If Final Nifty closes below minus 25%, the redemption amount is Initial Nifty multiplied by the Nifty return.	09-01-2026	930.00

87, Secured Unlisted Redeemable Principal Protected - Market Linked Non-Convertible Debenture of INR 10,00,000	Non- Convertible Debentures issued by the company are secured by way of a first Pari Passu charge over bonds/investments held by the Company with minimum asset cover of 1.00 times. The Company shall have option to trade/sell with the bonds subject to maintaining minimum asset cover all time during the tenure of the Debentures.	Redeemable with market linked coupon at the end of 1280 days from the date of allotment. If Final Nifty closes at higher than 30% of Initial Nifty, a coupon is paid at 58% of the Initial Nifty. If Final Nifty closes between 20% and 30% higher than Initial Nifty, the coupon is determined at 23% plus 350% of Return of the Nifty over 20%. If Final Nifty closes between 0% and 20% of Initial Nifty, the coupon is determined at 115% of the Return of the Nifty. If Final Nifty closes between minus 25% and 0% of Initial Nifty, the coupon is determined at 0%. If Final Nifty closes below minus 25% of the Initial Nifty, the redemption amount is Initial Nifty multiplied by the Nifty return.	07-05-2026	870.00
270 Secured Unlisted Redeemable Non Principal Protected - Market Linked Non-Convertible Debenture Linked Non-Convertible Debenture of INR 1,00,000	First Pari Passu charge over bonds/investments held by the Company with minimum asset cover of 1.00 times. The Company shall have option to trade/sell with the bonds subject to maintaining minimum asset cover all time during the tenure of the Debentures.	Redeemable with market linked coupon at the end of 678 days from the date of allotment. If Final Nifty closes at higher than 30% of Initial Nifty, 180.99% of initial investment is paid out. If Final Nifty closes between 14% and 30% higher than Initial Nifty then (47.66% plus 8.333 times the Return of the Nifty over 14%) of the initial investment is paid out. If Final Nifty closes below 14% of Initial Nifty 47.66% of initial investment is paid out.	10-07-2025	270.00
407, Secured Unlisted Redeemable Principal Protected - Market Linked Non-Convertible Debenture of INR 1,00,000	First Pari Passu charge over bonds/investments held by the Company with minimum asset cover of 1.00 times. The Company shall have option to trade/sell with the bonds subject to maintaining minimum asset cover all time during the tenure of the Debentures.	Redeemable with market linked coupon at the end of 795 days from the date of allotment. If Final Nifty closes at higher than 30% of Initial Nifty, a coupon is paid at 37.5% of the Initial Nifty. If Final Nifty closes between 0% and 30% higher than Initial Nifty, the coupon is determined as 125% of Return of the Nifty over 0%. If Final Nifty closes below 0% of Initial Nifty, the coupon is paid at 0%.	06-12-2025	407.00
148 Secured Unlisted Redeemable Principal Protected - Market Linked Non-Convertible Debenture Linked Non-Convertible Debenture of INR 10,00,000	First Pari Passu charge over bonds/investments held by the Company with minimum asset cover of 1.00 times. The Company shall have option to trade/sell with the bonds subject to maintaining minimum asset cover all time during the tenure of the Debentures.	Redeemable with market linked coupon at the end of 1032 days from the date of allotment. If Final Nifty closes at higher than 25% of Initial Nifty, a coupon is paid at 45% of the Initial Nifty. If Final Nifty closes between 0% and 25% higher than Initial Nifty, the coupon is determined at 180% of Return of the Nifty over 0%. If Final Nifty closes below 0% of Initial Nifty, the coupon is paid at 0%.	31-08-2026	1,480.00

225, Secured Unlisted Redeemable Principal Not Protected - Market Linked Non-Convertible Debenture of INR 10,00,000	First Pari Passu charge over bonds/investments held by the Company with minimum asset cover of 1.00 times. The Company shall have option to trade/sell with the bonds subject to maintaining minimum asset cover all time during the tenure of the Debentures.	Redeemable with final coupon at the end of 1105 days from the date of allotment. If Nifty after year 1 closes higher than or equal to 0% of Initial Nifty, a coupon is paid at 14% of the Initial Nifty after year 1. If Nifty after year 2 closes higher than or equal to 0% of Initial Nifty, a coupon is paid at 15% of the Initial Nifty after year 2. If Nifty after year 3 closes higher than or equal to 0% of Initial Nifty, a coupon is paid at 16% of the Initial Nifty after year 3. If Final Nifty closes between -25% and 0% of Initial Nifty, the final coupon is paid at 0%. If Final Nifty closes below minus 25% of the Initial Nifty, final coupon paid out is same as Nifty Return. Issuer can call back the market linked debenture after first/second year and no future payouts are made if the MLD gets called.	17-12-2026	2,250.00
57, Secured Unlisted Redeemable Principal Not Protected - Market Linked Non-Convertible Debenture of INR 10,00,000	First Pari Passu charge over bonds/investments held by the Company with minimum asset cover of 1.00 times. The Company shall have option to trade/sell with the bonds subject to maintaining minimum asset cover all time during the tenure of the Debentures.	Redeemable with final coupon at the end of 1108 days from the date of allotment. If Nifty after year 0.5 closes higher than or equal to 0% of Initial Nifty, a coupon is paid at 7% of the Initial Nifty after year 0.5. If Nifty after year 1 closes higher than or equal to 0% of Initial Nifty, a coupon is paid at 7% of the Initial Nifty after year 1. If Nifty after year 1.5 closes higher than or equal to 0% of Initial Nifty, a coupon is paid at 7.5% of the Initial Nifty after year 1.5. If Nifty after year 2 closes higher than or equal to 0% of Initial Nifty, a coupon is paid at 7.5% of the Initial Nifty after year 2. If Nifty after year 2.5 closes higher than or equal to 0% of Initial Nifty, a coupon is paid at 8% of the Initial Nifty after year 2.5. If Nifty after year 3 closes higher than or equal to 0% of Initial Nifty, a coupon is paid at 8% of the Initial Nifty after year 3. If Final Nifty closes below minus 20% of the Initial Nifty, final coupon paid out is same as Nifty Return. Issuer can call back the market linked debenture after first year/1.5 year/2nd year, 2.5 year and no future payouts are made if the MLD gets called.	12-02-2027	570.00
199 Secured Unlisted Redeemable Principal is not Protected - Market Linked Non-Convertible Debenture Linked Non-Convertible Debenture of INR 10,00,000	First Pari Passu charge over bonds/investments held by the Company with minimum asset cover of 1.00 times. The Company shall have option to trade/sell with the bonds subject to maintaining minimum asset cover all time during the tenure of the Debentures.	Redeemable with market linked coupon at the end of 776 days from the date of allotment. If Final Nifty closes at higher than 20% of Initial Nifty, a coupon is paid at 36% of the Initial Nifty. If Final Nifty closes between 0% and 20% higher than Initial Nifty, the coupon is determined at 180% of Return of the Nifty over 0%. If Final Nifty closes between -20% and 20% of Initial Nifty, the coupon is paid at 0%. If Final Nifty closes below minus 20% of the Initial Nifty, coupon paid out is same as Nifty Performance.	15-04-2026	1,990.00
300, Secured Unlisted Redeemable Principal Not Protected - Market Linked Non-Convertible Debenture of INR 1,00,000	First Pari Passu charge over bonds/investments held by the Company with minimum asset cover of 1.00 times. The Company shall have option to trade/sell with the bonds subject to maintaining minimum asset cover all time during the tenure of the Debentures.	Redeemable with market linked coupon at the end of 776 days from the date of allotment. If Final Nifty closes at higher than 20% of Initial Nifty, a coupon is paid at 36% of the Initial Nifty. If Final Nifty closes between 0% and 20% higher than Initial Nifty, the coupon is determined at 180% of Return of the Nifty over 0%. If Final Nifty closes between -20% and 20% of Initial Nifty, the coupon is paid at 0%. If Final Nifty closes below minus 20% of the Initial Nifty, coupon paid out is same as Nifty Performance.	20-04-2026	300.00

42 Secured Unlisted Redeemable Principal IS NOT Protected - Market Linked Non-Convertible Debenture Linked Non-Convertible Debenture of INR 10,00,000	First Pari Passu charge over bonds/investments held by the Company with minimum asset cover of 1.00 times. The Company shall have option to trade/sell with the bonds subject to maintaining minimum asset cover all time during the tenure of the Debentures.	Redeemable with market linked coupon at the end of 733 days from the date of allotment. If Final Nifty closes at higher than 22% of Initial Nifty, redemption value is paid at 196.43% of the initial amount invested. If Final Nifty closes between 0% and 22% higher than Initial Nifty, the redemption value is determined at $5.952381 \times 150\%$ of Return of the Nifty over 0%. If Final Nifty closes below minus 0% of the Initial Nifty, the redemption value paid out is 0% of initial amount.	10-03-2026	420.00
46, Secured Unlisted Redeemable Principal Not Protected - Market Linked Non-Convertible Debenture of INR 10,00,000	First Pari Passu charge over bonds/investments held by the Company with minimum asset cover of 1.00 times. The Company shall have option to trade/sell with the bonds subject to maintaining minimum asset cover all time during the tenure of the Debentures.	Redeemable with market linked coupon at the end of 924 days from the date of allotment. If Final Nifty closes at higher than 25% of Initial Nifty, redemption value is paid at 163.04% of the initial amount invested. If Final Nifty closes between 0% and 25% higher than Initial Nifty, the redemption value is determined at $5.43478 \times 150\%$ of Return of the Nifty over 0%. If Final Nifty closes below minus 0% of the Initial Nifty, the redemption value paid out is 0% of initial amount.	25-09-2026	460.00
215 Secured Unlisted Redeemable Principal Protected - Market Linked Non-Convertible Debenture Linked Non-Convertible Debenture of INR 10,00,000	First Pari Passu charge over bonds/investments held by the Company with minimum asset cover of 1.00 times. The Company shall have option to trade/sell with the bonds subject to maintaining minimum asset cover all time during the tenure of the Debentures.	Redeemable with market linked coupon at the end of 798 days from the date of allotment. If Final Nifty closes at higher than 20% of Initial Nifty, a coupon is paid at 34% of the Initial Nifty. If Final Nifty closes between 0% and 20% higher than Initial Nifty, the coupon is determined at 170% of Return of the Nifty. If Final Nifty closes below 0% of the Initial Nifty, coupon paid out is 0%.	29-05-2026	2,150.00

Total	19,067.00
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Liability portion of debentures on initial recognition	7,111.25
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Add: Interest accrued on debentures till 31st March 2024	623.78
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Total liability closing balance as on 31st March 2024	7,735.03
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Derivative component of debentures on initial recognition	11,955.75
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Add/Less: Fair value changes as on 31st March 2024	2,474.40
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Closing balance of derivative component as on 31st March 2024	14,430.15
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Note 19 : Other non-current financial liabilities

Particulars	As at 31st March 2024	As at 31st March 2023
At amortised cost		
- Security deposit car	13.00	13.00
Total	13.00	13.00

Note 20 : Non-current provisions

Particulars	As at 31st March 2024	As at 31st March 2023
Provision for employee benefits		
Provision for gratuity	59.16	51.10
Total	59.16	51.10

Note 21 : Trade payables

Particulars	As at 31st March 2024	As at 31st March 2023
Total outstanding dues of micro enterprises and small enterprises		
- Principal amount due	-	-
- Interest amount due	-	-
Total outstanding dues other than micro enterprises and small enterprises		
- Principal amount due	349.58	406.33
- Interest amount due	-	-
Total	349.58	406.33

As at 31st March 24

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) MSME	-	-	-	-	-
ii) Others	349.58	-	-	-	349.58
iii) Disputed dues - MSME	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-
Total	349.58	-	-	-	349.58

As at 31st March 23

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) MSME	-	-	-	-	-
ii) Others	406.33	-	-	-	406.33
iii) Disputed dues - MSME	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-
Total	406.33	-	-	-	406.33

Note 22 : Borrowings

Particulars	As at 31st March 2024	As at 31st March 2023
Unsecured At amortised cost		
Related Parties [Refer Note No. 43]	21,490.20	-
Other Parties	9,979.26	-
Secured At amortised cost		
Non-Convertible Debentures	5,141.28	-
Marked Linked Debentures	358.72	-
Total	36,969.45	-

Particulars	Nature of Security	Issue value as at 31st March 2024
35 Secured Unlisted Redeemable Principal Protected - Market Linked Non-Convertible Debenture Linked Non-Convertible Debenture of INR 10,00,000	First Pari Passu charge over bonds/investments held by the Company with minimum asset cover of 1.00 times. The Company shall have option to trade/sell with the bonds subject to maintaining minimum asset cover all time during the tenure of the Debentures.	350.00
50 Series XI Senior Secured Unlisted Unrated Redeemable Non-Convertible Debenture (Series XI NCD) of INR 10,00,000	First Pari Passu charge over bonds/investments held by the Company with minimum asset cover of 1.00 times.	5,000.00

Note 23 : Other current financial liabilities

Particulars	As at 31st March 2024	As at 31st March 2023
Employee expenses payable	743.36	301.51
Financial Liability on Guarantee	30.96	25.96
Payable to broker	0.99	-
Others	1,067.06	13.77
Advance received	93.29	-
Total	1,935.66	341.24

Note 24 : Other current liabilities

Particulars	As at 31st March 2024	As at 31st March 2023
Revenue received in advance	-	-
Statutory dues payable	91.05	112.84
Total	91.05	112.84

Note 25 : Current provisions

Particulars	As at 31st March 2024	As at 31st March 2023
Provision for employee benefits		
Provision for gratuity	7.54	10.45
Total	7.54	10.45

Note 26 : Revenue From operations

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Fees and charges	6,825.69	6,816.93
Gain on sale of Investments	5,439.52	1,604.91
Total	12,265.21	8,421.83
Geographical Markets		
Within India	12,244.55	8,417.72
Outside India	20.66	4.11
Total	12,265.21	8,421.83
Timing of revenue recognition		
Services transferred at a point in time	12,265.21	8,421.83
Services transferred over time	-	-
Total	12,265.21	8,421.83

Note 27 : Other Income

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Interest on loans	759.00	1,410.92
Interest on deposits with banks	-	9.34
Unwinding of discount on security deposit	10.52	6.23
Miscellaneous income	44.44	28.10
Reimbursement Income	120.75	103.57
Finance Income on Guarantee	135.27	75.00
Total	1,069.99	1,633.16

Note 28 : Employee benefits expenses

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Salaries and wages	3,231.86	2,026.14
Contribution to provident and other funds	45.07	20.30
Share Based Payments to employees	(22.85)	2,777.34
Gratuity [Refer Note No. 35]	21.72	15.83
Staff welfare expenses	24.20	19.23
Total	3,300.00	4,858.83

Note 29 : Finance costs

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Interest on lease liability [Refer Note No. 38]	48.84	35.54
Interest on Borrowings	3,983.42	377.66
Finance Expense on Guarantee	140.27	100.96
Others	0.13	0.30
Total	4,172.66	514.45

Note 30 : Others expenses

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Rent [Refer Note No. 38]	54.70	30.45
Communication cost	6.02	6.20
Travelling and conveyance	353.27	224.57
Allowance for Impairment	361.47	(102.67)
Legal, professional and consultancy charges	1,001.13	1,450.05
Membership and subscription	74.34	20.86
IT expenses	38.11	65.10
Manpower support services	19.57	19.59
Rates and taxes	6.75	22.45
Printing and stationary	4.58	4.83
Referral Fees	30.41	1,200.76
Payment to auditors	13.46	21.72
Advertisement, publicity and sales promotion expenses	130.64	45.01
Demat and related charges	7.03	-
Office expenses	69.59	59.42
Interest on statutory dues	2.29	1.53
Recruitment fees	120.71	101.33
Foreign exchange loss	3.55	26.86
GST Expenses	18.23	-
Corporate Social Responsibility Expense	55.42	19.82
Loss on sale of fixed assets	-	0.86
Assets Written off	12.08	-
Miscellaneous expenses	16.60	3.97
Total	2,399.93	3,222.70

*** Payment to the auditors:**

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Auditor's remuneration		
- Audit fees	10.09	19.38
In other capacity		
- Certification services	1.47	0.71
- Taxation	1.90	1.64
Total	13.46	21.72

Note 31 : Current tax

31.1 Amounts recognised in profit and loss

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Current tax expense		
In respect of current period	461.42	-
Earlier years	-	39.79
	461.42	39.79
Deferred tax expense / (income)	163.99	(298.45)
Tax expense for the year	625.41	(258.66)

31.2 Amounts recognised in other comprehensive income

Particulars	Year ended 31st March 2024	Year ended 31st March 2024
Income tax related to items recognised in Other Comprehensive Income during the year		
Remeasurements of defined benefit plans	6.16	(10.22)
Net Gain/ (Loss) on instruments through other comprehensive income	(4.12)	4.45
Total Income tax recognised in Other Comprehensive Income	2.04	(5.76)

31.3 Reconciliation of effective tax rate

Particulars	Year ended 31st March 2024	Year ended 31st March 2024
Profit before tax as per Statement of profit and loss (A)	2,348.32	725.09
Statutory tax rate (B)	25.17%	25.17%
Tax using the Company's domestic tax rate (C = A * B)	591.03	182.49
Tax effect of:		
Tax effect of amounts which are not deductible in calculating taxable income	95.57	(6.53)
Tax effect on MLD for previous year	63.37	-
Short provision of deferred tax on restructuring expenses in previous year	-	-
Tax impact on Brought forward losses	(113.73)	-
Loss of Mape on which deferred tax was not created in earlier years	-	(446.01)
Bonus of Mape and Clamant disallowed in computation of last year, claimed allowance in ICFSPL	-	(27.27)
Change of rate on the deferred tax created by Mape in earlier years	-	(0.71)
Others	(10.83)	(0.42)
Effective tax expense	625.41	(298.46)

InCred Capital Financial Services Private Limited

CIN: U67120MH1996PTC355036

Notes to standalone financial statements for the year ended 31st March 2024

(All amounts in INR Lakhs, unless otherwise stated)

31.4 Deferred tax

The major components of deferred tax (liabilities) arising on account of timing differences as at 31st March 2024 are as follows:

Particulars	As at 31st March 2023	Acquired via Merger	Recognised in profit or loss
Deferred tax assets:			
Brought forward losses	547.12	-	(113.73)
Retirement benefit plans	18.07	-	2.84
EIR impact on financial instruments	-	-	-
Provision for Expenses	25.92	-	60.33
Interest on MLDs	-	-	223.58
Impairment loss on Loans	18.98	-	74.49
Restructuring related expenses	17.53	-	(8.96)
Leases	28.72	-	(11.76)
Difference between written down value of fixed assets as per the books of accounts and income tax	30.60	-	-
Total Deferred tax assets (A)	686.94	-	226.79
Deferred tax liabilities:			
Difference between written down value of fixed assets as per the books of accounts and income tax	211.63	-	122.16
Fair value of investments measured at FVTPL	17.00	-	268.62
EIR impact on financial instruments	0.00	-	-
Total Deferred tax liabilities (B)	228.63	-	390.78
Net Deferred tax assets (A-B)	458.31	-	(163.99)

The major components of deferred tax (liabilities) arising on account of timing differences as at 31st March 2023 are as follows:

Particulars	As at 31st March 2022	Acquired via Merger	Recognised in profit or loss
Deferred tax assets:			
Brought forward losses	(0.00)	17.90	529.21
Retirement benefit plans	3.34	9.77	0.50
EIR impact on financial instruments	-	-	-
Provision for Expenses	-	-	25.92
Impairment loss on Loans	10.02	-	8.96
Restructuring related expenses	13.03	-	4.51
Leases	35.91	-	(7.19)
Difference between written down value of fixed assets as per the books of accounts and income tax	13.64	16.96	-
Total Deferred tax assets (A)	75.94	44.64	561.91
Deferred tax liabilities:			
Difference between written down value of fixed assets as per the books of accounts and income tax	-	-	211.63
Fair value of investments measured at FVTPL	(34.84)	-	51.83
EIR impact on financial instruments	0.00	-	-
Total Deferred tax liabilities (B)	(34.84)	-	263.46
Net Deferred tax assets (A-B)	110.78	44.64	298.45

Note 32 : Earning per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. Diluted EPS are calculated using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

i. Profit attributable to ordinary shareholders:

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Profit attributable to equity holders of the Company used in calculating basic & dilutive earnings per share	1,722.91	983.75

ii. Weighted average number of ordinary shares

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	1,27,57,390	1,13,57,512
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share ^a	1,32,11,352	1,20,89,694
Basic earnings per share	13.51	8.66
Diluted earnings per share	13.04	8.14

Note 33 : Contingent liabilities and commitments

Particulars	As at 31st March 2024	As at 31st March 2023
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for		
- Investment commitments	5,372.50	2,000.00
- Loan commitments	16,305.00	-
Contingent liabilities		
- Corporate Guarantee for Group Company	13,500.00	10,000.00

^a Guarantee of 100% of the Working Capital/Intra Day Overdraft /Bank Guarantee of the Group Company to a maximum amount of INR 13,500 lakhs (31st March 2023: INR 10,000 lakhs) (carrying amounts of the related financial guarantee contracts were INR 30.96 lakhs and INR 25.96 at 31 March 2024 and 31 March 2023, respectively) (Also Refer Note 17).

Note 34 : Details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Based on the information available with the management, as at March 31, 2023, no dues were outstanding to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Further, the Company has not received any claim for interest from any supplier under the said Act till March 31.

Note 35 : Employee benefits**35.1 Defined contribution plan**

The Company has recognised the following amounts in the Standalone Statement of Profit & Loss towards contributions to provident fund:

Particulars	As at 31st March 2024	As at 31st March 2023
Provident fund	45.07	20.30

35.2 Defined benefit Plan - Gratuity

Every employee who will complete five years or more of service gets a gratuity on departure at 15 days salary (last drawn) for each completed year of service as per Payment of Gratuity Act, 1972.

Table showing change in the present value of projected benefit obligation:

Particulars	As at 31st March 2024	As at 31st March 2023
Change in benefit obligations		
Present value of benefit obligation at the beginning of the year	61.56	13.27
Interest cost	4.49	2.74
Current service cost	15.23	13.09
Past Service Cost - Incurred During the Period	2.01	-
Liability Transferred In/ Acquisitions	0.03	35.13
(Liability Transferred Out/ Divestments)	(8.76)	-
(Benefit paid directly by the employer)	(1.69)	(12.89)
Actuarial (Gains) / Losses on Obligations - Due to Change in Demographic Assumptions	4.06	-
Actuarial (Gains) / Losses on Obligations - Due to Change in Financial Assumptions	3.35	(3.44)
Actuarial (Gains) / Losses on Obligations - Due to Experience	(13.57)	13.65
Present value of benefit obligation at the end of the year	66.70	61.56

Table Showing change in the fair value of plan assets:

Particulars	As at 31st March 2024	As at 31st March 2023
Change in plan assets		
Fair value of plan assets at the beginning of the year	-	-
Interest Income	-	-
Contributions by the employer	-	-
Expected contributions by the employees	-	-
(Benefit paid from the fund)	-	-
(Assets distributed on settlements)	-	-
Effects of asset ceiling	-	-
The effect of changes in foreign exchange rates	-	-
Return on plan assets, excluding interest income	-	-
Fair value of plan assets at the end of the year	-	-

Amount recognized in the Standalone balance sheet:

Particulars	As at 31st March 2024	As at 31st March 2023
(Present value of benefit obligation)	(66.70)	(61.56)
Fair value of plan assets at the end of the year	-	-
Funded Status (Deficit)	(66.70)	(61.56)
Net (Liability) /Asset Recognized in the Balance Sheet	(66.70)	(61.56)

Expenses recognized in the Standalone statement of profit and loss

Particulars	As at 31st March 2024	As at 31st March 2023
Current service cost	15.23	13.09
Net Interest cost	4.49	2.74
Past Service Cost	2.01	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments And Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Expenses recognised	21.72	15.83

Expenses recognized in the Other comprehensive income (OCI)

Particulars	As at 31st March 2024	As at 31st March 2023
Actuarial (Gains) on obligation for the year	(6.16)	10.22
Return on Plan Assets, Excluding Interest Income	-	-
Net (Income) for the year recognized in OCI	(6.16)	10.22

The actuarial assumptions used to determine benefit obligations as at 31st March 2024 and 31st March 2023 are as follows:

Particulars	As at 31st March 2024	As at 31st March 2023
Discount Rate	7.18%	7.29%
Salary escalation rate	9%	8%
Expected Rate of return on Plan Assets	NA	NA
Rate of Employee Turnover	20%	25%
Mortality Rate during employment	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors.

