**INCRED CAPITAL FINANCIAL SERVICES LIMITED**

Corporate Identity No. (CIN): U67120MH1996PLC355036
Registered Office: Unit No. 1203, 12th Floor, B Wing, The Capital,
C-70, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400051, Maharashtra, India
Contact No.: 022-6488 6100 Email: incred.compliance@incred.com
Website: https://www.incredcapital.com/

**MEETING OF THE SECURED CREDITORS OF INCRED CAPITAL FINANCIAL SERVICES LIMITED CONVENED BY THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH**

## NOTICE TO SECURED CREDITORS

| | |
|---|---|
| **Day** | Thursday |
| **Date** | September 25, 2025 |
| **Time** | 02.00 p.m. (Indian Standard Time) |
| **Venue of Meeting** | Unit No 1203, 12th Floor, B Wing, The Capital, C-70, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400051, Maharashtra, India |
| **Mode of Meeting** | Physical |
| **Mode of Voting** | Voting by Poll |

## INDEX


| Sr No | Contents | Page No |
|---|---|---|
| 1. | Notice of Meeting of the secured creditors of InCred Capital Financial Services Limited convened as per the directions of the Hon'ble National Company Law Tribunal, Mumbai Bench | 1 - 10 |
| 2. | Explanatory statement under Sections 230(3) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions of the Companies Act, 2013 | 11 - 47 |
| 3. | **Annexure A**<br>Composite scheme of arrangement between InCred Wealth Private Limited ('**Transferor Company 1**' or '**Applicant Company 1**') and InCred Capital Financial Services Limited ('**Transferee Company 1**' or '**Resulting Company**' or '**Applicant Company 2**') and InCred Capital Wealth Portfolio Managers Private Limited ('**Transferee Company 2**' or '**Demerged Company**' or '**Applicant Company 3**') and InCred Research Services Private Limited ('**Transferor Company 2**' or '**Applicant Company 4**') and their respective shareholders | 48 - 89 |
| 4. | **Annexure B**<br>Report dated March 27, 2025, issued by Akshat Jain, IBBI Registered Valuer | 90 - 103 |

| Sr No | Contents | Page No |
|---|---|---|
| | having registration no IBBI/RV/06/2022/15048 to Applicant Company 1 and Applicant Company 2, recommending the fair exchange ratio in consideration of amalgamation of Applicant Company 1 with Applicant Company 2 | |
| 5. | **Annexure C**<br>Accounting treatment certificate issued by the statutory auditors of Applicant Company 2 ie, M/s M S K A & Associates, Chartered Accountants | 104 - 109 |
| 6. | **Annexure D**<br>Accounting treatment certificate issued by the statutory auditors of Applicant Company 3 ie, M/s M S K A & Associates, Chartered Accountants | 110 - 115 |
| 7. | **Annexure E**<br>Report adopted by the board of directors of Applicant Company 1 in its Meeting held on March 27, 2025, pursuant to the provisions of Section 232(2)(c) of the Companies Act, 2013 ('**Act**') | 116 - 119 |
| 8. | **Annexure F**<br>Report adopted by the board of directors of Applicant Company 2 in its Meeting held on March 27, 2025, pursuant to the provisions of Section 232(2)(c) of the Act | 120 - 124 |
| 9. | **Annexure G**<br>Report adopted by the board of directors of Applicant Company 3 in its Meeting held on March 27, 2025, pursuant to the provisions of Section 232(2)(c) of the Act | 125 - 129 |
| 10. | **Annexure H**<br>Report adopted by the board of directors of Applicant Company 4 in its Meeting held on March 27, 2025, pursuant to the provisions of Section 232(2)(c) of the Act | 130 - 133 |
| 11. | **Annexure I**<br>Audited financial statement of Applicant Company 1 as on March 31, 2024 including the director's report and the auditor's report | 134 - 193 |
| 12. | **Annexure J**<br>Latest management certified financial statement of Applicant Company 1 as on February 28, 2025 | 194 - 203 |
| 13. | **Annexure K**<br>Audited financial statement of Applicant Company 2 as on March 31, 2024 including the director's report and the auditor's report | 204 - 291 |
| 14. | **Annexure L**<br>Latest management certified financial statement of Applicant Company 2 as on February 28, 2025 | 292 - 305 |
| 15. | **Annexure M**<br>Audited financial statement of Applicant Company 3 as on March 31, 2024 including the director's report and the auditor's report | 306 - 362 |
| 16. | **Annexure N** | |

| Sr No | Contents | Page No |
|---|---|---|
| | Latest management certified financial statement of Applicant Company 3 as on February 28, 2025 | 363 - 369 |
| 17. | **Annexure O**<br>Audited financial statement of Applicant Company 4 as on March 31, 2024 including the director's report and the auditor's report | 370 - 417 |
| 18. | **Annexure P**<br>Latest management certified financial statement of Applicant Company 4 as on February 28, 2025 | 418 - 426 |
| 19. | Form of Proxy | 427 |
| 20. | Attendance Slip | 428 |
| 21. | Route Map | 429 |

**Form CAA-2**

*[Pursuant to Section 230(3) and Rule 6 of*
*the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016]*

**IN THE NATIONAL COMPANY LAW TRIBUNAL,**
**BENCH AT MUMBAI**
**C.A. (CAA) / 134 / MB / 2025**

In the matter of the Companies Act, 2013;

And

In the matter of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder;

And

In the matter of composite scheme of arrangement between InCred Wealth Private Limited ('**Transferor Company 1**' or '**Applicant Company 1**') and InCred Capital Financial Services Limited ('**Transferee Company 1**' or **'Resulting Company'** or '**Applicant Company 2**') and InCred Capital Wealth Portfolio Managers Private Limited (**'Transferee Company 2'** or **'Demerged Company'** or **'Applicant Company 3'**) and InCred Research Services Private Limited (**'Transferor Company 2'** or **'Applicant Company 4')** and their respective shareholders (hereinafter referred to as **'Scheme'** or '**Composite Scheme**' or '**Composite Scheme of Arrangement**')

**InCred Capital Financial Services Limited,** a public company incorporated under the Companies Act, 1956 and having its registered office address at Unit No. 1203, 12th Floor, B Wing, The Capital, C-70, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400051, Maharashtra, India
CIN: U67120MH1996PLC355036

**... Transferee Company 1 / Resulting Company / Applicant Company 2**

**NOTICE CONVENING MEETING OF THE SECURED CREDITORS OF INCRED CAPITAL FINANCIAL SERVICES LIMITED, THE TRANSFEREE COMPANY 1 / RESULTING COMPANY / APPLICANT COMPANY 2**

To,
**The Secured Creditors of InCred Capital Financial Services Limited**

**NOTICE** is hereby given that by an Order dated August 7, 2025 in the above mentioned Company Scheme Application ('**Order**'), the Hon'ble National Company Law Tribunal, Mumbai Bench ('**Hon'ble Tribunal**' or '**NCLT**') has directed that a meeting of the secured creditors of InCred Capital Financial Services Limited ('**Company**', and such secured creditors '**Secured Creditors**'), be convened and held to consider, and if thought fit, to approve the proposed composite scheme of arrangement between InCred Wealth Private Limited ('**Transferor Company 1**' or '**Applicant Company 1**') and InCred Capital Financial Services Limited ('**Transferee Company 1**' or '**Resulting Company**' or '**Applicant Company 2**') and InCred Capital Wealth Portfolio Managers Private Limited ('**Transferee Company 2**' or '**Demerged Company**' or '**Applicant Company 3**') and InCred Research Services Private Limited ('**Transferor Company 2**' or '**Applicant Company 4**') and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder (hereinafter referred to as '**Scheme**' or '**Composite Scheme**' or '**Composite Scheme of Arrangement**').

In pursuance of the Order and as directed therein, further Notice is hereby given that a meeting of the Secured Creditors will be held on Thursday, September 25, 2025 at 02.00 p.m. (Indian Standard Time) ('**Meeting**'), at Unit No 1203, 12th Floor, B Wing, The Capital, C-70, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400051, Maharashtra, India. At such day, date, and time the Secured Creditors are requested to attend the Meeting.

**TAKE FURTHER NOTICE** that a copy of the Scheme, Explanatory Statement under Section 230(3) and Section 102 of the Companies Act, 2013 ('**Act**') read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ('**Company Arrangement Rules**') and other annexures as stated in the Index are enclosed herewith. Copies of the Scheme and the Explanatory Statement can be obtained free of charge at the registered office of the Company (provided herein below) between 09:30 a.m. (Indian Standard Time) to 06:30 p.m. (Indian Standard Time) on all working days (except Saturdays, Sundays and public holidays) up to the date of the Meeting. Secured Creditors entitled to attend and vote at the Meeting, may vote in person or by proxy, provided that all proxies in the prescribed form, duly signed or authorized by the said person, are deposited at the registered office of the Company at Unit No. 1203, 12th Floor, B Wing, The Capital, C-70, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400051, Maharashtra, India not later than 48 hours before the commencement of the Meeting. Form of proxy is also annexed to this Notice and can be obtained from the registered office of the Company.

**TAKE FURTHER NOTICE** that the Secured Creditors may refer to the notes to this notice for the details of voting at the Meeting.

**TAKE FURTHER NOTICE** that the Hon'ble Tribunal has appointed Shri M K Dubey as the Chairperson of the Meeting.

**TAKE FURTHER NOTICE** that the Hon'ble Tribunal has appointed Mr Mitesh Shah (Membership No F10070 / COP 12891) as the Scrutinizer of the Meeting.

**TAKE FURTHER NOTICE** that the Scheme, if approved by the Secured Creditors at the Meeting, will be subject to the subsequent approval of the Hon'ble Tribunal.

**TAKE FURTHER NOTICE** that the Secured Creditors are requested to consider and if thought fit to pass, and with requisite majority, the following resolution under Sections 230 to 232 of the Companies Act, 2013 read with the Company Arrangement Rules (including any statutory modification(s) or re-enactment thereof for the time being in force):

*'**RESOLVED THAT** pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions of the Companies Act, 2013, the rules, circulars, and notifications made thereunder (including any statutory modification or re-enactment(s) thereof for the time being in force) as may be applicable, and subject to provisions of the Memorandum and Articles of Association of the Company and subject to approval of the Hon'ble National Company Law Tribunal, Mumbai Bench ('**NCLT**') and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the Hon'ble NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the '**Board**', which term shall deemed to mean and include one or more Committee(s) constituted / to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution), the arrangement embodied in the composite scheme of arrangement between InCred Wealth Private Limited ('**Transferor Company 1**' or '**Applicant Company 1**') and InCred Capital Financial Services Limited ('**Transferee Company 1**' or '**Resulting Company**' or '**Applicant Company 2**') and InCred Capital Wealth Portfolio Managers Private Limited (**'Transferee Company 2'** or **'Demerged Company'** or **'Applicant Company 3'**) and InCred Research Services Private Limited (**'Transferor Company 2'** or **'Applicant Company 4')** and their respective shareholders (hereinafter referred to as **'Scheme'** or '**Composite Scheme**' or '**Composite Scheme of Arrangement**'), be and is hereby approved.*

***RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and / or conditions, if any, which may be required and / or imposed by the Hon'ble NCLT while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper.'*

***RESOLVED FURTHER THAT*** *the Board may delegate all or any of its powers herein conferred to any Director(s) and / or officer(s) and / or employee(s) of the Company, to give effect to this Resolution, if required, as it may in its absolute discretion deem fit, necessary or desirable, without any further approval from the Secured Creditors of the Company."*

Sd/-
Kunal Sharma, Company Secretary
Membership No A67452

Dated this 20th day of August, 2025
Place: Mumbai, Maharashtra

**Registered Office:**

**InCred Capital Financial Services Limited**
Unit No. 1203, 12th Floor, B Wing, The Capital,
C-70, G Block, Bandra Kurla Complex, Bandra East,
Mumbai - 400051, Maharashtra, India
Email: incred.compliance@incred.com
Website: https://www.incredcapital.com/

**NOTES:**

1. **A SECURED CREDITORS ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY / PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH A PROXY / PROXIES SO APPOINTED NEED NOT BE A SECURED CREDITOR OF THE COMPANY. THE PROXY FORM DULY COMPLETED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE AFORESAID MEETING.**

2. As per Section 105 of the Companies Act, 2013 and rules made thereunder, a person can act as proxy on behalf of Secured Creditors not exceeding 50 and holding in aggregate not more than 10% of the total outstanding debt of the Company as on August 08, 2025 ('**Cut-off Date**'). Further, a Secured Creditors holding more than 10% of the total outstanding debt of the Company may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

3. All alterations made in the Proxy Form should be duly initialed.

4. The Notice, together with all the documents listed in the Index, is being sent to all the Secured Creditors, whose names appear in the books of accounts / registers of the Company as on close of business hours of Cut-off Date, as directed by the Hon'ble Tribunal to the Secured Creditors at their respective registered or last known addresses or e-mail as per the records of the Company. Secured Creditors who have not registered their email addresses, physical copy is being sent by registered post acknowledgement due / speed post, hand delivery at their registered addresses. The Secured Creditors may note that the notice is also available on the website of the Company at https://www.incredcapital.com/.

5. The Notice is being sent to all the Secured Creditors, whose names appear in the books of accounts / registers of the Company as on close of business hours of Cut-off Date.

6. A Secured Creditors, whose name is recorded in the books of accounts / register of the Company as on the Cut-off Date may attend and shall be entitled to exercise his / her / its voting rights (either in person or by proxy) on the resolution proposed in the Notice and attend the Meeting. A person who is not a Secured Creditors as on the Cut-off Date, should treat the Notice for information purpose only.

7. Any Secured Creditors, that is a body corporate, intending to appoint an authorised representative to participate and / or vote in the Meeting, is required to send to the Company a certified copy of the relevant board resolution / authority letter or other governing body of such body corporate authorizing such a representative to attend and vote at the Meeting, together with the specimen signature of the duly authorised signatory(ies), through which such representative is authorised to participate and / or vote in the Meeting on behalf of the relevant Secured Creditors, provided that the aforesaid authorisation is deposited at the registered office of the

Company, not later than 48 hours before the schedule time commencement of the Meeting.

8. Registered Secured Creditors who hold securities (if any) in dematerialized form are requested to bring their Client ID and DP ID for easy identification of the attendance at the Meeting.

9. Registered Secured Creditors are informed that in case of joint holders attending the meeting, joint holder whose name stands first in the register of debenture holders and in his / her absence by the next named debenture holders of the Company in respect of such joint holding will be entitled to vote.

10. Secured Creditors or his proxy is requested to bring a copy of the notice to the Meeting and produce it at the entrance of the meeting venue, along with the attendance slip duly completed and signed.

11. During the period beginning 24 (twenty four) hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the Meeting, a Secured Creditors would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than 3 (three) days of notice in writing is given to the Company.

12. If so desired, Secured Creditors may obtain a physical copy of the Notice and the accompanying documents, i.e., Scheme and the Statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 etc., free of charge. A written request in this regard, along with details of your outstanding debt in the Company may be addressed to Mr. Kunal Sharma, Company Secretary of the Company at incred.compliance@incred.com.

13. Secured Creditors: (i) whose email address is not registered with Company, can get their email address registered; or (ii) who may want to change their email ID registered with the Company, can get the same done; by sending an email to Mr. Kunal Sharma, Company Secretary of the Company at incred.compliance@incred.com.

14. The voting rights of the Secured Creditors shall be in proportion to the outstanding amount due to them by the Company as on Cut-off Date, ie, August 08, 2025.

15. In accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013, the Scheme shall be acted upon only if a majority in number representing three fourths in value of the Secured Creditors, at the Meeting, voting in person or by proxy, agree to the Scheme.

16. Explanatory Statement under Section 230 and 232 read with Section 102 and other applicable provisions of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016 is annexed to this Notice.

17. In terms of the directions contained in the Order, the Notice convening the Meeting will be

published by the Company through advertisement in 'Business Standard' in English language and 'Navshakti' in Marathi language, having circulation in Maharashtra.

18. Secured Creditors can cast their votes through poll. Further, the facility for voting through polling paper shall be made available at the Meeting and Secured Creditors attending the Meeting shall be able to exercise their right at the Meeting.

19. The quorum of the Meeting shall be 50% of the total number of Secured Creditors plus one present either in person or through proxy.

20. As directed by the Hon'ble Tribunal, Mr. Mitesh Shah (Membership No F10070 / COP 12891), shall act as the Scrutinizer to scrutinize votes casted at the Meeting, and shall submit a report on votes cast to the Chairperson of the Meeting or to the person so authorised by him. The Scrutinizer's decision on the validity of the votes shall be final.

21. The results of the Meeting shall be announced by the Chairperson not later than 48 hours of the conclusion of the Meeting and upon receipt of the Scrutinizer's report. Subject to receipt of the requisite number of votes, the resolution shall be deemed to have been passed, and the Scheme shall be deemed to have been approved, on the date of the Meeting, ie, September 25, 2025.

22. All documents referred to in the Notice and Explanatory Statement will be available for inspection by the Secured Creditors from the date of circulation of this Notice up to the date of the Meeting at the registered office of the Company. Secured Creditors seeking to inspect such documents may send a request on the email id: incred.compliance@incred.com at least one working day before the date on which they intend to inspect the document.

**Form CAA-2**

*[Pursuant to Section 230(3) and Rule 6 of the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016]*

**IN THE NATIONAL COMPANY LAW TRIBUNAL,**
**BENCH AT MUMBAI**
**C.A. (CAA) / 134 / MB / 2025**

In the matter of the Companies Act, 2013;

And

In the matter of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder;

And

In the matter of composite scheme of arrangement between InCred Wealth Private Limited ('**Transferor Company 1**' or '**Applicant Company 1**') and InCred Capital Financial Services Limited ('**Transferee Company 1**' or **'Resulting Company'** or '**Applicant Company 2**') and InCred Capital Wealth Portfolio Managers Private Limited (**'Transferee Company 2'** or **'Demerged Company'** or **'Applicant Company 3'**) and InCred Research Services Private Limited (**'Transferor Company 2'** or **'Applicant Company 4')** and their respective shareholders (hereinafter referred to as **'Scheme'** or '**Composite Scheme**' or '**Composite Scheme of Arrangement**')

**InCred Capital Financial Services Limited,** a public company incorporated under the Companies Act, 1956 and having its registered office address at Unit No. 1203, 12th Floor, B Wing, The Capital, C-70, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400051, Maharashtra, India
CIN: U67120MH1996PLC355036

**... Transferee Company 1 / Resulting Company / Applicant Company 2**

**EXPLANATORY STATEMENT UNDER SECTION 230(3) AND SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016, FOR THE MEETING OF THE SECURED CREDITORS OF INCRED CAPITAL FINANCIAL SERVICES LIMITED CONVENED AS PER THE DIRECTIONS OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH**

1. This is a statement accompanying the Notice convening the meeting of the Secured Creditors of the InCred Capital Financial Services Limited ('**Company**', and such Secured Creditors, '**Secured Creditors**'), pursuant to the order dated August 7, 2025 ('**Order**') passed by the Hon'ble National Company Law Tribunal, Mumbai Bench ('**Hon'ble Tribunal**' or '**NCLT**') in C.A (CAA) / 134 (MB) 2025, referred to hereinabove, to be held on September 25, 2025 at 02.00 p.m. (Indian Standard Time) ('**Meeting**'), for the purpose of considering and, if thought fit, approving with or without modification(s), the proposed composite scheme of arrangement between InCred Wealth Private Limited ('**Transferor Company 1**' or '**Applicant Company 1**') and InCred Capital Financial Services Limited ('**Transferee Company 1**' or '**Resulting Company**' or '**Applicant Company 2**') and InCred Capital Wealth Portfolio Managers Private Limited ('**Transferee Company 2'** or **'Demerged Company'** or **'Applicant Company 3'**) and InCred Research Services Private Limited ('**Transferor Company 2'** or **'Applicant Company 4')** and their respective shareholders (hereinafter referred to as **'Scheme'** or '**Composite Scheme**' or '**Composite Scheme of Arrangement**'). The Applicant Company 1, Applicant Company 2, Applicant Company 3 and Applicant Company 4 are collectively referred to as '**Applicant Companies**').

2. A copy of the Scheme is enclosed herewith as **Annexure A.** The proposed Scheme is envisaged to be effective from the Appointed Date (i.e., April 1, 2025) but shall be made operative from the Effective Date (*as defined in the Scheme*).

3. The Hon'ble Tribunal has appointed Shri M K Dubey as the Chairperson of the Meeting.

4. The Hon'ble Tribunal has appointed Mr Mitesh Shah (Membership No F10070 / COP 12891) as the Scrutinizer of the Meeting.

5. This statement is being furnished as required under Sections 230(3) and 102 of the Companies Act, 2013 ('**Act**'), read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ('**Company Arrangement Rules**').

6. In accordance with the provisions of Sections 230 to 232 of the Act, the Scheme shall be acted upon only if a majority in number representing three fourths in value of the Secured Creditors attending the Meeting, agree to the resolution proposed in the Notice.

7. The Hon'ble Tribunal, by its Order, has held that if the entries in the books / register of the Company in relation to the number or value, as the case may be, of the Secured Creditors are disputed, the Chairperson of the Meeting shall determine the number or value of the Secured Creditors, as the case maybe, for the purposes of the Meeting.

8. The said Order will be available for inspection at the registered address of the Company from 09:30 a.m. (Indian Standard Time) to 06:30 p.m. (Indian Standard Time) on all working days (except Saturdays, Sundays and public holidays) up to the date of the Meeting.

9. **List of the companies / parties involved in the Scheme**

9.1. InCred Wealth Private Limited

9.2. InCred Capital Financial Services Limited

9.3. InCred Capital Wealth Portfolio Managers Private Limited

9.4. InCred Research Services Private Limited

10. **Background of Companies**

**Applicant Company 1 / Transferor Company 1**

10.1. Applicant Company 1 is a private limited company. The Applicant Company 1 was incorporated on May 20, 2019, in Mumbai, Maharashtra, in the name and style of 'InCred Capital Inclusion Advisory Services Private Limited' having Corporate Identification Number (CIN): U67190MH2019PTC325577 under the provisions of the Companies Act, 2013. Subsequently on December 5, 2020, the name of the Applicant Company 1 was changed from 'InCred Capital Inclusion Advisory Services Private Limited' to 'InCred Wealth Private Limited'. The PAN of the Applicant Company 1 is AAFCI2798R. The email address of the Applicant Company 1 is incred.compliance@incred.com.

10.2. The registered office of Applicant Company 1 is at Unit No 1203, 12th Floor, B Wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400051, Maharashtra, India.

10.3. Applicant Company 1 is engaged in the business of placement / facilitation and referral agent of financial products and engaged in the business of purchase and sale of securities. Transferor Company 1 through its subsidiary (Transferee Company 2) also provides investment advisory, merchant banking, stock broking, depository participant and portfolio management services.

10.4. The authorised, issued, subscribed and paid-up share capital of the Applicant Company 1 as on March 27, 2025 is as under:

| Particulars | Amount (INR) |
|---|---|
| **Authorized Share Capital** | |
| 10,000 equity shares without differential voting rights of Rs. 10/- | 1,00,000 |

| | |
|---|---|
| each | |
| 50,000 equity shares with differential voting rights of Rs.10/- each | 5,00,000 |
| **Total** | **6,00,000** |
| **Issued, Subscribed and Fully Paid-up Share Capital** | |
| 10,000 equity shares of Rs. 10/- each | 1,00,000 |
| 41,546 equity shares with differential voting rights of Rs. 10/- each | 4,15,460 |
| **Total** | **5,15,460** |

10.5. As on date, there has been no material change in the above-mentioned capital structure of the Applicant Company 1. The equity shares of the Applicant Company 1 are not listed on any stock exchange.

10.6. The details of the promoters of Applicant Company 1 along with their addresses are mentioned herein below:

| Name of the Promoters | Address |
|---|---|
| Bhupinder Singh | West, 5801/5901, World Villa, The World Tower, Senapati Bapat Marg, Delisle Road, Mumbai – 400013 |

10.7. The details of the directors of Applicant Company 1 along with their addresses are mentioned herein below:

| Name of the Director | Designation | Address |
|---|---|---|
| Bhupinder Singh | Director | West, 5801/5901, World Villa, The World Tower, Senapati Bapat Marg, Delisle Road, Mumbai – 400013 |
| Kamlesh Rajaninath Dangi | Director | 101, Sunville Plot No. 80, N.S. Road No. 8, JVPD Scheme, Juhu, Mumbai - 400049 |

10.8. As on February 28, 2025 the Applicant Company 1 does not have any secured creditors and has 39 (Thirty Nine) unsecured creditors in number having an amount due for INR 23,701.37 Lakhs (Indian Rupees Twenty-Three Thousand Seven Hundred and One point Three Seven Lakhs only) in value.

10.9. The main objects of the Applicant Company 1 as set out in its Memorandum of Association are as follows:

1. *"To provide financial and management advisory and consultancy relating to the business of making investments in India or elsewhere in all forms including securities, options, rights, privileges, stocks, shares, debentures and any other property or instrument including convertible into such property or instrument or a derivative of such property or instrument and*

*also to provide pre start-up, start-up and post start-up services, advice, consultancy in making business plans, company incorporation, conducting due diligence, project appraisals, market survey and identifying and sourcing locations for new and existing businesses, including advising or managing investment vehicles including alternative investment funds, mutual fund schemes, unit trust schemes or any other funds or schemes; and*

2. *To act as advisors / consultants in the field of credit, finance and capital market, including secretarial, commercial, financial, legal, public relation, training of personnel, taxation, accountancy, quality control, sponsorship including with respect to alternative investment funds, mutual fund schemes, unit trust schemes or any other funds or scheme including distribution of the proceeds amongst investors or other persons entitled to it."*

**Applicant Company 2 / Transferee Company 1 / Resulting Company**

10.10. Applicant Company 2 / Transferee Company 1 / Resulting Company is a public company. The Applicant Company 2 was incorporated on March 27, 1996 in Mumbai, Maharashtra, in the name and style of 'Proud Securities and Credits Private Limited' having Corporate Identity Number (CIN): U67120MH1996PLC355036 under the provisions of the Companies Act, 1956. Subsequently on January 11, 2020, the name of the Applicant Company 2 was changed from 'Proud Securities and Credits Private Limited' to 'InCred Capital Financial Services Private Limited'. Subsequently, the Applicant Company 2 was converted from a private limited company into a public limited company and the name was changed to 'InCred Capital Financial Services Limited' on November 28, 2024. The PAN of the Applicant Company 2 is AABCP3467A. The email address of the Applicant Company 2 is incred.compliance@incred.com.

10.11. The Applicant Company 2 has shifted its registered office from the state of Delhi to the state of Maharashtra on February 10, 2021. The registered office of Applicant Company 2 is situated at Unit No. 1203, 12th Floor, B Wing, The Capital, C-70, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400051, Maharashtra, India.

10.12. The Applicant Company 2 is an integrated provider of financing solutions providing various services, which *inter alia*, include structured finance advisory services to corporate and institutional clients through investment banking not amounting to merchant banking services, and also undertake corporate counselling, project counselling and gives advice on capital structuring, merger, amalgamation, acquisition etc.

10.13. The authorised, issued, subscribed and paid-up share capital of the Applicant Company 2 as on March 27, 2025, is as under:

| Particulars | Amount (INR) |
|---|---|
| **Authorized Share Capital** | |
| 3,41,94,000 equity shares of Rs. 10/- each | 34,19,40,000 |

| | |
|---|---|
| 7,16,000 compulsory convertible preference shares of Rs.10/- each | 71,60,000 |
| 6,00,000 optionally convertible redeemable preference shares of Rs. 10/- each | 60,00,000 |
| **Total** | **35,51,00,000** |
| **Issued, Subscribed and Fully Paid-up Share Capital** | |
| 1,37,57,390 equity shares of Rs. 10/- each | 13,75,73,900 |
| 4,53,962 optionally convertible redeemable preference shares of Rs. 10/- each | 45,39,620 |
| **Total** | **14,21,13,520** |

10.14. As on date, there has been no material change in the above-mentioned capital structure of the Applicant Company 2. The equity shares of the Applicant Company 2 are not listed on any stock exchange.

10.15. The details of the promoters of the Applicant Company 2 along with their addresses are mentioned herein below:

| Name of the Promoters | Address |
|---|---|
| Bhupinder Singh | West, 5801/5901, World Villa, The World Tower, Senapati Bapat Marg, Delisle Road, Mumbai - 400013 |

10.16. The details of the directors of the Applicant Company 2 along with their addresses are mentioned herein below:

| Name of the Director | Designation | Address |
|---|---|---|
| Bhupinder Singh | Director | West, 5801/5901, World Villa, The World Tower, Senapati Bapat Marg, Delisle Road, Mumbai – 400013 |
| Venkatesh Vishwanathan | Director | 24 Wolfe House, 389 Kensington High Street, London -W14 8QA |
| Siddharth Deepak Parekh | Director | Flat No. 407/412, B Wing. Olympus, 14 Altamount Road, Grant Road, Mumbai - 400026 |
| Gaurav Maheshwari | Director | Flat No.6, Sorab House, Garden Road, Colaba, Mumbai - 400001 |
| Vikram Agarwal | Whole-Time Director | A-4102, Kiara, Lodha Park, Pandurang Budhkar Marg, Next to Kamala Mills, Worli, Mumbai – 400018 |
| Shivani Rawat | Independent Director | 1803, Odyssey 2, Hiranandani Gardens Powai Mumbai - 400076 |

| Name of the Director | Designation | Address |
|---|---|---|
| Ambika Bisla | Independent Director | A3-1501, World Spa Easter, Sector 30, Gurugram - 122001 |

10.17. As on February 28, 2025, the Applicant Company 2 has 1254 (One Thousand Two Hundred and Fifty Four) secured creditor in number having the amount due for INR 54,952.04 Lakhs (Indian Rupees Fifty-Four Thousand Nine Hundred and Fifty-Two point Zero Four Lakhs only) in value and 104 (One Hundred and Four) unsecured creditor in number having the amount due for INR 33,469.15 Lakhs (Indian Rupees Thirty-Three Thousand Four Hundred and Sixty-Nine point One Five Lakhs only) in value.

10.18. The main objects of the Applicant Company 2 as set out in its Memorandum of Association are as follows:

1. *"To carry on the business of investment and to invest, buy, acquire, hold, underwrite, sell, or otherwise deal in shares, stocks, debentures, debentures stock, bonds, notes, negotiable instrument, mortgages, abligation and securities of any company, government public body or authority, municipal local bodies, whether in India or abroad.*

2. *To take part in formation supervision or control of the business operations of any company or undertaking and to act as issue house, merchant bankers, portfolio manager, registers and share transfer agents, manager to public issue subject to approval of the SEBI and other authorities and to act as investment consultants, finance consultants, portfolio consultants and brokers, sub-brokers, underwriters, sub-underwriters and agent of the stocks, debentures bonds, shares and securities of all kinds including UTI.*

3. *To carry on the business of credit syndication in all currencies domestic or international, to assist, control and negotiate loans to render custodian services, to undertake corporate counselling, project counselling give advice on capital structuring, merger, amalgamation, acquisition, rehabilitation prepare feasibility and project report, to carry on the business of bill discounting."*

**Applicant Company 3 / Transferee Company 2 / Demerged Company**

10.19. Applicant Company 3 / Transferee Company 2 / Demerged Company is a private limited company. The Applicant Company 2 was incorporated on February 13, 2018 in Mumbai, Maharashtra, in the name and style of 'BSH Corporate Advisors and Consultants Private Limited' having Corporate Identity Number (CIN): U74999MH2018PTC305048 under the provisions of the Companies Act, 2013. Subsequently on April 22, 2020, the name of the Applicant Company 3 was changed from 'BSH Corporate Advisors and Consultants Private Limited' to 'InCred Capital Wealth Portfolio Managers Private Limited'. The PAN of the Applicant Company 3 is AAHCB6503H. The email address of the Applicant Company 3 is incred.compliance@incred.com.

10.20. The registered office of Applicant Company 3 is situated at Unit No. 1203, 12th Floor, B Wing, The Capital, Plot No. C-70, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400051, Maharashtra, India.

10.21. The Applicant Company 3 is principally engaged in the financial services space, offering financial services such as stock broking on both the stock exchanges i.e. National Stock Exchange and Bombay Stock Exchange, depository participant with CDSL, portfolio management services, merchant banker and investment advisory services.

10.22. The authorised, issued, subscribed and paid-up share capital of the Applicant Company 3 as on March 27, 2025, is as under:

| Particulars | Amount (INR) |
|---|---|
| **Authorized Share Capital** | |
| 7,00,00,000 equity shares of Rs. 10/- each | 70,00,00,000 |
| **Total** | **70,00,00,000** |
| **Issued, Subscribed and Fully Paid-up Share Capital** | |
| 5,15,00,000 equity shares of Rs. 10/- each | 51,50,00,000 |
| **Total** | **51,50,00,000** |

10.23. As on date, there has been no material change in the above-mentioned capital structure of the Applicant Company 3. The equity shares of the Applicant Company 3 are not listed on any stock exchange.

10.24. The details of the promoters of the Applicant Company 3 along with their addresses are mentioned herein below:

| Name of the Promoters | Address |
|---|---|
| InCred Wealth Private Limited | Unit No. 1203, 12th Floor, B Wing, The Capital, Bandra Kurla Complex, NA, Mumbai, Mumbai City- 400051, Maharashtra |

10.25. The details of the directors of the Applicant Company 3 along with their addresses are mentioned herein below:

| Name of the Director | Designation | Address |
|---|---|---|
| Vikram Agarwal | Director | A-4102, Kiara, Lodha Park, Pandurang Budhkar Marg, Next to Kamala Mills, Worli, Mumbai – 400018 |
| Nitin Subramanya Rao | Director | F-302, Hillcrest 2, A wing, Raheja Vihar, Opp. Chandivali Studio, Andheri East, Sakinaka, Mumbai - 400072 |
| Prateek Indwar | Director | B2902, Omkar 1973 Apartments, next to |

| Name of the Director | Designation | Address |
|---|---|---|
| | | Neelam Center, Off Annie Besant Road, Worli, Mumbai - 400030, Maharashtra. |

10.26. As on February 28, 2025 the Applicant Company 3 does not have any secured creditors and has 582 (Five Hundred and Eighty Two) unsecured creditors in number having an amount due for INR 7,312.05 Lakhs (Indian Rupees Seven Thousand Three Hundred and Twelve point Zero Five Lakhs only) in value.

10.27. The main objects of the Applicant Company 3 as set out in its Memorandum of Association are as follows:

1. *"To provide financial and management advisory and consultancy relating to the business of making investments in India or elsewhere in all forms including securities, options, rights, privileges, stocks, shares, debentures and any other property or instrument including convertible into such property or instrument or a derivative of such property or instrument and also to provide pre start-up, start-up and post start-up services, advice, consultancy in making business plans, company incorporation, conducting due diligence, project appraisals, market survey and identifying and sourcing locations for new and existing businesses, including advising or managing investment vehicles including alternative investment funds, mutual fund schemes, unit trust schemes or any other funds or schemes; and*

2. *To act as advisors / consultants in the field of credit, finance and capital market, including secretarial, commercial, financial, legal, public relation, training of personnel, taxation, accountancy, quality control, sponsorship including with respect to alternative investment funds, mutual fund schemes, unit trust schemes or any other funds or scheme including distribution of the proceeds amongst investors or other persons entitled to it.*

3. *To obtain the membership of stock exchanges, and to undertake all such activities which members of a stock exchange are entitled to, Including the providing of depository services by being depository participants and to carry on the business of shares, stocks and securities brokers, underwriters, agents and brokers for subscribing to and for the sale and purchase of all securities of the capital market, wholesale debt market and money market or other financial Instruments or obligations of any body-corporate, authority including trading, research, portfolio management and Investment advisory and to act as agents, buyers, sellers, market makers, jobbers and/or dealers in any manner in or in anything arising out of shares, stocks and securities or any other financial instruments including derivatives, to undertake dealing with, consultancy in, research in and distribution of financial products including but not limited to mutual funds, national and other pension scheme products, savings and investment products, bonds, securities. debentures, Commercial paper, units, bills, warrants, Alternate Investment Funds, Structured Equity or Debt Products, Unlisted Securities or any other Instruments whether or not transferable or*

*negotiable, commercial or other papers or scrip; and to acquire, hold, discount, or deal in any securities and to manage or conduct on behalf of others any each operations and to act as financial and management advisors or consultants.*

4. *To carry on the business of all types of capital, financial, managerial, public issue, advisors and managers, and investment consultancy, stock exchange membership, commercial services, and to work as traders, sellers, dealers, stockists, distributors, agents, sub-agents, for all types of shares debentures, securities, bonds, promissory notes, hire purchases, exchange, liasing business contracts, and to act as Merchant Bankers, Managers, Co-managers, Registrar to the issue, Underwriter, Sub-Underwriters, Stock Brokers, Stock Sub-Brokers, Authorised Persons of any Stock Brokers, Portfolio Manager, Trustees. Custodians, Transfer Agents, and to provide all kinds of financial service whether fund based or non fund based Including bridge financing, bill discounting, national and international money market operations, venture capital finance and such other interrelated activities of lending and borrowing money, to provide service as financial consultants, advisors and counsellors In connection with Investments in capital markets, loan syndication, finance structuring, inter-corporate deposits, fixed deposits, fund management, forex advisory services and brokering, tie ups. Collaboration, to carry On business of factoring and forfeiting both within and Outside India, to enter into Agency, Representative or any other arrangement with Internal/anal banks, Finance Companies, consultancy firms, factoring companies, non-resident companies, non-resident associations and to make such services available as may be rendered by such persons, and to render such other related services to persons, firms, companies, corporate bodies. trusts association or organizations whatsoever in India or abroad.*

5. *To undertake and transact trust and agency Invest, financial business and for that purpose to lend or Invest money and negotiate loans in any form or manner, to draw, accept, endorse, discount, buy, sell and deal in bills of exchange. handles, promissory notes and other negotiable instruments and securities and also to issue on commissions to subscribe or to undertake, acquire and hold, sell and exchange and deal in shares, stock, bonds or debentures or securities of any government or public authority or company, gold, silver and bullion and to form, promote. Subsidize and finance Industrial enterprises and also to give any guarantees for payment of money or performances of any obligation or undertakings, to give advances, loans and subscribe to the capital of industrial undertakings and to undertake any business transaction or operation commonly carried on or undertaken by capitalists, promoters, financiers and underwriters.*

6. *To carry on the business of solicitation and procurement of insurance business for all classes of insurance including life insurance, general insurance and health insurance and acting as a corporate agent and to undertake such other activities as are incidental or ancillary thereto under the extant laws and regulations."*

**Applicant Company 4 / Transferor Company 2**

10.28. Applicant Company 4 / Transferor Company 2 is a private limited company. The Applicant Company 2 was incorporated on November 9, 2016 in Mumbai, Maharashtra, in the name and style of 'Earnest Innovation Partners Private Limited' having Corporate Identity Number (CIN): U74999MH2016PTC287535 under the provisions of the Companies Act, 2013. Subsequently on January 11, 2021, the name of the Applicant Company 4 was changed from 'Earnest Innovation Partners Private Limited' to 'Incred Research Services Private Limited'. The PAN of the Applicant Company 4 is AAECE4611J. The email address of the Applicant Company 4 is incred.compliance@incred.com.

10.29. The registered office of Applicant Company 4 is situated at Unit No. 1203, 12th Floor, B Wing, The Capital, Plot No. C-70, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400051, Maharashtra, India.

10.30. The Applicant Company 4 is engaged in the business of research, consultancy and to act as advisors relating to personnel, industrial business management, distribution, marketing and selling and to collect, prepare and distribute information and statistics, relating to any type of business or industry and generally to act as market business research consultants and to act as a research analyst.

10.31. The authorised, issued, subscribed and paid-up share capital of the Applicant Company 4 as on March 27, 2025, is as under:

| Particulars | Amount (INR) |
|---|---|
| **Authorized Share Capital** | |
| 1,90,00,000 equity shares of Rs. 10/- each | 19,00,00,000 |
| **Total** | **19,00,00,000** |
| **Issued, Subscribed and Fully Paid-up Share Capital** | |
| 1,82,60,000 equity shares of Rs. 10/- each | 18,26,00,000 |
| **Total** | **18,26,00,000** |

10.32. As on date, there has been no material change in the above-mentioned capital structure of the Applicant Company 4. The equity shares of the Applicant Company 4 are not listed on any stock exchange.

10.33. The details of the promoters of the Applicant Company 4 along with their addresses are mentioned herein below:

| Name of the Promoters | Address |
|---|---|
| InCred Capital Wealth Portfolio managers Private Limited | Unit No. 1203, 12th Floor, B Wing, The Capital, Bandra Kurla Complex, NA, Mumbai, Mumbai City- 400051, Maharashtra |

10.34. The details of the directors of the Applicant Company 4 along with their addresses are mentioned herein below:

| Name of the Director | Designation | Address |
|---|---|---|
| Nitin Subramanya Rao | Director | F-302, Hillcrest 2, A wing, Raheja Vihar, Opp. Chandivali Studio, Andheri East, Sakinaka, Mumbai - 400072 |
| Prateek Indwar | Director | B2902, omkar 1973 apartments, next to Neelam Center, Off Annie Besant Road, Worli, Mumbai - 400030, Maharashtra,. |

10.35. As on February 28, 2025 the Applicant Company 4 does not have any secured creditors and has 22 (Twenty Two) unsecured creditors in number having an amount due for INR 50.98 Lakhs (Indian Rupees Fifty point Nine Eight Lakhs only) in value.

10.36. The main objects of the Applicant Company 4 as set out in its Memorandum of Association are as follows:

1. *"To carry on the business as investment consultant and to act as issue manager, lead manager, underwriters, sub-underwriters, brokers, dealers, and agents of shares, debenture stocks and other securities and to render services as brokers, commission agents, importers and exporters, and to act as trustees, executors, administrators, managers, agents or attorney, to carry on the business of retail and institutional distribution of the schemes of the Mutual Funds or any other financial products issued by Banks, Mutual Funds, Insurance, Pension Funds or any financial intermediary, subject to approval from appropriate applicable authorities.*

2. *To carry on the business as financial advisors and to advise and assist in all financial, costing, accounting internal control and other similar matters to advise and assist in the preparation of all revenue and capital budgets, developments of funds, long term planning or utilisation of resources, procuring bank and institutional finance including cash, credit facilities, overdraft facilities, subscription of debentures and term loans, to assess the needs of short and long term credit facilities and raising of resources, to advise and assist in the formulation of procedures for prevention of fraud, wastage, financial and cost accounting procedure and other connected matters to advise and assist in formulating long term financial policies and control of their execution, and generally to advise and assist in all financial, fiscal and revenue matters.*

3. *To carry on the business of or act as consultants, advisers, managers, experts and technical collaborators in matters pertaining to portfolio management services, syndication of loans, counselling for project and working capital, asset reconstruction, wealth management, strategic planning, project planning and feasibility, investment counselling, setting up of joint ventures, finances, management, marketing of financial and money*

*market instruments and products, prospecting and projecting of businesses and valuation of undertakings, business concerns, assets, concessions, properties or rights and to employ experts for any of these purposes and to promote or act as Investment Bankers, Merchant Bankers, Portfolio Investment Managers, Lead Managers or Co-Managers, Market Makers, Book Runners and further perform any other kind of role as an Intermediary or Advisor in the Securities Market subject to approval from appropriate applicable authorities.*

4. *To engage in research, consultancy and to act as advisors relating to personnel, industrial business management, distribution, marketing and selling and to collect, prepare and distribute information and statistics, relating to any type of business or industry and generally to act as market business research consultants and to act as a research analyst registered with Securities Exchange Board of India.*

5. *To undertake and carry on the business of buying, selling, invest, subscribe, acquire, hold or trade, transfer, hypothecate, deal-in or dispose of any kind of shares, share stocks, securities, debentures, stock, bonds, or any other instruments or securities of any company, body corporate, government, semi government undertaking or any other entity."*

11. **Relationship subsisting between the companies who are parties to the Scheme**

Mr. Bhupinder Singh is a common Director in Applicant Company 1 and Applicant Company 2. Mr. Vikram Sundarlal Agrawal is a common Director in Applicant Company 2 and Applicant Company 3. Mr. Nitin Subramanya Rao and Mr. Prateek Indwar are common directors in Applicant Company 3 and Applicant Company 4.

Further, (i) Applicant Company 3 is the wholly owned subsidiary of Applicant Company 1 and will become the wholly owned subsidiary of Applicant Company 2 pursuant to Part B of this Scheme and (ii) Applicant Company 4 is the wholly owned subsidiary of Applicant Company 3.

12. **Salient Features of the Scheme**

This Scheme is presented under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder for arrangement between Applicant Company 1, Applicant Company 2, Applicant Company 3 and Applicant Company 4. This Scheme provides for various matters consequential and integrally connected herewith.

13. **Rationale of the Scheme**

The key objectives of the Scheme are:

1. To consolidate SEBI-regulated businesses of Transferor Company 1 and its subsidiaries within Transferee Company 1 by amalgamation of Transferor Company 1 into Transferee

Company 1.

2. Demerger of the Demerged Undertaking from the Demerged Company into the Resulting Company / Transferee Company 1, with the Resulting Company focusing on providing financing solutions for various services, which *inter alia*, include structured finance advisory services to corporate and institutional clients through investment banking not amounting to merchant banking services, and also undertake corporate counselling, project counselling and gives advice on capital structuring, merger, amalgamation, acquisition etc.

3. To consolidate the business of research, consultancy and to act as advisors relating to personnel, industrial business management, distribution, marketing and selling and to collect, prepare and distribute information and statistics, relating to any type of business or industry and generally to act as market business research consultants and to act as a research analyst undertaken by Transferor Company 2 with Transferee Company 2 by amalgamation of Transferor Company 2 into Transferee Company 2.

4. Cost savings, which are expected to flow from enhanced operational efforts, rationalization, standardization and simplification of business processes, productivity improvements, improved procurement, usage of common resource pool like human resource, administration, finance, accounts, legal, technology and other related functions, leading to elimination of duplication and rationalization of administrative expenses.

This Scheme is expected to achieve the following advantages:

i) Segregation and unbundling of the Demerged Undertaking of the Demerged Company into the Resulting Company, will enable enhanced focus on the Demerged Company and the Resulting Company for exploiting opportunities in their respective business domains;

ii) Focused management approach for pursuing the growth in the respective business' verticals and de-risk businesses from each other;

iii) assist in rationalizing the corporate structure and streamlining the operating structure;

iv) greater efficiencies in operations and utilization of common pool of resources, expansion of the market size and reach; and

v) exploitation of synergies resulting from consolidation leading to increase in cost savings.

The Scheme is in the interest of all the shareholders, creditors and other stakeholders of all Companies (*as defined hereafter in the Scheme*) and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.

14. The material provisions of the proposed Scheme are detailed hereunder:

*'PART A*
*DEFINITIONS AND SHARE CAPITAL*

***1. DEFINITIONS***

*1.4 '**Appointed Date**' shall mean opening of business hours of April 1, 2025 or such other date as the NCLT may direct.*

*1.9 '**Demerged Undertaking'** means business of Demerged Company in relation to the merchant banking business including, without limitation, providing investment banking advisory services in relation to the securities market, private placement of securities, managing public issue of securities, together with all the related assets, liabilities and employees on a going concern basis ('Demerged Business'). Without prejudice and limitation to the generality of the above, the Demerged Undertaking shall mean and include:*

*i) all the property and assets including but not limited to, the past track record, experience, credentials, pre-qualification of the Demerged Business, wherever situated, whether movable or immovable, leasehold or freehold, owned or leased, tangible or intangible, including all computers and accessories, software and related data, leasehold improvements, plant and machinery, offices, capital work in progress, vehicles, furniture, fixtures, office equipment, electricals, appliances, accessories and short-term investments, pertaining to or relatable to the Demerged Business;*

*ii) all rights and licenses (if permissible under law), all assignments and grants thereof, all permits, clearances and registrations whether under central, state or other laws, rights (including rights/ obligations under agreement(s) entered into with various persons including independent consultants, subsidiaries/ associate companies and other shareholders of such subsidiary / associate/ joint venture companies, contracts, applications, letters of intent, memorandum of understandings or any other contracts), non-disposal undertakings, certifications and approvals, regulatory approvals, entitlements, other licenses, consents, tenancies, investments and / or interest (whether vested, contingent or otherwise), taxes, share of advance tax, tax deducted at source and minimum alternate tax credits (including but not limited to credits in respect of sales tax, value added tax, service tax, goods and services tax and other indirect taxes), deferred tax benefits and other benefits in respect of the Demerged Business, cash balances, bank accounts and bank balances, deposits, advances, recoverable, receivables, easements, advantages, financial assets, hire purchase and lease arrangements, funds belonging to or proposed to be utilized for the Demerged Business, privileges, all other claims, rights and benefits, powers and facilities of every kind, nature and description whatsoever, utilities, provisions, funds,*

*benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Demerged Business;*

iii) *all books, records, files, papers, governance templates and process information, records of standard operating procedures, computer programs along with their licenses, manuals and back-up copies, advertising materials, and other data and records whether in physical or electronic form, directly or indirectly in connection with or relating to the Demerged Business;*

iv) *any and all earnest monies and / or security deposits, or other entitlements in connection with or relating to the Demerged Business;*

v) *all employees of Demerged Company that are determined by the Board of Directors of Demerged Company and the Resulting Company, to be substantially engaged in or in relation to the Demerged Business, on the Effective Date;*

vi) *all debts, obligations and liabilities of the Demerged Company which arise out of the activities or operations of the Demerged Company appertaining to or relatable to the Demerged Business;*

vii) *all legal proceedings other than tax proceedings, unless stated otherwise elsewhere in the Scheme, by or against the Demerged Company pending and relating to the Demerged Business; and*

viii) *any assets acquired from future capital raise undertaken by the Demerged Company in connection with the expansion of the Demerged Business.*

*It is hereby clarified that the balance sheet of the Demerged Undertaking as on the Appointed Date shall be jointly drawn up by the Board of Directors of the Demerged Company and the Resulting Company. Any question that may arise as to whether a particular asset or liability pertains or does not pertain to the Demerged Undertaking or whether it arises out of the activities or operations of the Demerged Undertaking shall be decided mutually by the Board of Directors of the Demerged Company and the Resulting Company;*

1.10 *'**Effective Date**' means the last of the dates on which all the conditions and matters specified in Clause 43 of this Scheme have been fulfilled or such other date as may be fixed or approved by the NCLT or other Appropriate Authority.*

*References in this Scheme to the date of 'coming into effect of this Scheme' or 'effectiveness of this Scheme' shall mean the Effective Date.*

***PART B***

***AMALGAMATION OF TRANSFEROR COMPANY 1 WITH TRANSFEREE COMPANY 1***

***5. TRANSFER AND VESTING OF ASSETS AND LIABILITIES AND ENTIRE BUSINESS OF TRANSFEROR COMPANY 1***

*5.1 Subject to the provisions of this Scheme, including in relation to the mode of transfer or vesting, with effect from the Appointed Date, the entire undertaking of Transferor Company 1 comprising of all the debts, liabilities, duties and obligations of Transferor Company 1 of every description and also including, without limitation, all movable and immovable properties, if any, and assets of Transferor Company 1 comprising amongst others, all vehicles, furniture and fixtures, computers / data processing, software, office equipment, electrical installations, telephones, facsimile and other communication facilities and business licenses, permits, trademarks, patents, registrations, authorizations, if any, rights and benefits of all agreements and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals, shall, without further act or deed, but subject to the charges affecting the same, be transferred and / or deemed to be transferred to and vested in Transferee Company 1 on a going concern basis so as to become the properties of Transferee Company 1.*

*5.2 Without prejudice to the above, in respect of such movable assets and properties (tangible or intangible), including cash in hand, of Transferor Company 1, capable of passing by delivery or by endorsement, shall be so delivered or endorsed, as the case may be, and, upon such delivery or endorsement, such assets or properties shall stand transferred to Transferee Company 1 without requiring any deed or instrument of conveyance for transfer of the same.*

*Transferor Company 1 and Transferee Company 1 will execute the necessary documents, if so required or otherwise considered desirable, to enable any third party, including any Appropriate Authority, to give formal effect to the above provisions.*

*5.3 Any benefit, exemption or credit under the income tax, sales tax, excise duty, customs duty, service tax, value added tax, goods and services tax, etc., which Transferor Company 1 is entitled to in terms of the Applicable Laws shall be available to and vest in Transferee Company 1.*

*5.4 All debts, liabilities, duties and obligations of every kind, nature, description, whether or not provided for in the books of accounts and whether or not disclosed in the balance sheet of Transferor Company 1 shall also, under the provisions of any Applicable Law, without any further act or deed, be transferred to or be deemed to be transferred to Transferee Company 1, so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of Transferee Company 1, and it shall not be necessary*

*to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen.*

5.5 *Transferee Company 1, may, at any time, after coming into effect of this Scheme, if so required or otherwise considered desirable, under any law or otherwise, execute deeds of confirmation in favor of the creditors of Transferor Company 1 or in favor of any other party to the contract or arrangement to which Transferor Company 1 is a party, in order to give formal effect to the above provisions. Transferee Company 1 shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of Transferor Company 1 as well as to implement and carry out all such formalities and compliances referred to above.*

5.6 *The transfer and vesting of the undertaking(s), including the entire businesses of Transferor Company 1 as aforesaid, shall be subject to the existing securities or charges, if any, subsisting, over or in respect of the assets or any part thereof of Transferor Company 1.*

*Provided always, that this Scheme shall not operate to enlarge the security or charge for any loan, deposit or facility created by Transferor Company 1 which shall vest in Transferee Company 1 by virtue of the amalgamation of Transferor Company 1 with Transferee Company 1 and Transferee Company 1 shall not be obliged to create any further or additional security therefore after the amalgamation has become operative.*

5.7 *On and from the Effective Date and till such time that the name(s) of the bank accounts of Transferor Company 1 have been replaced with that of Transferee Company 1, Transferee Company 1 shall be entitled to maintain and operate the bank accounts of Transferor Company 1 in the name of Transferor Company 1. All cheques and other negotiable instruments which are in the name of Transferor Company 1 and received after the Effective Date shall be accepted by the bankers of Transferee Company 1 on presentation by Transferee Company 1.*

5.8 *On the Scheme becoming effective, benefits of all corporate approvals as may have already been taken by Transferor Company 1, whether being in the nature of compliances or otherwise, under Applicable Laws, shall be deemed to have been taken / complied with by Transferee Company 1 with effect from the Appointed Date.*

5.9 *With effect from the Appointed Date, all the consents, permissions, registrations, licenses, authorizations, approvals, no objection or other certificates, exemptions, sanctions, quotas, concessions, waivers, or rights, under the Applicable Laws ('**Part B Licenses**'), held or availed of by Transferor Company 1, shall without any further act, instrument or deed, be transferred to, or be deemed to have been transferred to, and be available to Transferee Company 1, so as to become as and from the Appointed Date, the Part B Licenses of Transferee Company 1, and such Part B Licenses shall remain*

*valid, effective and enforceable on the same terms and conditions to enable Transferee Company 1 to carry on the operations of Transferor Company 1 without any interruption and, wherever so required, the Part B Licenses shall be appropriately mutated / recorded by the concerned Appropriate Authority in favour of Transferee Company 1 as if the same were originally given by, issued to or executed in favour of Transferee Company 1.*

5.10 *Transferee Company 1 shall, if so required or considered desirable, file relevant intimations, for the record of all of the Appropriate Authorities, who shall take them on file, pursuant to the Order.*

5.11 *This amalgamation has been drawn up to comply with the conditions relating to 'Amalgamation' as defined in section 2(1B) of the Income-tax, 1961. If any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the section 2(1B) of the Income-tax, 1961 at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the Income-tax, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) of the Income-tax, 1961. Such modifications will, however, not affect the other parts of the Scheme.*

## *15. CONSIDERATION*

15.1 *Upon this Scheme becoming effective and in consideration for the amalgamation of Transferor Company 1 with Transferee Company 1, Transferee Company 1 shall, without any further act or deed, issue and allot optionally convertible redeemable preference shares of Rs. 100/- (Rupees Hundred only) each, as per the terms and subject to conditions as set out in* ***Schedule*** *as fully paid up to the extent indicated below, to the equity shareholders of Transferor Company 1 holding equity shares in Transferor Company 1 other than the wholly owned subsidiary of Transferee Company 1 itself, whose names are recorded in the register of members of Transferor Company 1 on the Record Date in the following proportion:*

***"1,863 (One Thousand Eight Hundred and Sixty-Three) fully paid up optionally convertible redeemable preference shares of Transferee Company 1 of Rs. 100 (Rupees Hundred only) each for every 40 (Forty) equity shares of Transferor Company 1 of Rs. 10 (Rupees Ten only) each fully paid up."***

15.2 *Fraction shares arising as a result of the application of the abovementioned proportion shall be rounded off to the nearest integer by the Board of Directors of Transferee Company 1.*

15.3 *On issue and allotment of optionally convertible redeemable preference shares by Transferee Company 1 to shareholders of Transferor Company 1, the equity shares held by the said equity shareholders in Transferor Company 1 in the dematerialized form,*

*shall, without any further act, deed or instrument be deemed to have been automatically cancelled and be of no effect.*

15.4 *On issue and allotment of the equity shares by the Transferee Company to shareholders of Transferor Company, the equity shares held by the said equity shareholders in Transferor Company, whether in physical form or in the dematerialized form, shall, without any further act, deed or instrument be deemed to have been automatically cancelled and be of no effect. The optionally convertible redeemable preference shares in Transferee Company 1 to be issued to the equity shareholders of Transferor Company 1 except the wholly owned subsidiary of Transferee Company 1 itself shall be subject to the Memorandum and Articles of Association of Transferee Company 1 and shall rank pari passu with the existing equity shares of Transferee Company 1 and shall be deemed to be in compliance with the Act and other notifications, guidelines issued by the statutory / regulatory authorities in India.*

15.5 *The issuance and allotment of the optionally convertible redeemable preference shares by Transferee Company 1 as provided in this Scheme is an integral part hereof and shall be deemed to have been carried out without any further act or deed by Transferee Company 1 as if the procedure laid down under Sections 42 and 62 of the Act and any other applicable provisions of the Act were duly complied with.*

15.6 *Transferee Company 1 shall, if necessary and to the extent required, increase or decrease or reclassify its authorised share capital to facilitate issuance of shares under this Scheme.*

### *16. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEREE COMPANY 1*

*Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferee Company 1 shall account for the scheme in accordance with Indian Accounting Standards 103 or other Indian Accounting Standards notified under Section 133 of the Act, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time (IND AS), other accounting principles generally accepted in India and any other applicable provisions and laws for the time being in force.*

## *PART C*
## *DEMERGER OF DEMERGED UNDERTAKING FROM DEMERGED COMPANY INTO RESULTING COMPANY*

### *18. TRANSFER AND VESTING OF DEMERGED UNDERTAKING*

18.1 *With the effect from the Appointed Date and upon this Scheme coming into effect, the Demerged Undertaking (including all accretions and appurtenances) shall, without any further act, instrument or deed, be and stand demerged from the Demerged Company and transferred to and vested in or be deemed to be transferred to and vested in the*

*Resulting Company, as a going concern, so as to vest in the Resulting Company, all the rights, titles and interests pertaining to the Demerged Undertaking, pursuant to Sections 230 to 232 of the Act and any other relevant provisions of the Applicable Law and the Order, subject however, to subsisting charges, if any.*

18.2 *Without prejudice to the provisions of Clause 18.1 above, in respect of such movable assets and properties of the Demerged Undertaking, including cash in hand, capable of passing by delivery or by endorsement, shall be so delivered or endorsed, as the case may be, and, upon such delivery or endorsement, such assets or properties shall stand transferred to the Resulting Company without requiring any deed or instrument of conveyance for transfer of the same.*