Standalone balance sheet reconciliation:

Particulars	As at 31st March 2024	As at 31st March 2023
Opening net liability	61.56	13.27
Expenses recognized in Statement of Profit and Loss	21.72	15.83
Expenses recognized in OCI	(6.16)	10.22
Net Liability/(Asset) Transfer In	0.03	35.13
Net (Liability)/Asset Transfer Out	(8.76)	-
(Benefit Paid Directly by the Employer)	(1.69)	(12.89)
(Employer's Contribution)	-	-
Net liability recognized in the Standalone balance sheet	66.70	61.56

Other details:

Particulars	As at 31st March 2024	As at 31st March 2023
Active Members (Absolute number)	40.00	37.00
Per Month Salary For Active Members	70.84	49.67
Weighted Average Duration of the Projected Benefit Obligation	4.00	5.00
Average Expected Future Service	7.00	3.00
Projected Benefit Obligation (PBO)	66.70	61.56
Non Vested Employees	27.84	36.68
Vested Employees	38.86	24.88
Prescribed Contribution For Next Year (12 Months)	-	-

Cash flow projections:**Maturity analysis of the benefit payments: From the fund**

Particulars	As at 31st March 2024	As at 31st March 2023
Projected benefits payable in future years from the date of reporting		
1st Following Year	-	-
2nd Following Year	-	-
3rd Following Year	-	-
4th Following Year	-	-
5th Following Year	-	-
Sum of Years 6 To 10	-	-
Sum of Years 11 and above	-	-

Maturity analysis of the benefit payments: From the employer

Particulars	As at 31st March 2024	As at 31st March 2023
Projected benefits payable in future years from the date of reporting		
1st following year	7.54	10.45
2nd following year	8.16	10.11
3rd following year	8.78	10.37
4th following year	8.33	10.74
5th following year	12.11	8.20
Sum of years 6 To 10	30.45	22.40
Sum of years 11 and above	21.48	8.60

Sensitivity analysis:

Particulars	As at 31st March 2024	As at 31st March 2023
Projected benefit obligation on current assumptions	66.70	61.56
Delta effect of +1% change in rate of discounting	(2.82)	(1.92)
Delta effect of -1% change in rate of discounting	3.07	2.06
Delta effect of +1% change in rate of salary increase	3.27	2.18
Delta effect of -1% change in rate of salary increase	(3.05)	(2.12)
Delta effect of +1% change in rate of employee turnover	(1.05)	(0.54)
Delta effect of -1% change in rate of employee turnover	1.10	0.55

Risk analysis:

The Company is exposed to a number of risks associated with the defined benefit plans. Most significant risks pertaining to defined benefit plans and management estimation of the impact of these risks are as follows:

Interest rate risk: A fall in the discount rate which is linked to the Government Securities rate will increase the present value of the liability requiring higher provision.

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Asset-Liability matching risk: The plan faces the ALM risk as to the matching cash flows. Company has to manage pay-out based on pay as you go basis from own funds.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Note 36 : Security issue expenses

Security issue expenses related to issuance of equity and other securities as debited against securities premium account in accordance with the provisions of Section 52 of the Companies Act, 2013. Details of such expenses is mentioned below:

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Legal and professional fees	-	531.65
Stamp duty	-	-
Total	-	531.65

Note 37 : Business Combination**a. Business Combinations**

The Board of Directors of the Company at their meeting held on 27th September, 2021, had approved the Composite Scheme of Arrangement (the 'Scheme') with Clamant Tech Services Private Limited, MAPE Advisory Group Private Limited, InCred Wealth Private Limited and InCred Wealth & Investment Services Private Limited and the same was filed with various regulatory authorities and National Company Law Tribunal (NCLT).

The NCLT passed the final order dated 26th April, 2022. The Scheme was made effective by of the Company, Clamant Tech Services Private Limited, MAPE Advisory Group Private Limited, InCred Wealth Private Limited and InCred Wealth & Investment Services Private Limited on 30th June 2022 and the relevant filing were done with the Registrar of Companies, Mumbai on 30th June 2022.

The Appointed date of the Scheme is 1st April, 2022, and accordingly the books of account and financial statements effecting the Scheme have been prepared with effect from 1st April, 2022.

Under the Scheme, the identified advisory business of MAPE Advisory Group Private Limited shall be demerged with InCred Capital Financial Services Private Limited and Clamant Tech Services Private Limited shall be amalgamated with InCred Capital Financial Services Private Limited. Further, the Wealth (Distribution of third party products) business of InCred Wealth Private Limited shall be demerged with InCred Wealth & Investment Services Private Limited, for which the company shall issue shares to the shareholders of InCred Wealth Private Limited as Purchase Consideration. Further, with the discharge of purchase consideration for demergers and amalgamation, shareholders of the company will hold majority shareholding of the company.

Accordingly, the business combination has been treated as per Ind AS 103 and the company has been identified as the accounting acquirer and Clamant Tech Services Private Limited & MAPE Advisory Group Private Limited ("acquiree") being the accounting acquiree.

As per Ind AS 103, these standalone financial statements issued under the name of the company represent the continuation of the financial positions of acquiree except for share capital which is currently presented as per legal share capital of the company. Accordingly the assets, liabilities and reserves of acquiree have been continued at their pre-business combination carrying values and measured the fair value of identified assets and liabilities as per requirements of Ind AS 103. The earnings per share figures presented in respect of comparative periods are those of the company and are accordingly not comparable with the current period figures.

The accounting impact of the aforesaid Scheme in the books of the company has been summarily presented as follows:

A. Goodwill/bargain purchase on business combinations (Clamant Tech Services Private Limited)

Particulars	Amount
(A) Net Assets and liabilities (Net Assets including Identifiable Intangible Assets) recorded at fair value pursuant to amalgamation	2,389.80
(B) Purchase consideration (Fair value of shares)	3,207.91
Goodwill (A-B)	818.10

B. Goodwill/bargain purchase on business combinations (MAPE Advisory Group Private Limited)

Particulars	Amount
(A) Net Assets and liabilities (Net Assets including Identifiable Intangible Assets) recorded at fair value pursuant to demerger	2,998.03
(B) Purchase consideration (Fair value of shares)	3,543.76
Goodwill /Indentifiable business assets(A-B)	545.73

'As per' the terms of the Scheme, the shareholders of Clamant Tech Services Private Limited shall receive equity shares as a consideration for amalgamation. Further, shareholders of MAPE Advisory Group Private Limited shall receive either equity shares or Class B Optionally Convertible Redeemable Preference Shares and Class A Optionally Convertible Redeemable Preference Shares, and shareholders of InCred Wealth Private Limited shall receive equity shares of InCred Capital Financial Services Private Limited, as a consideration for demerger of identified advisory and wealth business respectively, whose equity conversion terms would determine the purchase consideration described above. Pending finalisation of the conversion terms as on date, the Company has determined the purchase consideration on a provisional basis. Any subsequent changes in measurement of these amounts will be adjusted to the provisional values presently determined to reflect the initial accounting for business combination as at the acquisition date (i.e April 1, 2022).

b. As per the scheme of merger loan taken from the Company by InCred Wealth Private Limited (subsequently transferred to InCred Wealth & Investment Services Private Limited vide scheme of merger) had been converted into equity for an aggregate amount of Rs. 20,011.24 lakhs. Pursuant to the approval, the Company was allotted 36,90,477 equity shares of the InCred Wealth & Investment Services Private Limited.

c. 'On 26th August 2022, the Board of Directors of InCred Wealth & Investment Services Private Limited (a wholly owned subsidiary of the Company) had approved conversion of loan taken from the Company into equity for an aggregate amount of Rs. 6,684.35 lakhs. Pursuant to the approval, the Company was allotted 12,32,774 equity shares of the InCred Wealth & Investment Services Private Limited.

Note 38 : Leases**Accounting policy: The Company as a Lessee**

The Company's lease asset classes primarily consists of leases for office premises. The Company has adopted IND AS 116 "Leases" for accounting of lease contracts where the Company is a lessee. As per IND AS 116, the Company assesses whether a contract contains a lease, at the inception of the contract.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- i. the contract involves the use of an identified asset;
- ii. the Company has substantially all of the economic benefits from the use of asset through the period of the lease; and
- iii. the Company has the right to direct the use of the asset.

At the date of the commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all the lease arrangements in which the Company is a lessee; except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payment as an operating expense on a straight-line basis over the term of the lease.

The following is the summary of practical expedients elected on initial application:

- i. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment;
- ii. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application; and
- iii. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

ROU Assets

The ROU assets are initially recognized at cost, which comprise the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment loss.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU asset are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts June not be recoverable.

The changes in the carrying value of the ROU asset are as follows:

Particulars	As at 31st March 2024	As at 31st March 2023
Balance at the beginning of the year	177.44	246.98
Addition during the year	395.71	30.59
Deletion during the period	(16.99)	-
Depreciation for the year	(163.51)	(100.13)
Balance as at the end of the year	392.66	177.44

The aggregate depreciation expense on ROU asset is included under depreciation and amortization expense in the Standalone Statement of Profit and Loss.

Lease liability

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases.

The changes in the carrying value of the lease liability are as follows:

Particulars	As at 31st March 2024	As at 31st March 2023
Balance as at the beginning of the year	291.55	389.65
Addition during the year	396.53	30.59
Finance cost accrued during the year	48.84	35.54
Prior period Adjustments	-	-
Deletions	(17.81)	-
Payment of lease liabilities made during the year	(259.07)	(164.23)
Balance as at the end of the year	460.04	291.55

The break-up of current and non-current lease liabilities as at 31st March 2024 is as follows:

Particulars	As at 31st March 2024	As at 31st March 2023
Current lease liabilities	177.82	162.09
Non-current lease liabilities	282.21	129.45
Total	460.03	291.54

The table below provides details regarding the contractual maturities of lease liabilities as of 31st March 2024 on an undiscounted basis:

Particulars	As at 31st March 2024	As at 31st March 2023
Less than one year	214.10	183.08
Between one and five years	326.11	133.89
More than five years	-	-
Total	540.21	316.95

Expenses recognized in the Standalone statement of profit & loss:

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Depreciation expense on RoU Asset [Refer Note No. 3]	163.51	100.13
Interest expense on lease liability [Refer Note No. 29]	35.54	35.54
Expense relating to short-term leases and low value leases [Refer Note No. 30]	54.70	17.92
Total	253.75	153.59

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Short-term leases

Rental expenses recorded for short-term leases and low value leases was INR. 33.24 lacs for the year ended 31st March 2024 and INR. 17.92 lacs for the year ended 31st March 2023.

Note 39 : Employee Stock Option Plan

Description of share-based payment arrangements

Share option plans (equity-settled)

The Company has Employee Incentive Plan under which options have been granted to eligible employees to be vested from time to time. The Company has established share option plans that entitle the employees of the Company to purchase the shares of the Company. Under these plans, holders of the vested options are entitled to purchase shares at the exercise price of the shares determined at the respective date of grant of options. The key terms and conditions related to the vesting of grants under these plans are continued employment with the company from the date of grant of option till the date of vesting; all options are to be settled by the delivery of shares.

A. Measurement of fair values

Equity-settled share-based payment arrangements

The fair value of the employee share options has been measured using Black-Scholes Option pricing model.

The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment options granted during the year are as follows:

The model inputs for options granted during

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Grant date	1st April 2023 1st January 2024	1st April 2022 1st July 2022 1st October 2022 1st January 2023
Option Price Model	Black Scholes Model	Black Scholes Model
Fair value of ESOP on Grant date	INR 780.10 - INR 1848.19	INR 522.04 - INR 1298.43
Share price as on grant date	INR. 1854.64	INR. 1525.75
Exercise price	INR. 10 and INR.1,568	INR. 367.30 and INR.1,568
Expected volatility (weighted average volatility)	40%	40%
Expected time to exercise shares	2 years from vesting	2 years from vesting
Risk-free interest rate (based on government bonds)	7.22% to 7.36%	5.71% to 7.59%
Dividend yield	0.00%	0.00%
Weighted Average Fair Value of ESOP on Grant date	INR 1387.32	INR 1126.02
Method used to determine expected volatility	The expected volatility is based on price volatility of listed companies in same industry.	The expected volatility is based on price volatility of listed companies in same industry.

B. Reconciliation of outstanding share options

Set out below is a summary of options granted under the plan:

Particulars	Average exercise price per option	Number of options	
		As at 31st March, 2024	As at 31st March, 2023
Opening balance	INR 555.20	6,10,698	2,41,697
Add: Options granted during the year	INR 778.41	52,778	3,79,166
Less: Options forfeited during the year	INR 543.94	(45,659)	(1,089)
Less: Options exercised during the year	INR 462.67	(1,09,756)	(9,076)
Less: Options lapsed during the year	-	-	-
Options outstanding as at the year end	INR 599.38	5,08,061	6,10,698
Option exercisable of the above	INR 553.59	2,36,159	91,564
Weighted average remaining contractual life of options outstanding at end of the year	-	8.20	8.98

C. Expenses arising from share-based payment transactions

Refer Note 28 on employee benefit expense, for share based payment expense charged to Statement of Profit and Loss.

Note 40 : Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that the Company has sufficient capital to safeguard the Company's ability to remain as a going concern and maximise the shareholder value.

The Company manages its capital structure and makes adjustment in light of changes in economic conditions, annual operating plans and long-term and other strategic investment plans. To maintain or adjust the capital structure, the Company may adjust the amounts of dividend paid to shareholders, return capital to shareholders or issue new shares. The current capital structure of the Company is equity based. The Company's capital structure is maintained to meet the Company's requirements and is met through a mixture of equity and internal fund generation as per Company's policy to meet anticipated funding requirements. The Company is not subject to any externally imposed capital requirements.

Note 41 : Financial instruments

41.1 Financial instruments by category

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial instruments that are measured at fair value if the carrying amount is a reasonable approximation of fair value.

As at 31st March 2024	Carrying Amount			Level of Fair Value	
	Amortised cost	At fair value through P&L	Total	Level 1 - Quoted price in active markets	Level 2- Significant Observable inputs
Financial assets					
Investments	-	20,240.00	20,240.00	13,673.61	4,395.84
Investments in subsidiaries and associates	63,207.61	-	63,207.61	-	-
Trade receivables	902.75	-	902.75	-	-
Cash and cash equivalents	1,593.47	-	1,593.47	1,593.47	-
Bank balance other than cash and cash equivalents	-	-	-	-	-
Loans	32,294.31	-	32,294.31	-	-
Other financial assets	854.65	-	854.65	-	-
Total Financial assets	98,852.79	20,240.00	1,19,092.79	15,267.08	4,395.84
Financial liabilities					
Borrowings	59,134.63	-	59,134.63	-	-
Lease Liability	460.03	-	460.03	-	-
Trade payables	349.58	-	349.58	-	-
Other financial liabilities	1,948.66	-	1,948.66	-	-
Total Financial liabilities	61,892.90	-	61,892.90	-	-

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Notes to standalone financial statements for the year ended 31st March 2024

(All amounts in INR Lakhs, unless otherwise stated)

As at 31st March 2023	Carrying Amount			Level of Fair value	
	Amortised cost	At fair value through P&L	Total	Level 1 - Quoted price in active markets	Level 2- Significant Observable inputs
Financial assets					
Investments	-	10,415.80	10,415.80	5,993.97	4,411.83
Investments in subsidiaries and associates	49,932.01	-	49,932.01	-	-
Cash and cash equivalents	759.31	-	759.31	759.31	-
Bank balance other than cash and cash equivalents	-	-	-	-	-
Trade receivables	1,356.04	-	1,356.04	-	-
Loans	-	-	-	-	-
Other financial assets	1,203.68	-	1,203.68	-	-
Total Financial assets	53,251.04	10,415.80	63,666.84	6,753.28	4,411.83
Financial liabilities					
Borrowings	9,099.68	-	9,099.68	-	-
Lease Liability	291.54	-	291.54	-	-
Trade payables	406.33	-	406.33	-	-
Other financial liabilities	354.24	-	354.24	-	-
Total Financial liabilities	10,151.80	-	10,151.79	-	-

The management assessed that the fair values of cash and balances with bank, trade receivables, other financial assets, trade payables and other financial liabilities approximate their carrying amounts due to their short maturities of these instruments.

41.2 Fair value hierarchy

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- (i) Level 1:- Category includes valuation based on quoted market price: financial instruments with quoted prices for identical instruments in active markets that the Company can access at the measurement date.
- (ii) Level 2:- Valuation based on using observable inputs: financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets, or financial instruments valued using models where all significant inputs are observable.
- (iii) Level 3:- Valuation technique with significant unobservable inputs: financial instruments valued using valuation techniques where one or more significant inputs are unobservable. Equity investments have been valued using discounted cash flow method.

The fair value of cash and cash equivalents and other bank balances is their carrying amounts.

Investments in liquid Mutual funds and Alternative Investment Funds are valued at closing Net Asset Value (NAV) of the funds and are classified under Level 1.

There have been no transfers between Level 1, Level 2 and Level 3 for the half year ended 31st March 2024 and 31st March 2023.

Note 42 : Financial Risk management

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The Company's risk management policies are established to identify and analyse the risk faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Company through its training, standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's principal financial liabilities, comprise trade payables, borrowings, lease liability and other payables. The main purpose of these financial liabilities is to finance the company's operations and to provide guarantees to support its operations. The company's principal financial assets include trade and other receivables, cash and cash equivalents and other bank balances that derive directly from its operations.

The company's activities expose it to a variety of financial risk namely market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's board of directors reviews and agrees policies for managing each risk, which are summarised as below:-

A. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include deposits, FVTPL investments and other financial assets.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities and assets. The Company manages its interest rate risk by monitoring the movements in the market interest rates closely.

Exposure to interest rate risk

Company's interest rate risk arises from borrowings and loans. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

Particulars	As at 31st March 2024	As at 31st March 2023
Borrowings:		
Fixed rate borrowings	36,610.74	-
Loans:		
Fixed Rate Loans	32,424.17	-
Total	69,034.91	-

All instruments are fixed rate instruments

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

B. Credit risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables and loans. Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by the company through continuous monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business. Under Ind AS 109, the company uses expected credit loss model to assess the impairment loss or gain. The company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

An impairment analysis is performed at each reporting date on an individual basis for major clients. The company does not hold collateral as security.

Measurement of Expected Credit Losses ('ECL')

The Company has segmented its outstanding portfolio based on the risk profiles i.e. risk management policies, historical experiences with respect to default rates etc. for the computation of ECL.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss).

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Lifetime ECLs and 12-month ECLs are calculated on either an individual basis /collective basis, depending on the nature of the underlying portfolio of financial instruments. The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

The Company measures the amount of ECL on a financial instrument in a way that reflects an unbiased and probability-weighted amount. The Company considers its loss experience and adjusts the same for current observable data. The key inputs into the measurement of ECL are the probability of default, loss given default and exposure at default. The Company uses the Simplified Approach for measurement of ECL.

Based on management estimation and calculation ECL provision has been provided at 100% on Trade Receivables outstanding for more than 90 days and at 0.4% on Lr

Following is the exposure to the credit risk for trade receivables and loans:

Particulars	As at 31st March 2024	As at 31st March 2023
Trade receivables	933.08	1,362.95
Loans	32,424.17	-
Total	33,357.25	1,362.95

Following table provides information about exposure to credit risk and ECL on Loan-

Particulars	As at 31st March 2024	As at 31st March 2023
Loss allowance		
Gross carrying amount of financial assets	32,424.17	-
Expected credit Loss	(129.86)	-
Carrying amount net of impairment provision	32,294.31	-

Following table provides exposure to credit risk for trade receivable-

Particulars	As at 31st March 2024	As at 31st March 2023
Loss allowance - Trade receivable		
Gross carrying amount of financial assets	933.08	1,362.95
Expected credit Loss	(30.32)	(6.91)
Carrying amount net of impairment provision	902.75	1,356.04

Movement in the allowance for Impairment in respect of loans and trade receivables in as follows :

Particulars	As at 31st March 2024	As at 31st March 2023
Opening balance	6.91	186.18
Release of Provision	(6.91)	(182.55)
Additional Provision	160.18	3.28
Closing balance	160.18	6.91

C. Liquidity risk:

Liquidity Risk refers to insufficiency of funds to meet the financial obligations. Liquidity Risk Management implies maintenance of sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit lines to meet obligations when due.

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and by continuously monitoring forecast and actual cash flows, and by assessing the maturity profiles of financial assets and liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the rate applicable as of reporting period ends respectively has been considered.

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(All amounts in INR Lakhs, unless otherwise stated)

As at 31 March 2024:-

Particulars	Note No.	Contractual cash flows			
		Carrying amount	Gross nominal inflow/(outflow)	On Demand	Less than 1 year
Maturities of financial liabilities					
Borrowings	18 & 22	59,134.63	(48,612.65)	11,490.20	25,479.26
Lease Liability	38	460.03	(540.21)	-	214.10
Trade payables	21	349.58	(349.58)	-	349.58
Others liabilities	19 & 23	1,948.66	(1,947.67)	-	1,920.76
Capital Commitments	33	21,677.50	(21,677.50)	-	21,677.50
Total		83,570.40	(73,127.61)	11,490.20	49,641.19

As at 31 March 2023:-

Particulars	Note No.	Contractual cash flows			
		Carrying amount	Gross nominal inflow/(outflow)	On Demand	Less than 1 year
Maturities of financial liabilities					
Borrowings	18 & 22	9,099.68	(9,099.68)	-	-
Lease Liability	38	291.54	(316.96)	-	183.08
Trade payables	21	406.33	(406.33)	-	406.33
Others liabilities	19 & 23	354.24	(354.24)	-	341.24
Capital Commitments	33	2,000.00	(2,000.00)	-	2,000.00
Total		12,151.80	(12,177.22)	-	2,930.65

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed based on the maturities of the relevant assets have been considered below.