*Movable assets and properties, other than those specified above, including sundry debtors, outstanding loans and advances recoverable in cash or in kind or for value to be received, bank balances and deposits with government, semi-government, local and other authorities and bodies and customers and other persons, any assets acquired from future capital raises undertaken by the Demerged Company in connection with the expansion of the Demerged Business, investments in shares other than investment in subsidiaries, bonds, units of mutual funds and any other security, shall, without any further act, instrument or deed, stand transferred to and vested in and /or be deemed to be transferred to and stand vested in the Resulting Company under the provisions of any Applicable Law.*

*The Demerged Company and the Resulting Company will execute the necessary documents, if so required or otherwise considered desirable, to enable any third party, including any Appropriate Authority, to give formal effect to the above provisions. Any benefit, exemption or credit under the income tax, sales tax, excise duty, customs duty, service tax, value added tax, goods and service tax, etc., which the Demerged Company is entitled to in terms of the Applicable Laws in connection with the Demerged Undertaking, shall be available to and vest in the Resulting Company.*

18.3 *All debts, liabilities, duties and obligations of every kind, nature, description of the Demerged Undertaking, whether or not provided for in the books of accounts, shall also, under the provisions of any Applicable Law, without any further act or deed, be transferred to or be deemed to be transferred to the Resulting Company so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of the Resulting Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen.*

*The Resulting Company, may, at any time, after the coming into effect of this Scheme, if so required or otherwise considered desirable, under any law or otherwise, execute deeds of confirmation in favor of the creditors of the Demerged Company or in favor of any other party to the contract or arrangement to which the Demerged Company is a*

*party, in order to give formal effect to the above provisions. The Resulting Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Demerged Company as well as to implement and carry out all such formalities and compliances referred to above.*

18.4 *The transfer and vesting of the properties, assets, liabilities of the Demerged Company in relation to the Demerged Undertaking into the Resulting Company under Clause 0 of this Scheme shall be subject to the mortgages and charges, if any, affecting the same, as and to the extent hereinafter provided.*

18.5 *All the existing securities, mortgages, charges, encumbrances or liens (the 'Encumbrances'), existing prior to the Effective Date over the assets and properties of the Demerged Undertaking or any part thereof and which relate to the liabilities and obligations of the Demerged Company which are transferred as part of the Demerged Undertaking shall continue to relate only to such assets and properties which belong to the Demerged Undertaking and shall not extend or attach to any of the assets and properties of the Remaining Business.*

*The Demerged Company shall not create any Encumbrances over the assets or properties of the Demerged Undertaking after the date of approval of the Scheme by the Board of Directors of the Resulting Company without the prior written consent of the Board of Directors of Resulting Company.*

18.6 *Encumbrances existing prior to the Effective Date over the assets and properties of the Remaining Business or any part thereof and which relate to the liabilities and obligations of the Remaining Business shall continue to relate only to such assets and properties which belong to the Remaining Business and shall not extend or attach to any of the assets and properties of the Demerged Undertaking.*

*Any reference in any security documents or arrangements (to which the Demerged Company is a party) to the assets and properties pertaining to the Demerged Undertaking shall be construed as a reference to the Resulting Company and the same shall stand transferred to / substituted in the name of the Resulting Company by virtue of this Scheme. Without prejudice to the foregoing, the Demerged Company and Resulting Company may execute any instrument or document or do all such acts and deeds as may be considered appropriate, including filing of necessary particulars and / or modification(s) of charge(s), with the Registrar of Companies to give formal effect to the above provisions, if required.*

18.7 *On and from the Effective Date and till such time that the name(s) of the bank accounts of the Demerged Company which are being transferred as part of the Demerged Undertaking have been replaced with that of the Resulting Company, the Resulting Company shall be entitled to maintain and operate such bank accounts of the Demerged Company. All cheques and other negotiable instruments, which are in the name of the*

*Demerged Company and received after the Effective Date shall, on presentation by the Resulting Company, be accepted by the bankers of the Resulting Company and credited to the account of the Resulting Company.*

18.8 *On the Scheme becoming effective, benefits of all corporate approvals as may have already been taken by the Demerged Company in relation to the Demerged Undertaking or which are applicable to the Demerged Company, whether being in the nature of compliances or otherwise, under Applicable Law, shall be deemed to have been taken / complied with by the Resulting Company with effect from the Appointed Date.*

18.9 *With effect from the Appointed Date, all the consents, permissions, registrations, licenses, authorizations, approvals, no objection certificates or other certificates, exemptions, sanctions, quotas, concessions, waivers, or rights, under the Applicable Law ('Part C Licenses'), held or availed of by the Demerged Company in relation to the Demerged Undertaking, shall without any further act, instrument or deed, be transferred to, or be deemed to have been transferred to, and be available to the Resulting Company so as to become as and from the Appointed Date, the Licenses of the Resulting Company and shall remain valid, effective and enforceable on the same terms and conditions to enable the Resulting Company to carry on the operations of the Demerged Undertaking without any interruption and, wherever so required, the Part C Licenses shall be appropriately mutated by the concerned Appropriate Authority in favour of the Resulting Company as if the same were originally given by, issued to or executed in favour of the Resulting Company.*

18.10 *Upon the Scheme becoming effective, the Resulting Company shall be entitled to the benefit of all pre-qualification, track-record, experience, goodwill, quality certifications and all other rights and claims of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the Demerged Company in connection with or pertaining or relatable to the Demerged Undertaking for all intents and purposes and specifically including but not limited to the track-record and experience of having undertaken, performed and/or executed the business and / or orders by the Demerged Company from the commencement of its business. Further, it hereby clarified that on and from the Effective Date, the Demerged Company would not be entitled to use any pre-qualification, track-record, experience, goodwill and all other rights, claims and powers of whatsoever nature and wheresoever, credential which are transferred to the Resulting Company.*

18.11 *The Resulting Company shall, if so required or considered desirable, file relevant intimations, for the record of all of Appropriate Authorities, who shall take them on file, pursuant to the Order.*

18.12 *The demerger of the Demerged Undertaking has been drawn up to comply with the conditions relating to 'Demerger' as defined under section 2(19AA) of the Income-tax, 1961. If any of the terms or provisions of the Scheme are found or interpreted to be*

*inconsistent with the provisions of the section 2(19AA) of the Income-tax, 1961 at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the Income-tax, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with section 2(19AA) of the Income-tax, 1961. Such modifications will, however, not affect the other parts of the Scheme.*

18.13 *Upon this Scheme coming into effect, the Resulting Company alone shall be liable to perform all obligations in respect of the liabilities in relation to the Demerged Undertaking, which have been transferred to it in terms of the Scheme. Similarly, the Remaining Business alone shall be liable to perform all obligations in respect of the liabilities in relation to the Demerged Company, which have not been transferred to the Resulting Company in terms of the Scheme.*

18.14 *It is expressly provided that no term or condition of the liabilities transferred to the Resulting Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.*

**26. *CONSIDERATION***

*Upon coming into effect of this Scheme and for the transfer of the Demerged Undertaking of the Demerged Company into the Resulting Company, no consideration shall be required to be paid / issued since the Demerged Company is the wholly owned subsidiary of the Resulting Company pursuant to Part B of the Scheme.*

**27. *ACCOUNTING TREATMENT IN THE BOOKS OF DEMERGED COMPANY AND RESULTING COMPANY***

27.1 *Upon the Scheme becoming effective and with effect from the Appointed Date, the Demerged Company shall account for transfer / demerger of the Demerged Undertaking of the Demerged Company in accordance with Appendix A or other Indian Accounting Standards notified under Section 133 of the Act, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time (Ind AS), other accounting principles generally accepted in India and any other applicable provisions and laws for the time being in force.*

27.2 *Upon the Scheme becoming effective and with effect from the Appointed Date, the Resulting Company shall account for transfer / demerger of the Demerged Undertaking of the Demerged Company in accordance with Indian Accounting Standards 103 or other Indian Accounting Standards notified under Section 133 of the Act, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time (Ind AS), other accounting principles generally accepted in India and any other applicable provisions and laws for the time being in force.*

## *PART D*
## *AMALGAMATION OF TRANSFEROR COMPANY 2 WITH TRANSFEREE COMPANY 2*

### *28. TRANSFER AND VESTING OF ASSETS AND LIABILITIES AND ENTIRE BUSINESS OF TRANSFEROR COMPANY 2*

*28.1 Subject to the provisions of this Scheme, including in relation to the mode of transfer or vesting, with effect from the Appointed Date, the entire undertaking of Transferor Company 2 comprising of all the debts, liabilities, duties and obligations of Transferor Company 2 of every description and also including, without limitation, all movable and immovable properties, if any, and assets of Transferor Company 2 comprising amongst others, all vehicles, furniture and fixtures, computers / data processing, software, office equipment, electrical installations, telephones, facsimile and other communication facilities and business licenses, permits, trademarks, patents, registrations, authorizations, if any, rights and benefits of all agreements and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals, shall, without further act or deed, but subject to the charges affecting the same, be transferred and / or deemed to be transferred to and vested in Transferee Company 2 on a going concern basis so as to become the properties of Transferee Company 2.*

*28.2 Without prejudice to the above, in respect of such movable assets and properties (tangible or intangible), including cash in hand, of Transferor Company 2, capable of passing by delivery or by endorsement, shall be so delivered or endorsed, as the case may be, and, upon such delivery or endorsement, such assets or properties shall stand transferred to Transferee Company 2 without requiring any deed or instrument of conveyance for transfer of the same.*

*Transferor Company 2 and Transferee Company 2 will execute the necessary documents, if so required or otherwise considered desirable, to enable any third party, including any Appropriate Authority, to give formal effect to the above provisions.*

*28.3 Any benefit, exemption or credit under the income tax, sales tax, excise duty, customs duty, service tax, value added tax, goods and services tax, etc., which Transferor Company 2 is entitled to in terms of the Applicable Laws shall be available to and vest in Transferee Company 2.*

*28.4 All debts, liabilities, duties and obligations of every kind, nature, description, whether or not provided for in the books of accounts and whether or not disclosed in the balance sheet of Transferor Company 2 shall also, under the provisions of any Applicable Law, without any further act or deed, be transferred to or be deemed to be transferred to Transferee Company 2, so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of Transferee Company 2, and it shall not be necessary*

*to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen.*

28.5 *Transferee Company 2, may, at any time, after coming into effect of this Scheme, if so required or otherwise considered desirable, under any law or otherwise, execute deeds of confirmation in favor of the creditors of Transferor Company 2 or in favor of any other party to the contract or arrangement to which Transferor Company 2 is a party, in order to give formal effect to the above provisions. Transferee Company 2 shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of Transferor Company 2 as well as to implement and carry out all such formalities and compliances referred to above.*

28.6 *The transfer and vesting of the undertaking(s), including the entire businesses of Transferor Company 2 as aforesaid, shall be subject to the existing securities or charges, if any, subsisting, over or in respect of the assets or any part thereof of Transferor Company 2.*

*Provided always, that this Scheme shall not operate to enlarge the security or charge for any loan, deposit or facility created by Transferor Company 2 which shall vest in Transferee Company 2 by virtue of the amalgamation of Transferor Company 2 with Transferee Company 2 and Transferee Company 2 shall not be obliged to create any further or additional security therefore after the amalgamation has become operative.*

28.7 *On and from the Effective Date and till such time that the name(s) of the bank accounts of Transferor Company 2 have been replaced with that of Transferee Company 2, Transferee Company 2 shall be entitled to maintain and operate the bank accounts of Transferor Company 2 in the name of Transferor Company 2. All cheques and other negotiable instruments which are in the name of Transferor Company 2 and received after the Effective Date shall be accepted by the bankers of Transferee Company 2 on presentation by Transferee Company 2.*

28.8 *On the Scheme becoming effective, benefits of all corporate approvals as may have already been taken by Transferor Company 2, whether being in the nature of compliances or otherwise, under Applicable Laws, shall be deemed to have been taken / complied with by Transferee Company 2 with effect from the Appointed Date.*

28.9 *With effect from the Appointed Date, all the consents, permissions, registrations, licenses, authorizations, approvals, no objection or other certificates, exemptions, sanctions, quotas, concessions, waivers, or rights, under the Applicable Laws ('Part D Licenses'), held or availed of by Transferor Company 2, shall without any further act, instrument or deed, be transferred to, or be deemed to have been transferred to, and be available to Transferee Company 2, so as to become as and from the Appointed Date, the Part D Licenses of Transferee Company 2, and such Part D Licenses shall remain*

*valid, effective and enforceable on the same terms and conditions to enable Transferee Company 2 to carry on the operations of Transferor Company 2 without any interruption and, wherever so required, the Part D Licenses shall be appropriately mutated / recorded by the concerned Appropriate Authority in favour of Transferee Company 2 as if the same were originally given by, issued to or executed in favour of Transferee Company 2.*

*28.10 Upon the Scheme becoming effective, the Transferee Company 2 shall be entitled to the benefit of all pre-qualification, track-record, experience, goodwill, quality certifications and all other rights and claims of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Company 2 or all intents and purposes and specifically including but not limited to the track-record and experience of having undertaken, performed and/or executed the business and / or orders by the Transferor Company 2 from the commencement of its business. Further, it hereby clarified that on and from the Effective Date, the Transferor Company 2 would not be entitled to use any pre-qualification, track-record, experience, goodwill and all other rights, claims and powers of whatsoever nature and wheresoever, credential which are transferred to Transferee Company 2.*

*28.11 Transferee Company 2 shall, if so required or considered desirable, file relevant intimations, for the record of all of the Appropriate Authorities, who shall take them on file, pursuant to the Order.*

*28.12 This amalgamation has been drawn up to comply with the conditions relating to 'Amalgamation' as defined in section 2(1B) of the Income-tax, 1961. If any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the section 2(1B) of the Income-tax, 1961 at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the Income-tax, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) of the Income-tax, 1961. Such modifications will, however, not affect the other parts of the Scheme.*

***38. CANCELLATION OF SHARES***

*Transferor Company 2 is a wholly owned subsidiary of Transferee Company 2. The entire share capital of Transferee Company 2 and its nominee in the dematerialized form shall stand cancelled without any further application, acts or deeds and there shall not be any issue of new shares to Transferee Company 2 in lieu or exchange of the holding of Transferee Company 2 in Transferor Company 2 (held directly and jointly with the nominee shareholders). The authorized share capital of Transferor Company 2 shall be transferred and vested with Transferee Company 2 in terms of the provisions of the Act after the approval of the Scheme.*

***39. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEREE COMPANY 2***

*Upon the Scheme becoming effective and with effect from the Appointed Date, Transferee Company 2 shall account for the scheme in accordance with Indian Accounting Standards 103 or other Indian Accounting Standards notified under Section 133 of the Act, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time (Ind AS), other accounting principles generally accepted in India and any other applicable provisions and laws for the time being in force.*

15. **Effect of the Scheme on various parties**

15.1. For Applicant Company 1 / Transferor Company 1

| Sr No | Category of stakeholder | Effect of Scheme |
|---|---|---|
| 1. | Employees and Key managerial personnel | Under Clause 8 of the Scheme, on the Scheme coming into effect, all staff and employees of the Transferor Company 1 in service on the Effective Date, shall be deemed to have become staff and employees of the Transferee Company 1 without any break in their service and the terms and conditions of their employment with the Transferee Company 1 shall be no less favourable than those on which they are engaged by the Transferor Company 1 as on the Effective Date. |
| 2. | Directors | On the Scheme becoming effective, Transferor Company 1 shall stand dissolved without winding up, and the Board of Transferor Company 1 shall without any further act, instrument or deed be and stand discharged. |
| 3. | Promoters | Upon this Scheme becoming effective and in consideration for the amalgamation of Transferor Company 1 with Transferee Company 1, Transferee Company 1 shall, without any further act or deed, issue and allot 1,863 fully paid up optionally convertible redeemable preference shares of Rs. 100 (Rupees Hundred only) each for every 40 (Forty) equity shares of Rs. 10 (Rupees Ten only) each fully paid up to the equity shareholders of Transferor Company 1 holding equity shares in Transferor Company 1 other than the wholly owned subsidiary of Transferee Company 1 itself, whose names are recorded in the register of members of Transferor Company 1 as on the Record Date. |
| 4. | Non promoter members | |
| 5. | Depositors and Deposit trustee | Not Applicable |
| 6. | Creditors | The Applicant Company 1 does not have any secured creditors. Also, the Scheme does not envisage any |

| Sr No | Category of stakeholder | Effect of Scheme |
|---|---|---|
| | | compromise or arrangement with any unsecured creditors. The liability of the unsecured creditors of Applicant Company 1, under the Scheme, is neither being reduced nor being extinguished. The creditors of Applicant Company 1 would in no way be affected by the Scheme. |
| 7. | Debenture holders | Not Applicable. As on date, Applicant Company 1 does not have any outstanding debentures and therefore the effect of the Scheme on any such debenture holders and debenture trustees does not arise. |
| 8. | Debenture trustee | |

15.2. For Applicant Company 2 / Transferee Company 1 / Resulting Company

| Sr No | Category of stakeholder | Effect of Scheme |
|---|---|---|
| 1. | Employees and Key managerial personnel | Under Clause 8 of the Scheme, on the Scheme coming into effect, all staff and employees of the Transferor Company 1 in service on the Effective Date, shall be deemed to have become staff and employees of the Transferee Company 1 without any break in their service and the terms and conditions of their employment with the Transferee Company 1 shall be no less favourable than those on which they are engaged by the Transferor Company 1 as on the Effective Date.<br><br>Under Clause 19 of the Scheme, on the Scheme coming into effect, all permanent employees of the Demerged Undertaking of the Demerged Company in service on the Effective Date, shall be deemed to have become the employees of the Resulting Company without any break in their service and terms and conditions of their employment with the Resulting Company shall be no less favourable than those on which they are engaged by the Demerged Company as on the Effective Date. |
| 2. | Directors | Whilst the Scheme does not contemplate any change in board of directors of Applicant Company 2, appropriate changes in directors will be made pursuant to business and statutory requirements. |
| 3. | Promoters | Upon this Scheme becoming effective and in consideration for the amalgamation of Transferor Company 1 with Transferee Company 1, Transferee Company 1 shall, without any further act or deed, issue and allot 1,863 fully |
| 4. | Non promoter members | |

| Sr No | Category of stakeholder | Effect of Scheme |
|---|---|---|
| | | paid up optionally convertible redeemable preference shares of Rs. 100 (Rupees Hundred only) each for every 40 (Forty) equity shares of Rs. 10 (Rupees Ten only) each fully paid up to the equity shareholders of Transferor Company 1 holding equity shares in Transferor Company 1 other than the wholly owned subsidiary of Transferee Company 1 itself, whose names are recorded in the register of members of Transferor Company 1 as on the Record Date.<br><br>Upon coming into effect of this Scheme and for the transfer of the Demerged Undertaking of the Demerged Company into the Resulting Company, no consideration shall be required to be paid / issued since the Demerged Company is the wholly owned subsidiary of the Resulting Company pursuant to Part B of the Scheme. |
| 5. | Depositors and Deposit trustee | Not applicable |
| 6. | Creditors | The Scheme does not envisage any compromise or arrangement with secured or unsecured creditors. The liability of the secured or unsecured creditors of Applicant Company 2, under the Scheme, is neither being reduced nor being extinguished. The creditors of Applicant Company 2 would in no way be affected by the Scheme. |
| 7. | Debenture holders | The Scheme does not envisage any compromise or arrangement with Debenture holders. The liability of the Debenture holders of Applicant Company 2, under the Scheme, is neither being reduced nor being extinguished. The Debenture holders of Applicant Company 2 would in no way be affected by the Scheme. |
| 8. | Debenture trustee | |

15.3. For Applicant Company 3 / Transferee Company 2 / Demerged Company

| Sr No | Category of stakeholder | Effect of Scheme |
|---|---|---|
| 1. | Employees and Key managerial personnel | Under Clause 19 of the Scheme, on the Scheme coming into effect, all permanent employees of the Demerged Undertaking of the Demerged Company in service on the Effective Date, shall be deemed to have become the employees of the Resulting Company without any break in their service and terms and conditions of their employment with the Resulting Company shall be no less favourable than |

| Sr No | Category of stakeholder | Effect of Scheme |
|---|---|---|
| | | those on which they are engaged by the Demerged Company as on the Effective Date.<br><br>Under Clause 31 of the Scheme, on the Scheme coming into effect, all staff and employees of Transferor Company 2 in service on the Effective Date, shall be deemed to have become staff and employees of Transferee Company 2 without any break in their service and the terms and conditions of their employment with Transferee Company 2 shall be no less favorable than those on which they are engaged by Transferor Company 2 as on the Effective Date. |
| 2. | Directors | Whilst the Scheme does not contemplate any change in board of directors of Applicant Company 3, appropriate changes in directors will be made pursuant to business and statutory requirements. |
| 3. | Promoters | Upon coming into effect of this Scheme and for the transfer of the Demerged Undertaking of the Demerged Company into the Resulting Company, no consideration shall be required to be paid / issued since the Demerged Company is the wholly owned subsidiary of the Resulting Company pursuant to Part B of the Scheme.<br><br>Transferor Company 2 is a wholly owned subsidiary of Transferee Company 2. The entire share capital of Transferee Company 2 and its nominee in the dematerialized form shall stand cancelled without any further application, acts or deeds and there shall not be any issue of new shares to Transferee Company 2 in lieu or exchange of the holding of Transferee Company 2 in Transferor Company 2 (held directly and jointly with the nominee shareholders). The authorized share capital of Transferor Company 2 shall be transferred and vested with Transferee Company 2 in terms of the provisions of the Act after the approval of the Scheme. |
| 4. | Non promoter members | |
| 5. | Depositors and Deposit trustee | Not applicable |
| 6. | Creditors | The Applicant Company 3 does not have any secured creditors. Also, the Scheme does not envisage any compromise or arrangement with any unsecured creditors. The liability of the unsecured creditors of Applicant Company 3, under the Scheme, is neither being reduced |

| Sr No | Category of stakeholder | Effect of Scheme |
|---|---|---|
| | | nor being extinguished. The creditors of Applicant Company 3 would in no way be affected by the Scheme. |
| 7. | Debenture holders | Not applicable. As on date, Applicant Company 3 does not have any outstanding debentures and therefore the effect of the Scheme on any such debenture holders and debenture trustees does not arise. |
| 8. | Debenture trustee | |

15.4. For Applicant Company 4 / Transferor Company 2

| Sr No | Category of stakeholder | Effect of Scheme |
|---|---|---|
| 1. | Employees and Key managerial personnel | Under Clause 31 of the Scheme, on the Scheme coming into effect, all staff and employees of Transferor Company 2 in service on the Effective Date, shall be deemed to have become staff and employees of Transferee Company 2 without any break in their service and the terms and conditions of their employment with Transferee Company 2 shall be no less favorable than those on which they are engaged by Transferor Company 2 as on the Effective Date. |
| 2. | Directors | On the Scheme becoming effective, Transferor Company 2 shall stand dissolved without winding up, and the Board of Transferor Company 2 shall without any further act, instrument or deed be and stand discharged. |
| 3. | Promoters | Transferor Company 2 is a wholly owned subsidiary of Transferee Company 2. The entire share capital of Transferee Company 2 and its nominee in the dematerialized form shall stand cancelled without any further application, acts or deeds and there shall not be any issue of new shares to Transferee Company 2 in lieu or exchange of the holding of Transferee Company 2 in Transferor Company 2 (held directly and jointly with the nominee shareholders). The authorized share capital of Transferor Company 2 shall be transferred and vested with Transferee Company 2 in terms of the provisions of the Act after the approval of the Scheme. |
| 4. | Non promoter members | |
| 5. | Depositors and Deposit trustee | Not applicable |
| 6. | Creditors | The Applicant Company 4 does not have any secured creditors. Also, the Scheme does not envisage any compromise or arrangement with any unsecured creditors. The liability of the unsecured creditors of Applicant |

| Sr No | Category of stakeholder | Effect of Scheme |
|---|---|---|
| | | Company 4, under the Scheme, is neither being reduced nor being extinguished. The creditors of Applicant Company 4 would in no way be affected by the Scheme. |
| 7. | Debenture holders | Not applicable. As on date, Applicant Company 4 does not have any outstanding debentures and therefore the effect of the Scheme on any such debenture holders and debenture trustees does not arise. |
| 8. | Debenture trustee | |

16. **Disclosure about effect of Scheme on material interests of directors, key managerial personnel**

Please refer to point no. 15 above for the effect of the Scheme on material interests of Directors and Key Managerial Personnel.

17. **Valuation Report, Accounting Certificate and Approvals:**

17.1. Share exchange ratio report for the Scheme, dated March 27, 2025 which sets out recommending the fair share exchange ratio in consideration of the amalgamation of Applicant Company 1 with Applicant Company 2 has been issued by Mr Akshat Jain, Registered Valuer, ('**Valuation Report**'). Copy of the Valuation Report is enclosed herewith as **Annexure B** is also available for inspection at the registered office of the Applicant Company 2.

17.2. The Applicant Company 3 is the wholly owned subsidiary of the Applicant Company 1. Pursuant to the sanction of the Scheme, the Demerged Undertaking of the Applicant Company 3 shall be transferred into the Applicant Company 2 and there would be no consideration, either in the form of shares or otherwise, to be paid to the shareholders of the Applicant Company 3. Since, as no consideration is being separately paid pursuant to the Scheme, a valuation report is not required.

17.3. The Applicant Company 4 is a wholly owned subsidiary of Applicant Company 3. Pursuant to the sanction of the Scheme, the entire share capital held by the Applicant Company 3 and its nominees shall stand cancelled without any further application, acts or deeds and there would be no consideration, either in the form of shares or otherwise, to be paid to the shareholders of the Applicant Company 4. Since, as no consideration is being separately paid pursuant to the Scheme, a valuation report is not required.

17.4. A certificate has been issued by the statutory auditor of Applicant Company 2 (ie M/S M S K A & Associates, Chartered Accountants) stating that the accounting treatment specified in the Scheme is in compliance with the accounting standards prescribed under Section 133 of the Act ('**Accounting Treatment Certificate 1**'). Since Applicant Company 1 is the amalgamating Company, the requirement of certificate on accounting treatment by statutory auditors does not arise. Copy of the Accounting Treatment Certificate 1 of Applicant Company 2 is enclosed

herewith as **Annexure C** and is also available for inspection at the registered office of the Applicant Company 2.

17.5. A certificate has been issued by the statutory auditor of Applicant Company 3 (ie M/S M S K A & Associates, Chartered Accountants) stating that the accounting treatment specified in the Scheme is in compliance with the accounting standards prescribed under Section 133 of the Act ('**Accounting Treatment Certificate 2**'). Since Applicant Company 4 is the amalgamating Company, the requirement of certificate on accounting treatment by statutory auditors does not arise. Copy of the Accounting Treatment Certificate 2 of Applicant Company 3 is enclosed herewith as **Annexure D** and is also available for inspection at the registered office of the Applicant Company 3.

17.6. The Applicant Company 1, Applicant Company 2, Applicant Company 3 and Applicant Company 4 have made a joint Application before Hon'ble Tribunal, Mumbai Bench for the sanction of the Scheme under applicable provisions the Companies Act, 2013.

17.7. A copy of the Scheme along with the necessary statement under Section 232 read with Rules 6 and 8 of the Company Arrangement Rules is also being forwarded to the Registrar of Companies and other regulatory authorities, in terms of the order dated August 7, 2025 of the Mumbai Bench of the Hon'ble Tribunal.

17.8. The Scheme is pending for approval of the equity shareholders and secured creditors of Applicant Company 2 and regulatory authorities such as the Registrar of Companies, Regional Director and the Hon'ble Tribunal.

17.9. If the Scheme is approved by way of a resolution by persons representing three fourth in value of the Secured Creditors of the Company, then the Company will make a petition under Sections 230 - 232 and other applicable provisions, of the Act to the Hon'ble Tribunal for sanctioning of the Scheme.

17.10. The Scheme is conditional and subject to necessary sanctions and approvals as set out in the Scheme.

18. **Board Approvals:**

18.1. The board of directors of the Applicant Company 1 at its board meeting held on March 27, 2025 *inter alia:* (i) approved the Scheme, and (ii) adopted a report under Section 232(2)(c) of the Act, explaining the effect of the proposed Scheme on each class of shareholders, promoter and non-promoter shareholders, key managerial personnel, etc., enclosed herewith as **Annexure E**. Details of Directors of the Applicant Company 1 who voted in favour / against / did not participate on resolution passed at the meeting of the board of directors of the Applicant Company 1 are given below:

| Name of the Director | Voted in favour / Against / Did not participate |
|---|---|
| Bhupinder Singh | Voted in favour |
| Kamlesh Dangi | Voted in favour |

18.2. The board of directors of the Applicant Company 2 at its board meeting held on March 27, 2025 *inter alia:* (i) approved the Scheme, and (ii) adopted a report under Section 232(2)(c) of the Act, explaining the effect of the proposed Scheme on each class of shareholders, promoter and non-promoter shareholders, key managerial personnel, etc., enclosed herewith as **Annexure F**. Details of Directors of the Applicant Company 2 who voted in favour / against / did not participate on resolution passed at the meeting of the board of directors of the Applicant Company 2 are given below*:*

| Name of the Director | Voted in favour / Against / Did not participate |
|---|---|
| Bhupinder Singh | Voted in favour |
| Vikram Agarwal | Voted in favour |
| Ambika Bisla | Voted in favour |
| Shivani Rawat | Voted in favour |
| Gaurav Maheshwari | Voted in favour |
| Venkatesh Vishwanathan | Voted in favour |

18.3. The board of directors of the Applicant Company 3 at its board meeting held on March 27, 2025 *inter alia:* (i) approved the Scheme, and (ii) adopted a report under Section 232(2)(c) of the Act, explaining the effect of the proposed Scheme on each class of shareholders, promoter and non-promoter shareholders, key managerial personnel, etc., enclosed herewith as **Annexure G**. Details of Directors of the Applicant Company 3 who voted in favour / against / did not participate on resolution passed at the meeting of the board of directors of the Applicant Company 3 are given below*:*

| Name of the Director | Voted in favour / Against / Did not participate |
|---|---|
| Kamlesh Dangi | Voted in favour |
| Nitin Rao | Voted in favour |
| Prateek Indwar | Voted in favour |

18.4. The board of directors of the Applicant Company 4 at its board meeting held on March 27, 2025 *inter alia:* (i) approved the Scheme, and (ii) adopted a report under Section 232(2)(c) of the Act, explaining the effect of the proposed Scheme on each class of shareholders, promoter and non-promoter shareholders, key managerial personnel, etc., enclosed herewith as **Annexure H**. Details of Directors of the Applicant Company 4 who voted in favour / against / did not participate on resolution passed at the meeting of the board of directors of the Applicant Company 4 are given below*:*

| Name of the Director | Voted in favour / Against / Did not participate |
|---|---|
| Nitin Rao | Voted in favour |

| Name of the Director | Voted in favour / Against / Did not participate |
|---|---|
| Prateek Indwar | Voted in favour |

19. **Financial statements**

19.1. Copy of the: (i) audited financial statement of the Company / Applicant Company 1 as March 31, 2024 including the director's report and the auditor's report, is enclosed herewith as **Annexure I** and (ii) management certified financial statements of the Company / Applicant Company 1 as on February 28, 2025, is enclosed herewith as **Annexure J.**

19.2. Copy of the: (i) audited financial statement of the Applicant Company 2 as on March 31, 2024, including the director's report and the auditor's report, is enclosed herewith as **Annexure K** and (ii) management certified financial statements of the Applicant Company 2 as on February 28, 2025, is enclosed herewith as **Annexure L**.

19.3. Copy of the: (i) audited financial statement of the Applicant Company 3 as on March 31, 2024, including the director's report and the auditor's report, is enclosed herewith as **Annexure M** and (ii) management certified financial statements of the Applicant Company 3 as on February 28, 2025, is enclosed herewith as **Annexure N**.

19.4. Copy of the: (i) audited financial statement of the Applicant Company 4 as on March 31, 2024, including the director's report and the auditor's report, is enclosed herewith as **Annexure O** and (ii) management certified financial statements of the Applicant Company 4 as on February 28, 2025, is enclosed herewith as **Annexure P**.

20. **No investigation / winding up proceedings**

There is no winding up proceedings admitted against the Applicant Companies as on date either under the Companies Act, 2013 / 1956 or the Insolvency and Bankruptcy Code, 2016. No investigation proceedings are pending or are likely to be pending under the provisions of Chapter XIV of the Companies Act, 2013 or under the provisions of the Companies Act, 1956 in respect of the Applicant Companies.

21. **Details of debt restructuring**

The Scheme does not involve any capital or debt restructuring and therefore the requirement to disclose details of capital or debt restructuring is not applicable.

22. **Inspection:**

The following documents shall be available for obtaining extract from, or for making / obtaining copies of, or for inspection by the Secured Creditors at the registered office of the Company at Unit No. 1203, 12th Floor, B Wing, The Capital, C-70, G Block, Bandra Kurla Complex, Bandra

East, Mumbai - 400051, Maharashtra, India, between 09:30 a.m. (Indian Standard Time) to 06:30 p.m. (Indian Standard Time) on all working days (except Saturdays, Sundays and public holidays) up to the date of the Meeting.

(i) Copy of the Order of the Hon'ble Tribunal dated August 7, 2025 passed in C.A (CAA) / 134 (MB) 2025 directing the Company to, *inter alia*, convene the Meeting of Company's equity shareholders and secured creditors.
(ii) Copy of the memorandum of association and articles of association of the Applicant Company 1, Applicant Company 2, Applicant Company 3 and Applicant Company 4.
(iii) Copy of the audited financial statement of the Applicant Companies as on March 31, 2024 (including the directors' report and the auditors' report) and management certified financial statements of Applicant Companies as on February 28, 2025.
(iv) Copy of Accounting Treatment Certificate 1 and Accounting Treatment Certificate 2.
(v) Contracts or agreements material to the Scheme, if any.
(vi) Copy of the Scheme.

23. This statement may be treated as an Explanatory Statement under Sections 230(3) and 102 of the Companies Act, 2013 read with Rule 6 of the Company Arrangement Rules. A copy of the Scheme and Explanatory Statement may be obtained free of charge on any working day (except Saturdays, Sundays and public holidays) prior to the date of the Meeting, from the Registered Office of the Company.

Sd/-
Kunal Sharma, Company Secretary
Membership No A67452

Dated this 20th day of August, 2025
Place: Mumbai, Maharashtra

ANNEXURE I

Annexure A

000505

000517

**COMPOSITE SCHEME OF ARRANGEMENT**

**BETWEEN**

**INCRED WEALTH PRIVATE LIMITED**
**(TRANSFEROR COMPANY 1)**

**AND**

**INCRED CAPITAL FINANCIAL SERVICES LIMITED**
**(TRANSFEREE COMPANY 1 / RESULTING COMPANY)**

**AND**

**INCRED CAPITAL WEALTH PORTFOLIO MANAGERS PRIVATE LIMITED**
**(DEMERGER COMPANY / TRANSFEREE COMPANY 2)**

**AND**

**INCRED RESEARCH SERVICES PRIVATE LIMITED**
**(TRANSFEROR COMPANY 2)**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS**

**UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013**

InCred Capital Financial Services Limited

InCred Wealth Private Limited

InCred Capital Wealth Portfolio Managers Private Limited

InCred Research Services Private Limited

NOTARY
Hasan. M. Zaidi
Mumbai & Palghar Dist.
Reg. No. MDS/94
My Commission
Expires
27/03/2030
GOVERNMENT OF INDIA

## A. PREAMBLE

This Composite Scheme of Arrangement ('**Scheme**') is presented under sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder for:

a) amalgamation of InCred Wealth Private Limited with InCred Capital Financial Services Limited; and thereafter;

b) demerger of the Demerged Undertaking (*defined hereinafter*) of InCred Capital Wealth Portfolio Managers Private Limited into InCred Capital Financial Services Limited; and thereafter;

c) amalgamation of InCred Research Services Private Limited with InCred Capital Wealth Portfolio Managers Private Limited.

This Scheme provides for various matters consequential and integrally connected herewith.

## B. DESCRIPTION OF COMPANIES

1. **InCred Wealth Private Limited** is a private company incorporated on May 20, 2019, and having its registered office at Unit No. 1203, 12th Floor, B Wing, The Capital, C-70, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400051 (**'Transferor Company 1'**). Transferor Company 1 is engaged in the business of placement / facilitation and referral agent of financial products and engaged in the business of purchase and sale of securities. Transferor Company 1 through its subsidiary (Transferee Company 2) also provides investment advisory, merchant banking, stock broking, depository participant and portfolio management services.

2. **InCred Capital Financial Services Limited** *(formerly known as InCred Capital Financial Services Private Limited)* is a public limited company incorporated on March 27, 1996 and having its registered office at Unit No. 1203, 12th Floor, B Wing, The Capital, C-70, G Block, Bandra Kurla Complex, Bandra East, Mumbai-400051 (**'Transferee Company 1' or 'Resulting Company'**). Transferee Company 1 / Resulting Company is an integrated provider of financing solutions providing various services, which *inter alia*, include structured finance advisory services to corporate and institutional clients through investment banking not amounting to merchant banking services, and also undertake corporate counselling, project counselling and gives advice on capital structuring, merger, amalgamation, acquisition etc.

3. **InCred Capital Wealth Portfolio Managers Private Limited** is a private company incorporated on February 13, 2018, and having its registered office at Unit No. 1203, 12th Floor,

B Wing, The Capital, C-70, G Block, Bandra Kurla Complex, Bandra East, Mumbai-400051 (**'Demerged Company'** or **'Transferee Company 2'**). The Demerged Company / Transferee Company 2 is principally engaged in the financial services space, offering financial services such as stock broking on both the stock exchanges i.e. National Stock Exchange (**'NSE'**) and Bombay Stock Exchange (**'BSE'**), depository participant with CDSL, portfolio management services, merchant banker and investment advisory services.

The Demerged Company / Transferee Company 2 is a wholly owned subsidiary of Transferor Company 1. Pursuant to the amalgamation of Transferor Company 1 with Transferee Company 1 as per Part B of this Scheme, Demerged Company / Transferee Company 2 shall become a wholly owned subsidiary of Transferee Company 1 / Resulting Company.

4. **InCred Research Services Private Limited** is a private company incorporated on November 9, 2016, and having its registered office at Unit No. 1203, 12th Floor, B Wing, The Capital, C-70, G Block, Bandra Kurla Complex, Bandra East, Mumbai-400051 (**'Transferor Company 2'**). Transferor Company 2 is engaged in the business of research, consultancy and to act as advisors relating to personnel, industrial business management, distribution, marketing and selling and to collect, prepare and distribute information and statistics, relating to any type of business or industry and generally to act as market business research consultants and to act as a research analyst.

Transferor Company 2 is a wholly owned subsidiary of Transferee Company 2.

## C. RATIONALE OF THE SCHEME

The key objectives of the Scheme are:

1. To consolidate SEBI-regulated businesses of Transferor Company 1 and its subsidiaries within Transferee Company 1 by amalgamation of Transferor Company 1 into Transferee Company 1.

2. Demerger of the Demerged Undertaking from the Demerged Company into the Resulting Company / Transferee Company 1, with the Resulting Company focusing on providing financing solutions for various services, which *inter alia*, include structured finance advisory services to corporate and institutional clients through investment banking not amounting to merchant banking services, and also undertake corporate counselling, project counselling and gives advice on capital structuring, merger, amalgamation, acquisition etc.

3. To consolidate the business of research, consultancy and to act as advisors relating to personnel, industrial business management, distribution, marketing and selling and to collect,

prepare and distribute information and statistics, relating to any type of business or industry and generally to act as market business research consultants and to act as a research analyst undertaken by Transferor Company 2 with Transferee Company 2 by amalgamation of Transferor Company 2 into Transferee Company 2

000520

4. Cost savings, which are expected to flow from enhanced operational efforts, rationalization, standardization and simplification of business processes, productivity improvements, improved procurement, usage of common resource pool like human resource, administration, finance, accounts, legal, technology and other related functions, leading to elimination of duplication and rationalization of administrative expenses

This Scheme is expected to achieve the following advantages:

i) Segregation and unbundling of the Demerged Undertaking of the Demerged Company into the Resulting Company, will enable enhanced focus on the Demerged Company and the Resulting Company for exploiting opportunities in their respective business domains;

ii) Focused management approach for pursuing the growth in the respective business' verticals and de-risk businesses from each other;

iii) assist in rationalizing the corporate structure and streamlining the operating structure;

iv) greater efficiencies in operations and utilization of common pool of resources, expansion of the market size and reach; and

v) exploitation of synergies resulting from consolidation leading to increase in cost savings.

The Scheme is in the interest of all the shareholders, creditors and other stakeholders of all Companies (*as defined hereafter*) and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.

## D. OPERATION OF THE SCHEME

This Scheme provides for:

(i) amalgamation of Transferor Company 1 with Transferee Company 1, in the manner set out in Part B of this Scheme. As consideration for the amalgamation, Transferee Company 1 shall issue optionally convertible redeemable preference shares (as described under Clause 15 below) to all the shareholders of Transferor Company 1 holding equity shares in Transferor Company 1 (other than the wholly owned subsidiary of Transferee Company 1 holding equity shares in Transferor Company 1);

(ii) immediately after the amalgamation of Transferor Company 1 with Transferee Company 1, demerger of the Demerged Undertaking of the Demerged Company into the Resulting Company, in the manner set out in Part C of this Scheme. No consideration shall be required to be paid / issued for the demerger (as described under Clause 26 below) since the Demerged Company will become the wholly owned subsidiary of the Resulting Company pursuant to Part B of this Scheme; and

000521

(iii) immediately after the demerger of the Demerged Undertaking of the Demerged Company into the Resulting Company, amalgamation of Transferor Company 2 with Transferee Company 2, in the manner set out in Part D of this Scheme. As Transferor Company 2 is a wholly owned subsidiary of Transferee Company 2, the entire share capital held by Transferee Company 2 and its nominee in Transferor Company 2 shall stand cancelled (as described under Clause 38 below) and no consideration would be issued.

## E. PARTS OF THE SCHEME:

This Scheme is divided into the following parts:

**PART A** - Deals with definitions and share capital of the Companies (*as defined hereafter*)

**PART B** - Deals with the amalgamation of Transferor Company 1 with Transferee Company 1

**PART C** - Deals with the demerger of the Demerged Undertaking of the Demerged Company into the Resulting Company

**PART D** - Deals with the amalgamation of Transferor Company 2 with Transferee Company 2

**PART E** - Deals with general terms and conditions applicable to the Scheme and other matters consequential, incidental, or integrally connected therewith.

## DEFINITIONS AND SHARE CAPITAL

### 1. DEFINITIONS

000522

In this Scheme, unless inconsistent with the subject or context thereof, the following expressions wherever used (including in Para A (Preamble), Para B (Description of Companies), Para C (Rationale for the Scheme) and Para D (Operation of the Scheme), above) shall have the meanings ascribed hereunder:

1.1. '**Accounting Standards**' shall mean the accounting standards prescribed under section 133 of the Act, as applicable, or any other relevant or related requirement of the Act;

1.2. '**Act**' or '**the Act**' means the Companies Act, 2013, as notified, and ordinances, rules and regulations made thereunder and shall include any statutory modification, re-enactment or amendments thereof, from time to time;

1.3. '**Applicable Law(s)**' or '**Law(s)**' means any statute, notification, bye-laws, rules, regulations, guidelines, rules or common law, policy, code, directives, ordinance, schemes, directives, notices, orders or instructions enacted or issued or sanctioned by any Appropriate Authority including any modification or re-enactment thereof for the time being in force;

1.4. '**Appointed Date**' shall mean opening of business hours of April 1, 2025 or such other date as the NCLT may direct;

1.5. **'Appropriate Authority'** means any governmental, statutory, regulatory, departmental or public body or authority, including (without limitation) if applicable, National Company Law Tribunal, the Registrar of Companies, the Regional Director, the Ministry of Corporate Affairs, Official Liquidator, SEBI and other regulatory authorities;

1.6. **'Board of Directors'** or **'Board'** in relation to each Company means the Board of Directors of such Company and shall include a committee of directors or any person authorized by such Board of Directors or such committee of directors duly constituted and authorized for the purposes of matters pertaining or relating to this Scheme;

1.7. **'Companies'** shall mean collectively each of Transferor Company 1, Transferee Company 1 / Resulting Company, Demerged Company / Transferee Company 2, and Transferor Company 2 and '**Company**' shall mean each of them, individually;

1.8. **'Demerged Company'** or **'Transferee Company 2'** means InCred Capital Wealth Portfolio Managers Private Limited is a private company incorporated on February 13, 2018, under the provisions of the Companies Act, 2013;



1.9. '**Demerged Undertaking**' means business of Demerged Company in relation to the merchant banking business including, without limitation, providing investment banking advisory services in relation to the securities market, private placement of securities, managing public issue of securities, together with all the related assets, liabilities and employees on a going concern basis ('**Demerged Business**'). Without prejudice and limitation to the generality of the above, the Demerged Undertaking shall mean and include:

i) all the property and assets including but not limited to, the past track record, experience, credentials, pre-qualification of the Demerged Business, wherever situated, whether movable or immovable, leasehold or freehold, owned or leased, tangible or intangible, including all computers and accessories, software and related data, leasehold improvements, plant and machinery, offices, capital work in progress, vehicles, furniture, fixtures, office equipment, electricals, appliances, accessories and short-term investments, pertaining to or relatable to the Demerged Business;

ii) all rights and licenses (if permissible under law), all assignments and grants thereof, all permits, clearances and registrations whether under central, state or other laws, rights (including rights/ obligations under agreement(s) entered into with various persons including independent consultants, subsidiaries/ associate companies and other shareholders of such subsidiary / associate/ joint venture companies, contracts, applications, letters of intent, memorandum of understandings or any other contracts), non-disposal undertakings, certifications and approvals, regulatory approvals, entitlements, other licenses, consents, tenancies, investments and / or interest (whether vested, contingent or otherwise), taxes, share of advance tax, tax deducted at source and minimum alternate tax credits (including but not limited to credits in respect of sales tax, value added tax, service tax, goods and services tax and other indirect taxes), deferred tax benefits and other benefits in respect of the Demerged Business, cash balances, bank accounts and bank balances, deposits, advances, recoverable, receivables, easements, advantages, financial assets, hire purchase and lease arrangements, funds belonging to or proposed to be utilized for the Demerged Business, privileges, all other claims, rights and benefits, powers and facilities of every kind, nature and description whatsoever, utilities, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Demerged Business;

iii) all books, records, files, papers, governance templates and process information, records of standard operating procedures, computer programs along with their licenses, manuals and back-up copies, advertising materials, and other data and records whether in physical or electronic form, directly or indirectly in connection with or relating to the Demerged Business;



iv) any and all earnest monies and / or security deposits, or other entitlements in connection with or relating to the Demerged Business;

v) all employees of Demerged Company that are determined by the Board of Directors of Demerged Company and the Resulting Company, to be substantially engaged in or in relation to the Demerged Business, on the Effective Date;

vi) all debts, obligations and liabilities of the Demerged Company which arise out of the activities or operations of the Demerged Company appertaining to or relatable to the Demerged Business;

vii) all legal proceedings other than tax proceedings, unless stated otherwise elsewhere in the Scheme, by or against the Demerged Company pending and relating to the Demerged Business; and

viii) any assets acquired from future capital raise undertaken by the Demerged Company in connection with the expansion of the Demerged Business.

It is hereby clarified that the balance sheet of the Demerged Undertaking as on the Appointed Date shall be jointly drawn up by the Board of Directors of the Demerged Company and the Resulting Company. Any question that may arise as to whether a particular asset or liability pertains or does not pertain to the Demerged Undertaking or whether it arises out of the activities or operations of the Demerged Undertaking shall be decided mutually by the Board of Directors of the Demerged Company and the Resulting Company;

1.10. **'Effective Date'** means the last of the dates on which all of the conditions and matters specified in Clause 43 of this Scheme have been fulfilled or such other date as may be fixed or approved by the NCLT or other Appropriate Authority.

References in this Scheme to the date of 'coming into effect of this Scheme' or 'effectiveness of this Scheme' shall mean the Effective Date;

1.11. **'Income-tax Act, 1961'** means the Income-tax Act, 1961 as may be amended or supplemented from time to time, including any statutory modifications, re-enactments or replacement thereof.

together with all applicable rules, regulations, by-laws, orders, ordinances, directions, notifications, policies, clarifications and the like issued thereunder;

1.12. **'National Company Law Tribunal'** or **'NCLT'** means the National Company Law Tribunal, Mumbai Bench, including all its benches whose jurisdiction the registered offices of the Companies are situated;

1.13. **'Order'** means an order passed by the NCLT sanctioning the Scheme;

1.14. **'Record Date'** means the date fixed by Transferee Company 1 in consultation with Transferor Company 1, for the purpose of determining names of shareholders of Transferor Company 1, who shall be entitled to receive optionally convertible redeemable preference shares of Transferee Company 1 upon this Scheme coming into effect;

1.15. '**Registrar of Companies**' or '**RoC**' means the Registrar of Companies, Mumbai;

1.16. '**Remaining Business**' means all the businesses, assets, liabilities and employees of the Demerged Company, not forming part of the Demerged Undertaking;

1.17. '**Resulting Company**' or '**Transferee Company 1**' means InCred Capital Financial Services Limited is a public limited company incorporated on March 27, 1996 under the provisions of the Companies Act, 1956;

1.18. '**Rs**' or '**Rupee(s)**' means Indian Rupee, the lawful currency of the Republic of India;

1.19. **'Scheme'** or **'the Scheme'** or **'this Scheme'** means this Composite Scheme of Arrangement between InCred Wealth Private Limited, InCred Capital Financial Services Limited, InCred Capital Wealth Portfolio Managers Private Limited, InCred Research Services Private Limited and their respective shareholders under Sections 230 to 232, and other applicable provisions of the Act, in its present form or with any modification(s) made under Clause 42 of the Scheme or as approved or directed by the NCLT;

1.20. **'SEBI'** shall mean the Securities and Exchange Board of India;

1.21. '**Tax**' or '**Taxes**' or '**Taxation**' shall mean all taxes (direct / indirect) on net income, gross income, gross receipts, sales, use, services, ad valorem, value-added, capital gains, corporate income tax, minimum alternate tax, buyback distribution tax, dividend distribution tax, transfer, franchise and profits; withholding tax; property tax; water tax; any tax payable in a representative capacity, goods and service tax; service tax, value-added tax, duties of custom and excise, octroi duty, entry tax, stamp duty, other governmental charges or duties or other

taxes or statutory payments in relation to contract labour and / or other contractors and / or sub-contractors, statutory pension or other employment benefit plan contributions, fees, assessments or charges of any kind whatsoever, including any surcharge or cess thereon, together with any interest and any penalties, additions to tax or additional amount with respect thereto; and Taxation will be construed accordingly;



1.22. '**Tax Laws**' means all Applicable Laws, acts, rules and regulations dealing with Taxes including but not limited to the income-tax, wealth tax, sales tax / value added tax, service tax, goods and services tax, customs duty or any other levy of similar nature;

1.23. '**Transferor Companies**' means Transferor Company 1 and Transferor Company 2, collectively;

1.24. **'Transferor Company 1'** means InCred Wealth Private Limited is a private company incorporated on May 20, 2019, under the provisions of the Companies Act, 2013;

1.25. **'Transferor Company 2'** means InCred Research Services Private Limited is a private company incorporated on November 9, 2016, under the provisions of the Companies Act, 2013;

1.26. '**Transferee Companies**' means Transferee Company 1 and Transferee Company 2, collectively;

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, Income-tax Act, 1961 and other applicable laws, rules, regulations, by-laws, as the case may be, or any statutory modification, or re-enactment thereof from time to time.

## 2. INTERPRETATION

In this Scheme, unless the context otherwise requires:

2.1 words denoting singular shall include plural and *vice versa*;

2.2 headings, subheadings, titles, subtitles to clauses, sub-clauses and paragraphs are for information and convenience only and shall not form part of the operative provisions of this Scheme and shall be ignored in construing the same;

2.3 references to the word 'include' or 'including' shall be construed without limitation;

2.4 references to days, months and years are to calendar days, calendar months and calendar years, respectively;

000527

2.5 a reference to an article, clause, section, paragraph or schedule is, unless indicated to the contrary, a reference to an article, clause, section, paragraph or schedule of this Scheme;

2.6 reference to a document includes an amendment or supplement to, or replacement or novation of, that document;

2.7 word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed to them;

2.8 reference to any law or to any provision thereof shall include references to any such law or to any provision thereof as it may, after the date hereof, from time to time, be amended, supplemented or re-enacted, or to any law or any provision which replaces it, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision;

2.9 a reference to a balance sheet or profit and loss account shall include a reference to any note forming part of it; and

2.10 one gender includes all genders and references to any gender includes a reference to other genders; references to 'it' shall be deemed to include references to 'him or her as the case may be'.

## 3. DATE OF TAKING EFFECT AND OPERATIVE DATE

3.1 The Scheme as set out herein in its present form or with any modification(s) and amendments(s) made as per Clause 42 of the Scheme, approved or imposed or directed by the NCLT, as the case may be, shall be effective from the Appointed Date and shall be operative from the Effective Date.

3.2 If any Clause of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of Board of Directors of the Companies, affect the validity or implementation of the other Clause of this Scheme.

## 4. SHARE CAPITAL OF THE COMPANIES

4.1 The authorised, issued, subscribed and paid-up share capital of Transferor Company 1 as on March 27, 2025, is as under:

| Particulars | Amount (Rs.) |
|---|---|
| **Authorised share capital** | |
| 10,000 equity shares without differential voting rights of Rs. 10/- each | 1,00,000 |
| 50,000 equity shares with differential voting rights of Rs.10/- each | 5,00,000 |
| **Total** | **6,00,000** |
| **Issued, subscribed and paid-up share capital** | |
| 10,000 equity shares of Rs. 10/- each | 1,00,000 |
| 41,546 equity shares with differential voting rights of Rs. 10/- each | 4,15,460 |
| **Total** | **5,15,460** |

4.2 The authorised, issued, subscribed and paid-up share capital of Transferee Company 1 or Resulting Company as on March 27, 2025, is as under:

| Particulars | Amount (Rs.) |
|---|---|
| **Authorised share capital** | |
| 3,41,94,000 equity shares of Rs. 10/- each | 34,19,40,000 |
| 7,16,000 compulsorily convertible preference shares of Rs.10/- each | 71,60,000 |
| 6,00,000 optionally convertible redeemable preference shares of Rs. 10/- each | 60,00,000 |
| **Total** | **35,51,00,000** |
| **Issued, subscribed and paid-up share capital** | |
| 1,37,57,390 equity shares of Rs. 10/- each | 13,75,73,900 |
| 4,53,962 optionally convertible redeemable preference shares of Rs. 10/- each | 45,39,620 |
| **Total** | **14,21,13,520** |

4.3 The authorised, issued, subscribed and paid-up share capital of Transferee Company 2 or Demerged Company as on March 27, 2025, is as under:

| Particulars | Amount (Rs.) |
|---|---|
| **Authorised share capital** | |
| 7,00,00,000 equity shares of Rs. 10/- each | 70,00,00,000 |
| **Total** | **70,00,00,000** |
| **Issued, subscribed and paid-up share capital** | |
| 5,15,00,000 equity shares of Rs. 10/- each | 51,50,00,000 |
| **Total** | **51,50,00,000** |

4.4 The authorised, issued, subscribed and paid-up share capital of Transferor Company 2 as on March 27, 2025, is as under:

| Particulars | Amount (Rs.) |
|---|---|
| **Authorised share capital** | |
| 1,90,00,000 equity shares of Rs. 10/- each | 19,00,00,000 |
| **Total** | **19,00,00,000** |
| **Issued, subscribed and paid-up share capital** | |
| 1,82,60,000 equity shares of Rs. 10/- each | 18,26,00,000 |
| **Total** | **18,26,00,000** |

## AMALGAMATION OF TRANSFEROR COMPANY 1 WITH TRANSFEREE COMPANY 1

### 5. TRANSFER AND VESTING OF ASSETS AND LIABILITIES AND ENTIRE BUSINESS OF TRANSFEROR COMPANY 1

5.1 Subject to the provisions of this Scheme, including in relation to the mode of transfer or vesting, with effect from the Appointed Date, the entire undertaking of Transferor Company 1 comprising of all the debts, liabilities, duties and obligations of Transferor Company 1 of every description and also including, without limitation, all movable and immovable properties, if any, and assets of Transferor Company 1 comprising amongst others, all vehicles, furniture and fixtures, computers / data processing, software, office equipment, electrical installations, telephones, facsimile and other communication facilities and business licenses, permits, trademarks, patents, registrations, authorizations, if any, rights and benefits of all agreements and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals, shall, without further act or deed, but subject to the charges affecting the same, be transferred and / or deemed to be transferred to and vested in Transferee Company 1 on a going concern basis so as to become the properties of Transferee Company 1.

5.2 Without prejudice to the above, in respect of such movable assets and properties (tangible or intangible), including cash in hand, of Transferor Company 1, capable of passing by delivery or by endorsement, shall be so delivered or endorsed, as the case may be, and, upon such delivery or endorsement, such assets or properties shall stand transferred to Transferee Company 1 without requiring any deed or instrument of conveyance for transfer of the same.

Transferor Company 1 and Transferee Company 1 will execute the necessary documents, if so required or otherwise considered desirable, to enable any third party, including any Appropriate Authority, to give formal effect to the above provisions.

5.3 Any benefit, exemption or credit under the income tax, sales tax, excise duty, customs duty, service tax, value added tax, goods and services tax, etc., which Transferor Company 1 is entitled to in terms of the Applicable Laws shall be available to and vest in Transferee Company 1.

5.4 All debts, liabilities, duties and obligations of every kind, nature, description, whether or not provided for in the books of accounts and whether or not disclosed in the balance sheet of Transferor Company 1 shall also, under the provisions of any Applicable Law, without any further act or deed, be transferred to or be deemed to be transferred to Transferee Company 1,

Incred Financial Services Limited * InCred Capital Financial Services Limited *
Incred Wealth Private Limited
Incred Capital Wealth Portfolio Managers Private Limited
Incred Research Services Private Limited

so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of Transferee Company 1, and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen.

5.5 Transferee Company 1, may, at any time, after coming into effect of this Scheme, if so required or otherwise considered desirable, under any law or otherwise, execute deeds of confirmation in favor of the creditors of Transferor Company 1 or in favor of any other party to the contract or arrangement to which Transferor Company 1 is a party, in order to give formal effect to the above provisions. Transferee Company 1 shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of Transferor Company 1 as well as to implement and carry out all such formalities and compliances referred to above.

5.6 The transfer and vesting of the undertaking(s), including the entire businesses of Transferor Company 1 as aforesaid, shall be subject to the existing securities or charges, if any, subsisting, over or in respect of the assets or any part thereof of Transferor Company 1.

Provided always, that this Scheme shall not operate to enlarge the security or charge for any loan, deposit or facility created by Transferor Company 1 which shall vest in Transferee Company 1 by virtue of the amalgamation of Transferor Company 1 with Transferee Company 1 and Transferee Company 1 shall not be obliged to create any further or additional security therefore after the amalgamation has become operative.

5.7 On and from the Effective Date and till such time that the name(s) of the bank accounts of Transferor Company 1 have been replaced with that of Transferee Company 1, Transferee Company 1 shall be entitled to maintain and operate the bank accounts of Transferor Company 1 in the name of Transferor Company 1. All cheques and other negotiable instruments which are in the name of Transferor Company 1 and received after the Effective Date shall be accepted by the bankers of Transferee Company 1 on presentation by Transferee Company 1.

5.8 On the Scheme becoming effective, benefits of all corporate approvals as may have already been taken by Transferor Company 1, whether being in the nature of compliances or otherwise, under Applicable Laws, shall be deemed to have been taken / complied with by Transferee Company 1 with effect from the Appointed Date.