As at 31 March 2024:-

Particulars	Note No.	Contractual cash flows			
		Carrying amount	Gross nominal inflow/(outflow)	On Demand	Less than 1 year
Maturities of financial assets					
Investments	6 & 9	83,447.61	83,447.61	-	5,207.82
Trade receivables	10	902.75	902.75	-	902.75
Cash and cash equivalents	11	1,593.47	1,593.47	1,593.47	-
Loans	12	32,294.31	32,424.17	24,693	7,730.99
Others	7 & 13	854.65	854.65	-	807.40
Total		1,19,092.79	1,19,222.65	26,286.64	14,648.96

As at 31 March 2023:-

Particulars	Note No.	Contractual cash flows			
		Carrying amount	Gross nominal inflow/(outflow)	On Demand	Less than 1 year
Maturities of financial assets					
Investments	6 & 9	60,347.81	60,347.81	-	3,232.20
Trade receivables	10	1,356.04	1,356.04	-	1,356.04
Cash and cash equivalents	11	759.31	759.31	759.31	-
Loans	12	-	-	-	-
Others	7 & 13	1,203.68	1,272.19	-	1,209.57
Total		63,666.84	63,735.35	759.31	5,797.82

Note 43 : Related Party Disclosure
Related party relationships / transactions warranting disclosures under IND AS-24 "Related Party Disclosures" are as under:

a. List of Related parties where control exists and/or with whom transactions have taken place and relationships:	
Nature of Relationship	Name of the party
Key managerial personnel ('KMP') and Relatives	a. Bhupinder Singh, Director b. Venkatesh Vishwanathan, Director c. Saurabh Jhalaria , Director d. Vivek Bansal, Director e. Siddharth Parekh, Director f. Deepak Dhingra, CFO (upto 7th September 2022) g. Varun Shah, Company Secretary (upto 24th April 2023) h. Mitesh Kamariya, Company Secretary (w.e.f 25th April 2023) i. Abhijeet Shinde, Company Secretary (w.e.f 17 January 2024) j. Nisha Singh, Relative of Director k. Manisha Bansal, Relative of Director l. Godhuli Vishwanathan, Relative of Director
Enterprise over which KMP is able to exercise significant influence	a. InCred Prime Finance Limited (formerly known as InCred Prime Finance Private Limited) b. InCred Housing Finance Private Limited c. InCred Management and Technology Private Limited d. InCred Wealth Private Limited e. InCred Research Services Private Limited f. InCred Capital Wealth Portfolio Managers Private Limited g. InCred Global Wealth Limited h. InCred Global Wealth Pte. Ltd. i. Mountain Trail Foods Private Limited j. MV Capital Partners k. InCred Employee Welfare Trust l. InCred Holding Limited m. InCred Global Insights Partners Private Limited
Subsidiaries	a. InCred Asset Management Private Limited b. InCred Wealth and Investment Services Private Limited c. InCred Alternative Investments Private Limited d. Booth Fintech Private Limited (w.e.f 11th July 2023) e. InCred Overseas Holding Pte Limited
Step down Subsidiaries	a. mValu Technology Services Private Limited (w.e.f 11th July 2023) b. InCred Value Plus Private Limited
Associate	Alpha Fintech Private Limited

[illegible]

Transactions	KMP		Relatives of KMP		Enterprise over which KMP are able to exercise significant influence		Subsidiaries and Associates	
	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024	31st March 2023
Interest on Borrowing:								
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	273.86	-
InCred Financial Services Limited	-	-	-	-	196.64	-	-	-
InCred Research Services Private Limited	-	-	-	-	11.90	-	-	-
	-	-	-	-	208.54	-	273.86	-
Investment in Associate:								
Alpha Fintech Private Limited	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Investment in Subsidiary:								
InCred Asset Management Private Limited	-	-	-	-	-	-	-	-
InCred Alternative Investment Private Limited	-	-	-	-	-	-	-	-
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	-	4
InCred Overseas Holdings Pte Limited	-	-	-	-	-	-	9,058.43	-
	-	-	-	-	-	-	9,058.43	4
Employee Stock Expense:								
InCred Research Services Private Limited	-	-	-	-	2.75	-	-	-
	-	-	-	-	2.75	-	-	-
Investment in Market Linked Debentures								
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	9,900.00	-
	-	-	-	-	-	-	9,900.00	-
Purchase of Investments:								
InCred Wealth Private Limited	-	-	-	-	-	-	-	-
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	-	3,031.16	-	-	-
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	5,749.61	-
InCred Financial Services Limited	-	-	-	-	150.00	-	-	-
Alpha Fintech Private Limited	-	-	-	-	-	-	403.87	-
InCred Prime Finance Limited (formerly known as InCred Financial Services Limited)	-	-	-	-	-	-	-	-
Mountain Trail Foods Private Limited	-	-	-	-	-	-	-	-
	-	-	-	-	3,181.16	-	6,153.48	-

Transactions	KMP		Relatives of KMP		Enterprise over which KMP are able to exercise significant influence		Subsidiaries and Associates	
	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024	31st March 2023
Sale of Investments:								
Varun Shah	-	-	-	-	-	-	-	-
Bhupinder Singh	-	-	-	-	-	-	-	-
Saurabh Jhalaria	30.00	75.19	-	-	-	-	-	-
Manisha Bansal	-	-	-	325.06	-	-	-	-
Alpha Fintech Private Limited	-	-	-	-	-	-	50.60	-
InCred Financial Services Limited	-	-	-	-	1,293.88	-	-	-
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	5,056.68	-
InCred Wealth Private Limited	-	-	-	-	-	-	-	-
	30.00	75.19	-	325.06	1,293.88	-	5,107.28	-
Loss on Sale Investments:								
Manisha Bansal	-	-	(72.65)	-	-	-	-	-
	-	-	(72.65)	-	-	-	-	-
Profit on Sale Investments:								
InCred Wealth Private Limited	-	-	-	-	-	16.45	-	-
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	45.53	-
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	-	4.98	-	-	-
Varun Shah	-	0.08	-	-	-	-	-	-
Bhupinder Singh	-	0.10	-	-	-	-	-	-
Saurabh Jhalaria	0.14	-	-	-	-	-	-	-
	0.14	0.18	-	-	4.98	16.45	45.53	-
Purchase of CCPS of Subsidiary Booth Fintech Private Limited:								
InCred Wealth and Investments Services Private Limited	-	-	-	-	-	-	1,047.13	-
	-	-	-	-	-	-	1,047.13	-
Purchase of Equity Shares of Subsidiary Booth Fintech Private Limited:								
InCred Financial Services Limited	-	-	-	-	1,736.49	-	-	-
	-	-	-	-	1,736.49	-	-	-
Deemed Investment in Subsidiary:								
InCred Asset Management Private Limited	-	-	-	-	-	-	149.31	-
InCred Alternative Investment Private Limited	-	-	-	-	-	-	7.50	-
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	510.55	-
	-	-	-	-	-	-	667.36	-
Remuneration paid to KMPs	318.40	711.89	-	-	-	-	-	-
	318.40	711.89	-	-	-	-	-	-

Transactions	KMP		Relatives of KMP		Enterprise over which KMP are able to exercise significant influence		Subsidiaries and Associates	
	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024	31st March 2023
Interest on Loan and Advances:								
InCred Wealth Private Limited	-	-	-	-	322.16	756.24	-	-
InCred Asset Management Private Limited	-	-	-	-	-	-	0.19	-
InCred Prime Finance Limited (formerly known as InCred Financial Services Limited)	-	-	-	-	0.49	3.72	-	-
Clamant Tech Services Private Limited	-	-	-	-	-	-	-	-
InCred Research Services Private Limited	-	-	-	-	-	-	-	-
mValu Technology Services Private Limited	-	-	-	-	-	-	3.60	-
Booth Fintech Private Limited	-	-	-	-	-	-	0.50	-
InCred Management and Technology Private Limited	-	-	-	-	-	-	-	-
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	-	-	207.05	-	-
InCred Alternative Investment Private Limited	-	-	-	-	-	-	46.80	-
InCred Wealth and Investment Private Limited	-	-	-	-	-	-	350.82	-
	-	-	-	-	322.65	967.01	401.91	-
Branding Expenses								
InCred Management and Technology Private Limited	-	-	-	-	-	2.18	-	-
	-	-	-	-	-	2.18	-	-
Revenue from Operations								
mValu Technology Services Private Limited	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Referrel Expenses								
InCred Wealth Private Limited	-	-	-	-	0.25	369.42	-	-
InCred Global Wealth Limited	-	-	-	-	-	95.17	-	-
InCred Global Wealth Pte. Ltd.	-	-	-	-	-	162.23	-	-
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	-	-	66.21	-	-
	-	-	-	-	0.25	693.03	-	-
Depository Charges								
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	-	-	1.23	-	-
	-	-	-	-	-	1.23	-	-
Legal and Professional Expenses								
Manisha Bansal	-	-	-	49.05	-	-	-	-
	-	-	-	49.05	-	-	-	-
Sale of Fixed Asset								
InCred Holdings Limited	-	-	-	-	-	0.50	-	-
	-	-	-	-	-	0.50	-	-
Profit on sale Fixed Asset								
InCred Holdings Limited	-	-	-	-	-	0.09	-	-
	-	-	-	-	-	0.09	-	-

Transactions	KMP		Relatives of KMP		Enterprise over which KMP are able to exercise significant influence		Subsidiaries and Associates	
	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024	31st March 2023
Expenses Reimbursement :								
InCred Prime Finance Limited (formerly known as InCred Financial Services Limited)	-	-	-	-	-	9.64	-	-
InCred Research Services Private Limited	-	-	-	-	-	-	-	-
InCred Financial Services Limited	-	-	-	-	1.42	-	-	-
InCred Wealth Private Limited	-	-	-	-	-	-	-	-
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	-	20.27	0.69	-	-
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	-	-
	-	-	-	-	21.69	10.33	-	-
Business Support Services								
InCred Asset Management Private Limited	-	-	-	-	-	-	54.30	-
InCred Prime Finance Limited (formerly known as InCred Financial Services Limited)	-	-	-	-	-	-	-	-
InCred Wealth Private Limited	-	-	-	-	-	-	-	-
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	-	-	5.01	-	-
InCred Research Services Private Limited	-	-	-	-	-	6.38	-	-
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	11.03	-
InCred Alternative Investments Private Limited	-	-	-	-	-	-	36.20	-
	-	-	-	-	-	11.39	101.53	-
Stamp duty on Sale of shares								
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	-	-	1.12	-	-
	-	-	-	-	-	1.12	-	-
Issue of equity shares upon scheme of Merger:								
Bhupinder Singh	-	8.52	-	-	-	-	-	-
Saurabh Jhalaria	-	19.05	-	-	-	-	-	-
Nisha Singh	-	-	-	0.00	-	-	-	-
Godhuli Vishwanathan	-	-	-	32.65	-	-	-	-
MV Capital Partners (Through its partners Mr.Vivek Bansal and Manisha Bansal)	-	-	-	-	-	10.89	-	-
	-	27.57	-	32.65	-	10.89	-	-
Securities premium on issue of Equity shares upon scheme of Merger:								
Bhupinder Singh	-	330.62	-	-	-	-	-	-
Saurabh Jhalaria	-	739.70	-	-	-	-	-	-
Nisha Singh	-	-	-	0.03	-	-	-	-
Godhuli Vishwanathan	-	-	-	1,267.83	-	-	-	-
MV Capital Partners (Through its partners Mr.Vivek Bansal and Manisha Bansal)	-	-	-	-	-	422.67	-	-
	-	1,070.32	-	1,267.86	-	422.67	-	-
Issue of equity shares upon :								
InCred Employee Welfare trust	-	-	-	-	-	54.44	-	-
	-	-	-	-	-	54.44	-	-

Transactions	KMP		Relatives of KMP		Enterprise over which KMP are able to exercise significant influence		Subsidiaries and Associates	
	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024	31st March 2023
Securities premium on issue of Equity shares :								
InCred Employee Welfare trust	-	-	-	-	-	2,950.86	-	-
	-	-	-	-	-	2,950.86	-	-
Issue of CCPS:								
InCred Wealth Private Limited	-	-	-	-	-	11.75	-	-
	-	-	-	-	-	11.75	-	-
Securities premium on issue of Equity shares :								
InCred Wealth Private Limited	-	-	-	-	-	1,868.25	-	-
	-	-	-	-	-	1,868.25	-	-

Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

c. Closing balances with Related parties as at 31st March 2024 and 31st March 2023 :

Closing balance	KMP		Relatives of KMP		Enterprise over which KMP are able to exercise significant influence		Subsidiaries and Associates	
	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024	31st March 2023
Trade payables:								
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	-	8.31	-	-	-
InCred Management and Technology Private Limited	-	-	-	-	-	2.18	-	-
	-	-	-	-	8.31	2.18	-	-
Trade Receivable:								
InCred Holdings Limited	-	-	-	-	-	0.59	-	-
	-	-	-	-	-	0.59	-	-
Other Receivable:								
InCred Research Services Private Limited	-	-	-	-	2.70	-	-	-
InCred Global Insights Partners Private Limited	-	-	-	-	18.59	-	-	-
InCred Holdings Limited	-	-	-	-	0.59	-	-	-
InCred Valuplus Private Limited	-	-	-	-	-	-	0.47	-
	-	-	-	-	21.88	-	0.47	-
Other Payables:								
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	-	0.99	-	-	-
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	1,048	-
InCred Holdings Limited	-	-	-	-	0.30	-	-	-
InCred Management and Technology Services Private Limited	-	-	-	-	0.11	-	-	-
InCred Alternative Investment Private Limited	-	-	-	-	-	-	-	-
InCred Financial Services Limited	-	-	-	-	2.03	-	-	-
	-	-	-	-	3.42	-	1,048.34	-

Closing balance	KMP		Relatives of KMP		Enterprise over which KMP are able to exercise significant influence		Subsidiaries and Associates	
	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024	31st March 2023
Borrowings (Including Interest Accrued)								
InCred Financial Services Limited	-	-	-	-	10,000.00	-	-	-
InCred Research Services Private Limited	-	-	-	-	6,010.71	-	-	-
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	5,479.49	-
	-	-	-	-	16,010.71	-	5,479.49	-
Loans								
InCred Wealth Private Limited	-	-	-	-	22,245.11	-	-	-
InCred Financial Services Limited	-	-	-	-	-	-	-	-
InCred Alternative Investment Private Limited	-	-	-	-	-	-	2,088.07	-
InCred Prime Finance Limited	-	-	-	-	360.00	-	-	-
InCred Research Services Private Limited	-	-	-	-	-	-	-	-
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	-	-	-	-	-
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	-	-
InCred Employee Welfare Trust	-	-	-	-	-	-	-	-
	-	-	-	-	22,605.11	-	2,088.07	-
Investment in Subsidiary and Associates:								
InCred Asset Management Private Limited	-	-	-	-	-	-	5,049.31	-
InCred Wealth and Investment Services Pvt Ltd	-	-	-	-	-	-	42,811.40	42,811.40
InCred Alternative Investment Private Limited	-	-	-	-	-	-	1,518.50	-
Alpha Fintech Private Limited	-	-	-	-	-	-	2,305.34	-
Booth Fintech Private Limited	-	-	-	-	-	-	2,464.63	-
InCred Overseas Holdings Pte Limited	-	-	-	-	-	-	9,058.43	-
	-	-	-	-	-	-	63,207.61	42,811.40
Investment in Market Linked Debentures of Subsidiary :								
InCred Wealth and Investment Services Pvt Ltd	-	-	-	-	-	-	89.00	-
	-	-	-	-	-	-	89.00	-

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Note 44 : Ratio Analysis and its elements

Ratio	Numerator	Denominator	Year ended 31st March 2024	Year ended 31st March 2023	% change during the year	Remarks
Current ratio	Current Assets	Current Liabilities	1.03	7.17	-85.61%	Increase in working capital due to issue of MLDs
Debt- Equity Ratio	Borrowings	Shareholders Equity	0.92	0.15	525.81%	Increase due to new MLDs issued during the year
Debt Service Coverage ratio	Net Operating Income	Debt Service	0.04	0.17	-76.75%	Decrease due to new MLDs issued during the year
Return on Equity ratio	Net Profits after taxes	Shareholder's Equity	0.03	0.02	68.66%	Decrease in PBT
Inventory Turnover ratio	NA	NA	-	-	NA	NA
Trade Receivable Turnover Ratio	Net credit sales	Average Trade Receivable	6.04	15.10	-59.98%	Decrease due to lower trade receivables as on year end.
Trade Payable Turnover Ratio	Net credit purchases	Average Trade Payables	6.35	18.44	-65.56%	Decrease in overall expenses in FY 23 24
Net Capital Turnover Ratio	Total sales	Working capital = Current assets - Current liabilities	9.63	1.32	629.06%	NA
Net Profit ratio	Net Profit	Total sales	0.13	0.10	32.06%	Decrease in PBT
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.06	0.02	205.12%	NA
Return on Investment	Profit on Sale of Investments	Investment	0.07	0.03	145.11%	Increase in treasury revenue during FY 23 24

Note 45 : Other Statutory Information

(i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company do not have any transactions with companies struck off.

(iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company is not required to file quarterly statement of current assets submitted to banks / financial institutions which are provided as security against the borrowings.

(vi) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries:

(vii) (a)

(A) On 11th July 2023, the Company has borrowed from InCred Wealth & Investment Services Pvt Ltd ("IWISPL") (a wholly owned subsidiary) Rs. 1800 lakhs and the amount was further used to Investment in Booth Fintech Private Limited (subsidiary).

B. On 29th August 2023, the Company has borrowed from Manipal Education and Medical Group Rs. 10,500 lakhs and amount was further used to advance ICD loan of Rs. 10,500 lakhs to InCred Wealth & Investment Services Pvt Ltd ("IWISPL") (a wholly owned subsidiary)

C. On 10th May 2023, the Company has borrowed from InCred Wealth & Investment Services Pvt Ltd ("IWISPL") (a wholly owned subsidiary) Rs. 1650 lakhs and the amount was further used to subscribe Market Linked Debentures of Rs. 1660 lakhs in InCred Wealth & Investment Services Pvt Ltd ("IWISPL") (a wholly owned subsidiary)

D. On 09th June 2023, the Company has borrowed from InCred Wealth & Investment Services Pvt Ltd ("IWISPL") (a wholly owned subsidiary) Rs. 2100 lakhs and the amount was further used to subscribe Market Linked Debentures of Rs. 2100 lakhs in InCred Wealth & Investment Services Pvt Ltd ("IWISPL") (a wholly owned subsidiary)

E. On 12th July 2023, the Company has borrowed from InCred Wealth & Investment Services Pvt Ltd ("IWISPL") (a wholly owned subsidiary) Rs. 1020 lakhs and the amount was further used to subscribe Market Linked Debentures of Rs. 1020 lakhs in InCred Wealth & Investment Services Pvt Ltd ("IWISPL") (a wholly owned subsidiary)

F. On 22nd August 2023, the Company has borrowed from InCred Wealth & Investment Services Pvt Ltd ("IWISPL") (a wholly owned subsidiary) Rs. 1440 lakhs and the amount was further used to subscribe Market Linked Debentures of Rs. 1440 lakhs in InCred Wealth & Investment Services Pvt Ltd ("IWISPL") (a wholly owned subsidiary)

G. On 25th August 2023, the Company has borrowed from InCred Wealth & Investment Services Pvt Ltd ("IWISPL") (a wholly owned subsidiary) Rs. 1000 lakhs and the amount was further used to subscribe Market Linked Debentures of Rs. 710 lakhs in InCred Wealth & Investment Services Pvt Ltd ("IWISPL") (a wholly owned subsidiary)

H. On 03rd October 2023, the Company has borrowed from InCred Wealth & Investment Services Pvt Ltd ("IWISPL") (a wholly owned subsidiary) Rs. 3000 lakhs and the amount was further used to subscribe Market Linked Debentures of Rs. 2570 lakhs in InCred Wealth & Investment Services Pvt Ltd ("IWISPL") (a wholly owned subsidiary)

I. On 08th December 2023, the Company has borrowed from InCred Wealth & Investment Services Pvt Ltd ("IWISPL") (a wholly owned subsidiary) Rs. 2050 lakhs and the amount was further used on 11th December 2023 to subscribe Market Linked Debentures of Rs. 2200 lakhs in InCred Wealth & Investment Services Pvt Ltd ("IWISPL") (a wholly owned subsidiary)

J. On 27th December 2023, the Company has borrowed from InCred Financial Services Limited ("IFSL") Rs. 2500 lakhs and the amount was further used of repay Rs. 2500 lakhs in InCred Wealth & Investment Services Pvt Ltd ("IWISPL") (a wholly owned subsidiary)

K. On 20th September 2023, the Company has borrowed from InCred Wealth & Investment Services Pvt Ltd ("IWISPL") (a wholly owned subsidiary) Rs. 280 lakhs and the amount was further used to subscribe Market Linked Debentures of Rs. 400 lakhs in InCred Wealth & Investment Services Pvt Ltd ("IWISPL") (a wholly owned subsidiary)

L. On 23rd November 2023, the Company has borrowed from InCred Wealth & Investment Services Pvt Ltd ("IWISPL") (a wholly owned subsidiary) Rs. 900 lakhs and from Kemfin Services Private Limited Rs. 1000 lakhs the amount was further used to Invest Rs. 1826 lakhs in InCred InCred Overseas Holding Pte Limited (a wholly owned subsidiary)

(b) Except as disclosed below, the Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: :

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

The transactions are in compliance with the relevant provisions of the Companies Act, 2013 and are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003). Further the provisions of Foreign Exchange Management Act, 1999 (42 of 1999) are not applicable to the transactions.

(viii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(ix) There are no scheme of arrangements which have been filed by the Company under the Act and which have been approved by the competent authority u/s 232 to 237 of the Act.

(x) The Company, is in compliance with the provisions of sec 2(87) read with Companies (Restriction on number of Layers) Rules, 2017.

(xi) The Company has not been declared as wilful defaulter by any bank or financial institution or any other lender.

(xii) The Company has not revalued any property, plant and equipment and intangible assets.

Note 46 : Disclosure relating to earnings and expenditure in foreign currency

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
A. Expenditure in foreign currency		
Referral fees	-	1,228.49
Legal, professional and consultancy charges	67.51	119.82
Recruitment Charges	11.08	17.96
IT Expenses	-	7.65
Hotel Expenses	-	5.10
Membership and subscription	21.25	5.02
Conference and Seminar Charges	-	1.30
	99.84	1,385.35
B. Earnings in foreign currency		
Retainer fees	20.66	-
Consultancy Fees	-	4.11
	20.66	4.11

Note 47 : Interest in other entities

Subsidiary

The Company has the following subsidiary held directly by the Company which operate and is incorporated in India. Following are the details of the shareholding in the subsidiary:

Name of the Company	Principal business activities	Country of Incorporation	% of ownership interest 31st March 2024
InCred Asset Management Private Limited	Financial services, Investment manager for Category - II AIF "InCred Impact Corporate Debt Fund" & Category - III AIF "India Value Growth Fund" & "Emerging Business Fund"	India	100.00%
InCred Wealth and Investment Services Private Limited	Financial and advisory services	India	100.00%
InCred Alternative Investments Private Limited	Financial services and ancillary services	India	100.00%
InCred Overseas Holding Private Limited	Financial and advisory services	Singapore	100.00%
Booth Fintech Private Limited	Financial and advisory services	India	69.12%

Associates

The Company has the following associates which operate and is incorporated in India. Following are the details of the shareholding in the associate:

Name of the Company	Principal business activities	Country of Incorporation	% of ownership interest 31st March 2024
Alpha Fintech Private Limited	Engaged in the business of selling of third party financial products like bonds, sovereign gold bonds, invoice discounting, fixed deposits, private equity, market linked debentures, etc.	India	40.71%

Name of the Company	Principal business activities	Country of Incorporation	% of ownership interest 31st March 2023
Alpha Fintech Private Limited	Engaged in the business of selling of third party financial products like bonds, sovereign gold bonds, invoice discounting, fixed deposits, private equity, market linked debentures, etc.	India	25.54%

Note 48 : Corporate Social Responsibility

The gross amount required to be spent by the Company during the year ended 31 March 2024 is INR 21.75 lakhs (31st March 2023: INR 19.82 lakhs).

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Amount required to be spent as per section 135 of the Companies Act, 2013:	21.75	19.82
Amount spent during the year	-	-
(i) Construction/ acquisition of any asset	-	-
(ii) On purposes other than (i) above	-	-
In cash	-	-
Deposited in specified fund*	55.02	19.82

* The company has transferred unspent amount to a Fund specified in Schedule VII to the Companies Act, 2013 on 10th May 2023 in compliance with second proviso to sub-section (5) of section 135 of the said Act for FY 22-23.

Note 49 : Backup of Books of accounts and Audit Trail

a. As per the MCA notification dated August 05, 2022 Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules back-up of the books of account/other books & papers maintained in electronic mode, including at a place outside India, shall be kept in servers physically located in India on a daily basis. The Company's servers are physically located in India and back up is done on a daily basis. Thus the Company is compliant with the requirements of the above notification.

b. The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, there are no instance of audit trail feature being tampered with.

Note 50 : Other notes to accounts

a. Segment reporting

The Company is principally engaged in the financial services space, offering Investment Banking Services.

For the financial year ended 31st March 2024, the Company has one operating segment:- **Investment Banking** as per Ind AS - 108 Operating Segments.