5.9 With effect from the Appointed Date, all the consents, permissions, registrations, licenses, authorizations, approvals, no objection or other certificates, exemptions, sanctions, quotas, concessions, waivers, or rights, under the Applicable Laws ('**Part B Licenses**'), held or availed of by Transferor Company 1, shall without any further act, instrument or deed, be transferred to, or be deemed to have been transferred to, and be available to Transferee Company 1, so as

to become as and from the Appointed Date, the Part B Licenses of Transferee Company 1, and such Part B Licenses shall remain valid, effective and enforceable on the same terms and conditions to enable Transferee Company 1 to carry on the operations of Transferor Company 1 without any interruption and, wherever so required, the Part B Licenses shall be appropriately mutated / recorded by the concerned Appropriate Authority in favour of Transferee Company 1 as if the same were originally given by, issued to or executed in favour of Transferee Company 1.

5.10 Transferee Company 1 shall, if so required or considered desirable, file relevant intimations, for the record of all of the Appropriate Authorities, who shall take them on file, pursuant to the Order.

5.11 This amalgamation has been drawn up to comply with the conditions relating to 'Amalgamation' as defined in section 2(1B) of the Income-tax, 1961. If any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the section 2(1B) of the Income-tax, 1961 at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the Income-tax, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) of the Income-tax, 1961. Such modifications will, however, not affect the other parts of the Scheme.

## 6. BUSINESS AND PROPERTY IN TRUST FOR TRANSFEREE COMPANY 1

6.1 With effect from the Appointed Date and up to and including the Effective Date:

i) Transferor Company 1 shall carry on and be deemed to have carried on the business and activities and shall stand possessed of all the assets and properties, in trust for Transferee Company 1 and shall account for the same to Transferee Company 1.

ii) Any income or profit accruing or arising to Transferor Company 1 and all costs, charges, expenses and losses or taxes (including but not limited to advance tax, tax deducted at source, taxes withheld / paid in foreign country, etc.), arising or incurred by Transferor Company 1 shall, for all purposes be treated as the income, profits, costs, charges, expenses and losses or taxes, as the case may be, of Transferee Company 1 and shall be available to Transferee Company 1 for being disposed-off in any manner as it thinks fit.

6.2 With effect from the Appointed Date, all debts, liabilities, duties and obligations of Transferor Company 1 as on the close of business on the date preceding the Appointed Date, whether or not provided in the books of Transferor Company 1 and all liabilities debts, duties, obligations which arise or accrue after the Appointed Date shall be deemed to be the debts, liabilities, duties

and obligations of Transferee Company 1. 000521

## 7. CONDUCT OF BUSINESS TILL EFFECTIVE DATE 000533

7.1 With effect from Appointed Date and up to and including the Effective Date:

i) Transferor Company 1 shall carry on its business with reasonable diligence and in the same manner as it had been doing *hitherto* before and Transferor Company 1 shall not alter or expand its business except with the written concurrence of Transferee Company 1.

ii) Transferor Company 1 shall not, without the written concurrence of Transferee Company 1, alienate, charge or encumber its undertaking / any part of its undertaking, or undertake any borrowings or distribute any dividends, or issue any shares or vary its share capital in any manner.

With effect from the Effective Date, Transferee Company 1 shall commence and carry on and shall be authorized to carry on the businesses carried on by Transferor Company 1.

7.2 Transferee Company 1 shall be entitled, pending the sanction of the Scheme, to apply to the Appropriate Authorities as considered necessary under any Applicable Law for such consents, approvals and sanctions which Transferee Company 1 may require to own and carry on the business of Transferor Company 1 and Transferor Company 1 shall provide all such co-operation and assistance as may be required by Transferee Company 1 for making such applications.

## 8. STAFF AND EMPLOYEES

8.1 On the Scheme coming into effect, all staff and employees of Transferor Company 1 in service on the Effective Date, shall be deemed to have become staff and employees of Transferee Company 1 without any break in their service and the terms and conditions of their employment with Transferee Company 1 shall be no less favorable than those on which they are engaged by Transferor Company 1 as on the Effective Date.

8.2 It is expressly provided that, in so far as the gratuity fund, provident fund, superannuation fund, or any other special scheme(s) / fund(s) or similar benefits, if any, created or existing for the benefit of the staff and employees of Transferor Company 1 is concerned, upon the Scheme coming into effect, Transferee Company 1 shall stand substituted for Transferor Company 1 for all purposes whatsoever in relation to the administration or operation of such fund(s) or in relation to the obligation to make contributions to the said fund(s) in accordance with the

provisions thereof as per the terms provided in the respective trust deeds, if any, to the end and intent that all rights, duties, powers and obligations of Transferor Company 1 in relation to such fund(s) shall become those of Transferee Company 1 and all the rights, duties and benefits of the employees of Transferor Company 1 under such funds and trusts shall be protected, subject to the provisions of law for the time being in force. It is clarified that the services of the staff and employees of Transferor Company 1 will be treated as having been continuous for the purpose of the said fund(s).

8.3 In so far as the provident fund, gratuity fund, superannuation fund or other special scheme(s) / fund(s) or similar benefits, if any, created or existing for the benefit of the employees of Transferor Company 1 is concerned, upon the coming into effect of this Scheme, the balances lying in the accounts of the employees of Transferor Company 1 in the said funds as on the Effective Date shall stand transferred from the respective trusts / funds of Transferor Company 1 to the corresponding trusts / funds set up by Transferee Company 1.

## 9. CONTRACTS, DEEDS AND OTHER INSTRUMENTS

Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, lease agreements, leave and license agreements, engagements, consents, approvals, guarantees and other instruments, if any, of whatsoever nature to which Transferor Company 1 is a party and which have not lapsed and are subsisting or having effect on the Effective Date shall be in full force and effect against or in favor of Transferee Company 1, as the case may be, and may be enforced by or against Transferee Company 1 as fully and effectually as if, instead of Transferor Company 1, Transferee Company 1 had been a party thereto. Transferee Company 1 may enter into and / or issue and / or execute deeds, writings, addendums or confirmations or enter into any tripartite arrangements, confirmations or novations, to which Transferor Company 1 will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or if so considered necessary. Transferee Company 1 shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of Transferor Company 1 and to implement or carry out all formalities required on the part of Transferor Company 1, to give effect to the provisions of this Scheme.

## 10. VALIDITY OF EXISTING RESOLUTIONS, ETC.

Upon this Scheme coming into effect, the resolutions / power of attorneys executed by Transferor Company 1, as are considered necessary by the Board of Transferee Company 1, and that are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions and power of attorney passed / executed by Transferee Company 1, and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then such limits as are

considered necessary by the Board of Transferee Company 1 shall be added to the limits, if any, under like resolutions passed by Transferee Company 1 and shall constitute the new aggregate limits for each of the subject matters covered under such resolutions / power of attorneys for the purpose of Transferee Company 1.



## 11. LEGAL PROCEEDINGS

11.1 All suits, actions or legal proceedings of whatsoever nature by or against Transferor Company 1 pending at / or arising after the Appointed Date shall be continued and / or enforced until the Effective Date as desired by and as per instructions by Transferee Company 1. As and from the Effective Date, the legal proceedings shall be continued and enforced by or against Transferee Company 1 in the same manner and to the same extent as would or might have been continued and enforced by or against Transferor Company 1.

11.2 Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of Transferor Company 1 with Transferee Company 1 or pursuant to anything contained in the Scheme.

## 12. SAVING OF CONCLUDED TRANSACTIONS

The transfer of properties and liabilities to, and the effectiveness of contracts, deeds and other instruments and continuance of proceedings by or against, Transferee Company 1 as envisaged in Clause 5, Clause 9 and Clause 11 above shall not affect any transaction or proceedings already concluded by Transferor Company 1 on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that Transferee Company 1 accepts and adopts all acts, deeds and things done and executed by Transferor Company 1 in respect thereto as done and executed on behalf of itself.

## 13. MERGER OF AUTHORISED CAPITAL

13.1 As an integral part of the Scheme and upon coming into effect of the Scheme, the authorised share capital of Transferor Company 1 shall stand carried forward and merged with the authorised share capital of Transferee Company 1. The authorised share capital of Transferee Company 1 shall accordingly stand increased and the existing Clause V of the Memorandum of Association of Transferee Company 1 shall be substituted, without any further act, instrument, or deed and without any further payment of stamp duty or registration fees, by the following clause:

*'The Authorized Share Capital of the Company is Rs. 35,57,00,000/- (Rupees Thirty Five Crores Fifty Seven Lakhs only) divided into:*

*(a) 3,42,04,000 (Three Crores Forty Two Lakhs Four Thousand) equity shares having the face value of Rs. 10/- (Rupees Ten only) each;*

000536

*(b) 50,000 (Fifty Thousand) equity shares with differential voting rights having the face value of Rs. 10/- (Rupees Ten only) each;*

*(c) 7,16,000 (Seven Lakhs Sixteen Thousand) compulsorily convertible preference shares having the face value of Rs. 10/- (Rupees Ten only) each;*

*(d) 6,00,000 (Six Lakhs) optionally convertible redeemable preference shares having the face value of Rs. 10/- (Rupees Ten only) each."*

13.2 Further, in the event of any increase in the authorised share capital of Transferor Company 1 and / or Transferee Company 1 before the Effective Date, on sanctioning of the any other Scheme by the competent authorities or otherwise increased independently by the respective Companies, such increase shall be given effect to while aggregating the authorised share capital of Transferee Company 1 and the clauses provided hereinabove shall stand modified to that extent such that the such increase shall be taken in account while aggregating the authorised share capital under the present Scheme.

13.3 For this purpose, in accordance with Section 232(3)(i) of the Act, the stamp duties and / or fees (including registration fees) paid on the authorised share capital of Transferor Company 1 shall be utilized and applied to the increased authorised share capital of Transferee Company 1 pursuant to Clause 13.1 and no separate procedure or instrument or deed or payment of any stamp duty and registration fees shall be required to be followed under the Act. Further, for any additional increase in its authorised share capital, Transferee Company 1 shall make payment of the appropriate fees and stamp duty and no separate procedure or instrument or deed or shall be required to be followed under the Act for such increase in authorised share capital. However, Transferee Company 1 shall file the amended copy of its Memorandum and the Articles of Association with the Registrar of Companies within a period of 30 days from the Effective Date and the Registrar of Companies shall take the same on record.

13.4 It is hereby clarified that the consent of the shareholders of Transferor Company 1 and Transferee Company 1 to the Scheme shall be sufficient for purposes of effecting the changes described in Clauses 13.1 to 13.3 above and that no further resolution under Sections 13, 14, 61 or any other applicable provisions of the Act, would be required to be separately passed.

**14. TREATMENT OF TAXES**

14.1 Upon the Scheme coming into effect, all Taxes / cess / duties paid, payable, received or receivable by or on behalf of Transferor Company 1, including all or any refunds, minimum alternate tax, claims, set-offs, credits, including GST credits or entitlements shall, for all

purposes, be treated as the tax / cess / duty, liabilities or refunds, minimum alternate tax, claims, set-offs, credits or entitlements of Transferee Company 1.

000537

14.2 Upon the Scheme becoming effective, Transferee Company 1 is also expressly permitted, if so required, to revise its income tax returns and other returns filed under the tax laws and to claim refunds, credit of advance tax and withholding tax and all other taxes paid by Transferor Company 1.

## 15. CONSIDERATION

15.1 Upon this Scheme becoming effective and in consideration for the amalgamation of Transferor Company 1 with Transferee Company 1, Transferee Company 1 shall, without any further act or deed, issue and allot optionally convertible redeemable preference shares of Rs. 100/- (Rupees Hundred only) each, as per the terms and subject to conditions as set out in **Schedule** as fully paid up to the extent indicated below, to the equity shareholders of Transferor Company 1 holding equity shares in Transferor Company 1 other than the wholly owned subsidiary of Transferee Company 1 itself, whose names are recorded in the register of members of Transferor Company 1 on the Record Date in the following proportion:

***"1,863 (One Thousand Eight Hundred and Sixty-Three) fully paid up optionally convertible redeemable preference shares of Transferee Company 1 of Rs. 100 (Rupees Hundred only) each for every 40 (Forty) equity shares of Transferor Company 1 of Rs. 10 (Rupees Ten only) each fully paid up."***

15.2 Fraction shares arising as a result of the application of the abovementioned proportion shall be rounded off to the nearest integer by the Board of Directors of Transferee Company 1.

15.3 On issue and allotment of optionally convertible redeemable preference shares by Transferee Company 1 to shareholders of Transferor Company 1, the equity shares held by the said equity shareholders in Transferor Company 1 in the dematerialized form, shall, without any further act, deed or instrument be deemed to have been automatically cancelled and be of no effect.

15.4 The optionally convertible redeemable preference shares in Transferee Company 1 to be issued to the equity shareholders of Transferor Company 1 except the wholly owned subsidiary of Transferee Company 1 itself shall be subject to the Memorandum and Articles of Association of Transferee Company 1 and shall rank *pari passu* with the existing equity shares of Transferee Company 1 and shall be deemed to be in compliance with the Act and other notifications, guidelines issued by the statutory / regulatory authorities in India.

15.5 The issuance and allotment of the optionally convertible redeemable preference shares by Transferee Company 1 as provided in this Scheme is an integral part hereof and shall be deemed to have been carried out without any further act or deed by Transferee Company 1 as if the procedure laid down under Sections 42 and 62 of the Act and any other applicable provisions of the Act were duly complied with. 000538

15.6 Transferee Company 1 shall, if necessary and to the extent required, increase or decrease or reclassify its authorised share capital to facilitate issuance of shares under this Scheme.

## 16. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEREE COMPANY 1

Upon the Scheme becoming effective and with effect from the Appointed Date, Transferee Company 1 shall account for the scheme in accordance with Indian Accounting Standards 103 or other Indian Accounting Standards notified under Section 133 of the Act, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time (Ind AS), other accounting principles generally accepted in India and any other applicable provisions and laws for the time being in force.

## 17. DISSOLUTION OF TRANSFEROR COMPANY 1

On the Scheme becoming effective, Transferor Company 1 shall stand dissolved without winding up, and the Board of Transferor Company 1 shall without any further act, instrument or deed be and stand discharged.

## DEMERGER OF DEMERGED UNDERTAKING FROM DEMERGED COMPANY INTO RESULTING COMPANY

~~000539~~

### 18. TRANSFER AND VESTING OF DEMERGED UNDERTAKING

18.1 With the effect from the Appointed Date and upon this Scheme coming into effect, the Demerged Undertaking (including all accretions and appurtenances) shall, without any further act, instrument or deed, be and stand demerged from the Demerged Company and transferred to and vested in or be deemed to be transferred to and vested in the Resulting Company, as a going concern, so as to vest in the Resulting Company, all the rights, titles and interests pertaining to the Demerged Undertaking, pursuant to Sections 230 to 232 of the Act and any other relevant provisions of the Applicable Law and the Order, subject however, to subsisting charges, if any.

18.2 Without prejudice to the provisions of Clause 18.1 above, in respect of such movable assets and properties of the Demerged Undertaking, including cash in hand, capable of passing by delivery or by endorsement, shall be so delivered or endorsed, as the case may be, and, upon such delivery or endorsement, such assets or properties shall stand transferred to the Resulting Company without requiring any deed or instrument of conveyance for transfer of the same.

Movable assets and properties, other than those specified above, including sundry debtors, outstanding loans and advances recoverable in cash or in kind or for value to be received, bank balances and deposits with government, semi-government, local and other authorities and bodies and customers and other persons, any assets acquired from future capital raises undertaken by the Demerged Company in connection with the expansion of the Demerged Business, investments in shares other than investment in subsidiaries, bonds, units of mutual funds and any other security, shall, without any further act, instrument or deed, stand transferred to and vested in and /or be deemed to be transferred to and stand vested in the Resulting Company under the provisions of any Applicable Law.

The Demerged Company and the Resulting Company will execute the necessary documents, if so required or otherwise considered desirable, to enable any third party, including any Appropriate Authority, to give formal effect to the above provisions. Any benefit, exemption or credit under the income tax, sales tax, excise duty, customs duty, service tax, value added tax, goods and service tax, etc., which the Demerged Company is entitled to in terms of the Applicable Laws in connection with the Demerged Undertaking, shall be available to and vest in the Resulting Company.

18.3 All debts, liabilities, duties and obligations of every kind, nature, description of the Demerged Undertaking, whether or not provided for in the books of accounts, shall also, under the provisions of any Applicable Law, without any further act or deed, be transferred to or be deemed to be transferred to the Resulting Company so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of the Resulting Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen.

The Resulting Company, may, at any time, after the coming into effect of this Scheme, if so required or otherwise considered desirable, under any law or otherwise, execute deeds of confirmation in favor of the creditors of the Demerged Company or in favor of any other party to the contract or arrangement to which the Demerged Company is a party, in order to give formal effect to the above provisions. The Resulting Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Demerged Company as well as to implement and carry out all such formalities and compliances referred to above.

18.4 The transfer and vesting of the properties, assets, liabilities of the Demerged Company in relation to the Demerged Undertaking into the Resulting Company under Clause 18 of this Scheme shall be subject to the mortgages and charges, if any, affecting the same, as and to the extent hereinafter provided.

18.5 All the existing securities, mortgages, charges, encumbrances or liens (the **'Encumbrances'**), existing prior to the Effective Date over the assets and properties of the Demerged Undertaking or any part thereof and which relate to the liabilities and obligations of the Demerged Company which are transferred as part of the Demerged Undertaking shall continue to relate only to such assets and properties which belong to the Demerged Undertaking and shall not extend or attach to any of the assets and properties of the Remaining Business.

The Demerged Company shall not create any Encumbrances over the assets or properties of the Demerged Undertaking after the date of approval of the Scheme by the Board of Directors of the Resulting Company without the prior written consent of the Board of Directors of Resulting Company.

18.6 Encumbrances existing prior to the Effective Date over the assets and properties of the Remaining Business or any part thereof and which relate to the liabilities and obligations of the Remaining Business shall continue to relate only to such assets and properties which belong to the Remaining Business and shall not extend or attach to any of the assets and properties of the Demerged Undertaking.

InCred Capital Financial Services Limited

InCred Wealth Private Limited

InCred Capital Wealth Portfolio Managers Private Limited

InCred Research Services Private Limited

Any reference in any security documents or arrangements (to which the Demerged Company is a party) to the assets and properties pertaining to the Demerged Undertaking shall be construed as a reference to the Resulting Company and the same shall stand transferred to / substituted in the name of the Resulting Company by virtue of this Scheme. Without prejudice to the foregoing, the Demerged Company and Resulting Company may execute any instrument or document or do all such acts and deeds as may be considered appropriate, including filing of necessary particulars and / or modification(s) of charge(s), with the Registrar of Companies to give formal effect to the above provisions, if required.

18.7 On and from the Effective Date and till such time that the name(s) of the bank accounts of the Demerged Company which are being transferred as part of the Demerged Undertaking have been replaced with that of the Resulting Company, the Resulting Company shall be entitled to maintain and operate such bank accounts of the Demerged Company. All cheques and other negotiable instruments, which are in the name of the Demerged Company and received after the Effective Date shall, on presentation by the Resulting Company, be accepted by the bankers of the Resulting Company and credited to the account of the Resulting Company.

18.8 On the Scheme becoming effective, benefits of all corporate approvals as may have already been taken by the Demerged Company in relation to the Demerged Undertaking or which are applicable to the Demerged Company, whether being in the nature of compliances or otherwise, under Applicable Law, shall be deemed to have been taken / complied with by the Resulting Company with effect from the Appointed Date.

18.9 With effect from the Appointed Date, all the consents, permissions, registrations, licenses, authorizations, approvals, no objection certificates or other certificates, exemptions, sanctions, quotas, concessions, waivers, or rights, under the Applicable Law (**'Part C Licenses'**), held or availed of by the Demerged Company in relation to the Demerged Undertaking, shall without any further act, instrument or deed, be transferred to, or be deemed to have been transferred to, and be available to the Resulting Company so as to become as and from the Appointed Date, the Licenses of the Resulting Company and shall remain valid, effective and enforceable on the same terms and conditions to enable the Resulting Company to carry on the operations of the Demerged Undertaking without any interruption and, wherever so required, the Part C Licenses shall be appropriately mutated by the concerned Appropriate Authority in favour of the Resulting Company as if the same were originally given by, issued to or executed in favour of the Resulting Company.

18.10 Upon the Scheme becoming effective, the Resulting Company shall be entitled to the benefit of all pre-qualification, track-record, experience, goodwill, quality certifications and all other rights and claims of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the Demerged Company in connection with

or pertaining or relatable to the Demerged Undertaking for all intents and purposes and specifically including but not limited to the track-record and experience of having undertaken, performed and/or executed the business and / or orders by the Demerged Company from the commencement of its business. Further, it hereby clarified that on and from the Effective Date, the Demerged Company would not be entitled to use any pre-qualification, track-record, experience, goodwill and all other rights, claims and powers of whatsoever nature and wheresoever, credential which are transferred to the Resulting Company.

18.11 The Resulting Company shall, if so required or considered desirable, file relevant intimations, for the record of all of Appropriate Authorities, who shall take them on file, pursuant to the Order.

18.12 The demerger of the Demerged Undertaking has been drawn up to comply with the conditions relating to 'Demerger' as defined under section 2(19AA) of the Income-tax, 1961. If any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the section 2(19AA) of the Income-tax, 1961 at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the Income-tax, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with section 2(19AA) of the Income-tax, 1961. Such modifications will, however, not affect the other parts of the Scheme.

18.13 Upon this Scheme coming into effect, the Resulting Company alone shall be liable to perform all obligations in respect of the liabilities in relation to the Demerged Undertaking, which have been transferred to it in terms of the Scheme. Similarly, the Remaining Business alone shall be liable to perform all obligations in respect of the liabilities in relation to the Demerged Company, which have not been transferred to the Resulting Company in terms of the Scheme.

18.14 It is expressly provided that no term or condition of the liabilities transferred to the Resulting Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.

## 19. EMPLOYEES OF THE DEMERGED UNDERTAKING

19.1 On the Scheme coming into effect, all permanent employees of the Demerged Undertaking of the Demerged Company in service on the Effective Date, shall be deemed to have become the employees of the Resulting Company without any break in their service and terms and conditions of their employment with the Resulting Company shall be no less favourable than those on which they are engaged by the Demerged Company as on the Effective Date.

InCred Capital Financial Services Limited
InCred Wealth Private Limited
InCred Capital Wealth Portfolio Managers Private Limited
InCred Research Services Private Limited

19.2 The existing provident fund trust and pension fund trust, gratuity fund, superannuation fund or any other fund established under Applicable Laws by whatever name called, for the benefit of the transferred employees of the Demerged Undertaking shall be continued for the benefit of such employees including employees who may hereafter join the Resulting Company on the same terms and conditions and with effect from such date, and the Resulting Company shall make the necessary contribution for such employees taken over by the Resulting Company until the Resulting Company constitutes its own provident fund, gratuity fund, superannuation fund or any other special fund and obtains necessary approval for the same. Upon the Scheme being effective, the Resulting Company shall stand substituted for the Demerged Company for all purposes whatsoever related to the administration or operation of such trust or fund or in relation to the obligations to contribute to the said funds in accordance with the provisions of the trust or funds or according to the terms provided in the respective trust deeds or other documents. The Resulting Company undertakes to discharge all the duties and obligations and assumes all the rights and powers of the Demerged Company, upon the Scheme being effective, in relation to aforesaid trusts or funds of the Demerged Company in relation to the Demerged Undertaking. The services of the staff, workmen and other employees of the Demerged Undertaking will be treated as having been continuous for the purposes of the aforesaid trusts / funds or provisions of any trust / funds for employees. The amount of liability in respect of gratuity and leave (determined as the sum payable on the Appointed Date as if the same were due) relating to the employees of the Demerged Undertaking shall be appropriately adjusted by the Demerged Company and transferred to the Resulting Company.

## 20. LEGAL PROCEEDINGS

20.1 All legal or other proceedings (including before any statutory or quasi-judicial authority or tribunal) other than the proceedings related to Tax by or against the Demerged Company under any statute, whether pending on the Appointed Date, or which may be instituted any time in the future and in each case relating to the Demerged Undertaking (**'Demerged Undertaking Proceedings'**) shall be continued and enforced by or against the Resulting Company after the Effective Date, to the extent legally permissible.

20.2 If any of the Demerged Undertaking Proceedings are pending, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of this Scheme and the proceedings may be continued, prosecuted and enforced, by or against the Resulting Company in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Demerged Company, as if this Scheme had not been made.

20.3 If the Demerged Undertaking Proceedings are taken against the Demerged Company in respect of the matters referred to in Clause 20.1 above, it shall defend the same at the cost of the

Resulting Company, and the latter shall reimburse and indemnify and hold harmless the Demerged Company against all liabilities and obligations incurred by the Demerged Company in respect thereof.

## 21. CONTRACTS, DEEDS AND OTHER INSTRUMENTS



Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, lease agreements, leave and license agreements, engagements, consents, approvals, guarantees and other instruments, if any, of whatsoever nature, relating or pertaining to the Demerged Undertaking, and to which the Demerged Company is a party and which have not lapsed and are subsisting or having effect on the Effective Date shall be in full force and effect against or in favor of the Resulting Company, as the case may be, and may be enforced by or against the Resulting Company as fully and effectually as if, instead of Demerged Company, the Resulting Company had been a party thereto. The Resulting Company may enter into and / or issue, and / or execute deeds, writings, addendums or confirmations or enter into any tripartite arrangements, confirmations or novations, to which Demerged Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or if so considered necessary. The Resulting Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Demerged Company and to implement or carry out all formalities required on the part of the Demerged Company, to give effect to the provisions of this Scheme.

## 22. TREATMENT OF TAXES

22.1 Upon this Scheme coming into effect, the Demerged Company and the Resulting Company are expressly permitted to revise their financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act, 1961, other applicable Taxes including goods and service tax, excise duty laws and other tax laws, and to claim refunds and / or credit for taxes paid (including minimum alternate tax, tax deducted at source, wealth tax, etc.) and for matters incidental thereto, if required to give effect to the provisions of the Scheme.

22.2 All Tax assessment proceedings / appeals pertaining to the period prior to Appointed Date, whether in relation to the Demerged Undertaking or otherwise, shall be continued and / or enforced only against the Demerged Company and in no event will such proceeding, or appeal devolve on the Resulting Company. In the event any such proceeding or appeal is enforced against the Resulting Company at any point of time and the Resulting Company is required to bear any such Taxes or is required to defend itself against any proceeding or appeal, then the Demerged Company shall reimburse the Resulting Company all such Taxes and / or the associated costs incurred by the Resulting Company on account of the aforesaid proceedings and appeals.

22.3 All Tax assessment proceedings / appeals pertaining to the period on or after the Appointed Date, of whatsoever nature, in relation to the Demerged Undertaking, shall be continued and / or enforced by or against the Resulting Company. In the event any such proceeding, or appeal is enforced against the Demerged Company at any point of time and the Demerged Company is required to bear any such Taxes or is required to defend itself against any proceeding or appeal, then the Resulting Company shall reimburse the Demerged Company all such Taxes and / or the associated costs incurred by the Resulting Company on account of the aforesaid proceedings and appeals. Further, all tax assessment proceedings / appeals pertaining to the period after the Appointed Date, of whatsoever nature, not relating to the Demerged Undertaking, shall be continued and / or enforced by or against the Demerged Company.

22.4 Upon the Scheme becoming effective, all unavailed credits, including MAT credit and exemption, benefit of carried forward losses, unabsorbed depreciation and any other statutory benefits, including in respect of income tax, CENVAT, customs, value added tax, goods and service tax etc., in relation to the Demerged Undertaking to which Demerged Company is entitled to as at the Appointed Date and arising during the period between the Appointed Date and the Effective Date shall be available to and vest in Resulting Company, without any further act or deed.

22.5 In an event that any of the tax credits and other statutory benefits (described in Clause 22.4 above) is not made available to or vest in the Resulting Company for any reason whatsoever, the same should be made available to the Remaining Business and the Resulting Company shall have the right to receive the same from the Demerged Company in a manner mutually decided by the Board of Directors of both, the Resulting Company and the Demerged Company.

22.6 Any amount due / demand raised under the Tax laws against Demerged Company (including but not limited to the Demerged Undertaking of Demerged Company) whether or not provided for in accounts of Demerged Company as on the date immediately preceding the Appointed Date shall belong to and be borne and settled / paid by Demerged Company.

22.7 Any refund under the tax laws due to Demerged Company (including but not limited to the Demerged Undertaking of Demerged Company) whether or not for which credit is taken in accounts of Demerged Company as on the date immediately preceding the Appointed Date shall belong to and be received by Demerged Company.

**23. SAVING OF CONCLUDED TRANSACTIONS**

The transfer of properties and liabilities to, and the continuance of proceedings by or against the Resulting Company or the effective of contracts, deeds and other instruments as envisaged

in Clause 18, Clause 20 and Clause 21 above shall not affect any transaction or proceedings already concluded by the Demerged Company on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things done and executed by the Demerged Company in respect thereto as done and executed on behalf of itself.

## 24. REMAINING BUSINESS OF THE DEMERGED COMPANY

24.1 It is clarified that the Remaining Business and all the assets, liabilities and obligations of the Demerged Company, other than those transferred pursuant to this Scheme, shall continue to belong to and be managed by the Demerged Company.

24.2 All legal and other proceedings by or against the Demerged Company under any statute including any refund entitlement in relation to the proceedings, pending on the Appointed Date or which may be initiated in future, whether or not in respect of any matter arising before the Effective Date, relating to the Remaining Business of the Demerged Company (including those relating to any property, right, power, liability, obligation or duty of the Demerged Company in respect of the Remaining Business of the Demerged Company) shall be continued and enforced by or against the Demerged Company. It is hereby clarified that all direct or indirect tax proceedings in relation to matters prior to the Appointed Date or pertaining to a period prior to the Appointed Date shall continue against the Demerged Company. Similarly, any direct or indirect tax refunds in relation to the above-mentioned tax proceedings shall belong to the Demerged Company. Further, with effect from the period from the Appointed Date, direct or indirect tax proceedings (including any refund entitlement) relating to the Remaining Business of the Demerged Company shall continue against the Demerged Company.