The Company has decided not to present segment reporting disclosures in the standalone financial statements by applying the exemption available to the Company as per Ind AS 108 Operating Segments.

b. Previous year figures

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For **P N A M & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 001092N/N500395

PARV BANSAL
Digitally signed by PARV BANSAL
Date: 2024.09.04 18:18:21 +05'30'
Parv Bansal
Partner
Membership No.: 515167
Place : Delhi
Date : 04 September 2024

For and on behalf of the Board of Directors of
InCred Capital Financial Services Private Limited

BHUPINDER SINGH
Digitally signed by BHUPINDER SINGH
Date: 2024.09.04 15:14:36 +05'30'
Bhupinder Singh
Director
DIN - 07342318
Place : Mumbai
Date : 04 September 2024

SAURABH JHALARIA
Digitally signed by SAURABH JHALARIA
Date: 2024.09.04 15:06:44 +05'30'
Saurabh Jhalaria
Director
DIN - 07908327
Place : Mumbai
Date : 04 September 2024

Independent Auditor's Report

To The Members of InCred Capital Financial Services Private Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of InCred Capital Financial Services Private Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group") and its associates which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financials statements of associate, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at March 31, 2024, and their consolidated losses, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Other matter

The standalone financial Statements of the subsidiary Companies InCred Wealth & Investment Services Private Limited, InCred Asset Management Private Limited and InCred Alternative Investments Private Limited, Booth Fintech Private Limited, mValu Technology Services Private Limited, InCred Value Plus Private Limited and of the associate Company Alpha Fintech Private Limited for the year ended 31st March 2024 were audited by other Chartered Accountants who had expressed an unmodified opinion on those standalone financial statements. However, the financial statements of InCred Overseas Holdings Private Limited, Singapore are unaudited and are consolidated on the basis of management accounts.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, and consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibilities for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associate in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Boards of Directors of the companies included in the Group and of its associate are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Boards of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations or have no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group and its associate are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, have adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group and its associate to express an opinion on the consolidated financial statements.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Company as on March 31, 2024, taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies and associate company incorporated in India, none of the directors of the Group and its associate companies incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over the financial reporting of those companies.
- g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2024.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- (i) The group and its associate do not have any pending litigations which may impact its financial position of the Group.
 - (ii) The Group and its associate do not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There is no amount that is required to be transferred, to the Investor Education and Protection Fund by the Group as on the close of year.
 - (iv) (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, other than as disclosed in note no. 49 to the financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiary to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, other than as disclosed in note no. 49 to the financial statements, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiary from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiary, nothing has come to our notice that has caused us to believe that therepresentations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - (v) No dividend has been declared or paid during the year by the Holding Company or any of the subsidiary companies included in the group.
 - (vi) Based on our examination which included test checks, the group has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As provision to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit

P N A M & CO. LLP

Chartered Accountants

trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and by other Chartered Accountants for its subsidiaries and associates included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there is no such Clauses in which adverse remarks in the CARO report have been given

For P N A M & Co. LLP

Chartered Accountants

ICAI Firm Reg. No.: 001092N/N500395

**PARV
BANSAL**

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PARV BANSAL
Date: 2024.09.04
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Parv Bansal

Partner

Membership No.: 515167

UDIN: 24515167BKBJBZ5603

Date: 04th September 2024

Place: New Delhi

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements section of our report to the Members of InCred Capital Financial Services Private Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls over financial reporting of InCred Capital Financial Services Private Limited (hereinafter referred to as the "Holding Company"), its subsidiaries and its associate which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Boards of Directors of the Company, its subsidiary companies and its associate which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI") and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary companies and associate Company, which are companies incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies and associate company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For P N A M & Co. LLP

Chartered Accountants

ICAI Firm Reg. No.: 001092N/N500395

**PARV
BANSAL**

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PARV BANSAL
Date: 2024.09.04
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Parv Bansal

Partner

Membership No.: 515167

UDIN : 24515167BKBJBZ5603

Date : 04th September 2024

Place : New Delhi

Particulars	Note No.	As at 31st March 2024	As at 31st March 2023
A. ASSETS			
1. Non-current assets			
(a) Property, plant and equipment	3	1,777.95	1,292.61
(b) Capital work in Progress	3A	38.29	28.11
(c) Goodwill		1,046.84	1,363.84
(d) Other intangible assets	4	4,620.48	5,203.70
(e) Intangible assets under development	4A	17.09	11.34
(f) Financial assets			
Non Current Investments	5	19,877.31	8,587.17
Loans	6	3,899.31	4,205.46
Others non-current financial assets	7	911.29	138.39
(g) Deferred tax assets (Net)	32.4	5,634.99	4,909.20
(h) Other non current assets	8	416.62	25.84
Total non-current assets		38,240.18	25,765.67
2. Current assets			
(a) Financial assets			
Current Investments	9	15,919.75	17,402.58
Trade receivables	10	2,190.81	2,685.65
Cash and cash equivalents	11	23,068.01	1,862.22
Bank balance other than cash and cash equivalents	12	7,505.36	-
Loans	13	51,685.05	8,459.83
Other financial assets	14	984.85	6,241.15
(b) Current tax assets (Net)	15	449.72	1,153.67
(c) Other current assets	16	883.41	628.31
Total current assets		1,02,686.96	38,433.41
Total Assets		1,40,927.14	64,199.08
B. LIABILITIES AND EQUITY			
1. Equity			
(a) Equity share capital	17	1,321.14	1,321.14
(b) Other equity	18	44,715.33	45,132.04
Equity attributable to owners of the parent		46,036.47	46,453.18
Equity attributable to non-controlling interest		4,246.00	
Total Equity		50,282.47	46,453.18
2. Liabilities			
Non Current liabilities			
(a) Financial liabilities			
Non-current borrowings	19	42,545.29	13,110.72
Other financial liabilities	20	580.88	396.85
(b) Non-current provisions	21	364.43	206.62
Total non-current liabilities		43,490.60	13,714.19
Current liabilities			
(a) Financial liabilities			
Trade payables	22	-	-
(i) total outstanding dues of micro and small enterprises		2,374.28	902.78
(ii) total outstanding dues of creditors other than micro and small enterprises		36,465.31	-
Borrowings	23	7,715.28	2,768.83
Other current financial liabilities	24	12.03	12.06
(b) Current provisions	25	587.17	348.04
(c) Other non-financial liabilities	26	-	-
Total current liabilities		47,154.07	4,031.71
Total Liabilities		90,644.67	17,745.90
Total Liabilities and Equity		1,40,927.14	64,199.08

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date,

For PNM & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 001092N/N500395

PARV BANSAL
Digitally signed by PARV BANSAL
Date: 2024.09.04
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Parv Bansal
Partner
Membership No.: 515167

Place : Delhi
Date : 04 September 2024

For and on behalf of the Board of Directors of
InCred Capital Financial Services Private Limited

BHUPINDER SINGH
Digitally signed by BHUPINDER SINGH
Date: 2024.09.04
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Bhupinder Singh
Director
DIN - 07342318

Place : Mumbai
Date : 04 September 2024

SAURABH JHALARIA
Digitally signed by SAURABH JHALARIA
Date: 2024.09.04
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Saurabh Jhalaria
Director
DIN - 07908327

Place : Mumbai
Date : 04 September 2024

Particulars	Note No.	Year ended 31st March 2024	Year ended 31st March 2023
(I) Income			
(i) Revenue From operations	27	33,125.10	15,195.77
(ii) Other income	28	2,250.58	1,253.76
Total revenue from operations (I = i + ii)		35,375.68	16,449.53
(II) Expenses			
(i) Employee benefits expenses	29	19,731.84	15,038.01
(ii) Finance costs	30	7,188.44	732.84
(iii) Purchase of Commodity		794.77	-
(iv) Depreciation, amortization and impairment	3 & 4	1,143.98	1,008.15
(v) Others expenses	31	7,185.18	6,444.66
Total expenses (II = i + ii + iii + iv + v)		36,044.21	23,223.66
(III) Profit/ (Loss) before share of loss of associates (III = I - II)		(668.53)	(6,774.13)
(IV) Share of Loss of Associate		(611.72)	(70.45)
(V) Profit/ (Loss) before exceptional items and tax (V = III - IV)		(1,280.25)	(6,844.58)
(VI) Exceptional items		(566.57)	(2,603.00)
(VII) Profit/ (Loss) before tax (VII = V - VI)		(1,846.82)	(9,447.58)
(VIII) Tax Expense:	32		
(i) Current tax		1,054.79	-
(ii) Deferred tax		(719.21)	(2,235.04)
(iii) Pertaining to earlier years		30.17	39.79
Total tax expense (VIII = i + ii + iii)		365.75	(2,195.25)
(IX) Profit/ (Loss) for the year (IX = VII - VIII)		(2,212.57)	(7,252.33)
(X) Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
(i) Remeasurements of the defined benefit plans		(36.47)	(29.82)
(ii) Income tax relating to items that will not be reclassified to profit or loss		6.61	9.59
(iii) Share of Loss of Associate		0.29	(4.22)
Subtotal (A = i + ii + iii)		(29.57)	(24.45)
(B) Items that will be reclassified to profit or loss			
(i) Net Gain/ (Loss) on instruments through other comprehensive income		(5.36)	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Subtotal (B = i + ii)		(5.36)	-
Total other comprehensive income (X = A + B)		(34.93)	(24.45)
(XI) Total comprehensive income for the period (XI = IX + X)		(2,247.50)	(7,276.78)
Profit for the year attributable to :			
Owners of the parent		(1,976.01)	-
Non Controlling Interests		(236.56)	-
		(2,212.57)	-
Other Comprehensive Income for the year attributable to :			
Owners of the parent		(34.93)	-
Non Controlling Interests		-	-
		(34.93)	-
Total Other Comprehensive Income for the year attributable to :			
Owners of the parent		(2,010.94)	-
Non Controlling Interests		(236.56)	-
		(2,247.50)	-
(XII) Earnings per share (EPS)			
(Face value of INR. 10 each)			
Basic (INR.)	33	(17.34)	(63.85)
Diluted (INR.)		(16.75)	(59.99)

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date.

For **PNAM & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 001092N/N500395

PARV BANSAL
Digitally signed by
PARV BANSAL
Date: 2024.09.04
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Parv Bansal
Partner
Membership No.: 515167

Place : Delhi
Date : 04 September 2024

For and on behalf of the Board of Directors of
InCred Capital Financial Services Private Limited

BHUPINDER SINGH
Digitally signed
by BHUPINDER
SINGH
Date: 2024.09.04
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Bhupinder Singh
Director
DIN - 07342318

Place : Mumbai
Date : 04 September 2024

SAURABH JHALARIA
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SAURABH JHALARIA
Date: 2024.09.04
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Saurabh Jhalaria
Director
DIN - 07908327

Place : Mumbai
Date : 04 September 2024

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
A. Cash flow from operating activities		
Profit/ (Loss) before tax	(1,280.25)	(6,844.58)
Adjustments to reconcile profit before tax to net cash flows from operating activities		
- Depreciation and amortisation	1,143.98	1,008.15
- Profit on sale of investments	(18,921.70)	(5,251.60)
- Interest Income on Loans	(1,967.18)	(1,021.32)
- Interest Income on Investments	-	-
- Share based payment to employees	2,381.32	3,612.76
- Rent expense on deferred lease rentals	18.01	6.50
- Allowance for credit loss	662.01	(67.22)
- Loss on sale of fixed assets	0.02	2.24
- Interest on unwinding of financial liabilities	95.12	93.61
- Interest on unwinding of financial assets	(18.61)	(11.75)
Operating profit/loss before working capital changes	(17,887.28)	(8,473.21)
Adjustments for (increase) / decrease in operating assets:		
- Trade receivables	494.84	2,229.66
- Other financial assets	4,483.39	(6,330.46)
- Other non-financial assets	(645.88)	1,473.21
Adjustments for increase / (decrease) in operating liabilities:		
- Trade payables	1,471.50	(1,906.74)
- Deposits	-	31.75
- Other financial liabilities	5,130.48	(530.87)
- Other non-financial liabilities	239.13	(383.43)
- Provisions	157.78	134.31
Cash generated from / (used in) operations	(6,556.04)	(13,755.78)
Direct taxes (paid) net of refunds	1,758.74	(662.11)
Net cash flow from (used in) operating activities (A)	(4,797.30)	(14,417.89)
B. Cash flows from investing activities		
- Purchase of Property, Plant and Equipment	(480.23)	(533.68)
- Impact of Right of Use Asset	(571.79)	(61.12)
- Purchase of Intangible assets (including under development)	(5.75)	(10.34)
- Capital work in progress	(10.18)	(6.34)
- Proceeds from sale of fixed assets	6.65	26.28
- Purchase of Associate	(1,311.06)	(1,149.72)
- Purchase of investments	(13,71,767.71)	(9,38,136.05)
- Proceeds from sale of investments	13,83,426.20	9,23,679.75
- Net Proceeds from Loans	(42,919.07)	20,286.45
- Interest Income on Loans	1,967.18	1,021.32
- Investment in fixed deposits with maturity of more than 3 months and other bank balances	(7,505.36)	-
Net cash flow from / (used in) investing activities (B)	(39,171.12)	5,116.55
C. Cash flows from financing activities		
- Borrowings	65,899.87	(6,932.51)
- Share Capital	-	161.63
- Securities premium (Net of Share issue expenses)	(270.00)	13,704.65
- Payment of lease liabilities	(455.66)	(331.63)
Net cash flow from / (used in) in financing activities (C)	65,174.21	6,602.14
Net increase / (decrease) in cash and cash equivalents (A + B + C)	21,205.79	(2,699.20)
Cash and cash equivalents at the beginning of the year	1,862.22	4,561.42
Cash and cash equivalents at the end of the year [Refer Note 1 below]	23,068.01	1,862.22
Net increase / (decrease) in cash and cash equivalents during the year	21,205.79	(2,699.20)
Notes to Consolidated cash flow statement		
1. Components of cash and cash equivalents		
Cash on hand [Refer Note No. 3]		
With banks - on current account & fixed deposits [Refer Note No. 11]	23,068.01	1,862.22
	23,068.01	1,862.22

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For PNAM & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 001092N/N500395

PARV BANSAL
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PARV BANSAL
Date: 2024.09.04
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Parv Bansal
Partner
Membership No.: 515167

Place : Delhi
Date : 04 September 2024

For and on behalf of the Board of Directors of
InCred Capital Financial Services Private Limited

BHUPINDER SINGH
Digitally signed
by BHUPINDER
SINGH
Date: 2024.09.04
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Bhupinder Singh
Director
DIN - 07342318

Place : Mumbai
Date : 04 September 2024

SAURABH JHALARIA
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SAURABH
JHALARIA
Date: 2024.09.04
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Saurabh Jhalaria
Director
DIN - 07908327

Place : Mumbai
Date : 04 September 2024

A. Equity share capital		
Particulars	As at 31st March 2024	As at 31st March 2023
<u>Issued, subscribed and fully paid-up</u>		
<u>Equity share capital of INR 10 each issued</u>		
Balance as at the beginning of the year	1,275.74	989.98
Changes in equity share capital during the year	-	285.76
Balance as at the end of the year	1,275.74	1,275.74
<u>B. Preference share capital</u>		
Particulars	As at 31st March 2024	As at 31st March 2023
<u>Issued, subscribed and fully paid-up</u>		
<u>Compulsorily convertible preference shares of INR 10 each</u>		
Balance as at the beginning of the year	-	-
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the year	-	-
Additions during the year	-	60.35
Changes during the year	-	(60.35)
Balance as at the end of the year	-	-
<u>Optionally convertible preference shares of INR 10 each</u>		
Balance as at the beginning of the year	45.40	-
Changes during the year	-	45.40
Balance as at the end of the year	45.40	45.40
Total	45.40	45.40

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C. Other equity

Particulars	Reserves and Surplus							Foreign Currency Translation Reserve
	Contingency reserve	Statutory reserve	Share based payment reserve	Securities premium	Capital Reserve	Retained earnings	Debenture Redemption Reserve	
Balance as at 31st March 2022	0.54	497.14	291.72	36,364.38	-	(585.43)	-	
Profit / (loss) for the year	-	-	-	-	-	(7,252.33)	-	
Other comprehensive income for the year	-	-	-	-	-	(24.45)	-	
Total comprehensive income for the year (net of tax)	-	-	-	-	-	(7,276.78)	-	
Capital Reserve on Merger	-	-	-	-	80.39	-	-	
Employee stock option expense	-	-	3,612.76	-	-	-	-	
Utilisation on conversion of Share capital	-	-	(51.50)	(2.94)	-	-	-	
Allotment of Share Application Money	-	-	-	-	-	-	-	
Premium on private placement of equity shares	-	-	-	20,885.01	-	-	-	
Amounts utilised towards share issue expenses	-	-	-	(543.78)	-	-	-	
Loss Reversal on Wind up of Subsidiary	-	-	-	-	-	(19.72)	-	
Intercompany Profits	-	-	-	-	-	48.27	-	
Reserves acquired on amalgamation/merger	-	-	-	-	-	(8,168.02)	-	
Transferred to statutory reserve from retained earnings	-	-	-	-	-	-	-	
Balance as at 31st March 2023	0.54	497.14	3,852.98	56,702.67	80.39	(16,001.68)	-	
Profit / (loss) for the year	-	-	-	-	-	(1,976.01)	-	
Other comprehensive income for the year	-	-	-	-	-	(34.93)	-	
Total comprehensive income for the year (net of tax)	-	-	-	-	-	(2,010.94)	-	
Capital Reserve on Acquisition	-	-	-	-	85.86	-	-	
Non-controlling interest on acquisition of subsidiary	-	-	-	-	-	(710.94)	-	
Employee stock option expense	-	-	2,534.64	-	-	-	-	
Premium on private placement of equity shares	-	-	-	-	-	-	-	
Amounts utilised towards share issue expenses	-	-	-	(270.00)	-	-	-	
Debenture Redemption Reserve	-	-	-	(420.07)	-	(2,346.44)	2,766.52	
Foreign Currency translation reserve	-	-	-	-	-	-	-	
Intercompany Profits	-	-	-	-	-	(65.90)	-	
Transferred to statutory reserve from retained earnings	-	(497.14)	-	-	-	497.14	-	
Balance as at 31st March 2024	0.54	0.00	6,387.62	56,012.60	166.25	(20,638.76)	2,766.52	

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For PNAM & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 001092N/N500395

PARV BANSAL
Digitally signed by PARV BANSAL
Date: 2024.09.04 18:39:28 +05'30'

Parv Bansal
Partner
Membership No.: 515167

Place : Delhi
Date : 04 September 2024

For and on behalf of the Board of Directors of
InCred Capital Financial Services Private Limited

BHUPINDER SINGH
Digitally signed by BHUPINDER SINGH
Date: 2024.09.04 15:26:53 +05'30'

Bhupinder Singh
Director
DIN - 07342318

Place : Mumbai
Date : 04 September 2024

SAURABH JHALARIA
Digitally signed by SAURABH JHALARIA
Date: 2024.09.04 15:32:09 +05'30'

Saurabh Jhalaria
Director
DIN - 07908327

Place : Mumbai
Date : 04 September 2024

Note 1 : General information

1.1. Corporate information

InCred Capital Financial Services Private Limited ('the Parent') was incorporated in India on 27th March 1996 under the provision of Companies Act, 1956. The Company was registered with RBI to carry on the business of Non-Banking Financial Company without accepting public deposits ("NBFC") and was granted Certificate of Registration (CoR) bearing No B-13.02415. The Company applied for surrender of NBFC CoR and the same was accepted by RBI vide its letter dated July 17, 2023. The Parent together with its subsidiaries will be hereinafter collectively referred to as the 'Group'.

The Company has surrendered its NBFC License w.e.f 17th July 2023.

The registered office of the parent is Unit No. 1203, 12th Floor, B Wing, The Capital, Bandra Kurla Complex Mumbai - 400051.

1.2. Basis of preparation

A. Compliance with Ind AS

The Consolidated financial statement of the group have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Act.

These consolidated financial statements are approved for issue by the Board of Directors on 04 September 2024.

B. Functional and presentation currency

The consolidated financial statements are presented in Indian Rupees ('INR'), which is also the group's functional currency. All the amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

C. Basis of measurement

The consolidated financial statements have been prepared on a going concern basis under historical cost convention and on an accrual method of accounting except for the following items:

- (i) Certain financial assets and liabilities that are measured at fair value/amortised cost
- (ii) Net defined benefit asset / liability - plan assets are measured at fair value less present value of defined benefit obligation; and
- (iii) Share-based payments - measured at fair value

D. Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with Ind AS requires that management make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities as of the date of the consolidated financial statements and the income and expense for the reporting period. The actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The group makes certain judgments and estimates for valuation and impairment of financial instruments, fair valuation of employee stock options, useful life of property, plant and equipment, deferred tax assets and retirement benefit obligations. Management believes that the estimates used in the preparation of the consolidated financial statements are prudent and reasonable.

Material judgements

Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

Recognition of deferred tax assets/liabilities

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases and unutilised business loss and depreciation carry forward and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry forward and unused tax credits could be utilised.

Recognition and measurement of provisions and contingencies

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

Discounting of long-term financial assets/liabilities

All financial assets/liabilities are required to be measured at fair value on initial recognition. In case of financial assets/liabilities which are required to be subsequently measured at amortised cost, interest is accrued using the effective interest method.

Impairment of financial assets

The group recognises loss allowances for expected credit losses on its financial assets measured at amortised cost. At each reporting date, the group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Leases

The determination of lease term for some lease contracts in which the group is a lessee, including whether the group is reasonably certain to exercise lessee options. The determination of the incremental borrowing rate used to measure lease liabilities.

E. Presentation of consolidated financial statements

Consolidated financial statements of the group are presented as per Schedule III ('Division III') of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs ('MCA'). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7, Statement of Cash Flows. The disclosure requirements with respect to items in the consolidated Balance Sheet and consolidated Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the consolidated financial statements along with the other notes required to be disclosed under the notified Accounting Standards, and RBI regulations to the extent applicable.

F. Current / Non-current classification of assets and liabilities

All assets and liabilities are classified into current and non-current.

Assets:

An asset is classified as current when it satisfies any of the following criteria:

- (i) It is expected to be realised in, or is interested in sale or consumption in, the group's normal operating cycle;
- (ii) It is held primarily for being traded;
- (iii) It is expected to be realised within 12 months after the reporting date; or
- (iv) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

- (i) It is expected to be settled in the group's normal operating cycle;
- (ii) It is held primarily for being traded;
- (iii) It is due to be settled within 12 months after the reporting date; or
- (iv) the group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Current liabilities include the current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as Non-current.

All assets and liabilities have been classified as current or non-current as per the group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. The group has identified 12 months as their operating cycle for classification of their current assets and liabilities.

G. Basis of Consolidation

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are consolidated from the date on which the control is transferred to the Group. They are deconsolidated from the date the control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between the Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed wherever necessary to ensure consistency with the policies adopted by the Group.

As on the reporting date of the financial statements the following are the subsidiary that has been considered in preparation of the consolidated financial statements:

Name of the Entity	Country of Incorporation	% Ownership	Consolidated as
InCred Asset Management Private Limited	India	100%	Subsidiary
InCred Wealth and Investment Services Private Limited	India	100%	Subsidiary
InCred Alternative Investment Private Limited*	India	100%	Subsidiary
InCred Overseas Holding Private Limited	Singapore	100%	Subsidiary
Booth Fintech Private Limited	India	69.12%	Subsidiary
mValu Technology Services Private Limited	India	69.12%	Subsidiary
InCred Value Plus Private Limited	India	69.12%	Subsidiary

Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognized at cost.

Under equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee and in other comprehensive income. Dividends received or receivable from associates are recognized as a reduction in the carrying amount of investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent the Group's interest in these entities. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group

As on the date of the financial statements the following associate that has been considered in preparation of the consolidated financial statements:

Name of the Entity	Country of Incorporation	% Ownership	Consolidated as
Alpha Fintech Private Limited	India	45.07%	Associate

Note 2 : Material accounting policies

2.1. Measurement of fair values

The group's accounting policies and disclosures require the measurement of fair values for financial instruments.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for the asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the group.

The group has an established control framework with respect to the measurement of fair values. The management has the overall responsibility for overseeing all significant fair value measurements, including Level 3 fair value.

The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair values of a financial asset or a financial liability, the group uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- (i) **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (ii) **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- (iii) **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of a financial asset or a financial liability, the group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2.2. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the group becomes party to the contractual provisions of the instruments.

A. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and liabilities are initially recognised when the group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss ('FVTPL'), transaction costs that are directly attributable to its acquisition.

B. Classification of financial assets:

Financial assets:

On initial recognition, a financial asset is classified as measured at:

- Amortised Cost
- Fair value through other comprehensive income ('FVOCI')
- Fair value through profit and loss ('FVTPL')

Financial assets measured at amortised cost:

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment), unless the asset is designated at FVTPL:

- (i) the financial asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- (ii) the Contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

Financial assets measured at Fair value through other comprehensive Income ('FVOCI'):

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- (i) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- (ii) the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

Financial assets measured at Fair Value through Profit and Loss ('FVTPL'):

A financial asset which is not classified in above category is subsequently measured at FVTPL. Where assets are measured at fair value, gains and losses are recognized entirely in the Statement of Profit and Loss.

C. Subsequent recognition of financial assets:

The assets classified in the aforementioned categories are subsequently measured as follows:

Financial assets at amortised cost:

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Statement of Profit and Loss.

Financial assets at FVTPL:

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in consolidated Statement of Profit and Loss.

Debt investments at FVOCI:

These assets are subsequently measured at fair value. Interest income under the EIR method, foreign gains and losses and impairment are recognised in consolidated Statement of Profit and Loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to consolidated Statement of Profit and Loss.

Equity investments designated at FVOCI:

These assets are subsequently measured at fair value. Dividends are recognised as income in consolidated Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to consolidated Statement of Profit and Loss.

D. Classification of financial liabilities:

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as on initial recognition.

Financial liabilities and equity instruments issued by the group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

E. Subsequent recognition of financial liabilities:

All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable and incremental transaction cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs profit and loss.

The group's financial liabilities include trade payables and other financial liabilities.

F. Derecognition of financial assets and financial liabilities

Financial assets:

The group derecognizes a financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) when the contractual rights to receive cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which the group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the asset.

If the group enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of Profit and Loss.

G. Offsetting of financial instruments

A financial asset and a financial liability is offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

H. Reclassification of financial assets and financial liabilities

The group is required to reclassify financial assets when and only when it changes its business model for managing financial assets.