## 25. CONDUCT OF BUSINESS

25.1 With effect from the Appointed Date and up to and including the Effective Date:

i) the Demerged Company undertakes to carry on and shall be deemed to carry on all businesses and activities and stand possessed of the properties and assets of the Demerged Undertaking, for and on account of and in trust for the Resulting Company.

ii) all profits accruing to the Demerged Company and all taxes thereon, or losses arising or incurred by it, with respect to the Demerged Undertaking shall, for all purposes, be treated as and deemed to be the profits, Taxes or losses, as the case may be, of the Resulting Company.

25.2 With effect from the date of approval to the Scheme by the Board of Directors of the Demerged

Company and the Resulting Company, and upto and including the Effective Date:

i) the Demerged Company shall carry on the business of the Demerged Undertaking with reasonable diligence and business prudence and in the same manner as it had been doing *hitherto*.

ii) except with the consent of their respective Board of Directors, the Demerged Company and the Resulting Company shall not make any changes in their respective capital structures, either by way of any increase (by issue of shares, including bonus shares, convertible debentures, warrants or otherwise), decrease, reclassification, sub-division or consolidation, re-organization, or in any other manner effect the re-organization of share capital.

## 26. CONSIDERATION

Upon coming into effect of this Scheme and for the transfer of the Demerged Undertaking of the Demerged Company into the Resulting Company, no consideration shall be required to be paid / issued since the Demerged Company is the wholly owned subsidiary of the Resulting Company pursuant to Part B of the Scheme.

## 27. ACCOUNTING TREATMENT IN THE BOOKS OF DEMERGED COMPANY AND RESULTING COMPANY

27.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the Demerged Company shall account for transfer / demerger of the Demerged Undertaking of the Demerged Company in accordance with Appendix A or other Indian Accounting Standards notified under Section 133 of the Act, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time (Ind AS), other accounting principles generally accepted in India and any other applicable provisions and laws for the time being in force.

27.2 Upon the Scheme becoming effective and with effect from the Appointed Date, the Resulting Company shall account for transfer / demerger of the Demerged Undertaking of the Demerged Company in accordance with Indian Accounting Standards 103 or other Indian Accounting Standards notified under Section 133 of the Act, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time (Ind AS), other accounting principles generally accepted in India and any other applicable provisions and laws for the time being in force.

## AMALGAMATION OF TRANSFEROR COMPANY 2 WITH TRANSFEREE COMPANY 2

### 28. TRANSFER AND VESTING OF ASSETS AND LIABILITIES AND ENTIRE BUSINESS OF TRANSFEROR COMPANY 2

28.1 Subject to the provisions of this Scheme, including in relation to the mode of transfer or vesting, with effect from the Appointed Date, the entire undertaking of Transferor Company 2 comprising of all the debts, liabilities, duties and obligations of Transferor Company 2 of every description and also including, without limitation, all movable and immovable properties, if any, and assets of Transferor Company 2 comprising amongst others, all vehicles, furniture and fixtures, computers / data processing, software, office equipment, electrical installations, telephones, facsimile and other communication facilities and business licenses, permits, trademarks, patents, registrations, authorizations, if any, rights and benefits of all agreements and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals, shall, without further act or deed, but subject to the charges affecting the same, be transferred and / or deemed to be transferred to and vested in Transferee Company 2 on a going concern basis so as to become the properties of Transferee Company 2.

28.2 Without prejudice to the above, in respect of such movable assets and properties (tangible or intangible), including cash in hand, of Transferor Company 2, capable of passing by delivery or by endorsement, shall be so delivered or endorsed, as the case may be, and, upon such delivery or endorsement, such assets or properties shall stand transferred to Transferee Company 2 without requiring any deed or instrument of conveyance for transfer of the same.

Transferor Company 2 and Transferee Company 2 will execute the necessary documents, if so required or otherwise considered desirable, to enable any third party, including any Appropriate Authority, to give formal effect to the above provisions.

28.3 Any benefit, exemption or credit under the income tax, sales tax, excise duty, customs duty, service tax, value added tax, goods and services tax, etc., which Transferor Company 2 is entitled to in terms of the Applicable Laws shall be available to and vest in Transferee Company 2.

28.4 All debts, liabilities, duties and obligations of every kind, nature, description, whether or not provided for in the books of accounts and whether or not disclosed in the balance sheet of Transferor Company 2 shall also, under the provisions of any Applicable Law, without any further act or deed, be transferred to or be deemed to be transferred to Transferee Company 2,

so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of Transferee Company 2, and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen.

28.5 Transferee Company 2, may, at any time, after coming into effect of this Scheme, if so required or otherwise considered desirable, under any law or otherwise, execute deeds of confirmation in favor of the creditors of Transferor Company 2 or in favor of any other party to the contract or arrangement to which Transferor Company 2 is a party, in order to give formal effect to the above provisions. Transferee Company 2 shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of Transferor Company 2 as well as to implement and carry out all such formalities and compliances referred to above.

28.6 The transfer and vesting of the undertaking(s), including the entire businesses of Transferor Company 2 as aforesaid, shall be subject to the existing securities or charges, if any, subsisting, over or in respect of the assets or any part thereof of Transferor Company 2.

Provided always, that this Scheme shall not operate to enlarge the security or charge for any loan, deposit or facility created by Transferor Company 2 which shall vest in Transferee Company 2 by virtue of the amalgamation of Transferor Company 2 with Transferee Company 2 and Transferee Company 2 shall not be obliged to create any further or additional security therefore after the amalgamation has become operative.

28.7 On and from the Effective Date and till such time that the name(s) of the bank accounts of Transferor Company 2 have been replaced with that of Transferee Company 2, Transferee Company 2 shall be entitled to maintain and operate the bank accounts of Transferor Company 2 in the name of Transferor Company 2. All cheques and other negotiable instruments which are in the name of Transferor Company 2 and received after the Effective Date shall be accepted by the bankers of Transferee Company 2 on presentation by Transferee Company 2.

28.8 On the Scheme becoming effective, benefits of all corporate approvals as may have already been taken by Transferor Company 2, whether being in the nature of compliances or otherwise, under Applicable Laws, shall be deemed to have been taken / complied with by Transferee Company 2 with effect from the Appointed Date.

28.9 With effect from the Appointed Date, all the consents, permissions, registrations, licenses, authorizations, approvals, no objection or other certificates, exemptions, sanctions, quotas, concessions, waivers, or rights, under the Applicable Laws ('**Part D Licenses**'), held or availed of by Transferor Company 2, shall without any further act, instrument or deed, be transferred to, or be deemed to have been transferred to, and be available to Transferee

Company 2, so as to become as and from the Appointed Date, the Part D Licenses of Transferor Company 2, and such Part D Licenses shall remain valid, effective and enforceable on the same terms and conditions to enable Transferee Company 2 to carry on the operations of Transferor Company 2 without any interruption and, wherever so required, the Part D Licenses shall be appropriately mutated / recorded by the concerned Appropriate Authority in favour of Transferee Company 2 as if the same were originally given by, issued to or executed in favour of Transferee Company 2.

28.10 Upon the Scheme becoming effective, the Transferee Company 2 shall be entitled to the benefit of all pre-qualification, track-record, experience, goodwill, quality certifications and all other rights and claims of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Company 2 or all intents and purposes and specifically including but not limited to the track-record and experience of having undertaken, performed and/or executed the business and / or orders by the Transferor Company 2 from the commencement of its business. Further, it hereby clarified that on and from the Effective Date, the Transferor Company 2 would not be entitled to use any pre-qualification, track-record, experience, goodwill and all other rights, claims and powers of whatsoever nature and wheresoever, credential which are transferred to Transferee Company 2.

28.11 Transferee Company 2 shall, if so required or considered desirable, file relevant intimations, for the record of all of the Appropriate Authorities, who shall take them on file, pursuant to the Order.

28.12 This amalgamation has been drawn up to comply with the conditions relating to 'Amalgamation' as defined in section 2(1B) of the Income-tax, 1961. If any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the section 2(1B) of the Income-tax, 1961 at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the Income-tax, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) of the Income-tax, 1961. Such modifications will, however, not affect the other parts of the Scheme.

## 29. BUSINESS AND PROPERTY IN TRUST FOR TRANSFEREE COMPANY 2

29.1 With effect from the Appointed Date and up to and including the Effective Date:

i) Transferor Company 2 shall carry on and be deemed to have carried on the business and activities and shall stand possessed of all the assets and properties in trust for Transferee Company 2 and shall account for the same to Transferee Company 2.

ii) Any income or profit accruing or arising to Transferor Company 2 and all costs, charges, expenses and losses or taxes (including but not limited to advance tax, tax deducted at source, taxes withheld / paid in foreign country, etc.), arising or incurred by Transferor Company 2 shall, for all purposes be treated as the income, profits, costs, charges, expenses and losses or taxes, as the case may be, of Transferee Company 2 and shall be available to Transferee Company 2 for being disposed-off in any manner as it thinks fit.

29.2 With effect from the Appointed Date, all debts, liabilities, duties and obligations of Transferor Company 2 as on the close of business on the date preceding the Appointed Date, whether or not provided in the books of Transferor Company 2 and all liabilities debts, duties, obligations which arise or accrue after the Appointed Date shall be deemed to be the debts, liabilities, duties and obligations of Transferee Company 2.

## 30. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

30.1 With effect from Appointed Date and up to and including the Effective Date:

i) Transferor Company 2 shall carry on its business with reasonable diligence and in the same manner as it had been doing *hitherto* before and Transferor Company 2 shall not alter or expand its business except with the written concurrence of Transferee Company 2.

ii) Transferor Company 2 shall not, without the written concurrence of Transferee Company 2, alienate, charge or encumber its undertaking / any part of its undertaking, or undertake any borrowings or distribute any dividends, or issue any shares or vary its share capital in any manner.

With effect from the Effective Date, Transferee Company 2 shall commence and carry on and shall be authorized to carry on the businesses carried on by Transferor Company 2.

30.2 Transferee Company 2 shall be entitled, pending the sanction of the Scheme, to apply to the Appropriate Authorities as considered necessary under any Applicable Law for such consents, approvals and sanctions which Transferee Company 2 may require to own and carry on the business of Transferor Company 2 and Transferor Company 2 shall provide all such co-operation and assistance as may be required by Transferee Company 2 for making such applications.

## 31. STAFF AND EMPLOYEES

31.1 On the Scheme coming into effect, all staff and employees of Transferor Company 2 in service on the Effective Date, shall be deemed to have become staff and employees of Transferee

Company 2 without any break in their service and the terms and conditions of their employment with Transferee Company 2 shall be no less favorable than those on which they are engaged by Transferor Company 2 as on the Effective Date.

31.2 It is expressly provided that, in so far as the gratuity fund, provident fund, superannuation fund, or any other special scheme(s) / fund(s) or similar benefits, if any, created or existing for the benefit of the staff and employees of Transferor Company 2 is concerned, upon the Scheme coming into effect, Transferee Company 2 shall stand substituted for Transferor Company 2 for all purposes whatsoever in relation to the administration or operation of such fund(s) or in relation to the obligation to make contributions to the said fund(s) in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, to the end and intent that all rights, duties, powers and obligations of Transferor Company 2 in relation to such fund(s) shall become those of Transferee Company 2 and all the rights, duties and benefits of the employees of Transferor Company 2 under such funds and trusts shall be protected, subject to the provisions of law for the time being in force. It is clarified that the services of the staff and employees of Transferor Company 2 will be treated as having been continuous for the purpose of the said fund(s).

31.3 In so far as the provident fund, gratuity fund, superannuation fund or other special scheme(s) / fund(s) or similar benefits, if any, created or existing for the benefit of the employees of Transferor Company 2 is concerned, upon the coming into effect of this Scheme, the balances lying in the accounts of the employees of Transferor Company 2 in the said funds as on the Effective Date shall stand transferred from the respective trusts / funds of Transferor Company 2 to the corresponding trusts / funds set up by Transferee Company 2.

## 32. CONTRACTS, DEEDS AND OTHER INSTRUMENTS

Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, lease agreements, leave and license agreements, engagements, consents, approvals, guarantees and other instruments, if any, of whatsoever nature to which Transferor Company 2 is a party and which have not lapsed and are subsisting or having effect on the Effective Date shall be in full force and effect against or in favor of Transferee Company 2, as the case may be, and may be enforced by or against Transferee Company 2 as fully and effectually as if, instead of Transferor Company 2, Transferee Company 2 had been a party thereto. Transferee Company 2 may enter into and / or issue and / or execute deeds, writings, addendums or confirmations or enter into any tripartite arrangements, confirmations or novations, to which Transferor Company 2 will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or if so considered necessary, Transferee Company 2 shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of

Transferor Company 2 and to implement or carry out all formalities required on the part of Transferor Company 2, to give effect to the provisions of this Scheme.

## 33. VALIDITY OF EXISTING RESOLUTIONS, ETC.

~~000553~~

Upon this Scheme coming into effect, the resolutions / power of attorneys executed by Transferor Company 2, as are considered necessary by the Board of Transferee Company 2, and that are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions and power of attorney passed / executed by Transferee Company 2, and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then such limits as are considered necessary by the Board of Transferee Company 2 shall be added to the limits, if any, under like resolutions passed by Transferee Company 2 and shall constitute the new aggregate limits for each of the subject matters covered under such resolutions / power of attorneys for the purpose of Transferee Company 2.

## 34. LEGAL PROCEEDINGS

34.1 All suits, actions or legal proceedings of whatsoever nature by or against Transferor Company 2 pending at / or arising after the Appointed Date shall be continued and / or enforced until the Effective Date as desired by and as per instructions by Transferee Company 2. As and from the Effective Date, the legal proceedings shall be continued and enforced by or against Transferee Company 2 in the same manner and to the same extent as would or might have been continued and enforced by or against Transferor Company 2.

34.2 Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of Transferor Company 2 with Transferee Company 2 or pursuant to anything contained in the Scheme.

## 35. SAVING OF CONCLUDED TRANSACTIONS

The transfer of properties and liabilities to, and the effectiveness of contracts, deeds and other instruments and continuance of proceedings by or against, Transferee Company 2 as envisaged in Clause 28, Clause 32 and Clause 34 above shall not affect any transaction or proceedings already concluded by Transferor Company 2 on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that Transferee Company 2 accepts and adopts all acts, deeds and things done and executed by Transferor Company 2 in respect thereto as done and executed on behalf of itself.

## 36. MERGER OF AUTHORISED CAPITAL

36.1 As an integral part of the Scheme and upon coming into effect of the Scheme, the authorised share capital of Transferor Company 2 shall stand carried forward and merged with the authorised share capital of Transferee Company 2. The authorised share capital of Transferee Company 2 shall accordingly stand increased and the existing Clause V of the Memorandum of Association of Transferee Company 2 shall be substituted, without any further act, instrument, or deed and without any further payment of stamp duty or registration fees, by the following clause:

*'The Authorized Share Capital of the Company is Rs. 89,00,00,000/- (Rupees Eighty Nine Crores only) divided into 8,90,00,000 (Eight Crores Ninety Lakhs) equity shares of Rs. 10/- (Rupees Ten only) each.'*

36.2 Further, in the event of any increase in the authorised share capital of Transferor Company 2 and / or Transferee Company 2 before the Effective Date, on sanctioning of the any other Scheme by the competent authorities or otherwise increased independently by the respective Companies, such increase shall be given effect to while aggregating the authorised share capital of Transferee Company 2 and the clauses provided hereinabove shall stand modified to that extent such that the such increase shall be taken in account while aggregating the authorised share capital under the present Scheme.

36.3 For this purpose, in accordance with Section 232(3)(i) of the Act, the stamp duties and / or fees (including registration fees) paid on the authorised share capital of Transferor Company 2 shall be utilized and applied to the increased authorised share capital of Transferee Company 2 pursuant to Clause 36.2 and no separate procedure or instrument or deed or payment of any stamp duty and registration fees shall be required to be followed under the Act. Further, for any additional increase in its authorised share capital, Transferee Company 2 shall make payment of the appropriate fees and stamp duty and no separate procedure or instrument or deed or shall be required to be followed under the Act for such increase in authorised share capital. However, Transferee Company 2 shall file the amended copy of its Memorandum and the Articles of Association with the Registrar of Companies within a period of 30 days from the Effective Date and the Registrar of Companies shall take the same on record.

36.4 It is hereby clarified that the consent of the shareholders of Transferor Company 2 and Transferee Company 2 to the Scheme shall be sufficient for purposes of effecting the changes described in Clauses 36.1 to 36.3 above and that no further resolution under Sections 13, 14, 61 or any other applicable provisions of the Act, would be required to be separately passed.

InCred Capital Financial Services Limited

InCred Wealth Private Limited

InCred Capital Wealth Portfolio Managers Private Limited

38

InCred Research Private Limited

## 37. TREATMENT OF TAXES



37.1 Upon the Scheme coming into effect, all Taxes / cess / duties paid, payable, received or receivable by or on behalf of Transferor Company 2, including all or any refunds, minimum alternate tax, claims, set-offs, credits, including GST credits or entitlements shall, for all purposes, be treated as the tax / cess / duty, liabilities or refunds, minimum alternate tax, claims, set-offs, credits or entitlements of Transferee Company 2.

37.2 Upon the Scheme becoming effective, Transferee Company 2 is also expressly permitted, if so required, to revise its income tax returns and other returns filed under the tax laws and to claim refunds, credit of advance tax and withholding tax and all other taxes paid by Transferor Company 2.

## 38. CANCELLATION OF SHARES

Transferor Company 2 is a wholly owned subsidiary of Transferee Company 2. The entire share capital of Transferee Company 2 and its nominee in the dematerialized form shall stand cancelled without any further application, acts or deeds and there shall not be any issue of new shares to Transferee Company 2 in lieu or exchange of the holding of Transferee Company 2 in Transferor Company 2 (held directly and jointly with the nominee shareholders). The authorized share capital of Transferor Company 2 shall be transferred and vested with Transferee Company 2 in terms of the provisions of the Act after the approval of the Scheme.

## 39. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEREE COMPANY 2

Upon the Scheme becoming effective and with effect from the Appointed Date, Transferee Company 2 shall account for the scheme in accordance with Indian Accounting Standards 103 or other Indian Accounting Standards notified under Section 133 of the Act, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time (Ind AS), other accounting principles generally accepted in India and any other applicable provisions and laws for the time being in force.

## 40. DISSOLUTION OF TRANSFEROR COMPANY 2

On the Scheme becoming effective, Transferor Company 2 shall stand dissolved without winding up, and the Board of Transferor Company 2 shall without any further act, instrument or deed be and stand discharged.

InCred Capital Financial Services Limited

InCred Wealth Private Limited

InCred Capital Wealth Portfolio Managers Private Limited

InCred Research Services Private Limited

## PART E

## GENERAL TERMS & CONDITIONS

### 41. APPLICATION TO NCLT



The Companies shall make all necessary applications and / or petitions under Sections 230 to 232 and other applicable provisions of the Act to the NCLT for seeking approval of the Scheme and for all matters ancillary or incidental thereto including the dissolution of Transferor Company 1 and Transferor Company 2 without being wound up.

### 42. MODIFICATION OR AMENDMENTS TO THE SCHEME

42.1 The Companies, by their respective Board of Directors, may assent to / make and / or consent to any modifications / amendments of any kind to the Scheme or to any conditions or limitations that the NCLT and / or any other Appropriate Authority may deem fit to direct or impose under any Applicable Law, or which may otherwise be considered necessary, desirable or appropriate as a result of subsequent events or otherwise by them (i.e., the Board).

42.2 The Companies, by their respective Boards, are authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whatsoever for carrying the Scheme into effect, whether by reason of any directive or order of any other authorities or otherwise howsoever, arising out of or under or by virtue of the Scheme and / or any matter concerned or connected therewith.

### 43. CONDITIONALITY OF THE SCHEME

This Scheme shall be conditional upon and subject to:

i) The approval or consent of the Scheme by the requisite majority of the shareholders of the Companies;

ii) The Scheme being approved by the NCLT under Sections 230 to 232 and other applicable provisions, if any, of the Act;

iii) Certified copies of the orders of the NCLT sanctioning the Scheme being filed with the concerned Registrar of Companies by the Companies;

iv) all other relevant approvals, permits, SEBI licenses or any other licenses, sanctions, no-objections and consents, as may be required in respect of this

Scheme, being obtained from the Appropriate Authority and / or person.

## 44. EFFECT OF NON-RECEIPT OF APPROVALS



In the event of any of the said sanctions and approvals referred to in the Clause 43 not being obtained and / or the Scheme not being sanctioned by the NCLT or such other competent authority or within such further period or periods as may be agreed upon between the Companies by their respective Boards of Directors, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and / or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

## 45. SEVERABILITY

45.1 Each part or section of this Scheme shall be given effect to as per the chronology in which it has been provided for in the Scheme.

45.2 If any part or section of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the mutual decision of the Board of Directors of the Companies, affect the adoption or validity or interpretation of the other parts and / or provisions of this Scheme. It is hereby clarified that the Board of Directors of the Companies, as the case may be, in their absolute discretion, adopt any part of this Scheme and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se by the parties or their shareholders or creditors or employees or any other person. Costs, if any, involved in such an event, shall be borne by Transferee Company 1 / Resulting Company and Transferee Company 2 / Demerged Company.

## 46. COSTS, CHARGES AND EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of or incurred in connection with this Scheme and matters incidental thereto shall be borne by Transferee Company 1 / Resulting Company and Transferee Company 2 / Demerged Company.

InCred Capital Financial Services Limited

InCred Wealth Private Limited

GOVERNMENT OF INDIA

InCred Capital Wealth Portfolio Managers Private Limited

InCred Research Services Private Limited

**Schedule**



**TERMS OF OPTIONALLY CONVERTIBLE REDEEMABLE PREFERENCE SHARES**

| | |
|---|---|
| Instrument | Optionally Convertible Redeemable Preference Shares |
| Nominal value | Rs 100/- (Rupees Hundred only) |
| Rate of Dividend | 0.000001% (zero point zero zero zero zero zero one percent) per annum on cumulative basis |
| Tenure | 10 (Ten) years from Appointed Date |
| Conversion Terms | As may be agreed in writing between Transferee Company 1 and Transferor Company 1. |
| Voting Rights | Optionally Convertible Redeemable Preference Shares to not carry any voting rights, otherwise than on liquidation |

Other terms of the optionally convertible redeemable preference shares may be agreed in writing between Transferee Company 1 and Transferor Company 1.

Annexure B

# Recommendation of fair share exchange ratio for the proposed amalgamation of InCred Wealth Private Limited with InCred Capital Financial Services Limited

Prepared by

Akshat Jain

Registered Valuer - Securities / Financial Assets

Chartered Accountant

B - 801, Sunteck City Avenue-1, Oshiwara District Centre,
Goregaon West, Mumbai - 400 062

apjassociates@outlook.com
+91 98926 47408

AKSHAT JAIN
**Registered Valuer - Securities / Financial Assets**
IBBI Registration Number: IBBI/RV/06/2022/15048
**Chartered Accountant**
ICAI Membership No : 178972

**March 27, 2025**

**To,**

**The Board of Directors**
**Incred Wealth Private Limited**
Unit No. 1203, 12th floor,
B Wing The Capital, Plot No. C -70,
G Block, B, KC, Mumbai - 400051

**The Board of Directors**
**Incred Capital Financial Services Limited**
Unit No. 1203, 12th Floor,
B Wing, The Capital,
Bandra Kurla Complex, Mumbai – 400051

**Sub: Recommendation of fair share exchange ratio for the proposed amalgamation of InCred Wealth Private Limited with InCred Capital Financial Services Limited**

Based on the request vide engagement letter dated March 24, 2025 and discussions with the Management of InCred Wealth Private Limited and InCred Capital Financial Services Limited, Akshat Jain, Registered Valuer for Securities / Financial Assets and Chartered Accountant (hereinafter referred to as the '**Valuer**' / '**we**'), has been appointed to recommend the Share Entitlement and Share Swap Ratio for the proposed Composite Scheme of Arrangement ('**Scheme**') involving the amalgamation of InCred Wealth Private Limited (hereinafter referred to as the '**Transferor Company 1'**) with InCred Capital Financial Services Limited (hereinafter referred to as the '**Transferee Company 1**' / '**Resulting Company**'), followed by the demerger of the Demerged Undertaking of InCred Capital Wealth Portfolio Managers Private Limited (hereinafter referred to as the '**Demerged Company'** / '**Transferee Company 2**') into Transferee Company 1, and thereafter the amalgamation of InCred Research Services Private Limited (hereinafter referred to as the '**Transferor Company 2**') with Transferee Company 2, and their respective shareholders, under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

The Board of Directors of the Transferor Company 1 and the Transferee Company 1 are hereinafter collectively referred to as the 'Management'. 'Companies' shall mean, collectively, each of the Transferor Company 1, Transferee Company 1 and 'Company' shall mean each of them individually.

We understand that the appointed date for the proposed amalgamation shall be April 1, 2025, as defined in the Scheme, or such other date as the competent authority may direct or approve. In this regard, we

have carried out our Valuation to determine the fair share exchange ratio for the proposed amalgamation as at February 28, 2025, the date of report ('**Valuation Date**').

All information and data used for this valuation has been provided to us by the Companies and their Management. The contents of this Report have been reviewed in detail by the Management, who have also confirmed the factual accuracy of the information provided. We have been informed that no material information, data, or documents that could have a bearing on the share exchange ratio have been withheld from us.

The scope of our engagement is limited to conducting a relative (and not absolute) valuation exercise as at the Valuation Date to determine the equity value of the Companies and to recommend a fair share exchange ratio in accordance with the ICAI Valuation Standards, 2018 ('ICAI VS') notified by the Institute of Chartered Accountants of India (ICAI). This recommendation is based on our professional judgment and is not a conclusive determination of value. The final decision on the share exchange ratio rests with the Board of Directors of the Companies and is subject to the approval of shareholders and the Hon'ble National Company Law Tribunal.

For this valuation exercise, all relevant information including unaudited financial statements, future cash flow projections, valuation date, and other supporting data has been furnished by the Management. We have relied upon this information in good faith and have not independently verified the same. We have not evaluated the feasibility or reasonableness of the financial projections, and there may be material differences between the projected and actual results.

This Report is the deliverable under our engagement and is subject to the scope, assumptions, limitations, and disclaimers contained herein. It should be read in its entirety and in conjunction with the documents / information relied upon. The Companies have confirmed that all relevant information and explanations have been provided to us fully and accurately for the purpose of this exercise.

Yours faithfully,

**Akshat Jain**
**Registered Valuer - Securities / Financial Assets**
**IBBI Registration Number: IBBI/RV/06/2022/15048**
**Chartered Accountant**
**ICAI Membership No : 178972**
**UDIN : 25178972BMITIJ9288**
**Place : Mumbai**

| No. | Particulars | Page No. |
|---|---|---|
| 1 | Brief Overview | 4 |
| 2 | Scope and purpose of this report | 5 |
| 3 | Identity of the valuer and other experts involved in the valuation | 5 |
| 4 | Disclosure of the valuer's interest or conflict | 5 |
| 5 | Sources of the information used or relied upon | 5 |
| 6 | Rationale of the scheme | 6 |
| 7 | Basis For Determination Of Share Entitlement And Share Swap Ratio | 7 |
| 8 | Selection of Valuation Approach | 8 |
| 9 | Consideration / Recommendation of Share exchange ratio | 9 |
| 10 | Restrictions on use of the Valuation Report | 11 |
| 11 | Scope, Limitations, Assumptions, Qualifications, Exclusions And Disclaimers | 11 |

## I. Brief Overview

### A. Incred Wealth Private Limited

InCred Wealth Private Limited is a private company incorporated on May 20, 2019, and having its registered office at Unit No. 1203, 12th Floor, B Wing, The Capital, C-70, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400051. Transferor Company 1 is engaged in the business of placement / facilitation and referral agent of financial products and engaged in the business of purchase and sale of securities. Transferor Company 1 through its subsidiary (Transferee Company 2) also provides investment advisory, merchant banking, stock broking, depository participant and portfolio management services.

### B. Incred Capital Financial Services Limited

InCred Capital Financial Services Limited (formerly known as InCred Capital Financial Services Private Limited) is a public limited company incorporated on March 27, 1996 and having its registered office at Unit No. 1203, 12th Floor, B Wing, The Capital, C-70, G Block, Bandra Kurla Complex, Bandra East, Mumbai-400051. Transferee Company 1 / Resulting Company is an integrated provider of financing solutions providing various services, which inter alia, include structured finance advisory services to corporate and institutional clients through investment banking not amounting to merchant banking services, and also undertake corporate counselling, project counselling and gives advice on capital structuring, merger, amalgamation, acquisition etc.

### C. InCred Capital Wealth Portfolio Managers Private Limited

InCred Capital Wealth Portfolio Managers Private Limited is a private company incorporated on February 13, 2018, and having its registered office at Unit No. 1203, 12th Floor, B Wing, The Capital, C-70, G Block, Bandra Kurla Complex, Bandra East, Mumbai-400051. The Demerged Company / Transferee Company 2 is principally engaged in the financial services space, offering financial services such as stock broking on both the stock exchanges i.e. National Stock Exchange ('NSE') and Bombay Stock Exchange ('BSE'), depository participant with CDSL, portfolio management services, merchant banker and investment advisory services.

The Demerged Company / Transferee Company 2 is a wholly owned subsidiary of Transferor Company 1. Pursuant to the amalgamation of Transferor Company 1 with Transferee Company 1 as per Part B of this Scheme, Demerged Company / Transferee Company 2 shall become a wholly owned subsidiary of Transferee Company 1 / Resulting Company.

### D. InCred Research Services Private Limited

InCred Research Services Private Limited is a private company incorporated on November 9, 2016, and having its registered office at Unit No. 1203, 12th Floor, B Wing, The Capital, C-70, G Block, Bandra Kurla Complex, Bandra East, Mumbai-400051 ('Transferor Company 2'). Transferor Company

2 is engaged in the business of research, consultancy and to act as advisors relating to personnel, industrial business management, distribution, marketing and selling and to collect, prepare and distribute information and statistics, relating to any type of business or industry and generally to act as market business research consultants and to act as a research analyst.

Transferor Company 2 is a wholly owned subsidiary of Transferee Company 2.

## II. Scope and purpose of this report

The Transferee Company 1 is proposing to issue and allot shares to the equity shareholders of the Transferor Company 1 pursuant to the proposed Composite Scheme of Arrangement under Sections 230 to 232 of the Companies Act, 2013. The issuance of such shares shall be based on the Share Exchange Ratio as recommended in this Report and as may be approved by the respective Boards of Directors of the Companies. We have been appointed in March 24, 2025 ('Appointment Date') as the Valuer in the capacity of Registered Valuer to recommend the Share Entitlement and Share Swap Ratio. This Report has been requested by the Transferee Company 1 and Transferor Company 1 for regulatory compliance under the Companies Act, 2013 in relation to the proposed Scheme.

## III. The identity of the Valuer and other Experts involved in the valuation

Akshat Jain is a Registered Valuer for Securities / Financial Assets with ICAI RVO Membership Number as ICAIRVO/06/RV-P086/2022-2023 and IBBI Registration Number as IBBI/RV/06/2022/15048 w.e.f. November 11, 2022.

## IV. Disclosure of the valuer's interest or conflict

We understand that we do not have any interest in the businesses of any of these Companies. We are neither associated nor carrying out any relationship with the client and accordingly, we understand that there is no conflict of interest for carrying out work independently.

## V. Sources of the information used or relied upon

For the purposes of this exercise, we have relied upon the following sources of information provided by the management of Transferor Companies and Transferee Company:

- Management certified Provisional financial statements of Transferor Company 1 and Transferee Company 1 as on February 28, 2025
- Consolidated Financial Projections Transferor Company 1 and Transferee Company 1 as on February 28, 2025 from March 1, 2025 to March 31, 2030
- Draft Composite Scheme of Arrangement
- Terms of Optionally Convertible Redeemable Preference Shares to be issued by Transferor Company 1 to shareholders of Transferee Company 1
- Management Representation Letter ('MRL') dated March 25, 2025, obtained from Transferor Company 1 and Transferee Company 1

## VI. Rationale of the scheme

We understand from the Management that the key objectives of the Scheme are:

- To consolidate SEBI-regulated businesses of Transferor Company 1 and its subsidiaries within Transferee Company 1 by amalgamation of Transferor Company 1 into Transferee Company 1.

- Demerger of the Demerged Undertaking from the Demerged Company into the Resulting Company / Transferee Company 1, with the Resulting Company focusing on providing financing solutions for various services, which inter alia, include structured finance advisory services to corporate and institutional clients through investment banking not amounting to merchant banking services, and also undertake corporate counselling, project counselling and gives advice on capital structuring, merger, amalgamation, acquisition etc.

- To consolidate the business of research, consultancy and to act as advisors relating to personnel, industrial business management, distribution, marketing and selling and to collect, prepare and distribute information and statistics, relating to any type of business or industry and generally to act as market business research consultants and to act as a research analyst undertaken by Transferor Company 2 with Transferee Company 2 by amalgamation of Transferor Company 2 into Transferee Company 2

- Cost savings, which are expected to flow from enhanced operational efforts, rationalization, standardization and simplification of business processes, productivity improvements, improved procurement, usage of common resource pool like human resource, administration, finance, accounts, legal, technology and other related functions, leading to elimination of duplication and rationalization of administrative expenses

- This Scheme is expected to achieve the following advantages:

    - Segregation and unbundling of the Demerged Undertaking of the Demerged Company into the Resulting Company, will enable enhanced focus on the Demerged Company and the Resulting Company for exploiting opportunities in their respective business domains;
    - Focused management approach for pursuing the growth in the respective business' verticals and de-risk businesses from each other;
    - assist in rationalizing the corporate structure and streamlining the operating structure;
    - greater efficiencies in operations and utilization of common pool of resources, expansion of the market size and reach; and
    - exploitation of synergies resulting from consolidation leading to increase in cost savings.

- The Scheme is in the interest of all the shareholders, creditors and other stakeholders of all Companies (as defined hereafter) and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.

## VII. Basis For Determination Of Share Entitlement And Share Swap Ratio

**Basis and Premise of Valuation**

Valuation of the equity shares of the Companies as on the Valuation Date is carried out in accordance with ICAI VS, considering 'relative value' base and 'going concern' premise. Valuation base means the indication of the type of value being used in an engagement. Any change in the Valuation base, or the Valuation premise could have a significant impact on the Valuation outcome of the Companies.

**Transaction Structure under the Composite Scheme**

The Scheme contemplates a composite arrangement to be implemented in the following sequence:

i. Amalgamation of Transferor Company 1 with Transferee Company 1, in the manner set out in Part B of the Scheme. As consideration for the amalgamation, Transferee Company 1 shall issue and allot Optionally Convertible Redeemable Preference Shares ('OCRPS') to equity shareholders of Transferor Company 1 other than its wholly owned subsidiary i.e. InCred Wealth and Investment Services Private Limited ('IWSPL') , as described in Clause 15 of the Scheme.

ii. Immediately upon completion of the above amalgamation, the Demerged Undertaking of the Demerged Company shall be demerged into the Transferee Company 1, in the manner set out in Part C of the Scheme. No consideration is proposed to be issued for the demerger, since the Demerged Company will become a wholly owned subsidiary of the Transferee Company 1 pursuant to the amalgamation described in Part B.

iii. Immediately upon completion of the above demerger, Transferor Company 2 shall be amalgamated with Transferee Company 2, as set out in Part D of the Scheme. As Transferor Company 2 is a wholly owned subsidiary of Transferee Company 2, the entire share capital held by the Transferee Company 2 and its nominees shall stand cancelled upon amalgamation, and no consideration shall be issued, as further detailed in Clause 38 of the Scheme.

The Scheme contemplates an arrangement involving the amalgamation of the Transferor Company 1 with the Transferee Company 1, the demerger of the Demerged Undertaking of the Demerged Company into the Transferee Company 1, and the amalgamation of the Transferor Company 2 with the Transferee Company 2. These values are to be determined independently, but on a relative basis, and without considering the current transaction.

It should be understood that the valuation of any company or its underlying businesses is inherently imprecise and subject to various uncertainties and contingencies, many of which are difficult to predict and lie beyond the control of the Companies. In carrying out our analysis, we have made several assumptions relating to industry performance, market conditions, and the overall business and economic environment — factors which are inherently volatile and not within the control of the Companies.

The valuation conclusions are also sensitive to changes in prevailing market conditions, the financial and operational performance of the Companies, and other factors that typically influence the valuation of businesses and their assets.

The selection and application of any particular valuation methodology depends on the specific purpose of the valuation exercise. While different values may be derived for different purposes, it is important to note that a valuer can arrive at only one value for a given purpose. Our choice of methodology in this case has been made based on customary practices for similar transactions, applying professional judgment in an independent and bona fide manner, and drawing on our experience with assignments of a comparable nature.

**Valuation Methodologies**

The various important valuation approaches and methodologies are as below:

- Income approach
- Asset approach
- Market approach

**A. Income approach**

The income approach is a valuation methodology that converts future or maintainable earnings, such as cash flows or income, into a single current value based on prevailing market expectations. Common methods under this approach include the Discounted Cash Flow (DCF) method, which involves discounting forecasted cash flows and terminal value to arrive at the present value of the business, and the Earnings Capitalization method, which determines value by capitalizing anticipated income using an appropriate capitalization rate.

**B. Asset approach**

The asset or cost approach estimates value based on the amount required to replace the service capacity of an asset. Common methods include the Adjusted Net Asset Value method, which adjusts book values to fair values; the Replacement Cost method, based on the cost to acquire or replicate assets; and the Realisable Value method, which considers the net market value of assets and liabilities along with unrecorded intangibles.

**C. Market approach**

The market approach determines value using prices and data from market transactions involving identical or comparable assets or businesses. Common methods include the Market Price method (based on the company's traded share price), the Comparable Companies Multiple method (using valuation multiples of similar listed peers), and the Comparable Transaction Multiple method (based on multiples from recent comparable transactions).

## VIII. Selection of Valuation Approach

For the purpose of determining the Share Entitlement and Share Swap Ratio in the present case, and considering the nature and business operations of the Companies, we have, based on discussions with the Management, explanations provided by them, and our own assessment, adopted the Income Approach – specifically the DCF method – for valuation. The DCF method, based on financial information prepared by the Management, has been considered appropriate as it captures the growth potential of the business and reflects the value of an entity with continuing operations on a going concern basis, where value lies in the future. It is, however, important to note that in doing so, we are not attempting to arrive at the absolute

value of the Companies, but rather their relative values, solely for the purpose of determining a fair Share Entitlement and Share Swap Ratio.

## IX. Consideration / Recommendation of Share exchange ratio

Based on discussions with the Management and the information provided, we understand that the proposed amalgamation is intended to consolidate the businesses of distribution of financial products and related execution services, along with referral and placement activities for corporates, investment managers, and financial institutions. The objective is to achieve operational synergies, economies of scale, a wider market presence, and more efficient use of resources. The amalgamation is also expected to enhance organizational efficiency, eliminate redundancies, and support long-term growth and development.

The fair share exchange ratio has been determined based on a relative (and not absolute) valuation of the Transferor Company 1 and the Transferee Company 1, using the methodology detailed in this Report. Minor rounding adjustments have been made, where necessary, to arrive at the final recommended ratio.

It is understood that IWSPL, which holds 24.8% of the equity share capital on a fully diluted basis of the Transferor Company 1, is a wholly owned subsidiary of the Transferee Company 1. Accordingly, in line with standard practice and to avoid any incidence of cross-holding or treasury shares and while the total share entitlement computed on the basis of the recommended exchange ratio includes the shareholding of IWSPL, no shares shall be issued in respect of the 24.8% equity held by IWSPL in Transferor Company 1, as it is a wholly owned subsidiary of the Transferee Company 1. As such, the number of shares to be actually issued by the Transferee Company shall be adjusted proportionately.

For the purpose of computing the fully diluted equity share capital of the Transferee Company 1, we have relied on the Management's representation and as also reflected in the audited financial statements for March 2024 and Management certified provisional financials for February 2025 — that the OCRPS are convertible into equity shares in the ratio of 1:1. Based on this Management representation, the potential dilution on account of OCRPS has been considered at a 1:1 conversion ratio for this valuation exercise. We understand that the rationale for considering this ratio is that the maximum dilution post conversion of OCRPS into equity shares is in the ratio of 1:1.

The Management of the Transferee Company 1 has indicated that, for the purpose of this valuation exercise, the OCRPS proposed to be issued pursuant to the amalgamation are to be considered for conversion into equity shares at a ratio of 1:1. We understand that this is consistent with the treatment adopted for earlier OCRPS issuances by the Transferee Company 1, which were reflected in the fully diluted share capital on a similar basis. While the specific terms of conversion for the proposed OCRPS are yet to be finalised and are to be mutually agreed between the relevant parties, we have relied solely on the representation of the Management for adopting the 1:1 conversion assumption for the purposes of this valuation.

Further, it is understood that the proposed OCRPS terms, as discussed between the shareholders of Transferor Company 1 and the Board of Directors of the Transferee Company 1, are linked to the achievement of defined business performance milestones over the next three financial years. While the shareholders of Transferor Company 1 and the Board of Directors of the Transferee Company 1 have, in principle, basis commercial agreement, believe that the most likely condition to be satisfied is the 1:1 conversion ratio under these terms, this is subject to the understanding that the shareholders of Transferor Company 1 have accepted the proposed conversion framework based on performance outcomes. This has been represented to us in the Management Representation Letter and has not been independently verified by us.

There is currently no reliable market-based or analytical methodology to precisely determine the fair conversion ratio between equity shares and OCRPS in light of the performance-contingent structure, multi-scenario outcomes, and the current formulation of the proposed conversion terms. Accordingly, in the absence of a definitive valuation model for such hybrid instruments, and based on the commercial understanding between the parties, we have necessarily relied on Management's and the Board's representations regarding the structure, probability-weighted scenarios, and intended commercial outcomes of the instrument.

We have also been provided with a probability distribution by the Management, reflecting the likelihood of achieving various performance thresholds as set out in the terms provided. Based on these inputs, a probability-weighted analysis indicates that the expected value outcome under the proposed structure is broadly aligned with the 1:1 conversion ratio. It is also noted that the Scheme, in its current form, does not provide specific details regarding the conversion terms of the proposed OCRPS. Based on the terms shared, the probability matrix provided by the Management assigns the highest likelihood to conversion of OCRPS into equity shares, while assigning only a nominal probability to redemption, along with a negligible coupon rate of 0.000001% per annum. As such, the proposed OCRPS appears to be more inclined towards equity, though not conclusively. Accordingly, and solely based on Management representations, probability assumptions, and the commercial understanding between the shareholders of Transferor Company 1 and the Board of Directors of the Transferee Company 1, we have adopted a 1:1 conversion ratio as the basis for conversion of OCRPS into equity for the purposes of this valuation. It is noted that all the aforesaid assumptions are based on Management's representations received and has not been independently verified and any changes in conversion ratio as provided by the Management, could have an impact on the share exchange ratio.

Accordingly, after considering all relevant facts, assumptions, limitations, and the scope of our engagement, and after adjusting the share entitlement to exclude any issuance in respect of shares held by IWSPL, as discussed above, we recommend the following share swap ratio for the proposed merger of InCred Wealth Private Limited with InCred Capital Financial Services Limited

***1,863 (One Thousand Eight Hundred and Sixty-Three) fully paid-up OCRPS of Rs. 100 each of the Transferee Company 1 for every 40 (forty) fully paid-up equity shares of Rs. 10 each held in the Transferor Company 1.***

## X. Restrictions on use of the Valuation Report

This Report and the information contained herein are intended solely for the use of the Company and its affiliates in connection with the purpose stated in this Report, including for statutory compliance under the Companies Act, 2013 and related regulations. It contains our professional recommendations based on information available as of the Valuation Date and does not constitute a binding opinion. The Report should not be copied, disclosed, circulated, quoted, or referred to, either in whole or in part, in any correspondence, communication, or discussion with any third party, except: (i) to the extent required to comply with applicable regulatory or statutory requirements in relation to the proposed Scheme, or (ii) with our prior written consent. Notwithstanding the above, the Company may share this Report, on a strictly confidential basis, with its affiliates, legal and financial advisors, auditors, and other professional advisors, solely for the purpose of evaluating the proposed Scheme. We accept no responsibility or liability to any other party to whom this Report may be shown or who may obtain access to it, as this Report is not intended to serve as a basis for any third-party decision-making.

## XI. Scope, Limitations, Assumptions, Qualifications, Exclusions And Disclaimers

Our report is subject to the limitations detailed hereinafter. This report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

- The scope of our assignment did not involve us performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information that was provided and used by us during the course of our work. The assignment did not involve us to conduct the financial or technical feasibility study. We have not done any independent technical valuation or appraisal or due diligence of the assets or liabilities of the Company and have considered them at the value as disclosed by the Company in their regulatory filings or in submissions, oral or written, made to us. Provision of valuation opinions and consideration of the matters described herein are part of our regular professional practice. The services rendered do not constitute accounting, assurance, due diligence, tax, consulting, legal, or investment advisory services that may otherwise be provided by us or our affiliates.

- This Report, its contents, and the conclusions stated herein are specific to (i) the purpose of valuation as agreed under the terms of our engagement, (ii) the Valuation Date, and (iii) the financial and other information provided to us by the Management of the Companies. Events occurring after the Valuation Date may impact this Report and the assumptions underlying it. We are under no obligation to update, revise, or reaffirm this Report or the conclusions drawn therein in light of any such subsequent developments.

- The share exchange ratio recommended in this Report represents a non-binding recommendation based on the data available to us as of the date of this Report. This Report is not intended to be used, nor should it be interpreted, as an opinion on the fairness or commercial merits of the proposed transaction or as advice for entering into, or refraining from, any investment or financial transaction.

- In the course of our analysis, we were provided with both written and verbal information, including financial, operational, and market-related data. In accordance with our engagement terms and standard valuation practices, we have assumed and relied upon, without independent verification, the accuracy and completeness of such information, whether sourced from public domains or furnished by the Companies. We have not carried out an audit, review, or any form of assurance engagement with respect to such data and, accordingly, do not express an opinion or any form of assurance regarding its accuracy, completeness, or fairness.

- The conversion framework and indicative swap ratio considered in this Report have been provided by the Management and are based on their commercial understanding, probability assumptions, and scenario analysis. We have not independently assessed the appropriateness or likelihood of such outcomes. The probability matrix relied upon has been solely prepared and shared by the Management, and our analysis is entirely dependent on these inputs. Any deviation from these assumptions may materially impact the valuation outcome and the share exchange ratio determined in this Report.

- The actual conversion of OCRPS into equity shares, based on achievement or non-achievement of underlying milestones, is inherently subjective and dependent on future events. The final conversion outcome may differ significantly from the assumptions used in this Report. This Report is based solely on representations and inputs provided by the Management, and cannot be relied upon or challenged in the event of any deviation from actual outcomes.

- We have not conducted any independent technical, legal, or financial feasibility study, nor have we independently verified the title, ownership, or existence of any assets or liabilities of the Companies. No investigation of legal claims to assets has been carried out, and we have assumed such rights to be valid. We have also not considered the effect of any contingent liabilities, pending litigation, or off-balance-sheet items, except to the extent disclosed in the financial information provided.

- This valuation exercise is based on the application of the ICAI Valuation Standards, 2018 as notified by the Institute of Chartered Accountants of India, and involves the exercise of professional judgment based on various quantitative and qualitative factors, including but not limited to prevailing market and industry conditions. Valuation is not an exact science and is subject to numerous assumptions and limitations. Different valuers may adopt different approaches or assumptions, which may result in differing conclusions.

- This Report does not examine the strategic or commercial rationale of the proposed transaction, nor does it compare the proposed arrangement with any alternative structure or transaction that may also be available or considered. No opinion is expressed on the merits of the transaction from a shareholder, corporate, or strategic perspective. We have not opined on the fairness, reasonableness, or strategic merit of the proposed transaction.

- This Report has been prepared solely for the use of the Board of Directors of the Companies and is subject to the terms and conditions of our engagement letter. We do not accept or assume any

liability or responsibility to any third party in respect of this Report or its contents. We shall not be liable for any losses, claims, damages, or liabilities arising out of the actions taken, omissions made, or advice given by any party in reliance upon this Report.

- This report is prepared for the limited purpose of determining share exchange ratio under a proposed scheme of amalgamation and should not be construed as a fairness opinion or relied upon for any other transaction, including capital raising, IPO, or regulatory filings beyond the scope herein.

- Neither this Report nor any part thereof may be included in any registration statement, prospectus, public filing, information memorandum, shareholder communication, or any other document, nor may it be referred to or disclosed to third parties (except for statutory or regulatory purposes in connection with the proposed Scheme), without our prior written consent.

- The professional fee for this engagement is not contingent upon the outcome or results of the valuation or any conclusion drawn in this Report.

HO
602, Floor 6, Raheja Titanium
Western Express Highway, Geetanjali
Railway Colony, Ram Nagar, Goregaon (E)
Mumbai 400063, INDIA
Tel: +91 22 6238 0519



**Auditor's Certificate**

To,
The Board of Directors
**InCred Capital Financial Services Limited**
Unit No. 1203, 12th Floor, B wing
The Capital, Bandra Kurla Complex
Bandra East, Mumbai – 400051
Maharashtra

1. In relation to the proposed composite scheme of arrangement between InCred Wealth Private Limited ('Transferor Company 1') and InCred Capital Financial Services Limited ('Transferee Company 1' or 'Resulting Company' or the 'Company') and InCred Capital Wealth Portfolio Managers Private Limited ('Transferee Company 2' or 'Demerged Company') and InCred Research Services Private Limited ('Transferor Company 2') and their respective shareholders ('Proposed Scheme'), we, auditors of the Company, certify the following:

   i. The proposed accounting treatment specified in paragraph 16 and paragraph 27.2 of the Proposed Scheme, the extract of which is reproduced under Annexure B is in in accordance with Indian Accounting Standards 103 or other Indian Accounting Standards notified under Section 133 of the Act, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time (Ind AS), other accounting principles generally accepted in India and any other applicable provisions and laws for the time being in force.

2. The responsibility for the preparation of the Proposed Scheme and compliance with relevant laws and regulations, including applicable Indian Accounting Standards as aforesaid, is that of the management/board of directors of the companies involved. Our responsibility is to examine and report whether the Proposed Scheme complies with the applicable Indian Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

3. Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid Proposed Scheme is in compliance with Indian Accounting Standards 103 or other Indian Accounting Standards notified under Section 133 of the Act, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time (Ind AS), other accounting principles generally accepted in India and any other applicable provisions and laws for the time being in force.

4. This Certificate is issued at the request of the Board of Directors for onward submission to NCLT and the office of the Regional Director, Department of Corporate Affairs and other authorities pursuant to the requirements specified under section 232(3) of the Act. This certificate should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

5. This Certificate should be read together with Annexures of even date attached herewith (Annexures A and B)

**For M S K A & Associates**
**Chartered Accountants**
ICAI Firm Registration Number: 105047W

Swapnil Kale
Partner
Membership Number: 117812
UDIN: 25117812BMNUKI8325

March 28, 2025
Mumbai

**Annexure A**: Independent Auditor's Certificate in relation to proposed accounting treatment in the books of InCred Capital Financial Services Limited as specified in the Proposed Scheme of Arrangement amongst InCred Capital Financial Services Limited ('the Company' or 'Transferee Company 1' or 'Resulting Company') and InCred Wealth Private Limited ('the Transferor Company 1') and their respective shareholders pursuant to provisions of Sections 230 to 232 of the Companies Act, 2013

1. This certificate is issued in accordance with the terms of our engagement letter dated November 04, 2024.

2. We, have been requested by the Board of Directors of InCred Capital Financial Services Limited to issue a certificate in relation to the proposed accounting treatment specified in paragraph 16 and paragraph 27.2 of the proposed composite scheme of arrangement between InCred Wealth Private Limited ('Transferor Company 1') and InCred Capital Financial Services Limited ('Transferee Company 1' or 'Resulting Company' or the 'Company') and InCred Capital Wealth Portfolio Managers Private Limited ('Transferee Company 2' or 'Demerged Company') and InCred Research Services Private Limited ('Transferor Company 2') and their respective shareholders ('Proposed Scheme'), and the extract of which is reproduced under Annexure B to this certificate, in terms Indian Accounting Standards 103 or other Indian Accounting Standards notified under Section 133 of the Act, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time (Ind AS), other accounting principles generally accepted in India and any other applicable provisions and laws for the time being in force.

3. The Proposed Scheme is approved by the Board of Directors of the Company and Demerged Company on March 27, 2025 and is subject to approval of the respective shareholders, the National Company Law Tribunal ('NCLT') and Statutory and Regulatory Authorities, as applicable.

**Management's responsibility**

4. The preparation of the Proposed Scheme and its compliance with the relevant provision of the Act, laws and regulations, including the applicable Ind AS read with the Rules made, issued thereunder and the Generally Accepted Accounting Principles in India is the responsibility of the Board of Directors of the Acquirer and Acquiree Companies, including the preparation and maintenance of all accounting and other relevant supporting records and documents.

5. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Proposed Scheme and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.

6. The Company's management is also responsible for ensuring that the Company complies with the requirements of Companies Act, 2013 and providing all relevant information with respect to the Proposed Scheme to the National Company Law Tribunal ('NCLT').

**Auditor's responsibility**

7. Pursuant to the requirements of provisions of Section 232 of the Act our responsibility is only to provide a reasonable assurance on whether the proposed accounting treatment as specified in paragraph 16 and paragraph 27.2 of the Proposed Scheme reproduced as Annexure B to this Certificate is in conformity with Indian Accounting Standards 103 or other Indian Accounting Standards notified under Section 133 of the Act, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time (Ind AS), other accounting principles generally accepted in India and any other applicable provisions and laws for the time being in force.

8. We conducted our examination of the proposed accounting treatment referred to paragraph 16 and paragraph 27.2 of the Proposed Scheme and the extract of which is reproduced under Annexure B to this certificate in accordance with the Guidance Note on Reports or Certificates for Special Purposes ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the lCAl.

9. We have performed the following procedures:

a) Obtained extract of the paragraph 16 and paragraph 27.2 of the Proposed Scheme which is reproduced in Annexure B;

b) Review of the proposed accounting treatment as contained in the Annexure B to this certificate to ensure it is in accordance with Indian Accounting Standards 103 or other Indian Accounting Standards notified under Section 133 of the Act, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time (Ind AS), other accounting principles generally accepted in India and any other applicable provisions and laws for the time being in force; and

c) Making suitable inquires and obtained relevant representations from the management of the Company.

10. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

11. Based on our examination and according to the information and explanations provided to us and appropriate representations given to us, the proposed accounting treatment specified in paragraph 16 and paragraph 27.2 of the Proposed Scheme and the extract of which is reproduced in Annexure B to this Certificate, initiated and stamped by us for the purpose of identification only, is in conformity with Indian Accounting Standards 103 or other Indian Accounting Standards notified under Section 133 of the Act, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time (Ind AS), other accounting principles generally accepted in India and any other applicable provisions and laws for the time being in force.

**Restriction on use**

12. This certificate is issued at the request of the Board of Directors of the Company solely for the purpose of onward submission to the NCLT and the office of the Regional Director, Department of Corporate Affairs and other authorities in relation to the proposed scheme pursuant to sections 230 to 232 of the Act read with relevant rules issued thereunder. Our certificate should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**For M S K A & Associates**
**Chartered Accountants**
ICAI Firm Registration Number: 105047W

Swapnil Kale
Partner
Membership Number: 117812
UDIN: 25117812BMNUKI8325

March 28, 2025
Mumbai

Annexure B

Relevant Extract of Proposed Accounting Treatment included in the Scheme of Arrangement pursuant to Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder.

*"16. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEREE COMPANY 1*

*Upon the Scheme becoming effective and with effect from the Appointed Date, Transferee Company 1 shall account for the scheme in accordance with Indian Accounting Standards 103 or other Indian Accounting Standards notified under Section 133 of the Act, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time (Ind AS), other accounting principles generally accepted in India and any other applicable provisions and laws for the time being in force.*

*27. ACCOUNTING TREATMENT IN THE BOOKS OF DEMERGED COMPANY AND RESULTING COMPANY*

*27.2 Upon the Scheme becoming effective and with effect from the Appointed Date, the Resulting Company shall account for transfer / demerger of the Demerged Undertaking of the Demerged Company in accordance with Indian Accounting Standards 103 or other Indian Accounting Standards notified under Section 133 of the Act, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time (Ind AS), other accounting principles generally accepted in India and any other applicable provisions and laws for the time being in force."*

InCred Capital Financial Services Limited

HO
602, Floor 6, Raheja Titanium
Western Express Highway, Geetanjali
Railway Colony, Ram Nagar, Goregaon (E)
Mumbai 400063, INDIA
Tel: +91 22 6238 0519



**Auditor's Certificate**

To,
The Board of Directors
**Incred Capital Wealth Portfolio Managers Private Limited**
Unit No. 1203, 12th Floor, B wing
The Capital, Bandra Kurla Complex
Bandra East, Mumbai – 400051
Maharashtra

1. In relation to the proposed composite scheme of arrangement between InCred Wealth Private Limited ('Transferor Company 1') and InCred Capital Financial Services Limited ('Transferee Company 1' or 'Resulting Company') and InCred Capital Wealth Portfolio Managers Private Limited ('Transferee Company 2' or 'Demerged Company' or the 'Company') and InCred Research Services Private Limited ('Transferor Company 2') and their respective shareholders ('Proposed Scheme'), we, auditors of the Company, certify the following:

   i. The proposed accounting treatment specified in paragraph 27.1 and paragraph 39 of the Proposed Scheme, the extract of which is reproduced under Annexure B is in accordance with Indian Accounting Standards 103 or other Indian Accounting Standards notified under Section 133 of the Act, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time (Ind AS), other accounting principles generally accepted in India and any other applicable provisions and laws for the time being in force.

2. The responsibility for the preparation of the Proposed Scheme and compliance with relevant laws and regulations, including applicable Indian Accounting Standards as aforesaid, is that of the management/board of directors of the companies involved. Our responsibility is to examine and report whether the Proposed Scheme complies with the applicable Indian Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

3. Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid Proposed Scheme is in compliance with Indian Accounting Standards 103 or other Indian Accounting Standards notified under Section 133 of the Act, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time (Ind AS), other accounting principles generally accepted in India and any other applicable provisions and laws for the time being in force.

4. This Certificate is issued at the request of the Board of Directors for onward submission to NCLT and the office of the Regional Director, Department of Corporate Affairs and other authorities pursuant to the requirements specified under section 232(3) of the Act. This certificate should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

5. This Certificate should be read together with Annexures of even date attached herewith (Annexures A and B)

**For M S K A & Associates**
**Chartered Accountants**
ICAI Firm Registration Number: 105047W

Swapnil Kale
Partner
Membership Number: 117812
UDIN: 25117812BMNUKJ2176

March 28, 2025
Mumbai

**Annexure A**: Independent Auditor's Certificate in relation to proposed accounting treatment in the books of InCred Capital Wealth Portfolio Managers Company Private Limited as specified in the Proposed Scheme of Arrangement amongst InCred Capital Wealth Portfolio Managers Private Limited ('the Company' or 'Transferee Company 2'or 'Demerged Company') and InCred Research Services Private Limited ('Transferor Company 2') and their respective shareholders pursuant to provisions of Sections 230 to 232 of the Companies Act, 2013

1. This certificate is issued in accordance with the terms of our engagement letter dated November 04, 2024.

2. We, have been requested by the Board of Directors of Incred Capital Wealth Portfolio Managers Private Limited to issue a certificate in relation to the proposed accounting treatment specified in paragraph 27.1 and paragraph 39 of the proposed composite scheme of arrangement between InCred Wealth Private Limited ('Transferor Company 1') and InCred Capital Financial Services Limited ('Transferee Company 1' or 'Resulting Company') and InCred Capital Wealth Portfolio Managers Private Limited ('Transferee Company 2' or 'Demerged Company' or the 'Company') and InCred Research Services Private Limited ('Transferor Company 2') and their respective shareholders ('Proposed Scheme'), and the extract of which is reproduced under Annexure B to this certificate, in terms Indian Accounting Standards 103 or other Indian Accounting Standards notified under Section 133 of the Act, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time (Ind AS), other accounting principles generally accepted in India and any other applicable provisions and laws for the time being in force.