Reclassifications are expected to be very infrequent. Such changes must be determined by the group's senior management as a result of external or internal changes and must be significant to the group's operations and demonstrable to external parties.

Further reclassification is not allowed in following cases:

- Investments in equity instruments irrevocably designated as at FVOCI cannot be reclassified,
- Reclassification of financial liabilities.

I. Derivatives recorded at fair value through profit and loss

A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract (i.e., the 'underlying').

- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts expected to have a similar response to changes in market factors.

- It is settled at a future date.

The Company enters into derivative transactions with various counterparties to hedge its foreign currency risks, interest rate risks and equity price risks, respectively. These include cross-currency swaps, forward foreign exchange contracts, futures and options on equities.

Derivatives are recorded at fair value and carried as assets when their fair value is positive and as liabilities when their fair value is negative. Changes in the fair value of derivatives are included in net gain on fair value changes unless hedge accounting is applied.

J. Embedded Derivatives

An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract. A derivative that is attached to a financial instrument, but is contractually transferable independently of that instrument, or has a different counterparty from that instrument, is not an embedded derivative, but a separate financial instrument.

If the hybrid contract contains a host that is a financial asset / financial liability within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract.

Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

2.3. Impairment

A. Impairment of financial assets

In accordance with Ind AS 109, the group applies expected credit loss model (ECL) for measurement and recognition of impairment loss. At each reporting date, the group assesses whether the receivables have been impaired. The group is exposed to credit risk when the customer defaults on his contractual obligations.

The group records allowance for expected credit losses (ECL) for all loans and debt investments, together with loan commitments to customers.

The ECL allowance is based on the credit losses expected to arise over the life of the asset, unless there has been no significant increase in credit risk since origination, in which case the allowance is based on the 12 months' expected credit loss. Both life time expected credit loss and 12 months' expected credit loss are calculated on individual loan / instrument basis.

At the end of each reporting period, the group performs an assessment of whether the loan's / investment's credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the asset.

Based on the above, the group categorises its loans into Stage 1, Stage 2 and Stage 3 as under:

Stage 1: When loans are first recognised, the group recognises an allowance based on 12 months' expected credit loss. Stage 1 loans also include facilities where the credit risk has improved and the loan has been re-classified from Stage 2.

Stage 2: When a loan has shown significant increase in credit risk since origination, the group records an allowance for the life time expected credit loss. Stage 2 loans also include facilities where the credit risk has improved and the loan has been re-classified from Stage 3.

Stage 3: When a loan is credit impaired, the group records an allowance for the life time expected credit loss.

The group calculates ECLs based on probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to the group in accordance with the contract and the cash flows that the group expects to receive.

Key elements considered for ECL calculation are as under:

Probability of Default (PD): It is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

Exposure at Default: The Exposure at Default is an estimate of the exposure at a future default date.

Loss Given Default (LGD): LGD is an estimate of the loss arising in case where a default occurs. It is based on the difference between the contractual cash flows due and those that the group would expect to receive, including from the realization of any security.

B. Impairment of non-financial assets

The carrying values of assets at each balance sheet date are reviewed to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of the asset is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment loss is recognised in the Statement of Profit and Loss for such excess amount.

In respect of assets (except goodwill) for which impairment loss has been recognised in prior periods, the group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.4. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the group's cash management.

2.5. Investments**Investment in Mutual Fund**

The group uses Net Asset Value (NAV) to fair value investments in mutual funds.

Investment in AIF

The company uses Net Asset Value (NAV) to fair value investments in AIF.

Investment in Equity Shares

Traded Equity and Equity related Securities are valued at the last quoted closing price on the National Stock Exchange (NSE) or other Stock Exchange (SE) (in case where security is either not listed on NSE or not traded on NSE).

Investment in Debentures and Bonds

Debentures/Bonds and related Securities are valued at the last quoted closing price on the Bombay Stock Exchange (BSE) or other Stock Exchange (SE) (in case where security is either not listed on BSE or not traded on BSE).

2.6. Property, plant and equipment**A. Recognition and measurement**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. The cost of an item of property, plant and equipment comprises of its purchase price, including import duties and non-refundable purchase taxes after deducting trade discounts and rebates and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management and the initial estimate of the cost of dismantling, removing the item and restoring the site on which it is located, referred to as 'decommissioning, restoration and similar liabilities', the obligation for which an enterprise incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during the period.

Borrowing costs relating to acquisition of an item of property, plant and equipment which takes substantial period to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital Work-in-Progress'.

Repairs & Maintenance costs are recognized in the net profit in the Statement of Profit and Loss when incurred.

Property, plant and equipment held for sale is valued at lower of their carrying amount and net realizable value. Any write-down is recognized in the statement of profit and loss.

B. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the group.

C. Derecognition

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

D. Depreciation

Depreciation on property, plant and equipment is calculated on a straight-line method (SLM). The rates of depreciation used are those which have been calculated as per the method specified in Schedule II of the Companies Act, 2013. The Companies Act, 2013 prescribes that the asset should be written off over its useful life as estimated by the management and provides the indicative useful lives for the different class of assets.

The useful life as per Schedule II are as follows:

Asset Group	Useful life as per Schedule II
Furniture and fittings	10
Computers	3
Office Equipment's	5
Vehicle	8
Leasehold improvements	Over the life of lease period
ROU Assets	Over the life of lease period

Depreciation is not recorded on capital work in progress until construction and installation is completed and assets are ready for its intended use.

Depreciation on addition to property, plant and equipment is provided on pro-rata basis from the date the asset is ready for use. Depreciation on sale/ deduction of property, plant and equipment is provided for up to the date of sale, deduction and discarding as the case may be.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimated useful life as given above best represent the period over which management expects to use these assets.

2.7. Intangible assets

A. Recognition and measurement

Intangible assets are stated at cost of acquisition less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

B. Subsequent expenditure

Subsequent expenditure on an intangible asset is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure are recognised in the Statement Profit and Loss as incurred.

C. Amortization

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful life using the straight-line method, and is included in depreciation, amortisation and impairment in the Statement of Profit and Loss.

The intangible assets are amortised over the estimated useful life of 3 years.

Amortisation methods, useful life and residual values are reviewed at each reporting date and adjusted prospectively.

2.8. Income tax

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income ('OCI').

A. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the group:

- (i) has a legally enforceable right to set off the recognised amounts; and
- (ii) intends to realise the asset or settle the liability on a net basis or simultaneously.

B. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- (i) temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit and loss; and
- (ii) temporary differences related to investments in subsidiaries and associates to the extent that the group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted as on the reporting date. Taxes relating to items recognised directly in equity or OCI is recognised in equity or OCI.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- (i) the group has a legally enforceable right to set off current tax assets against current tax liabilities; and
- (ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

2.9. Borrowing costs

Borrowing costs include interest expense as per the effective interest rate (EIR) and other costs incurred by the group in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of those tangible fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized. Other borrowing costs are recognized as an expense in the year in which they are incurred.

2.10. Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

2.11. Leases

The group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts. Consequently, the group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the group's incremental borrowing rate at the date of initial application.

At the date of commencement of the lease, the group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates.

2.12. Revenue from operations

The group has adopted Ind AS 115, Revenue from Contracts with Customers.

The group recognised revenue primarily from various activities as follows:

(i) **Distribution fees, commission and related income** : Distribution commission income is recognised when right to receive is established as per the terms of the contract, based on the confirmations received from the third party vendors.

Commission and related income comprises of income in the nature of commission, arranger and facilitation fee income which is recognized when right to receive the income is established as per the terms of the contract.

(ii) Management fees :

a. Management fees from Alternative Investment Funds (AIF) schemes are recognised on an accrual basis in accordance with the investment management agreement and provisions and regulations of SEBI (Alternative Investment Funds) Regulations, 2012. The Company receives investment management fees from the AIF which is charged as a percent of the Assets Under Management (AUM) and is recognised on accrual basis.

b. Management fees from Portfolio Management schemes are recognised on an accrual basis. The Company receives portfolio management fees which is charged as a percent of the Assets Under Management (AUM) and is recognised on accrual basis. The Company also receives Performance Fees which is recognised based on the terms agreed with the customer.

(iii) **Fee Income** : Fee income is recognized when right to receive the income is established as per the terms of the contract.

(iv) Income related to advisory services is accounted on accrual basis

(v) Other operational revenue represents income earned from the activities incidental to the business and is recognized when the right to receive the income is established as per the terms of the contract

2.13. Earning per share

The basic earnings per share ('EPS') is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.14. Provisions, contingent liabilities and contingent assets

A. Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expenses relating to a provision is presented in the Statement of Profit and Loss.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

B. Onerous contracts

Provisions for onerous contracts are recognized when the expected benefits to be derived from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the group recognises any impairment loss on the assets associated with that contract.

Provisions, contingent assets, contingent liabilities and commitments are reviewed at each reporting date.

2.15. Foreign currencies

The functional currency of the group is determined on the basis of the primary economic environment in which it operates. The functional currency of the group is Indian National Rupee (INR).

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on transaction/settlement of monetary items are recognised in statement of profit and loss in the period in which they arise.

2.16. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers. The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Group. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Income / Costs which relate to the Group as a whole and are not allocable to segments on a reasonable basis, have been included under Unallocated Income / Costs.

2.17. Events after the reporting period

Events after the reporting period are those events, both favourable and unfavourable that occur between end of the reporting period and the date on which the consolidated financial statements are approved for issue.

A. Adjusting events

Events which provide further evidence of conditions that existed at the end of the reporting period are adjusting events. Financials have been adjusted for those events.

B. Non-adjusting events

Events which are of indicative of conditions that arise after the end of the reporting period are Non-adjusting events. Disclosure of the nature of event and estimate of its financial effect have been made in the consolidated financial statements.

There have been no events after the reporting date that require disclosure in these consolidated financial statements.

2.18. Related party disclosure

A related party is any party of entity that controls or can significantly influence the management or operating policies of the group during the reporting period.

The group has disclosed names of related parties with relationship and transaction between group and its related parties in the Notes to consolidated financial statements

2.19. Employee benefits

A. Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

B. Compensated absences

The group does not have a policy of encashment of unavailed leaves for its employees and are not permitted to carry forward the leaves. Hence there is no liability towards compensated absence.

C. Post-employment benefits

Defined contribution plans

Retirement benefit in the form of provident fund is a defined contribution scheme. The group is statutorily required to contribute a specified portion of the basic salary of an employee to a provident fund as part of retirement benefits to its employees. The contributions during the year are charged to the statement of profit and loss.

Defined benefit plans - Gratuity

The group's liability towards gratuity scheme is determined by independent actuaries, using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement of defined benefit plans, comprising of actuarial gains / losses, return on plan assets excluding interest income are recognised immediately in the balance sheet with corresponding debit or credit to Other Comprehensive Income (OCI). Remeasurements are not reclassified to statement of profit and loss in the subsequent period

2.20. Share-based payment arrangements

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the Consolidated Statement of Profit and Loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

2.21 Business Combinations

Business Combinations (not involving entities under common control) are accounted for using the acquisition method. At the acquisition date, identifiable asset acquired and liabilities assumed are measured at fair value. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. The consideration transferred is measured at fair value at acquisition date and includes the fair value of any contingent consideration. However, deferred tax asset or liability and any liability or asset relating to employee benefit arrangements arising from business combination are measured and recognised in accordance with the requirements of Ind AS 12, Income Taxes and Ind AS 19, Employee Benefits, respectively.

Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired and liabilities assumed, the difference is accumulated in equity as capital reserve. The cost of acquisition excluding those relating to issue of equity or debt securities are charged to the Statement of Profit and Loss in the period in which they are incurred.

Business combinations of entities under common control are accounted using the "pooling of interests" method and assets and liabilities are reflected at the predecessor carrying values and the only adjustments that are made are to harmonise accounting policies. The figures for the previous periods are restated as if the business combination had occurred at the beginning of the preceding period irrespective of the actual date of the combination.

2.22 Statement of Cash flows

Cash flows are reported using the indirect method in accordance with Ind AS 7 Statement of Cash Flows, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the group are segregated.

2.23 Exceptional items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items is disclosed separately as exceptional items.

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Notes to the consolidated financial statements for the year ended 31st March 2024

(All amounts in INR Lakhs, unless otherwise stated)

Note 3 : Property, plant and equipment

Particulars	ROU Assets [Refer Note No. 35]	Furniture and fixtures	Leasehold Improvements	Office equipment	Vehicle
Gross carrying amount:					
As at 31st March 2022	456.24	28.51	99.67	36.00	77.21
Additions during the year	61.12	49.18	125.29	36.43	245.73
Acquired via Merger	615.62	46.80	197.56	73.09	62.66
Disposals during the year	-	2.19	-	0.42	31.51
As at 31st March 2023	1,132.97	122.30	422.51	145.10	354.08
Additions during the year	588.78	15.63	100.90	12.30	256.90
Acquisitions	-	-	-	-	-
Transfer	-	-	-	-	-
Write offs	-	20.55	68.39	46.70	-
Disposals during the year	28.87	-	-	-	7.10
As at 31st March 2024	1,692.88	117.38	455.01	110.70	603.88
Accumulated depreciation:					
As at 31st March 2021	108.63	2.29	14.12	5.06	0.41
Depreciation charge during the year	100.64	2.85	22.70	7.69	6.09
Accumulated depreciation on disposals	-	-	-	0.12	-
As at 31st March 2022	209.27	5.14	36.82	12.63	6.50
Depreciation charge during the year	221.14	8.66	71.36	18.71	32.14
Acquired via Merger	192.42	26.40	108.89	44.99	3.44
Accumulated depreciation on disposals	-	0.28	-	0.09	6.54
As at 31st March 2023	622.82	39.92	217.07	76.23	35.53
Depreciation charge during the year	297.30	10.70	89.71	19.97	59.93
Acquisitions	-	-	-	-	-
Transfer	-	-	-	-	-
Write off	-	18.14	68.39	39.11	-
Accumulated depreciation on disposals	11.88	-	-	-	0.42
As at 31st March 2024	908.23	32.48	238.39	57.10	95.04
Net carrying amount:					
As at 31st March 2024	784.65	84.90	216.62	53.60	508.84
As at 31st March 2023	510.15	82.38	205.44	68.87	318.55

Note 3A : Capital work in Progress

Particulars	Total
As at 31st March 2022	1.09
Additions during the period	155.69
Acquired via merger	20.68
Capitalized during the period	(149.35)
As at 31st March 2023	28.11
Additions during the period	177.06
Acquired via merger	-
Capitalized during the period	(166.88)
As at 31st March 2024	38.29

Ageing for CWIP :

Particulars	Less than 1 year	1 - 2 years	2 -3 years	More than 3 years	Total
Projects in progress	27.51	9.70	1.08	-	38.29
As at 31st March 2024	27.51	9.70	1.08	-	38.29

Particulars	Less than 1 year	1 - 2 years	2 -3 years	More than 3 years	Total
Projects in progress	27.02	1.08	-	-	28.10
As at 31st March 2023	27.02	1.08	-	-	28.10

Note 4 : Other intangible assets

Particulars	Software	Technology Development	Brand	Customer Relationships	Website
Gross carrying amount:					
As at 31st March 2022	6.18	-	-	-	-
Additions during the year	-	2,411.50	575.00	5,392.50	-
Acquired via merger	15.25	-	-	-	2.00
Write off	-	-	-	2,603.00	-
Disposals during the year	-	-	-	-	-
As at 31st March 2023	21.43	2,411.50	575.00	2,789.50	2.00
Additions during the year	-	-	-	-	0.75
Acquired via merger	-	-	-	-	-
Write off	-	-	-	-	-

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Notes to the consolidated financial statements for the year ended 31st March 2024

(All amounts in INR Lakhs, unless otherwise stated)

Disposals during the year	-	-	-	-	-
As at 31st March 2024	21.43	2,411.50	575.00	2,789.50	2.75
Accumulated amortisation and impairment:					
As at 31st March 2022	5.40	-	-	-	-
Amortisation charge during the year	5.87	241.15	57.50	278.95	0.67
Acquired via merger	5.01	-	-	-	1.19
Disposals during the year	-	-	-	-	-
As at 31st March 2023	16.28	241.15	57.50	278.95	1.86
Amortisation charge during the year	4.54	241.81	57.66	279.71	0.24
Additions during the year	-	-	-	-	-
Write off	-	-	-	-	-
Disposals during the year	-	-	-	-	-
As at 31st March 2024	20.82	482.96	115.16	558.66	2.10
Net carrying amount as at 31st March 2024	0.61	1,928.54	459.84	2,230.84	0.65
Net carrying amount as at 31st March 2023	5.15	2,170.35	517.50	2,510.55	0.14

Note 4A : Intangible assets under development

Particulars	Total
Gross carrying amount:	
As at 31 March 2022	-
Additions during the year	10.34
Acquired via merger	1.00
Capitalised during the year	-
As at 31 March 2023	11.34
Additions during the year	6.00
Acquired via merger	-
Capitalised during the year	-0.25
As at 31 March 2024	17.09

Ageing :

Particulars	Less than 1 year	1 - 2 years	2 -3 years	More than 3 years	Total
Projects in progress	6.00	10.09	1.00	-	17.09
As at 31st March 2024	6.00	10.09	1.00	-	17.09
Particulars	Less than 1 year	1 - 2 years	2 -3 years	More than 3 years	Total
Projects in progress	10.34	1.00	-	-	11.34
As at 31st March 2023	10.34	1.00	-	-	11.34

Note 5 : Non Current Investments

Particulars	As at 31st March 2024	As at 31st March 2023
(A) Investments carried at fair value through profit or loss		
In Alternate Investment Fund	10,632.10	4,695.25
In Portfolio Management Services	502.83	402.27
In Non Convertible Debentures & Market Linked Debentures	2,516.08	1,357.17
In Derivative assets	2,225.32	986.98
In Compulsorily Convertible Preference shares	1,544.43	-
(B) Investments carried at amortised cost		
Alpha Fintech Private Limited	2,456.56	1,145.50
Total - Gross (A + B)	19,877.31	8,587.17
Less: Impairment loss allowance	-	-
Total - Net of impairment loss allowance	19,877.31	8,587.17
(A) Investments in India	19,877.31	8,587.17
(B) Investments outside India	-	-
Total - Gross (A + B)	19,877.31	8,587.17
Less: Impairment loss allowance	-	-
Total - Net of impairment loss allowance	19,877.31	8,587.17

Note 6 : Loans

Particulars	As at 31st March 2024 Amortised cost	As at 31st March 2023 Amortised cost
(A) At amortised cost		
(i) Term loans	300.00	513.87
(ii) Term loans to related party	3,615.00	3,708.48
Total - Gross	3,915.00	4,222.35
Less: Impairment loss allowance	(15.69)	(16.89)
Total - Net of impairment loss allowance (A)	3,899.31	4,205.46

Note 7 : Others non-current financial assets

Particulars	As at 31st March 2024	As at 31st March 2023
Financial assets carried at amortized cost:		
Rental deposits	129.15	128.23
Bank deposits with more than 12 months maturity	310.14	-
Advance to broker	469.74	2.07
Other deposits	6.35	10.05
	915.38	140.34
Less: Allowance for impairment loss	(4.09)	(1.95)
Total	911.29	138.39

Note 8 : Other non current assets

Particulars	As at 31st March 2024	As at 31st March 2023
Balance with government authorities	329.55	-
Deferred rent expense	16.09	6.60
Prepaid expenses	70.98	19.24
Total	416.62	25.84

Note 9 : Current Investments

Particulars	As at 31st March 2024	As at 31st March 2023
Investments carried at fair value through profit or loss		
In Mutual Funds	1,550.68	1,081.47
In Equity Shares	5,848.08	6,513.28
In Non Convertible Debentures & Market Linked Debentures	4,016.72	7,941.63
In Compulsorily Convertible Preference Shares	4,547.50	1,566.20
In Compulsorily Convertible Debentures	300.00	300.00
In Option assets	(43.23)	-
	16,219.75	17,402.58
Less: Impairment loss allowance	(300.00)	-
Total	15,919.75	17,402.58

Note 10 : Trade receivables

Particulars	As at 31st March 2024	As at 31st March 2023
Secured, considered good	-	-
Unsecured, considered good	2,239.73	2,756.14
Significant increase in credit risk	-	-
Credit impaired	-	-
	2,239.73	2,756.14
Less: Allowance for impairment loss	(48.92)	(70.49)
Total	2,190.81	2,685.65

As at 31st March 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) Undisputed Trade Receivables - Consider good	2,203.96	19.28	15.49	1.00	-	2,239.73
ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-
iv) Disputed Trade Receivables - Considered goods	-	-	-	-	-	-
v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-
Total	-	19.28	15.49	1.00	-	2,239.73

As at 31st March 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) Undisputed Trade Receivables - Consider good	1,523.97	1,133.66	60.20	37.73	0.59	2,756.14
ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-
iv) Disputed Trade Receivables - Considered goods	-	-	-	-	-	-
v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-
Total	-	1,133.66	60.20	37.73	0.59	2,756.14

Note 11 : Cash and cash equivalents

Particulars	As at 31st March 2024	As at 31st March 2023
Balances with banks (of the nature of cash and cash equivalent)	14,963.34	1,862.22
Fixed deposit with bank (original maturity of less than 3 months)	8,104.67	-
Total	23,068.01	1,862.22

Note 12 : Bank balance other than cash and cash equivalents

Particulars	As at 31st March 2024	As at 31st March 2023
Fixed deposit with bank	7,505.36	-
	7,505.36	-
Less : Expected credit Loss	-	-
Total	7,505.36	-

Note 13 : Loans

Particulars	As at	As at
	31st March 2024	31st March 2023
	Amortised cost	Amortised cost
At amortised cost		
(i) Term loans	9,338.08	505.55
(ii) Term loans to related party	42,555.90	7,988.76
Total - Gross	51,893.98	8,494.31
Less: Impairment loss allowance	(208.93)	(34.48)
Total - Net of impairment loss allowance	51,685.05	8,459.83

Note 14 : Other financial assets

Particulars	As at	As at
	31st March 2024	31st March 2023
Carried at amortised cost		
Advance to Broker	592.78	43.76
Rental deposits	72.11	-
Receivables From Fund	39.76	16.36
Others	491.40	6,249.54
Total - Gross	1,196.05	6,309.66
Less: Impairment loss allowance	(211.20)	(68.51)
Total - Net of impairment loss allowance	984.85	6,241.15

Note 15 : Current tax assets (Net)

Particulars	As at	As at
	31st March 2024	31st March 2023
Income tax refundable (net of provision for income tax)	449.72	1,153.67
Total	449.72	1,153.67

Note 16 : Other current assets

Particulars	As at	As at
	31st March 2024	31st March 2023
Prepaid expenses	223.12	51.88
Balances with government authorities	503.73	422.75
Deferred rent expense	4.32	4.82
Advance to vendor	93.08	77.83
Others	59.16	71.03
Total	883.41	628.31

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Notes to the consolidated financial statements for the year ended 31st March 2024

(All amounts in INR Lakhs, unless otherwise stated)

Note 17 : Equity share capital

Particulars	As at 31st March 2024	
	Number	Amount
Authorised share capital [Refer note 'e' below]		
Equity shares of INR. 10/- each	3,41,94,000	3,419.40
Compulsorily convertible preference shares of INR 10/- each	7,16,000	71.60
Optionally convertible redeemable preference shares of INR 10/- each	6,00,000	60.00
	3,55,10,000	3,551.00
Issued, subscribed and paid up capital		
Equity Shares of INR. 10/- each fully paid up	1,27,57,390	1,275.74
Optionally convertible redeemable preference shares of INR 10/- each fully paid-up	4,53,962	45.40
Total issued, subscribed and paid-up share capital	1,32,11,352	1,321.14

a. Terms and rights attached to Equity shares

The Company has only one class of equity shares. The equity shares have a paid up value of INR 10 per share. Each holder of equity shares is entitled to vote in proportion of the share of paid up value of the share. Each shareholder is entitled to receive interim dividend when it is declared by the Board of Directors. The final dividend proposed by the Board of Directors are paid when approved at the annual general meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company proportionately along with the holders of compulsorily convertible preference shares after the payment of all preferential amounts. The distribution shall be according to the members right and interest in the company.

b. Terms and rights attached to Optionally convertible redeemable preference shares

Pursuant to Composite Scheme of Arrangement between Clamant Tech Services Private Limited ('Transferor Company'), InCred Wealth Private Limited ('Demerged Company 1'), MAPE Advisory Company 2'), InCred Wealth and Investment Services Private Limited ('Resulting Company 1') and InCred Capital Financial Services Private Limited ('Company' or 'Transferee Company' or 'Resulting Company 2'). On April 26, 2022 passed by the NCLT Mumbai sanctioning the Composite Scheme the Company had allotted 4,53,962 Class A Optionally convertible redeemable preference shares ("OCRPS"). Based on the valuation of the Company, the value of liability portion arising out of redemption option is immaterial and therefore not accounted for.

Therefore entire OCRPS has been considered as equity in nature. The conversion right is to be exercised by the holders of OCRPS after 90 days from the end of 3 (three) years from the Appointed Date. OCRPS shall be redeemed at the option of the Company after the end of 3 (three) Years from the Appointed Date.

b. Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at 31st March 2024	
	Number	Amount
Equity shares		
At the beginning of the year	1,27,57,390	1,275.74
Add: Shares issued on conversion of CCPS and OCRPS during the year	-	-
Add: Shares issued during the year	-	-
Less: Bought back during the year	-	-
Outstanding at the end of the year	1,27,57,390	1,275.74
Instruments entirely equity in nature		
Compulsorily convertible preference shares		
At the beginning of the year	-	-
Add: Shares issued during the year	-	-
Less: Converted to Equity shares during the year	-	-
Outstanding at the end of the year	-	-
Optionally convertible redeemable preference shares		
At the beginning of the year	4,53,962	45.40
Add: Shares issued during the year	-	-
Less: Converted to Equity shares during the year	-	-
Outstanding at the end of the year	4,53,962	45.40
Total instruments entirely equity in nature	4,53,962	45.40

c. Details of shareholder(s) holding more than 5% of shares of the Company

Name of the shareholder	As at 31st March 2024	
	No. of shares held	% Holding
Equity shares		
Bhupinder Singh ¹	43,90,180	33.23%
MEMG Family office LLP	9,43,704	7.14%
Paragon Partners Growth Fund-I	9,07,408	6.87%
Ravi Pillai	-	-
InCred Wealth Private Limited	9,67,840	7.33%
Optionally convertible redeemable preference shares		
Ramprasad M	1,95,955	43.17%
Jacob Mathew	1,03,201	22.73%
Anu Jacob	92,753	20.43%

1. 9665 equity shares are being held by Credentia Trusteeship Services Private Limited on behalf of Mr. Bhupinder Singh as agreed under Escrow agreement dated 15th December 2020.

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents the ownerships of shares.

d. Equity shares held by promoters of the company

Out of the equity shares issued by the company, shares held by its promoters:

Name of the shareholder	As at 31st March 2024			As at 31st March 2023
	No. of shares held	% of shares held	% Change during the year	
Bhupinder Singh	43,90,180	33.23%	3.63%	42,36,578

e. Changes in authorized share capital of the Company

i) The Company has reclassified its Authorized share capital from from INR 350,000,000 (Indian Rupees Thirty-Five Crores) divided into: (a) 3,44,00,000 (Three Crores Forty Four Lakh) equity shares having the face value of INR 10/- (Indian Rupees Ten) each; (b) 6,00,000 (Six Lakh) optionally convertible redeemable preference shares having the face value of INR 10/- (Indian Rupees Ten) each, to (a) 3,36,84,000 (Three Crores Thirty Six Lakh Eighty Four Thousand) equity shares having the face value of INR 10/- (Indian Rupees Ten) each; (b) 6,00,000 (Six Lakh) optionally convertible redeemable preference shares having the face value of INR 10/- (Indian Rupees Ten) each. vide shareholders' approval at the Extraordinary General Meeting held on 26th April 2022.

ii) Pursuant to Composite Scheme of Arrangement between Clamant Tech Services Private Limited ('Transferor Company'), InCred Wealth Private Limited ('Demerged Company 1'), MAPE Advisors Private Limited ('Demerged Company 2'), InCred Wealth and Investment Services Private Limited ('Resulting Company 1') and InCred Capital Financial Services Private Limited ('Company' or 'Transferee Company' or 'Resulting Company 2') sanctioned by the NCLT Mumbai on 26th April 2022, the Authorized share capital i.e. Rs.51,00,000 of the Transferor Company has been transferred into Company.

Note 18 : Other equity

Particulars	As at 31st March 2024	As at 31st March 2023
Securities premium		
Balance as at the beginning of the year	56,702.67	36,364.38
Add: Additions during the year:	-	-
- Premium on conversion of CCPS and OCRPS to equity shares during the year	-	(2.94)
- Premium on private placement of equity shares	-	20,885.01
Less: Utilized during the year:	-	-
- Transfer to Debenture Redemption Reserve	(420.07)	-
- Amounts utilized towards share issue expenses	(270.00)	(543.78)
Balance as at the end of the year	56,012.60	56,702.67
Contingency reserve fund		
Balance as at the beginning of the year	0.54	0.54
Add: Addition during the year:	-	-
- Transfer from surplus / (deficit) in statement of profit and loss	-	-
Less: Utilized during the year	-	-
Balance as at the end of the year	0.54	0.54
Share based payment reserve		
Balance as at the beginning of the year	3,852.98	291.72
Add: Addition during the year:	2,538.14	3,612.76
Less: Utilized during the year	3.49	51.50
Balance as at the end of the year	6,387.62	3,852.98
Capital reserve on Merger	166.25	80.39
Deemed contribution from parent	-	-
Statutory reserve fund pursuant to Section 45-IC of the RBI Act, 1934		
Balance as at the beginning of the year	497.14	497.14
Add: Addition during the year:	-	-
- Transfer from surplus in statement of profit and loss	-	-
Less: Utilized during the year	497.14	-
Balance as at the end of the year	-	497.14
Debenture Redemption Reserve		
Balance as at the beginning of the year	-	-
Add: Addition during the year:	2,766.52	-
Less: Utilized during the year	-	-
Balance as at the end of the year	2,766.52	-
Surplus / (Deficit) in Statement of Profit & Loss		
Balance as at the beginning of the year	(16,001.68)	(585.43)
Add: Reserves on Merger	-	(8,168.02)
Add: Profit / (loss) after tax for the year	(1,976.01)	(7,252.33)
Add: Intercompany Profits	(65.90)	48.27
Add: Other comprehensive income for the year, net of income tax	(34.93)	(24.45)
Less: Change in Non Controlling Interest	(710.94)	-
Add: Transfer from Statutory reserve fund	497.14	-
Less: Loss Reversal on Wind up of Subsidiary	-	(19.72)
Add/Less: Previous year profit/loss adjustments	-	-
Amount available for appropriations	(18,292.32)	(16,001.68)
Less: Appropriations	-	-
- Transfer to Debenture Redemption Reserve	(2,346.44)	-
- Transfer to Statutory reserve pursuant to Section 45-IC of the RBI Act, 1934	-	-
Add: Transfer from capital reserve	-	-
Balance as at the end of the year	(20,638.76)	(16,001.68)
Foreign currency translation reserve	20.56	-
Total	44,715.33	45,132.04

Note 19 : Non-current borrowings

Particulars	As at 31st March 2024	As at 31st March 2023
At amortised cost		
- Market Linked Debentures	42,545.29	13,110.72
Total	42,545.29	13,110.72

Note 20 : Other financial liabilities

Particulars	As at 31st March 2024	As at 31st March 2023
Lease liability [Refer Note No. 38]	580.88	396.85
Total	580.88	396.85

Note 21 : Non-current provisions

Particulars	As at 31st March 2024	As at 31st March 2023
Provision for employee benefits		
Provision for gratuity	364.43	206.62
Total	364.43	206.62

Note 22 : Trade payables

Particulars	As at 31st March 2024	As at 31st March 2023
Total outstanding dues of micro enterprises and small enterprises		
- Principal amount due	-	-
- Interest amount due	-	-
Total outstanding dues other than micro enterprises and small enterprises		
- Principal amount due	2,374.28	902.78
- Interest amount due	-	-
Total	2,374.28	902.78

As at 31st March 2024

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 - 2 years	2 -3 years	More than 3 years	
i) MSME	-	-	-	-	-
ii) Others	2,374.28	-	-	-	2,374.28
iii) Disputed dues - MSME	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-
Total	2,374.28	-	-	-	2,374.28

*Unbilled dues of Rs. 2358.48 lakhs

As at 31st March 2023

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 - 2 years	2 -3 years	More than 3 years	
i) MSME	-	-	-	-	-
ii) Others	902.78	-	-	-	902.78
iii) Disputed dues - MSME	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-
Total	902.78	-	-	-	902.78

*Unbilled dues of Rs. 835.58 lakhs

Note 23 : Borrowings

Particulars	As at 31st March 2024	As at 31st March 2023
Unsecured At amortised cost		
Related Parties [Refer Note No. 42]	19,844.09	-
Other Parties	9,979.26	-
Secured At amortised cost		
Non Convertible Debentures	5,141.28	-
Bank overdraft	1,500.68	-
Total	36,465.31	-

Note 24 : Other current financial liabilities

Particulars	As at 31st March 2024	As at 31st March 2023
Employee expenses payable	4,255.27	2,125.89
Lease liability [Refer Note No. 38]	333.90	308.29
Financial Liability on Guarantee	30.96	25.96
Others	2,893.99	69.17
Payable to Fund	24.12	24.12
Advance received from customers	177.03	215.40
Total	7,715.28	2,768.83

Note 25 : Current provisions

Particulars	As at 31st March 2024	As at 31st March 2023
Provision for employee benefits		
Provision for gratuity	12.03	12.06
Total	12.03	12.06

Note 26 : Other non-financial liabilities

Particulars	As at 31st March 2024	As at 31st March 2023
Statutory dues payable	449.04	348.04
Others	138.13	-
Total	587.17	348.04

Note 27 : Revenue From operations

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Advisory Income	13.26	1.20
Management Fees	3,110.12	604.99
Distribution fees, commission and related income	3,434.28	2,521.05
Other fees and charges	6,850.39	6,816.93
Gain on financial instruments	18,921.70	5,251.60
Technical and Referral fees	-	-
Sale of Commodities	795.35	-
Total	33,125.10	15,195.77
Geographical Markets		
Within India	33,014.51	15,191.66
Outside India	110.59	4.11
Total	33,125.10	15,195.77
Timing of revenue recognition		
Services transferred at a point in time	33,125.10	15,195.77
Services transferred over time	-	-
Total	33,125.10	15,195.77

Note 28 : Other income

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
On financial assets measured at amortised cost:		
- Interest on loans	1,967.18	1,021.32
- Interest on deposits with banks	18.79	9.34
Unwinding of discount on security deposit	18.61	11.75
Finance income on Guarantee	135.27	75.00
Miscellaneous income	52.38	32.14
Reimbursement Income	21.42	23.34
Liabilities written back	-	(5.88)
Others	36.93	86.75
Total	2,250.58	1,253.76

Note 29 : Employee benefits expenses

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Salaries and wages	16,547.22	10,949.14
Contribution to provident and other funds	338.12	216.81
Share based payments to employees [Refer Note No. 43]	2,538.14	3,612.76
Gratuity [Refer Note No. 36]	115.02	87.55
Staff welfare expenses	193.34	171.75
Total	19,731.84	15,038.01

Note 30 : Finance costs

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Interest on lease liability [Refer Note No. 38]	95.12	93.61
Interest on Borrowings	6,946.21	537.97
Finance Expense on Guarantee	140.27	100.96
Others	6.84	0.30
Total	7,188.44	732.84

Note 31 : Others expenses

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Rent [Refer Note No. 38]	148.05	42.33
Communication cost	14.34	15.58
Commission, brokerage & referral fees	1,639.42	2,631.31
Allowance for impairment	662.01	(67.22)
Provision for diminution in value of investments	-	-
Travelling and conveyance	484.30	327.39
Legal, professional and consultancy charges	2,091.18	1,632.70
Membership and subscription	95.39	35.56
IT expenses	414.27	224.63
Manpower support services	206.33	132.92
Rates and taxes	20.96	51.65
Printing and stationary	31.40	20.05
Payment to auditors	66.43	27.51
Demat and related charges	7.03	-
Advertisement, publicity and sales promotion expenses	348.47	192.90
Office expenses	221.88	162.69
Transaction charges for trading	125.59	6.81
Interest on statutory dues	3.66	6.24
Recruitment fees	351.17	237.47
Foreign exchange loss	3.36	27.52
Stamp Duty & Filing fees	68.13	22.04
Loss on sale of fixed assets	0.02	2.24
GST Expense	47.34	651.74
Assets Written off	12.08	13.28
Loss on subsidiary	-	21.06
Trusteeship fee charges	1.50	-
Custody fees	14.62	-
Fund Expenses	-	-
Donation	2.00	-
Corporate Social Responsibility Expense	55.42	19.82
Miscellaneous expenses	48.83	6.44
Total	7,185.18	6,444.66

^a Payment to the auditors:

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Auditor's remuneration		
- Audit fees	63.06	25.16
In other capacity		
- Certification services	1.47	0.71
- Taxation	1.90	1.64
Total	66.43	27.51

Note 32 : Current tax

32.1 Amounts recognised in profit and loss

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Current tax expense		
In respect of current period	1,054.79	-
MAT credit written off	-	-
Earlier years	30.17	39.79
	1,084.96	39.79
Deferred tax expense / (income)	(719.21)	(2,235.04)
Tax expense for the year	365.75	(2,195.25)

32.2 Amounts recognised in other comprehensive income

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Income tax related to items recognised in Other Comprehensive Income during the		
Items that will not be reclassified to profit or loss (A)	(36.47)	(29.82)
Statutory income tax rate applicable to the Company (B)	25.17%	25.17%
Income tax relating to items that will not be reclassified to profit or loss (A * B)	(9.18)	(7.51)

32.3 Reconciliation of effective tax rate

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Profit before tax as per Statement of profit and loss (A)	(1,846.82)	(9,447.58)
Statutory tax rate (B)	25.17%	25.17%
Tax using the Company's domestic tax rate (C = A * B)	(464.81)	(2,377.77)
Tax effect of:		
Tax effect of amounts which are not deductible in calculating taxable income	275.90	582.78
Tax effect on MLD for previous year	42.97	-
Tax impact on Brought forward losses	249.71	-
Deferred tax on provision for expenses for previous year	20.69	-
Tax effect on amounts for which deferred tax is not created	263.61	-
Loss of Mape on which deferred tax was not created in earlier years	-	(446.01)
Bonus of Mape and Clamant disallowed in computation of last year, claimed allowance in ICFSPL	-	(27.27)
Change of rate on the deferred tax created by Mape in earlier years	-	(0.71)
Others	19.06	33.94
Effective tax expense	365.75	(2,235.04)

32.4 Deferred tax

The major components of deferred tax (liabilities) arising on account of timing differences as at 31st March 2024 are as follows:

Particulars	As at 31st March 2023	Acquired via Merger	Recognised in profit or loss	Recognised in OCI	As at 31st March 2024
Deferred tax assets:					
Brought forward losses	4,928.11	-	(326.35)	-	4,601.76
Employee benefit expenses	54.95	-	29.92	6.61	91.48
EIR impact on financial instruments	1.75	-	(1.75)	-	-
Preliminary expenses	0.02	-	(0.02)	-	-
Impairment loss on Loans	18.99	-	170.29	-	189.28
Restructuring related expenses	17.81	-	(9.05)	-	8.76
Provision for Bonus	-	-	-	-	-
Leases	49.08	-	(16.56)	-	32.52
Interest on MLDs	-	-	1,024.86	-	1,024.86
Temporary disallowance	68.16	-	829.11	-	897.27
Difference between written down value of fixed assets as per the books of accounts and income tax	30.60	-	22.37	-	52.97
Total Deferred tax assets (A)	5,169.47	-	1,722.82	6.61	6,898.90
Deferred tax liabilities:					
Difference between written down value of fixed assets as per the books of accounts and income tax	202.09	-	134.17	-	336.26
Fair value of investments measured at FVTPL	85.86	-	841.79	-	927.65
EIR impact on financial instruments	(27.68)	-	27.68	-	-
Total Deferred tax liabilities (B)	260.27	-	1,003.64	-	1,263.91
Net Deferred tax assets (A-B)	4,909.20	-	719.18	6.61	5,634.99

The major components of deferred tax (liabilities) arising on account of timing differences as at 31st March 2023 are as follows:

Particulars	As at 31st March 2022	Acquired via Merger	Recognised in profit or loss	Recognised in OCI	As at 31st March 2023
Deferred tax assets:					
Brought forward losses	480.26	1,627.64	2,820.21	-	4,928.11
Employee benefit expenses	4.49	25.18	15.69	9.59	54.95
EIR impact on financial instruments	-	-	1.75	-	1.75
Preliminary expenses	-	-	0.02	-	0.02
Impairment loss on Loans	25.78	-	(6.79)	-	18.99
Restructuring related expenses	13.03	0.08	4.70	-	17.81
Leases	35.91	18.53	(5.36)	-	49.08
Temporary disallowance	-	394.97	(326.81)	-	68.16
Difference between written down value of fixed assets as per the books of accounts and income tax	13.64	16.96	(0.00)	-	30.60
Total Deferred tax assets (A)	573.11	2,083.36	2,503.41	9.59	5,169.47
Deferred tax liabilities:					
Difference between written down value of fixed assets as per the books of accounts and income tax	0.27	(2.68)	204.50	-	202.09
Fair value of investments measured at FVTPL	(34.84)	46.99	73.71	-	85.86
EIR impact on financial instruments	-	(17.84)	(9.84)	-	(27.68)
Total Deferred tax liabilities (B)	(34.57)	26.47	268.37	-	260.27
Net Deferred tax assets (A-B)	607.68	2,056.89	2,235.04	9.59	4,909.20

Note 33 : Earning per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. Diluted EPS are calculated using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

i. Profit attributable to ordinary shareholders:

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Profit attributable to equity holders of the Company used in calculating basic & dilutive earnings per share	(2,212.57)	(7,252.33)

ii. Weighted average number of ordinary shares

Particulars	Year ended 31st March 2024	As at 31st March 2023
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	1,27,57,390	1,13,57,512
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share*	1,32,11,352	1,20,89,694

Basic earnings per share	(17.34)	(63.85)
Diluted earnings per share	(16.75)	(59.99)

Note 34 : Contingent liabilities and commitments

Particulars	Year ended 31st March 2024	As at 31st March 2023
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for		
- Investment commitments	5,372.50	2,000.00
- Loan commitments	2,920.00	-
- Fixed asset commitment	21.46	0.50
Contingent liabilities		
- Corporate Guarantee for Group Company*	13,500.00	10,000.00

* Guarantee of 100% of the Working Capital/Intra Day Overdraft /Bank Guarantee of the Group Company to a maximum amount of INR 13,500 lakhs (31st March 2023: INR 10,000 lakhs) (carrying amounts of the related financial guarantee contracts were INR 30.96 lakhs and INR 25.96 at 31 March 2024 and 31 March 2023, respectively) (Also Refer Note 17).

Note 35 : Details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Based on the information available with the management, as at 31 March 2024, no dues were outstanding to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Further, the Company has not received any claim for interest from any supplier under the said Act till 31 March 2024.

Note 36 : Employee benefits**36.1 Defined contribution plan**

The Company has recognised the following amounts in the consolidated Statement of Profit & Loss towards contributions to provident fund:

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Provident fund	338.12	216.81

36.2 Defined benefit Plan - Gratuity

Every employee who completes five years or more of service gets a gratuity on departure at 15 days salary (last drawn) for each completed year of service, subject to ceiling of INR 20,00 Lakhs.

Table showing change in the present value of projected benefit obligation:

Particulars	Year ended 31st March 2024	As at 31st March 2023
Change in benefit obligations		
Present value of benefit obligation at the beginning of the year	218.66	17.86
Interest cost	15.95	6.48
Current service cost	97.07	81.06
Past Service Cost - Incurred During the Period	2.01	-
Liability Transferred In/ Acquisitions	16.97	96.33
(Liability Transferred Out/ Divestments)	-9.00	-
Benefit paid directly by the employer	-1.69	(12.89)
Actuarial (Gains) / Losses on Obligations - Due to Change in Demographic Assumptions	3.56	-
Actuarial (Gains) / Losses on Obligations - Due to Change in Financial Assumptions	-11.16	(4.31)
Actuarial (Gains) / Losses on Obligations - Due to Experience	44.07	34.13
Liability at the end of the year	376.44	218.66

Amount recognized in the consolidated balance sheet:

Particulars	Year ended 31st March 2024	As at 31st March 2023
Present value of benefit obligation	376.44	218.66
Fair value of plan assets at the end of the year	-	-
Funded Status (Deficit)	376.44	218.66
Net (Liability) Recognized in the Balance Sheet	376.44	218.66

Expenses recognized in the consolidated statement of profit and loss

Particulars	Year ended 31st March 2024	As at 31st March 2023
Current service cost	97.07	81.06
Net Interest cost	15.95	6.48
Past Service Cost	2.01	-
Expenses recognised	115.03	87.54

Expenses recognized in the Other comprehensive income (OCI)

Particulars	Year ended 31st March 2024	As at 31st March 2023
Actuarial (Gains) on obligation for the year	36.47	29.82
Return on Plan Assets, Excluding Interest Income	-	-
Net (Income) for the year recognized in OCI	36.47	29.82

The actuarial assumptions used to determine benefit obligations as at 31st March 2024 and 31st March 2023 are as follows:

Particulars	Year ended 31st March 2024	As at 31st March 2023
Discount Rate	7.16% to 7.21%	7.29% to 7.31%
Salary escalation rate	9% to 10%	8% to 12%
Expected Rate of return on Plan Assets	NA	NA
Rate of Employee Turnover	10% to 26%	20% to 25%
Mortality Rate during employment	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors.

Consolidated balance sheet reconciliation:

Particulars	Year ended 31st March 2024	As at 31st March 2023
Opening net liability	208.13	17.86
Expenses recognized in Statement of Profit and Loss	115.03	87.54
Expenses recognized in OCI	36.47	29.82
Net (Asset) Transfer In	20.53	96.33
Net (Liability)/Asset Transfer Out	-1.11	-
(Benefit Paid Directly by the Employer)	-1.69	(12.89)
(Employer's Contribution)	-	-
Net liability recognized in the consolidated balance sheet	377.37	218.67

Other details:

Particulars	Year ended 31st March 2024	As at 31st March 2023
Active Members (Absolute number)	311.00	240.00
Per Month Salary For Active Members	441.48	302.84
Weighted Average Duration of the Projected Benefit Obligation	42.00	22.00
Average Expected Future Service	34.00	17.00
Projected Benefit Obligation (PBO)	376.45	218.68
Prescribed Contribution For Next Year (12 Months)	-	-

Cash flow projections:**Maturity analysis of the benefit payments: From the fund**

Particulars	Year ended 31st March 2024	As at 31st March 2023
Projected benefits payable in future years from the date of reporting	-	-
1st Following Year	-	-
2nd Following Year	-	-
3rd Following Year	-	-
4th Following Year	-	-
5th Following Year	-	-
Sum of Years 6 To 10	-	-
Sum of Years 11 and above	-	-

Maturity analysis of the benefit payments: From the employer

Particulars	Year ended 31st March 2024	As at 31st March 2023
Projected benefits payable in future years from the date of reporting		
1st following year	-1.25	12.06
2nd following year	21.93	11.56
3rd following year	24.27	43.25
4th following year	8.90	38.10
5th following year	16.00	37.58
Sum of years 6 To 10	69.37	119.58
Sum of years 11 and above	75.11	58.72

Sensitivity analysis:

Particulars	Year ended 31st March 2024	As at 31st March 2023
Projected benefit obligation on current assumptions	376.46	218.67
Delta effect of +1% change in rate of discounting	-16.72	(9.70)
Delta effect of -1% change in rate of discounting	18.07	10.50
Delta effect of +1% change in rate of salary increase	15.18	9.62
Delta effect of -1% change in rate of salary increase	-14.76	(9.27)
Delta effect of +1% change in rate of employee turnover	-8.40	(6.17)
Delta effect of -1% change in rate of employee turnover	8.63	6.38

Risk analysis:

The Company is exposed to a number of risks associated with the defined benefit plans. Most significant risks pertaining to defined benefit plans and management estimation of the impact of these risks are as follows:

Interest rate risk: A fall in the discount rate which is linked to the Government Securities rate will increase the present value of the liability requiring higher provision.

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Asset-Liability matching risk: The plan faces the ALM risk as to the matching cash flows. Company has to manage pay-out based on pay as you go basis from own funds.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Note 37 : Security issue expenses

Security issue expenses related to issuance of equity and other securities are debited against securities premium account in accordance with the provisions of Section 52 of the Companies Act, 2013. Details of such expenses is mentioned below:

Particulars	Year ended 31st March 2024	As at 31st March 2023
Referral expenses	270.00	-
Legal and professional fees	-	531.65
Stamp duty	-	12.13
Total	270.00	543.78

Note 38 : Leases**Accounting policy: The Company as a Lessee**

The Company's lease asset classes primarily consists of leases for office premises. The Company has adopted IND AS 116 "Leases" for accounting of lease contracts where the Company is a lessee. As per IND AS 116, the Company assesses whether a contract contains a lease, at the inception of the contract.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset;
- the Company has substantially all of the economic benefits from the use of asset through the period of the lease; and
- the Company has the right to direct the use of the asset.

At the date of the commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all the lease arrangements in which the Company is a lessee; except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payment as an operating expense on a straight-line basis over the term of the lease.

The following is the summary of practical expedients elected on initial application:

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment;
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application; and
- Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

ROU Assets

The ROU assets are initially recognized at cost, which comprise the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment loss.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU asset are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The changes in the carrying value of the ROU asset for the period ended 31st March 2023 are as follows:

Particulars	As at 31st March 2024	As at 31st March 2023
Balance at the beginning of the year	510.15	246.97
Addition during the year	588.78	61.12
Acquired via merger	-	423.20
Deletion during the period	(16.99)	-
Depreciation for the year	(297.30)	(221.14)
Balance as at the end of the year	784.64	510.15

The aggregate depreciation expense on ROU asset is included under depreciation and amortization expense in the consolidated Statement of Profit and Loss.

Lease liability

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases.

The changes in the carrying value of the lease liability for the period ended 31st March 2024 are as follows:

Particulars	As at 31st March 2024	As at 31st March 2023
Balance as at the beginning of the year	705.14	389.65
Addition during the year on account of Merger	-	496.81
Addition during the year	587.98	56.70
Finance cost accrued during the year	95.12	93.61
Prior period Adjustments	-	-
Deletions	(17.81)	-
Payment of lease liabilities made during the year	(455.66)	(331.63)
Balance as at the end of the year	914.77	705.14

The break-up of current and non-current lease liabilities as at 31st March 2024 is as follows:

Particulars	As at 31st March 2024	As at 31st March 2023
Current lease liabilities	333.90	308.29
Non-current lease liabilities	580.88	396.85
Total	914.78	705.14

The table below provides details regarding the contractual maturities of lease liabilities as of 31st March 2024 on an undiscounted basis:

Particulars	As at 31st March 2024	As at 31st March 2023
Less than one year	407.10	371.72
Between one and five years	675.65	406.61
More than five years	19.44	61.52
Total	1,102.19	839.85

Expenses recognized in the Consolidated statement of profit & loss:

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Depreciation expense on RoU Asset [Refer Note No. 3]	297.30	221.14
Interest expense on lease liability [Refer Note No. 30]	95.12	93.61
Expense relating to short-term leases and low value leases [Refer Note No. 31]	148.05	29.79
Total	540.47	344.54

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Short-term leases

Rental expenses recorded for short-term leases and low value leases was INR. 148.05 lakhs for the year ended 31st March 2024 INR. 29.79 lakhs and for the year ended 31st March 2023.

Note 39 : Financial instruments**39.1 Financial instruments by category**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

As at 31st March 2024	Carrying Amount			Level of Fair value measurement		
	Amortised cost	At fair value through P&L	Total	Level 1 - Quoted price in active markets	Level 2- Significant Observable inputs	Level 3- Significant Unobservable inputs
Financial assets						
Cash and cash equivalents	23,068.01	-	23,068.01	23,068.01	-	-
Bank balance other than cash and cash equivalents	7,505.36	-	7,505.36	7,505.36	-	-
Trade receivables	2,190.81	-	2,190.81	-	-	-
Loans	55,584.36	-	55,584.36	-	-	-
Investments	-	35,797.06	35,797.06	17,473.60	7,952.68	-
Other financial assets	1,896.15	-	1,896.15	-	-	-
Total Financial assets	90,244.69	35,797.06	1,26,041.75	48,046.97	7,952.68	
Financial liabilities						
Borrowings	79,010.60	-	79,010.60	-	-	-
Trade payables	2,374.28	-	2,374.28	-	-	-
Other financial liabilities	8,296.16	-	8,296.16	-	-	-
Total Financial liabilities	89,681.03	-	89,681.04	-	-	-
As at 31st March 2023	Carrying Amount			Level of Fair value measurement		
	Amortised cost	At fair value through P&L	Total	Level 1 - Quoted price in active markets	Level 2- Significant Observable inputs	Level 3- Significant Unobservable inputs
Financial assets						
Cash and cash equivalents	1,862.22	-	1,862.22	1,862.22	-	-
Trade receivables	2,685.65	-	2,685.65	-	-	-
Loans	12,665.29	-	12,665.29	-	-	-
Investments	300.00	25,689.75	25,989.75	13,193.37	7,117.05	-
Other financial assets	6,379.54	-	6,379.54	-	-	-
Total Financial assets	23,892.70	25,689.75	49,582.45	15,055.59	7,117.05	
Financial liabilities						
Borrowings	13,110.72	-	13,110.72	-	-	-
Trade payables	902.78	-	902.78	-	-	-
Other financial liabilities	3,165.68	-	3,165.68	-	-	-
Total Financial liabilities	17,179.18	-	17,179.18	-	-	-

The management assessed that the fair values of cash and balances with bank, trade receivables, other financial assets, trade payables and other financial liabilities approximate their carrying amounts due to the short maturities of these instruments.

39.2 Fair value hierarchy

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- (i) Level 1:- Category includes valuation based on quoted market price: financial instruments with quoted prices for identical instruments in active markets that the Company can access at the measurement date.
- (ii) Level 2:- Valuation based on using observable inputs: financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets, or financial instruments valued using models where all significant inputs are observable.
- (iii) Level 3:- Valuation technique with significant unobservable inputs: financial instruments valued using valuation techniques where one or more significant inputs are unobservable. Equity instruments are valued using discounted cash flow method.

The fair value of cash and cash equivalents and other bank balances is their carrying amounts.

Investments in liquid Mutual funds are valued at closing Net Asset Value (NAV) of the funds and are classified under Level 1.

There have been no transfers between Level 1, Level 2 and Level 3 for the year ended 31st March 2024 & 31st March 2023.

Note 40 : Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to safeguard the Company's ability to remain as a going concern and maximise the shareholder value.

The Company manages its capital structure and makes adjustment in light of changes in economic conditions, annual operating plans and long-term and other strategic investment plans. In order to maintain or adjust the capital structure, the Company may adjust the amounts of dividend paid to shareholders, return capital to shareholders or issue new shares. The current capital structure of the Company is equity based financing. The funding requirements are met through a mixture of equity and internal fund generation as per Company's policy to meet anticipated funding requirements. The Company is not subject to any externally imposed capital requirements.

Note 41 : Financial risk management objectives and policies

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The Company's risk management policies are established to identify and analyse the risk faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Company through its training, standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's principal financial liabilities, lease liabilities, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, investments, rental deposits, trade and other receivables, cash and cash equivalents and other bank balances that derive directly from its operations.

The Company's activities expose it to a variety of financial risk namely market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's board of directors reviews and agrees policies for managing each risk, which are summarised as below:-

(a) Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include deposits, FVTPL investments and other financial assets.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities and assets. The Company manages its interest rate risk by monitoring the movements in the market interest rates closely. The Company has Asset and Liability Management Committee (ALCO) and has empowered it to assess the interest rate risk run by it and provide appropriate guidelines to the Treasury to manage the risk. The ALCO reviews the interest rate risk on periodic basis.

Exposure to interest rate risk

Company's interest rate risk arises from borrowings and loans. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows:-

Particulars	As at 31st March 2024	As at 31st March 2023
Loans		
Fixed rate loans	55,808.98	12,716.66
Borrowings		
Fixed rate borrowings	36,465.31	-
Net exposure	19,343.67	12,716.66

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Other price risk

The Company is exposed to price risk arising from investment in AIF / mutual funds / bonds & debentures / equity and classified in the consolidated balance sheet at fair value through profit & loss. If the NAV of the AIF / mutual fund had been higher / lower by 1% from market price existing as at 31st March 2024, profit or loss (pre-tax) for the year ended 31st March 2024 would increase / decrease by INR. 82.77 Lakhs (For the year ended 31st March 2023: INR 138.35 Lakhs) with a corresponding increase / decrease in the total equity of the Company.

The Company is currently is not exposed to any equity price risk arising from equity investments classified in the consolidated balance sheet at fair value through other comprehensive income since the amount outstanding as at 31st March 2024 is Nil (For the year ended 31st March 2023: Nil).

(b) Credit risk:

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables and loans. Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by the company through continuous monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business. Under Ind AS 109, the company uses expected credit loss model to assess the impairment loss or gain. The company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

An impairment analysis is performed at each reporting date on an individual basis for major clients. The company does not hold collateral as security.

Measurement of Expected Credit Losses ('ECL')

The Company has segmented its outstanding portfolio based on the risk profiles i.e. risk management policies, historical experiences with respect to default rates etc. for the computation of ECL.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss).

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Lifetime ECLs and 12-month ECLs are calculated on either an individual basis /collective basis, depending on the nature of the underlying portfolio of financial instruments. The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

The Company measures the amount of ECL on a financial instrument in a way that reflects an unbiased and probability-weighted amount. The Company considers its loss experience and adjusts the same for current observable data. The key inputs into the measurement of ECL are the probability of default, loss given default and exposure at default. The Company uses the Simplified Approach for measurement of ECL.

Based on management estimation and calculation ECL provision has been provided at 100% on Trade Receivables outstanding for more than 90 days and at 0.4% on Loans.

Following is the exposure to the credit risk for trade receivables and loans:

Particulars	As at 31st March 2024	As at 31st March 2023
Trade receivables	2,239.73	2,756.14
Loans	55,808.98	12,716.66
Total	58,048.71	15,472.80

Following table provides information about exposure to credit risk and ECL on Loan-

Particulars	As at 31st March 2024	As at 31st March 2023
Loss allowance		
Gross carrying amount of financial assets	55,808.98	12,716.66
Expected credit Loss	(224.62)	(51.37)
Carrying amount net of impairment provision	55,584.36	12,665.29

Following table provides exposure to credit risk for trade receivable-

Particulars	As at 31st March 2024	As at 31st March 2023
Loss allowance - Trade receivable		
Gross carrying amount of financial assets	2,239.73	2,756.14
Expected credit Loss	(48.92)	(70.49)
Carrying amount net of impairment provision	2,190.81	2,685.65

Movement in the allowance for Impairment in respect of loans and trade receivables in as follows :

Particulars	As at 31st March 2024	As at 31st March 2023
Opening balance	123.81	248.74
Release of Provision	(5.25)	(178.57)
Additional Provision	159.06	53.63
Closing balance	277.62	123.81

C. Liquidity risk:

Liquidity Risk refers to insufficiency of funds to meet the financial obligations. Liquidity Risk Management implies maintenance of sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit lines to meet obligations when due.

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and by continuously monitoring forecast and actual cash flows, and by assessing the maturity profiles of financial assets and liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the rate applicable as of reporting period ends respectively has been considered.

InCred Capital Financial Services Private Limited

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Notes to the consolidated financial statements for the year ended 31st March 2024

(All amounts in INR Lakhs, unless otherwise stated)

As at 31st March 2024:-

AS at 31st March 2024:-

Particulars	Note No.	Contractual cash flows			
		Carrying amount	Gross nominal inflow/(outflow)	Less than 1 year	1-3 years
Maturities of financial liabilities:					
Borrowings	19 & 23	79,010.60	(79,010.61)	31,390.71	47,619.90
Trade payables	22	2,374.28	(2,374.28)	2,374.28	-
Other financial liabilities	20 & 24	8,296.16	(8,483.57)	7,788.48	586.89
Total		89,681.03	-89,868.46	41,553.46	48,206.79

As at 31st March 2023:-

AS at 31st March 2023:-

Particulars	Note No.	Contractual cash flows			
		Carrying amount	Gross nominal inflow/(outflow)	Less than 1 year	1-3 years
Maturities of financial liabilities:					
Borrowings	19 & 23	13,110.72	(13,110.72)	10,610.01	2,500.71
Trade payables	22	902.78	(902.78)	902.78	-
Other financial liabilities	20 & 24	3,165.68	(3,165.68)	2,768.83	396.85
Total		17,179.18	(17,179.18)	14,281.62	2,897.56

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on the basis of the maturities of the relevant assets have been considered below.

As at 31st March 2024:-

AS at 31st March 2024.

Particulars	Note No.	Contractual cash flows			
		Carrying amount	Gross nominal inflow/(outflow)	Less than 1 year	1-3 years
Maturities of financial assets:					
Cash and cash equivalents	11	23,068.01	23,068.01	23,068.01	-
Bank balance other than cash and cash equivalents	12	7,505.36	7,505.36	7,505.36	-
Trade receivables	10	2,190.81	2,190.81	2,190.81	-
Loans	6 & 13	55,584.36	55,808.98	51,893.98	3,915.00
Investments	5 & 9	35,797.06	35,797.05	15,919.75	1,681.45
Other financial assets	7 & 14	1,896.15	2,043.20	1,196.05	316.26
Total		1,26,041.75	1,26,413.41	1,01,773.96	5,912.71

As at 31st March 2023:-

AS at 31st March 2023:

Particulars	Note No.	Carrying amount	Gross nominal inflow/(outflow)	Contractual cash flows	
				Less than 1 year	1-3 years
<u>Maturities of financial assets:</u>					
Cash and cash equivalents	11	1,862.22	1,862.22	1,862.22	-
Trade receivables	10	2,685.65	2,685.65	2,685.65	-
Loans	6 & 13	12,665.29	12,842.97	8,620.62	454.92
Investments	5 & 9	25,989.76	26,064.42	17,379.22	2,207.15
Other financial assets	7 & 14	6,379.54	6,568.58	6,406.33	146.98
Total		49,582.45	50,023.84	36,954.04	2,809.04

Note 42 : Related party disclosures
Related party relationships / transactions warranting disclosures under IND AS-24 "Related Party Disclosures" are as under:

a. List of Related parties where control exists and/or with whom transactions have taken place and relationships:

Nature of Relationship	Name of the party
Key managerial personnel ('KMP')	Bhupinder Singh, Director Venkatesh Vishwanathan, Director Saurabh Jhalaria , Director Vivek Bansal, Director Siddharth Parekh, Director Deepak Dhingra, CFO (upto 7th September 2022) Varun Shah, Company Secretary (upto 24th April 2023) Mitesh Kamariya, Company Secretary (w.e.f 25th April 2023 till 17 January 2024) Abhijeet Shinde, Company Secretary (w.e.f 17 January 2024 to 24th July 2024) Nisha Singh, Relative of Director Manisha Bansal, Relative of Director Godhuli Vishwanathan, Relative of Director
Enterprise over which KMP is able to exercise significant influence	InCred Prime Finance Limited (formerly known as InCred Financial Services Limited) InCred Housing Finance Private Limited InCred Management and Technology Private Limited InCred Wealth Private Limited mValu Technology Services Private Limited (upto 10th July 2023) InCred Research Services Private Limited InCred Capital Wealth Portfolio Managers Private Limited InCred Global Wealth Limited InCred Global Wealth Pte. Ltd. InCred Holding Limited Mountain Trail Foods Private Limited MV Capital Partners InCred Employee Welfare Trust InCred Holding Limited
Associate	Alpha Fintech Private Limited

b. Transactions during the year with related parties

Transactions	KMP and Relatives of KMP		Enterprise over which KMP are able to exercise significant		Associate Companies	
	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024	31st March 2023
Remuneration paid to KMPs*	318.40	711.89	-	-	-	-
	318.40	711.89	-	-	-	-

*As the liabilities for gratuity and share based payments are provided on actuarial basis for the Company as a whole and hence the amounts pertaining to the key management personnel are not disclosed separately.

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Notes to the consolidated financial statements for the year ended 31st March 2024

(All amounts in INR Lakhs, unless otherwise stated)

Transactions	KMP and Relatives of KMP		Enterprise over which KMP are able to exercise significant		Associate Companies	
	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024	31st March 2023
Loan & advances given:						
InCred Wealth Private Limited	-	-	55,700.00	31,436.95	-	-
InCred Prime Finance Limited (formerly known as InCred Financial Services Limited)	-	-	360.00	3,500.00	-	-
InCred Financial Services Limited	-	-	4,000.00	-	-	-
InCred Research Services Private Limited	-	-	3,943.49	3,088.00	-	-
InCred Employee Welfare Trust*	-	-	-	7,256.41	-	-
Alpha Fintech Private Limited	-	-	-	-	15,514.71	-
InCred Capital Wealth Portfolio Managers Private Limited	-	-	47,382.39	25,045.71	-	-
	-	-	1,11,385.88	70,327.07	15,514.71	-
Loans & advances repayment received:						
InCred Wealth Private Limited	-	-	26,747.98	51,590.16	-	-
InCred Prime Finance Limited (formerly known as InCred Financial Services Limited)	-	-	-	3,500.00	-	-
InCred Research Services Private Limited	-	-	1,004.68	3,063.00	-	-
InCred Financial Services Limited	-	-	4,000.00	-	-	-
InCred Employee Welfare Trust	-	-	-	3,641.41	-	-
Alpha Fintech Private Limited	-	-	-	-	11,864.71	-
InCred Capital Wealth Portfolio Managers Private Limited	-	-	49,150.00	25,555.39	-	-
	-	-	80,902.66	87,349.96	11,864.71	-
Borrowings taken :						
mValu Technology Services Private Limited	-	-	-	1,000.00	-	-
InCred Wealth Private Limited	-	-	-	1,870.00	-	-
InCred Financial Services Limited	-	-	15,065.00	-	-	-
InCred Research Services Private Limited	-	-	6,000.00	-	-	-
Alpha Fintech Private Limited	-	-	-	-	61.00	-
	-	-	21,065.00	2,870.00	61.00	-
Borrowings repaid :						
mValu Technology Services Private Limited	-	-	-	1,000.00	-	-
InCred Financial Services Limited	-	-	15.00	-	-	-
	-	-	15.00	1,000.00	-	-
Investment in Associate:						
Alpha Fintech Private Limited	-	-	-	-	1,085.18	1,085.18
	-	-	-	-	1,085.18	1,085.18
Interest paid on Borrowings:						
mValu Technology Services Private Limited	-	-	-	1.40	-	-
InCred Wealth Private Limited	-	-	199.99	-	-	-
InCred Research Services Private Limited	-	-	11.90	-	-	-
	-	-	211.89	1.40	-	-
Employee Stock Expense:						
InCred Research Services Private Limited	-	-	2.75	-	-	-
	-	-	2.75	-	-	-

InCred Capital Financial Services Private Limited

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Notes to the consolidated financial statements for the year ended 31st March 2024

(All amounts in INR Lakhs, unless otherwise stated)

Transactions	KMP and Relatives of KMP		Enterprise over which KMP are able to exercise significant		Associate Companies
	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024
Purchase of Equity Shares of Subsidiary Booth Fintech Private Limited:					
InCred Financial Services Limited	-	-	1,736.49	-	-
	-	-	1,736.49	-	-
Purchase of Investments:					
InCred Financial Services Limited	-	-	8,605.17	7,399.36	-
InCred Capital Wealth Portfolio Managers Private Limited	-	-	3,031.16	-	-
Alpha Fintech Private Limited	-	-	-	-	2,476.61
Nisha Singh	1,581.35	-	-	-	-
Bhupinder Singh	1,329.00	-	-	-	-
	2,910.35	-	11,636.33	7,399.36	2,476.61
Sale of Investments:					
InCred Wealth Private Limited	-	-	743.77	-	-
InCred Financial Services Limited	-	-	4,375.23	-	-
InCred Research Services Private Limited	-	-	-	8.65	-
Alpha Fintech Private Limited	-	-	-	-	592.38
Saurabh Jhalaria	30.00	75.19	-	-	-
Manisha Bansal	-	325.06	-	-	-
Bhupinder Singh	140.00	-	-	-	-
	170.00	400.25	5,119.00	8.65	592.38
Profit/Loss on Sale Investments:					
InCred Research Services Private Limited	-	-	-	6.40	-
Alpha Fintech Private Limited	-	-	-	-	-
InCred Capital Wealth Portfolio Managers Private Limited	-	-	4.98	-	-
Saurabh Jhalaria	-	0.14	-	-	-
Manisha Bansal	(72.65)	-	-	-	-
InCred Financial Services Limited	-	-	18.24	-	-
Bhupinder Singh	5.92	-	-	-	-
	-66.73	0.14	23.22	6.40	-
Interest on Loan and Advances:					
InCred Wealth Private Limited	-	-	583.68	161.42	-
InCred Prime Finance Limited (formerly known as InCred Financial Services Limited)	-	-	0.49	3.72	-
InCred Research Services Private Limited	-	-	9.18	53.78	-
Alpha Fintech Private Limited	-	-	-	-	250.50
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	283.56	-
	-	-	593.35	502.48	250.50
Branding Expenses					
InCred Management and Technology Private Limited	-	-	-	2.18	-
	-	-	-	2.18	-
Referrel and Brokerage Expenses					
InCred Wealth Private Limited	-	-	225.24	369.42	-
InCred Global Wealth Limited	-	-	84.03	95.17	-
InCred Capital Wealth Portfolio Managers Private Limited	-	-	134.78	88.18	-
InCred Global Wealth Pte. Ltd.	-	-	-	162.23	-
	-	-	444.05	715.00	-

InCred Capital Financial Services Private Limited

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Notes to the consolidated financial statements for the year ended 31st March 2024

(All amounts in INR Lakhs, unless otherwise stated)

Transactions	KMP and Relatives of KMP		Enterprise over which KMP are able to exercise significant		Associate Companies	
	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024	31st March 2023
Depository Charges						
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	1.23	-	-
	-	-	-	1.23	-	-
Expenses Reimbursement :						
InCred Prime Finance Limited (formerly known as InCred Financial Services Limited)	-	-	-	56.70	-	-
InCred Global Wealth Limited	-	-	332.08	-	-	-
InCred Global Wealth Pte Limited	-	-	160.18	-	-	-
InCred Financial Services Limited	-	-	48.13	-	-	-
InCred Capital Wealth Portfolio Managers Private Limited	-	-	20.27	2.26	-	-
	-	-	560.66	58.96	-	-
Reimbursement Income						
InCred Capital Wealth Portfolio Managers Private Limited	-	-	1.41	-	-	-
	-	-	1.41	-	-	-
Slump Sale - Consideration						
InCred Capital Wealth Portfolio Managers Private Limited	-	-	340.00	-	-	-
	-	-	340.00	-	-	-
Legal and Professional Expenses						
Manisha Bansal	-	49.05	-	-	-	-
	-	49.05	-	-	-	-
Stamp duty on Sale of shares						
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	1.12	-	-
	-	-	-	1.12	-	-
Business Support Services						
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	5.52	-	-
InCred Research Services Private Limited	-	-	-	6.90	-	-
	-	-	-	12.42	-	-
Issue of equity shares upon scheme of Merger:						
Bhupinder Singh	-	8.52	-	-	-	-
Saurabh Jhalaria	-	19.05	-	-	-	-
Nisha Singh	-	0.00	-	-	-	-
Godhuli Vishwanathan	-	32.65	-	-	-	-
MV Capital Partners (Through its partners Mr.Vivek Bansal and Manisha Bansal)	-	-	-	10.89	-	-
	-	60.22	-	10.89	-	-
Securities premium on issue of Equity shares upon scheme of Merger:						
Bhupinder Singh	-	330.62	-	-	-	-
Saurabh Jhalaria	-	739.70	-	-	-	-
Nisha Singh	-	0.03	-	-	-	-
Godhuli Vishwanathan	-	1,267.83	-	-	-	-
MV Capital Partners (Through its partners Mr.Vivek Bansal and Manisha Bansal)	-	-	-	422.67	-	-
	-	2,338.18	-	422.67	-	-
Issue of equity shares upon :						
InCred Employee Welfare trust	-	-	-	54.44	-	-
	-	-	-	54.44	-	-

InCred Capital Financial Services Private Limited

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Notes to the consolidated financial statements for the year ended 31st March 2024

(All amounts in INR Lakhs, unless otherwise stated)

Transactions	KMP and Relatives of KMP		Enterprise over which KMP are able to exercise significant		Associate Companies	
	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024	31st March 2023
Securities premium on issue of Equity shares :						
InCred Employee Welfare trust	-	-	-	2,950.86	-	-
	-	-	-	2,950.86	-	-
Issue of CCPS:						
InCred Wealth Private Limited	-	-	-	11.75	-	-
	-	-	-	11.75	-	-
Securities premium on issue of Equity shares :						
InCred Wealth Private Limited	-	-	-	1,868.25	-	-
	-	-	-	1,868.25	-	-
Distributor commission						
InCred Global Wealth Limited	-	-	-	35.00	-	-
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	129.93	-	-
InCred Prime Finance Limited (formerly known as InCred Financial Services Limited)	-	-	-	2.01	-	-
	-	-	-	166.95	-	-
Purchase of Fixed Assets						
InCred Financial Services Limited	-	-	-	0.25	-	-
	-	-	-	0.25	-	-
Sale of Fixed Assets						
InCred Holding Limited	-	-	-	1.04	-	-
	-	-	-	1.04	-	-
Profit on Sale of Fixed assets						
InCred Holding Limited	-	-	-	0.35	-	-
	-	-	-	0.35	-	-

Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. For terms of loan provided to InCred Wealth Private Limited (formerly known as InCred Capital Wealth Portfolio Managers Private Limited), Refer Note No. 6.

c. Closing balances with Related parties as at 31st March 2024 and 31st March 2023:

Closing balance	KMP and Relatives of KMP		Enterprise over which KMP are able to exercise significant		Associate Companies	
	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024	31st March 2023
Trade payables:						
InCred Financial Services Limited	-	-	-	17.95	-	-
InCred Capital Wealth Portfolio Managers Private Limited	-	-	8.31	77.74	-	-
InCred Management and Technology Private Limited	-	-	-	2.18	-	-
InCred Global Wealth Limited	-	-	340.61	35.00	-	-
InCred Global Wealth Pte Limited	-	-	160.18	-	-	-
	-	-	509.10	132.87	-	-
Trade Receivable:						
InCred Holdings Limited	-	-	-	0.59	-	-
InCred Financial Services Limited	-	-	5.41	-	-	-
InCred Capital Wealth Portfolio Managers Private Limited	-	-	0.89	29.04	-	-
	-	-	6.30	29.63	-	-

InCred Capital Financial Services Private Limited

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Notes to the consolidated financial statements for the year ended 31st March 2024

(All amounts in INR Lakhs, unless otherwise stated)

Closing balance	KMP and Relatives of KMP		Enterprise over which KMP are able to exercise significant		Associate Companies	
	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024	31st March 2023
Other Receivable:						
InCred Research Services Private Limited	-	-	2.70	-	-	-
InCred Global Insights Partners Private Limited	-	-	18.59	-	-	-
InCred Holdings Limited	-	-	0.59	-	-	-
	-	-	21.88	-	-	-
Other current liabilities						
InCred Capital Wealth Portfolio Managers Private Limited	-	-	138.13	-	-	-
	-	-	138.13	-	-	-
Other Payables:						
InCred Capital Wealth Portfolio Managers Private Limited	-	-	0.99	-	-	-
InCred Holdings Limited	-	-	0.30	-	-	-
InCred Management and Technology Services Private Limited	-	-	0.11	-	-	-
InCred Financial Services Limited	-	-	2.03	-	-	-
	-	-	3.42	-	-	-
Borrowings (Including Interest Accrued)						
InCred Financial Services Limited	-	-	13,902.24	-	-	-
InCred Research Services Private Limited	-	-	6,010.71	-	-	-
	-	-	19,912.95	-	-	-
Advance receivable from Broker:						
InCred Capital Wealth Portfolio Managers Private Limited	-	-	534.90	14.09	-	-
	-	-	534.90	14.09	-	-
Advance Given(Including Accrued Interest)						
InCred Wealth Private Limited	-	-	29,386.89	4,872.16	-	-
InCred Research Services Private Limited	-	-	-	25.01	-	-
InCred Capital Wealth Portfolio Managers Private Limited	-	-	1,039.99	2,800.93	-	-
InCred Employee Welfare trust	-	-	3,615.00	3,615.00	-	-
Alpha Fintech Private Limited	-	-	-	-	4,245.38	-
InCred Prime Finance Limited	-	-	360.00	-	-	-
	-	-	34,401.88	11,313.10	4,245.38	-

Note 43 : Employee Stock Option Plan

Description of share-based payment arrangements
Share option plans (equity-settled)

The Group has Employee Incentive Plan under which options have been granted to eligible employees to be vested from time to time. The group has established share option plans that entitle the employees of the group to purchase the shares of the Company. Under these plans, holders of the vested options are entitled to purchase shares at the exercise price of the shares determined at the respective date of grant of options. The key terms and conditions related to the vesting of grants under these plans are continued employment with the group from the date of grant of option till the date of vesting; all options are to be settled by the delivery of shares.

A. Measurement of fair values

Equity-settled share-based payment arrangements

The fair value of the employee share options has been measured using Black-Scholes Option pricing model.

The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment options granted during the year are as follows:

The model inputs for options granted during

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Grant date	01 April 2023 01 July 2023 01 October 2023 01 January 2024	1st April 2022 1st July 2022 15th September 2022 1st October 2022 1st January 2023
Option Price Model	Black Scholes Model	Black Scholes Model
Fair value of ESOP on Grant date	INR 43.72- INR 1848.19	INR 69.30 - INR 1298.43
Share price as on grant date	INR 542.22- INR 1854.64	NR. 542.22 - INR. 1525.75
Exercise price	INR. 10 / INR. 266.30 / INR.1568 / INR.1331.10	INR. 266.30 and INR.367.30
Expected volatility (weighted average volatility)	40%	40%
Expected time to exercise shares	2 years from vesting	2 years from vesting
Risk- free interest rate (based on government bonds)	7.13% to 7.42%	5.71% to 7.59%
Dividend yield	0.00%	0.00%
Weighted Average Fair Value of ESOP on Grant date	INR 266.78 - INR 1387.32	INR 322.08 - INR 1126.02
Method used to determine expected volatility	The expected volatility is based on price volatility of listed companies in same industry.	The expected volatility is based on price volatility of listed companies in same

B. Reconciliation of outstanding share options

Set out below is a summary of options granted under the plan:

Particulars	Average exercise price per option	Number of options	
		As at March 31, 2023	As at March 31, 2023
Opening balance		12,97,666	2,41,697.00
Add: Options granted during the year		4,81,420	10,71,768
Less: Options forfeited during the year		(71,119)	(6,723)
Less: Options exercised during the year		(1,09,756)	(9,076)
Less: Options lapsed during the year		-	-
Options outstanding as at the year end		15,98,211	12,97,666
Option exercisable of the above		6,38,246	91,564
Weighted average remaining contractual life of options outstanding at end of the year		8.20 - 8.73	8.98 - 9.47

C. Expenses arising from share-based payment transactions

Refer Note 27 on employee benefit expense, for share based payment expense charged to Statement of Profit and Loss.

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Notes to the consolidated financial statements for the year ended 31st March 2024

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Note 44 : Segment Information

The Parent Company is primarily engaged in the business of financing and Investment Banking where as the Subsidiary companies are primarily engaged in providing Investment management Services. Further, the Group does not have any separate geographic segments other than India.

During the year ended March 31, 2024, the Group has been organised into three major operating segments i.e. Investment Banking, Investment Management services and Wealth Management.

Income for each segment has been specifically identified. Expenditure, assets and liabilities are either specifically identifiable with individual segments or have been allocated to segments. allocation, segment disclosures relating to revenue, results, assets and liabilities have been prepared.

Income, Expenditure, assets and liabilities which relates to the Company as a whole and not allocable to segments are disclosed under "unallocable segment".

Particulars	Year ended March 31, 2024			
	Investment Banking	Advisory	Investment Management	Wealth Management
Segment Income from Operations	12,265.21	-	3,110.12	17,004.90
Other Income	386.83	-	72.75	1,301.23
Add/(Less) : Finance income and other unallocable income(net of inter segment expenses)	-	-	-	-
Total Segment Income	12,652.04	-	3,182.87	18,306.13
Segment results (before depreciation & amortisation)	2,997.78		(456.13)	(1,553.69)
Exceptional Item	317.00	-	249.57	-
Profit / (loss) before tax	1,883.49	-	(734.87)	(1,871.21)
Tax expenses				
Current tax	-	-	-	-
MAT credit written off	-	-	-	-
Deferred tax (credit)	-	-	-	-
Pertaining to earlier years	-	-	-	-
Other Comprehensive Income				
(A) Items that will not be reclassified to profit or loss	-	-	-	-
(B) Items that will be reclassified to profit or loss	-	-	-	-
Segment profit / (loss) for the year	1,883.49	-	(734.87)	(1,871.21)
Segment Assets	62,034.18	-	2,203.35	51,821.96
Segment Liabilities	54,755.86	-	1,192.21	30,434.72
Depreciation and Amortisation	797.28	-	29.17	317.52

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Notes to the consolidated financial statements for the year ended 31st March 2024

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023				
	NBFC	Investment Banking	Advisory	Investment Management	Wealth Management
Segment Income from Operations	540.07	6,894.84	1.20	604.99	6,212.38
Other Income	-	86.75	-	(5.88)	-
Total Segment Income	540.07	6,981.59	1.20	599.11	6,212.38
Segment results (before depreciation & amortisation)	714.55	(1,305.76)	1.20	(2,357.48)	(4,293.36)
Exceptional Item	-	-	-	-	(2,603.00)
Profit / (loss) before tax	714.55	(1,305.76)	1.20	(2,357.48)	(6,896.36)
Tax expenses					
Current tax	-	-	-	-	-
MAT credit written off	-	-	-	-	-
Deferred tax (credit)	-	-	-	-	-
Pertaining to earlier years	-	-	-	-	-
Other Comprehensive Income					
(A) Items that will not be reclassified to profit or loss	-	(5.77)	-	0.39	(19.07)
(B) Items that will be reclassified to profit or loss	-	-	-	-	-
Segment profit / (loss) for the year	714.55	(1,311.53)	1.20	(2,357.09)	-
Segment Assets	-	10,270.20	0.11	802.28	21,644.07
Segment Liabilities	-	10,286.46	-	733.38	6,662.88
Depreciation and Amortisation	-	733.90	-	13.21	261.04

Note 45 : Business Combination**a. Business Combinations**

The Board of Directors of the Group at their meeting held on 27th September, 2021, had approved the Composite Scheme of Arrangement (the 'Scheme') with InCred Capital Financial Services Private Limited, Clamant Tech Services Private Limited, MAPE Advisory Group Private Limited, InCred Wealth Private Limited and InCred Wealth & Investment Services Private Limited and the same was filed with various regulatory authorities and National Company Law Tribunal (NCLT).

The NCLT passed the final order dated 26th April, 2022. The Scheme was made effective by of the Group, Clamant Tech Services Private Limited, MAPE Advisory Group Private Limited and InCred Wealth Private Limited on 30th June 2022 and the relevant filing were done with the Registrar of Companies, Mumbai on 30th June 2022.

The Appointed date of the Scheme is 1st April, 2022, and accordingly the books of account and financial statements effecting the Scheme have been prepared with effect from 1st April, 2022.

Under the Scheme, the identified advisory business of MAPE Advisory Group Private Limited shall be demerged with InCred Capital Financial Services Private Limited and Clamant Tech Services Private Limited shall be amalgamated with InCred Capital Financial Services Private Limited. Further, the Wealth (Distribution of third party products) business of InCred Wealth Private Limited shall be demerged with InCred Wealth & Investment Services Private Limited, for which the company shall issue shares to the shareholders of InCred Wealth Private Limited as Purchase Consideration. Further, with the discharge of purchase consideration for demergers and amalgamation, shareholders of the company will hold majority shareholding of the company.

Accordingly, the business combination has been treated as per Ind AS 103 and the Group has been identified as the accounting acquirer and Clamant Tech Services Private Limited & MAPE Advisory Group Private Limited & InCred Wealth Private Limited ("acquiree") being the accounting acquiree.

As per Ind AS 103, these consolidated financial statements issued under the name of the company represent the continuation of the financial positions of acquiree except for share capital which is currently presented as per legal share capital of the company. Accordingly the assets, liabilities and reserves of acquiree have been continued at their pre-business combination carrying values and measured the fair value of identified assets and liabilities as per requirements of Ind AS 103. The earnings per share figures presented in respect of comparative periods are those of the company and are accordingly not comparable with the current period figures.

The accounting impact of the aforesaid Scheme in the books of the company has been summarily presented as follows:

(i). Goodwill/bargain purchase on business combinations (Clamant Tech Services Private Limited)

Particulars	Amount as on 31st March 2023
(A) Net Assets and liabilities (Net Assets including Identifiable Intangible Assets) recorded at fair value pursuant to amalgamation	2,389.80
(B) Purchase consideration (Fair value of shares)	3,207.91
Goodwill (A-B)	818.11

(ii). Goodwill/bargain purchase on business combinations (MAPE Advisory Group Private Limited)

Particulars	Amount as on 31st March 2023
(A) Net Assets and liabilities (Net Assets including Identifiable Intangible Assets) recorded at fair value pursuant to demerger	2,998.03
(B) Purchase consideration (Fair value of shares)	3,543.76
Goodwill (A-B)	545.73

(iii). Capital Reserve on business combinations (InCred Wealth Private Limited)

Particulars	Amount as on 31st March 2023
(A) Net Assets and liabilities (Net Assets including Identifiable Intangible Assets) recorded at fair value pursuant to demerger	1,828.66
(B) Purchase consideration (Fair value of shares)	1,748.27
Capital Reserve (A-B)	(80.39)

As per the terms of the Scheme, the shareholders of Clamant Tech Services Private Limited shall receive equity shares as a consideration for amalgamation. Further, shareholders of MAPE Advisory Group Private Limited shall receive either equity shares or Class B Optionally Convertible Redeemable Preference Shares and Class A Optionally Convertible Redeemable Preference Shares, and shareholders of InCred Wealth Private Limited shall receive equity shares of InCred Capital Financial Services Private Limited, as a consideration for demerger of identified advisory and wealth business respectively, whose equity conversion terms would determine the purchase consideration described above.

b. As per the scheme of merger loan taken from the Company by InCred Wealth Private Limited (subsequently transferred to InCred Wealth & Investment Services Private Limited vide scheme of merger) had been converted into equity for an aggregate amount of Rs. 20,011.24 lakhs. Pursuant to the approval, the Company was allotted 36,90,477 equity shares of the InCred Wealth & Investment Services Private Limited.

Note 46 : Investment in Associates

The Groups interests in associates are:

Name of Associate	Principle Place of Business	Method of Accounting	Proportion of Stake as on 31st March 2024
Alpha Fintech Private Limited	India	Equity Method	45.07%

Name of Associate	Principle Place of Business	Method of Accounting	Proportion of Stake as on 31st March 2023
Alpha Fintech Private Limited	India	Equity Method	31.21%

Summarised financial information in respect of Group's associates is set out below:

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Summarised Statement of net assets		
Financial assets	3,104.45	149.40
Non-Financial assets	333.94	366.54
Total assets (I)	3,438.39	515.94
Financial liabilities	4,603.31	399.63
Non-Financial liabilities	42.71	30.32
Total liabilities (II)	4,646.03	429.95
Net assets (I - II)	(1,207.64)	85.99
Group's share %	45.07%	31.40%
Group's share in amount	(544.34)	27.00
Carrying amount of Investment	2,456.56	1,145.50

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Summarised Statement of Profit and Loss		
Revenue from operation	281.56	49.92
Other income	220.24	-0.05
Total income (I)	501.80	49.87
Finance costs	280.65	10.15
Employee benefit expenses	903.53	233.48
Depreciation, amortization and impairment	53.73	1.51
Other expenses	621.00	29.09
Total expenses (II)	1,858.91	274.22
Loss before tax (III = I-II)	(1,357.11)	(224.35)
Tax expense (IV)	-	-
A. Loss after tax (V = III-IV)	(1,357.11)	(224.35)
B. Other Comprehensive income	0.64	13.44
Total Comprehensive income	(1,357.74)	(237.79)
Group's share % for the year	45.07%	31.40%
Group share in Amount in Profit and loss (A)	(611.72)	-70.45
Group share in Amount in Other Comprehensive Income (B)	0.29	-4.22
Total Group share in Amount (A+B)	(611.43)	(74.67)

Note 47 : Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

As on 31st March 2024						
Name of the Entity	Net Assets		Share in Profit or Loss		Share in Other Comprehensive	
	Amount	As a % of Consolidated net assets	Amount	As a % of Consolidated Profit or Loss	Amount	As a % of Other Comprehensive Income
Parent						
InCred Capital Financial Services Private Limited	(108.68)	-0.22%	1,501.13	-67.85%	2.03	-5.82%
Subsidiary						
InCred Asset Management Private Limited	1,717.45	3.42%	281.65	-12.73%	(1.21)	3.46%
InCred Wealth & Investment Services Private Limited	33,207.94	66.04%	(2,619.49)	118.39%	(22.10)	63.27%
InCred Alternative Investments Private Limited	(1,871.60)	-3.72%	(301.56)	13.63%	(8.58)	24.56%
InCred Overseas Holding Private Limited	9,072.32	18.04%	(6.67)	0.30%	-	0.00%
Booth Fintech Private Limited	3,916.34	7.79%	363.77	-16.44%	-	0.00%
mValu Technology Services Private Limited	770.14	1.53%	(498.07)	22.51%	(5.36)	15.34%
InCred Value Plus Private Limited	18.65	0.04%	(85.05)	3.84%	-	0.00%
Associate						
Alpha Fintech Private Limited	(686.09)	-1.36%	(611.72)	27.65%	0.29	-0.82%
Non Controlling Interest	4,246.00	8.44%	(236.56)	10.69%	-	0.00%
	50,282.47	100.00%	(2,212.57)	100.00%	(34.93)	100.00%

As on 31st March 2023						
Name of the Entity	Net Assets		Share in Profit or Loss		Share in Other Comprehensive	
	Amount	As a % of Consolidated net assets	Amount	As a % of Consolidated Profit or Loss	Amount	As a % of Other Comprehensive Income
Parent						
InCred Capital Financial Services Private Limited	12,962.53	27.90%	(12.75)	0.2%	(5.77)	23.60%
Subsidiary						
InCred Asset Management Private Limited	1,808.55	3.89%	(908.21)	12.5%	0.39	-1.60%
InCred Wealth & Investment Services Private Limited	31,867.60	68.60%	(6,030.23)	83.1%	(14.85)	60.74%
Vishuddha Capital Management LLP	-	0.00%	(18.15)	0.3%	-	0.00%
InCred Alternative Investments Private Limited	(110.83)	-0.24%	(212.54)	2.9%	-	0.00%
Associate						
Alpha Fintech Private Limited	(74.67)	-0.16%	(70.45)	1.0%	(4.22)	17.26%
	46,453.18	100.00%	(7,252.33)	100.0%	(24.45)	100.00%

InCred Capital Financial Services Private Limited

CIN: U67120MH1996PTC355036

Notes to the consolidated financial statements for the year ended 31st March 2024

(All amounts in INR Lakhs, unless otherwise stated)

Note 48 : Ratio Analysis and its elements

Ratio	Numerator	Denominator	Year ended 31st March 2024	Year ended 31st March 2023	% change during the year
Current ratio	Current Assets	Current Liabilities	2.18	9.53	-77.16% Increase in wo
Debt- Equity Ratio	Borrowings	Shareholders Equity	1.57	0.28	456.75% Increase due to
Debt Service Coverage ratio	Net Operating Income	Debt Service	(0.23)	(0.65)	-64.97% Decrease due
Return on Equity ratio	Net Profits after taxes	Shareholder's Equity	(0.04)	(0.16)	-71.82% Decrease in PB
Inventory Turnover ratio	NA	NA	NA	NA	NA NA
Trade Receivable Turnover Ratio	Net credit sales	Average Trade Receivable	13.59	7.39	83.77% Decrease due
Trade Payable Turnover Ratio	Net credit purchases	Average Trade Payables	4.39	3.72	17.79% Decrease in ov
Net Capital Turnover Ratio	Total sales	Working capital = Current assets – Current liabilities	0.60	0.44	35.04% NA
Net Profit ratio	Net Profit	Total sales	(0.07)	(0.48)	-86.00% Decrease in PB
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.05	(0.18)	-124.98% Decrease in los
Return on Investment	Profit on Sale of Investments	Investment	1.14	0.52	118.74% Increase in tre

Note 49 : Other Statutory

(i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company do not have any transactions with companies struck off.

(iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company is not required to file quarterly statement of current assets submitted to banks / financial institutions which are provided as security against the borrowings.

(vi) (a) (i) On 07 November 2023, the Company had advanced Rs. 475.54 lakhs to an employee of InCred Financial Services Limited for Investment purposes. Full details of the transaction are disclosed in the consolidated financial statements.

(ii) On 13 July 2023, the Company had advanced Rs. 800.00 lakhs to an employee of InCred Capital Financial Services Private Limited for Investment purposes. Full details of the transaction are disclosed in the consolidated financial statements.

(b) Except as disclosed above, the Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vii) (a) On 23 May 2024, the Group had borrowed Rs. 5,000 lakhs from Manipal Education and Medical Group and the amount was used to further advance ICD loan to Jana Capital Limited for non - convertible debentures.

(b) On 30 March 2024, the Group had borrowed Rs. 3900 lakhs from InCred Financial Services Limited and the amount was used to further given as advance of Rs. 3940 lakhs to InCred Wealth F

The transactions are in compliance with the relevant provisions of the Companies Act, 2013 and are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003). Further the provisions of the Prevention of Money-Laundering Act, 1999 (42 of 1999) are not applicable to the transactions.

(c) Except as disclosed below, the Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in w

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

The transactions are in compliance with the relevant provisions of the Companies Act, 2013 and are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003). Further the provisions of the Prevention of Money-Laundering Act, 1999 (42 of 1999) are not applicable to the transactions.

(viii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix) There are no scheme of arrangements which have been filed by the Company under the Act and which have been approved by the competent authority u/s 232 to 237 of the Act.

(x) The Company, is in compliance with the provisions of sec 2(87) read with Companies (Restriction on number of Layers) Rules, 2017.

(xi) The Company has not been declared as wilful defaulter by any bank or financial institution or any other lender.

(xii) The Company has not revalued any property, plant and equipment and intangible assets.

Note 50 : Disclosure relating to earnings and expenditure in foreign currency

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
A. Expenditure in foreign currency		
Referral fees	80.50	1,228.49
Legal, professional and consultancy charges	67.51	119.82
Membership and subscription	23.08	5.02
Recruitment Charges	20.17	17.96
IT Expenses	-	7.65
Hotel Expenses	-	5.10
AIF Distributor Brokerage	2.03	124.00
Distribution fees, commission and related income	-	43.91
Conference and Seminar Charges	-	1.30
	193.29	1,553.26
B. Earnings in foreign currency		
Distribution fees, commission and related income	71.35	-
Retainer fees	20.66	-
Advisory services	18.58	-
Consultancy Fees	-	4.11
	110.59	4.11

Note 51 : Corporate Social Responsibility

The gross amount required to be spent by the Company during the year ended 31 March 2024 is INR 21.75 lakhs (31st March 2023: INR 19.82 lakhs).

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Amount required to be spent as per section 135 of the Companies Act, 2013:	21.75	19.82
Amount spent during the year	-	-
(i) Construction/ acquisition of any asset	-	-
(ii) On purposes other than (i) above	-	-
In cash	-	-
Deposited in specified fund*	55.42	19.82

* The company has transferred unspent amount to a Fund specified in Schedule VII to the Companies Act, 2013 on 10th May 2023 in compliance with second proviso to sub-section (5) of section 135 of the said Act for FY 22-23.

Note 52 : Backup of Books of accounts and Audit Trail

a. As per the MCA notification dated August 05, 2022 Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules back-up of the books of account/other books & papers maintained in electronic mode, including at a place outside India, shall be kept in servers physically located in India on a daily basis. The Company's servers are physically located in India and back up is done on a daily basis. Thus the Company is compliant with the requirements of the above notification.

b. The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, there are no instance of audit trail feature being tampered with.

Note 53 : Other notes to accounts

Previous year figures

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For PNAM & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 001092N/N500395

For and on behalf of the Board of Directors of
InCred Capital Financial Services Private Limited

PARV BANSAL
Digitally signed
by PARV BANSAL
Date: 2024.09.04
18:39:51 +05'30'

Parv Bansal
Partner
Membership No.: 515167
Place : Delhi
Date : 04 September 2024

BHUPINDER SINGH
Digitally signed by
BHUPINDER SINGH
Date: 2024.09.04
15:28:20 +05'30'

Bhupinder Singh
Director
DIN - 07342318
Place : Mumbai
Date : 04 September 2024

SAURABH JHALARIA
Digitally signed by
SAURABH JHALARIA
Date: 2024.09.04
15:32:54 +05'30'

Saurabh Jhalaria
Director
DIN - 07908327
Place : Mumbai
Date : 04 September 2024