3. The Proposed Scheme is approved by the Board of Directors of the Company, Resulting Company and Transferor Company 2 on March 27, 2025 and is subject to approval of the respective shareholders, the National Company Law Tribunal ('NCLT') and statutory and regulatory authorities, as applicable.

**Management's responsibility**

4. The preparation of the Proposed Scheme and its compliance with the relevant provision of the Act, laws and regulations, including the applicable Ind AS read with the Rules made, issued thereunder and the Generally Accepted Accounting Principles in India is the responsibility of the Board of Directors of the Company, Resulting Company and Transferor Company 2, including the preparation and maintenance of all accounting and other relevant supporting records and documents.

5. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Proposed Scheme and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.

6. The Company's management is also responsible for ensuring that the Company complies with the requirements of Companies Act, 2013 and providing all relevant information with respect to the Proposed Scheme to the National Company Law Tribunal ('NCLT').

**Auditor's responsibility**

7. Pursuant to the requirements of provisions of Section 232 of the Act our responsibility is only to provide a reasonable assurance on whether the proposed accounting treatment as specified in paragraph 27.1 and paragraph 39 of the Proposed Scheme reproduced as Annexure B to this Certificate is in conformity with Indian Accounting Standards 103 or other Indian Accounting Standards notified under Section 133 of the Act, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time (Ind AS), other accounting principles generally accepted in India and any other applicable provisions and laws for the time being in force.

8. We conducted our examination of the proposed accounting treatment referred to paragraph 27.1 and paragraph 39 of the Proposed Scheme and the extract of which is reproduced under Annexure B to this certificate in accordance with the Guidance Note on Reports or Certificates for Special Purposes ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the lCAl.

9. We have performed the following procedures:

a) Obtained extract of the paragraph 27.1 and paragraph 39 of the Proposed Scheme which is reproduced in Annexure B;

b) Review of the proposed accounting treatment as contained in the Annexure B to this certificate to ensure it is in accordance with Indian Accounting Standards 103 or other Indian Accounting Standards notified under Section 133 of the Act, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time (Ind AS), other accounting principles generally accepted in India and any other applicable provisions and laws for the time being in force; and

c) Making suitable inquires and obtained relevant representations from the management of the Company.

10. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

11. Based on our examination and according to the information and explanations provided to us and appropriate representations given to us, the proposed accounting treatment specified in paragraph 27.1 and paragraph 39 of the Proposed Scheme and the extract of which is reproduced in Annexure B to this Certificate, initiated and stamped by us for the purpose of identification only, is in conformity with Indian Accounting Standards 103 or other Indian Accounting Standards notified under Section 133 of the Act, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time (Ind AS), other accounting principles generally accepted in India and any other applicable provisions and laws for the time being in force.

**Restriction on use**

12. This certificate is issued at the request of the Board of Directors of the Company solely for the purpose of onward submission to the NCLT and the office of the Regional Director, Department of Corporate Affairs and other authorities in relation to the proposed scheme pursuant to sections 230 to 232 of the Act read with relevant rules issued thereunder. Our certificate should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**For M S K A & Associates**
**Chartered Accountants**
ICAI Firm Registration Number: 105047W

Swapnil Kale
Partner
Membership Number: 117812
UDIN: 25117812BMNUKJ2176

March 28, 2025
Mumbai

Annexure B

Relevant Extract of proposed accounting treatment included in the Composite Scheme of Arrangement pursuant to Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder.

*"27. ACCOUNTING TREATMENT IN THE BOOKS OF DEMERGED COMPANY AND RESULTING COMPANY*

*27.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the Demerged Company shall account for transfer / demerger of the Demerged Undertaking of the Demerged Company in accordance with Appendix A or other Indian Accounting Standards notified under Section 133 of the Act, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time (Ind AS), other accounting principles generally accepted in India and any other applicable provisions and laws for the time being in force*

*39. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEREE COMPANY 2*

*Upon the Scheme becoming effective and with effect from the Appointed Date, Transferee Company 2 shall account for the scheme in accordance with Indian Accounting Standards 103 or other Indian Accounting Standards notified under Section 133 of the Act, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time (Ind AS), other accounting principles generally accepted in India and any other applicable provisions and laws for the time being in force."*

Incred Capital Wealth Portfolio Managers Private Limited

InCred Wealth

**REPORT OF THE BOARD OF DIRECTORS OF COMPOSITE SCHEME OF ARRANGEMENT BETWEEN INCRED WEALTH PRIVATE LIMITED AND INCRED CAPITAL FINANCIAL SERVICES LIMITED AND INCRED CAPITAL WEALTH PORTFOLIO MANAGERS PRIVATE LIMITED AND INCRED RESEARCH SERVICES PRIVATE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS PURSUANT TO THE PROVISIONS OF SECTION 232(2)(C) OF THE COMPANIES ACT, 2013**

## 1. Background:

1.1 A meeting of the Board of Directors ('**Board**') of InCred Wealth Private Limited was held on Thursday, March 27, 2025 to consider and recommend the proposed composite scheme of arrangement between InCred Wealth Private Limited ('**Transferor Company 1**') and InCred Capital Financial Services Limited ('**Transferee Company 1**' or '**Resulting Company**') and InCred Capital Wealth Portfolio Managers Private Limited ('**Transferee Company 2**' or '**Demerged Company**') and InCred Research Services Private Limited ('**Transferor Company 2**') and their respective shareholders ('**Composite Scheme**') under Sections 230 to 232 other applicable provisions of the Companies Act, 2013, as applicable.

1.2 In terms of Section 232(2)(c) of the Companies Act, 2013, a report from the Board of the Company explaining the effect of the compromise on each class of shareholders, key managerial personnel, promoters, and non-promoter shareholders has to be appended with the notice of the meeting of shareholders. Further, the said report has to also specify special valuation difficulties, if any. This report of the Board is made in order to comply with the requirements of Section 232(2)(c) of Companies Act, 2013. Capitalised terms used herein but not defined shall have the meaning ascribed to it in the Composite Scheme.

1.3 While deliberating on the Composite Scheme, the Board had, *inter-alia*, considered and took on record following necessary documents ('**Documents**'):

a. Draft composite scheme of arrangement between Transferor Company 1, Transferee Company 1 / Resulting Company, Transferee Company 2 / Demerged Company, Transferor Company 2 and their respective shareholders; and
b. Share swap ratio report dated March 27, 2025, prepared by Mr Akshat Jain, IBBI registered valuer entity (IBBI Registration No.: IBBI/RV/06/2022115048) ('**Valuation Report**').

## 2. Background to the proposed Composite Scheme:

This Composite Scheme is presented under sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder for:

a. amalgamation of InCred Wealth Private Limited with InCred Capital Financial Services Limited; and thereafter;

b. demerger of the Demerged Undertaking (*as defined in the Composite Scheme*) of InCred Capital Wealth Portfolio Managers Private Limited into InCred Capital Financial Services Limited; and thereafter;

c. amalgamation of InCred Research Services Private Limited with InCred Capital Wealth Portfolio Managers Private Limited.

**Rationale of the Scheme:**

The key objectives of the Scheme are:

1. To consolidate SEBI-regulated businesses of Transferor Company 1 and its subsidiaries within Transferee Company 1 by amalgamation of Transferor Company 1 into Transferee Company 1.

2. Demerger of the Demerged Undertaking from the Demerged Company into the Resulting Company / Transferee Company 1, with the Resulting Company focusing on providing financing solutions for various services, which inter alia, include structured finance advisory services to corporate and institutional clients through investment banking not amounting to merchant banking services, and also undertake corporate counselling, project counselling and gives advice on capital structuring, merger, amalgamation, acquisition etc.

3. To consolidate the business of research, consultancy and to act as advisors relating to personnel, industrial business management, distribution, marketing and selling and to collect, prepare and distribute information and statistics, relating to any type of business or industry and generally to act as market business research consultants and to act as a research analyst undertaken by Transferor Company 2 with Transferee Company 2 by amalgamation of Transferor Company 2 into Transferee Company 2.

4. Cost savings, which are expected to flow from enhanced operational efforts, rationalization, standardization and simplification of business processes, productivity improvements, improved procurement, usage of common resource pool like human resource, administration, finance, accounts, legal, technology and other related functions, leading to elimination of duplication and rationalization of administrative expenses.

This Scheme is expected to achieve the following advantages:

InCred Wealth Private Limited

i) Segregation and unbundling of the Demerged Undertaking of the Demerged Company into the Resulting Company, will enable enhanced focus on the Demerged Company and the Resulting Company for exploiting opportunities in their respective business domains;

ii) Focused management approach for pursuing the growth in the respective business' verticals and de-risk businesses from each other;

iii) assist in rationalizing the corporate structure and streamlining the operating structure;

iv) greater efficiencies in operations and utilization of common pool of resources, expansion of the market size and reach; and

v) exploitation of synergies resulting from consolidation leading to increase in cost savings.

The Scheme is in the interest of all the shareholders, creditors and other stakeholders of all Companies (as defined hereafter) and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.

**3. Valuation:**

(i) The Valuation Report for Part B of the Composite Scheme have been obtained from Mr Akshat Jain, IBBI registered valuer entity (IBBI Registration No.: IBBI/RV/06/2022115048). The valuations have been arrived at based on the various methodologies explained in the Valuation Report and various qualitative factors relevant to the business and the business dynamics and growth potentials of the business, having regard to information base, key underlying assumptions and limitations.

(ii) The Valuation Report states that the share exchange ratio for the proposed amalgamation of the Transferor Company 1 with the Transferee Company 1 would be as follows:

***"1,863 (One Thousand Eight Hundred and Sixty-Three) fully paid up optionally convertible redeemable preference shares of Transferee Company 1 of Rs. 100 (Rupees Hundred only) each for every 40 (Forty) equity shares of Transferor Company 1 of Rs. 10 (Rupees Ten only) each fully paid up."***

Further, the terms of the compulsory convertible preference shares shall be as provided under Schedule I of the Composite Scheme.

(iii) No specific valuation difficulties were reported by the valuers.

InCred Wealth Private Limited

**4. Effect of the arrangement on each class of shareholders, key managerial personnel, promoters and non-promotor shareholders of the Company:**

Effect of the Scheme on shareholders (promoter and non-promoter shareholders):

Upon this Scheme becoming effective and in consideration for the amalgamation of Transferor Company 1 with Transferee Company 1, Transferee Company 1 shall, without any further act or deed, issue and allot optionally convertible redeemable preference shares of Rs. 100/- (Rupees Hundred only) each, as per the terms and subject to conditions as set out in Schedule *(as provided in the Scheme)* as fully paid up to the extent indicated below, to the equity shareholders of Transferor Company 1 holding equity shares in Transferor Company 1 other than the wholly owned subsidiary of Transferee Company 1 itself, whose names are recorded in the register of members of Transferor Company 1 on the Record Date in the proportion of 1,863 (One Thousand Eight Hundred and Sixty-Three) fully paid up optionally convertible redeemable preference shares of Transferee Company 1 of Rs. 100 (Rupees Hundred only) each for every 40 (Forty) equity shares of Transferor Company 1 of Rs. 10 (Rupees Ten only) each fully paid up.

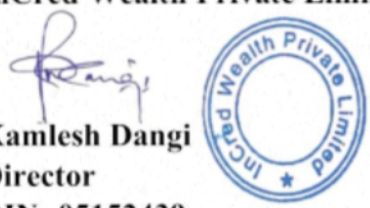
Effect of the Scheme on key managerial personnel:

Under Clause 8 of the Scheme, on the Scheme coming into effect, all staff and employees of Transferor Company 1 in service on the Effective Date, shall be deemed to have become staff and employees of Transferee Company 1 without any break in their service and the terms and conditions of their employment with Transferee Company 1 shall be no less favorable than those on which they are engaged by Transferor Company 1 as on the Effective Date.

Under Clause 17 of the Scheme, on the Scheme becoming effective, Transferor Company 1 shall stand dissolved without winding up, and the Board of Transferor Company 1 shall without any further act, instrument or deed be and stand discharged.

In the opinion of the Board, the Scheme will be of advantage and beneficial to the Company, its shareholders and other stakeholders and the terms thereof are fair and reasonable.

**For and on behalf of**
**InCred Wealth Private Limited**




**Kamlesh Dangi**
**Director**
**DIN: 05152439**

**Date:** March 27, 2025
**Place:** Mumbai

**EPORT OF THE BOARD OF DIRECTORS OF COMPOSITE SCHEME OF ARRANGEMENT BETWEEN INCRED WEALTH PRIVATE LIMITED AND INCRED CAPITAL FINANCIAL SERVICES LIMITED AND INCRED CAPITAL WEALTH PORTFOLIO MANAGERS PRIVATE LIMITED AND INCRED RESEARCH SERVICES PRIVATE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS PURSUANT TO THE PROVISIONS OF SECTION 232(2)(C) OF THE COMPANIES ACT, 2013**

## 1. Background:

1.1 A meeting of the Board of Directors ('**Board**') of InCred Capital Financial Services Limited was held on Thursday, March 27, 2025 to consider and recommend the proposed composite scheme of arrangement between InCred Wealth Private Limited ('**Transferor Company 1**') and InCred Capital Financial Services Limited ('**Transferee Company 1**' or '**Resulting Company**') and InCred Capital Wealth Portfolio Managers Private Limited ('**Transferee Company 2**' or '**Demerged Company**') and InCred Research Services Private Limited ('**Transferor Company 2**') and their respective shareholders ('**Composite Scheme**') under Sections 230 to 232 other applicable provisions of the Companies Act, 2013, as applicable.

1.2 In terms of Section 232(2)(c) of the Companies Act, 2013, a report from the Board of the Company explaining the effect of the compromise on each class of shareholders, key managerial personnel, promoters, and non-promoter shareholders has to be appended with the notice of the meeting of shareholders. Further, the said report has to also specify special valuation difficulties, if any. This report of the Board is made in order to comply with the requirements of Section 232(2)(c) of Companies Act, 2013. Capitalised terms used herein but not defined shall have the meaning ascribed to it in the Composite Scheme.

1.3 While deliberating on the Composite Scheme, the Board had, *inter-alia*, considered and took on record following necessary documents ('**Documents**'):

a. Draft composite scheme of arrangement between Transferor Company 1, Transferee Company 1 / Resulting Company, Transferee Company 2 / Demerged Company, Transferor Company 2 and their respective shareholders; and
b. Share swap ratio report dated March 27, 2025, prepared by Mr Akshat Jain, IBBI registered valuer entity (IBBI Registration No.: IBBI/RV/06/2022115048) ('**Valuation Report**').

## 2. Background to the proposed Composite Scheme:

This Composite Scheme is presented under sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder for:

InCred Capital Financial Services Limited.

a. amalgamation of InCred Wealth Private Limited with InCred Capital Financial Services Limited; and thereafter;

b. demerger of the Demerged Undertaking (*as defined in the Composite Scheme*) of InCred Capital Wealth Portfolio Managers Private Limited into InCred Capital Financial Services Limited; and thereafter;

c. amalgamation of InCred Research Services Private Limited with InCred Capital Wealth Portfolio Managers Private Limited.

**Rationale of the Scheme:**

The key objectives of the Scheme are:

1. To consolidate SEBI-regulated businesses of Transferor Company 1 and its subsidiaries within Transferee Company 1 by amalgamation of Transferor Company 1 into Transferee Company 1.

2. Demerger of the Demerged Undertaking from the Demerged Company into the Resulting Company / Transferee Company 1, with the Resulting Company focusing on providing financing solutions for various services, which inter alia, include structured finance advisory services to corporate and institutional clients through investment banking not amounting to merchant banking services, and also undertake corporate counselling, project counselling and gives advice on capital structuring, merger, amalgamation, acquisition etc.

3. To consolidate the business of research, consultancy and to act as advisors relating to personnel, industrial business management, distribution, marketing and selling and to collect, prepare and distribute information and statistics, relating to any type of business or industry and generally to act as market business research consultants and to act as a research analyst undertaken by Transferor Company 2 with Transferee Company 2 by amalgamation of Transferor Company 2 into Transferee Company 2.

4. Cost savings, which are expected to flow from enhanced operational efforts, rationalization, standardization and simplification of business processes, productivity improvements, improved procurement, usage of common resource pool like human resource, administration, finance, accounts, legal, technology and other related functions, leading to elimination of duplication and rationalization of administrative expenses.

This Scheme is expected to achieve the following advantages:

InCred Capital Financial Services Limited

i) Segregation and unbundling of the Demerged Undertaking of the Demerged Company into the Resulting Company, will enable enhanced focus on the Demerged Company and the Resulting Company for exploiting opportunities in their respective business domains;

ii) Focused management approach for pursuing the growth in the respective business' verticals and de-risk businesses from each other;

iii) assist in rationalizing the corporate structure and streamlining the operating structure;

iv) greater efficiencies in operations and utilization of common pool of resources, expansion of the market size and reach; and

v) exploitation of synergies resulting from consolidation leading to increase in cost savings.

The Scheme is in the interest of all the shareholders, creditors and other stakeholders of all Companies (as defined hereafter) and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.

**3. Valuation:**

(i) The Valuation Report for Part B of the Composite Scheme have been obtained from Mr Akshat Jain, IBBI registered valuer entity (IBBI Registration No.: IBBI/RV/06/2022115048). The valuations have been arrived at based on the various methodologies explained in the Valuation Report and various qualitative factors relevant to the business and the business dynamics and growth potentials of the business, having regard to information base, key underlying assumptions and limitations.

(ii) The Valuation Report states that the share exchange ratio for the proposed amalgamation of the Transferor Company 1 with the Transferee Company 1 would be as follows:

***"1,863 (One Thousand Eight Hundred and Sixty-Three) fully paid up optionally convertible redeemable preference shares of Transferee Company 1 of Rs. 100 (Rupees Hundred only) each for every 40 (Forty) equity shares of Transferor Company 1 of Rs. 10 (Rupees Ten only) each fully paid up."***

Further, the terms of the compulsory convertible preference shares shall be as provided under Schedule I of the Composite Scheme.

(iii) Pursuant to Part B of the Composite Scheme ie, amalgamation of the Transferor Company 1 with Transferee Company 1, the Demerged Company / Transferee Company 2 shall become a wholly owned subsidiary of Transferee Company 1 / Resulting Company. No consideration shall be required to be paid / issued for the demerger since the Demerged Company will become the wholly owned subsidiary of the Resulting Company.

(iv) No specific valuation difficulties were reported by the valuers.

**4. Effect of the arrangement on each class of shareholders, key managerial personnel, promoters and non-promotor shareholders of the Company:**

Effect of the Scheme on shareholders (promoter and non-promoter shareholders):

Upon this Scheme becoming effective and in consideration for the amalgamation of Transferor Company 1 with Transferee Company 1, Transferee Company 1 shall, without any further act or deed, issue and allot optionally convertible redeemable preference shares of Rs. 100/- (Rupees Hundred only) each, as per the terms and subject to conditions as set out in Schedule *(as provided in the Scheme)* as fully paid up to the extent indicated below, to the equity shareholders of Transferor Company 1 holding equity shares in Transferor Company 1 other than the wholly owned subsidiary of Transferee Company 1 itself, whose names are recorded in the register of members of Transferor Company 1 on the Record Date in the proportion of 1,863 (One Thousand Eight Hundred and Sixty-Three) fully paid up optionally convertible redeemable preference shares of Transferee Company 1 of Rs. 100 (Rupees Hundred only) each for every 40 (Forty) equity shares of Transferor Company 1 of Rs. 10 (Rupees Ten only) each fully paid up.

Upon coming into effect of this Scheme and for the transfer of the Demerged Undertaking of the Demerged Company into the Resulting Company, no consideration shall be required to be paid / issued since the Demerged Company is the wholly owned subsidiary of the Resulting Company.

Effect of the Scheme on key managerial personnel:

Under Clause 8 of the Scheme, on the Scheme coming into effect, all staff and employees of Transferor Company 1 in service on the Effective Date, shall be deemed to have become staff and employees of Transferee Company 1 without any break in their service and the terms and conditions of their employment with Transferee Company 1 shall be no less favorable than those on which they are engaged by Transferor Company 1 as on the Effective Date.

InCred Capital Financial Services Limited

Under Clause 17 of the Scheme, on the Scheme becoming effective, Transferor Company 1 shall stand dissolved without winding up, and the Board of Transferor Company 1 shall without any further act, instrument or deed be and stand discharged.

Under Clause 19 of the Scheme, on the Scheme coming into effect, all permanent employees of the Demerged Undertaking of the Demerged Company in service on the Effective Date, shall be deemed to have become the employees of the Resulting Company without any break in their service and terms and conditions of their employment with the Resulting Company shall be no less favorable than those on which they are engaged by the Demerged Company as on the Effective Date.

In the opinion of the Board, the Scheme will be of advantage and beneficial to the Company, its shareholders and other stakeholders and the terms thereof are fair and reasonable.

**For and on behalf of**
**InCred Capital Financial Services Limited**

**Vikram Agarwal**
**Director**
**DIN: 08113532**

**Date:** March 27, 2025
**Place:** Mumbai

InCred Equities

# REPORT OF THE BOARD OF DIRECTORS OF COMPOSITE SCHEME OF ARRANGEMENT BETWEEN INCRED WEALTH PRIVATE LIMITED AND INCRED CAPITAL FINANCIAL SERVICES LIMITED AND INCRED CAPITAL WEALTH PORTFOLIO MANAGERS PRIVATE LIMITED AND INCRED RESEARCH SERVICES PRIVATE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS PURSUANT TO THE PROVISIONS OF SECTION 232(2)(C) OF THE COMPANIES ACT, 2013

## 1. Background:

1.1 A meeting of the Board of Directors ('**Board**') of InCred Capital Wealth Portfolio Managers Private Limited was held on Thursday, March 27, 2025 to consider and recommend the proposed composite scheme of arrangement between InCred Wealth Private Limited ('**Transferor Company 1**') and InCred Capital Financial Services Limited ('**Transferee Company 1**' or '**Resulting Company**') and InCred Capital Wealth Portfolio Managers Private Limited ('**Transferee Company 2**' or '**Demerged Company**') and InCred Research Services Private Limited ('**Transferor Company 2**') and their respective shareholders ('**Composite Scheme**') under Sections 230 to 232 other applicable provisions of the Companies Act, 2013, as applicable.

1.2 In terms of Section 232(2)(c) of the Companies Act, 2013, a report from the Board of the Company explaining the effect of the compromise on each class of shareholders, key managerial personnel, promoters, and non-promoter shareholders has to be appended with the notice of the meeting of shareholders. Further, the said report has to also specify special valuation difficulties, if any. This report of the Board is made in order to comply with the requirements of Section 232(2)(c) of Companies Act, 2013. Capitalised terms used herein but not defined shall have the meaning ascribed to it in the Composite Scheme.

1.3 While deliberating on the Composite Scheme, the Board had, *inter-alia*, considered and took on record following necessary documents ('**Documents**'):

a. Draft composite scheme of arrangement between Transferor Company 1, Transferee Company 1 / Resulting Company, Transferee Company 2 / Demerged Company, Transferor Company 2 and their respective shareholders; and
b. Share swap ratio report dated March 27, 2025, prepared by Mr Akshat Jain, IBBI registered valuer entity (IBBI Registration No.: IBBI/RV/06/2022115048) ('**Valuation Report**').

## 2. Background to the proposed Composite Scheme:

This Composite Scheme is presented under sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder for:

a. amalgamation of InCred Wealth Private Limited with InCred Capital Financial Services Limited; and thereafter;

b. demerger of the Demerged Undertaking (*as defined in the Composite Scheme*) of InCred Capital Wealth Portfolio Managers Private Limited into InCred Capital Financial Services Limited; and thereafter;

c. amalgamation of InCred Research Services Private Limited with InCred Capital Wealth Portfolio Managers Private Limited.

**Rationale of the Scheme:**

The key objectives of the Scheme are:

1. To consolidate SEBI-regulated businesses of Transferor Company 1 and its subsidiaries within Transferee Company 1 by amalgamation of Transferor Company 1 into Transferee Company 1.

2. Demerger of the Demerged Undertaking from the Demerged Company into the Resulting Company / Transferee Company 1, with the Resulting Company focusing on providing financing solutions for various services, which inter alia, include structured finance advisory services to corporate and institutional clients through investment banking not amounting to merchant banking services, and also undertake corporate counselling, project counselling and gives advice on capital structuring, merger, amalgamation, acquisition etc.

3. To consolidate the business of research, consultancy and to act as advisors relating to personnel, industrial business management, distribution, marketing and selling and to collect, prepare and distribute information and statistics, relating to any type of business or industry and generally to act as market business research consultants and to act as a research analyst undertaken by Transferor Company 2 with Transferee Company 2 by amalgamation of Transferor Company 2 into Transferee Company 2.

4. Cost savings, which are expected to flow from enhanced operational efforts, rationalization, standardization and simplification of business processes, productivity improvements, improved procurement, usage of common resource pool like human resource, administration, finance, accounts, legal, technology and other related functions, leading to elimination of duplication and rationalization of administrative expenses.

This Scheme is expected to achieve the following advantages:

i) Segregation and unbundling of the Demerged Undertaking of the Demerged Company into the Resulting Company, will enable enhanced focus on the Demerged Company and the Resulting Company for exploiting opportunities in their respective business domains;

ii) Focused management approach for pursuing the growth in the respective business' verticals and de-risk businesses from each other;

iii) assist in rationalizing the corporate structure and streamlining the operating structure;

iv) greater efficiencies in operations and utilization of common pool of resources, expansion of the market size and reach; and

v) exploitation of synergies resulting from consolidation leading to increase in cost savings.

The Scheme is in the interest of all the shareholders, creditors and other stakeholders of all Companies (as defined hereafter) and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.

**3. Valuation:**

(i) Pursuant to Part B of the Composite Scheme ie, amalgamation of the Transferor Company 1 with Transferee Company 1, the Demerged Company / Transferee Company 2 shall become a wholly owned subsidiary of Transferee Company 1 / Resulting Company. No consideration shall be required to be paid / issued for the demerger since the Demerged Company will become the wholly owned subsidiary of the Resulting Company.

(ii) The Transferor Company 2 is a wholly owned subsidiary of Transferee Company 2 and the entire share capital of the Transferee Company 2 and its nominee whether in physical form or in the dematerialized form shall stand cancelled without any further application, acts or deeds and there shall not be any issue of new shares to the Transferee Company 2 in lieu or exchange of the holding of the Transferee Company 2 in the Transferor Company 2 (held directly and jointly with the nominee shareholders).

(iii) No specific valuation difficulties were reported by the valuers.

Portfolio Managers Private Limited ★ Incred Capital Wealth

**4. Effect of the arrangement on each class of shareholders, key managerial personnel, promoters and non-promotor shareholders of the Company:**

Effect of the Scheme on shareholders (promoter and non-promoter shareholders):

Upon coming into effect of this Scheme and for the transfer of the Demerged Undertaking of the Demerged Company into the Resulting Company, no consideration shall be required to be paid / issued since the Demerged Company is the wholly owned subsidiary of the Resulting Company.

Transferor Company 2 is a wholly owned subsidiary of Transferee Company 2. The entire share capital of Transferee Company 2 and its nominee in the dematerialized form shall stand cancelled without any further application, acts or deeds and there shall not be any issue of new shares to Transferee Company 2 in lieu or exchange of the holding of Transferee Company 2 in Transferor Company 2 (held directly and jointly with the nominee shareholders). The authorized share capital of Transferor Company 2 shall be transferred and vested with Transferee Company 2 in terms of the provisions of the Act after the approval of the Scheme.

Effect of the Scheme on key managerial personnel:

Under Clause 19 of the Scheme, on the Scheme coming into effect, all permanent employees of the Demerged Undertaking of the Demerged Company in service on the Effective Date, shall be deemed to have become the employees of the Resulting Company without any break in their service and terms and conditions of their employment with the Resulting Company shall be no less favorable than those on which they are engaged by the Demerged Company as on the Effective Date.

Under Clause 31 of the Scheme, on the Scheme coming into effect, all staff and employees of Transferor Company 2 in service on the Effective Date, shall be deemed to have become staff and employees of Transferee Company 2 without any break in their service and the terms and conditions of their employment with Transferee Company 2 shall be no less favorable than those on which they are engaged by Transferor Company 2 as on the Effective Date.

Under Clause 40 of the Scheme, on the Scheme becoming effective, Transferor Company 2 shall stand dissolved without winding up, and the Board of Transferor Company 2 shall without any further act, instrument or deed be and stand discharged.

In the opinion of the Board, the Scheme will be of advantage and beneficial to the Company, its shareholders and other stakeholders and the terms thereof are fair and reasonable.

**For and on behalf of**
**InCred Capital Wealth Portfolio Managers Private Limited**

**Nitin Rao**
**Director**
**DIN: 08108320**

**Date:** March 27, 2025
**Place:** Mumbai

# REPORT OF THE BOARD OF DIRECTORS OF COMPOSITE SCHEME OF ARRANGEMENT BETWEEN INCRED WEALTH PRIVATE LIMITED AND INCRED CAPITAL FINANCIAL SERVICES LIMITED AND INCRED CAPITAL WEALTH PORTFOLIO MANAGERS PRIVATE LIMITED AND INCRED RESEARCH SERVICES PRIVATE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS PURSUANT TO THE PROVISIONS OF SECTION 232(2)(C) OF THE COMPANIES ACT, 2013

## 1. Background:

1.1 A meeting of the Board of Directors ('**Board**') of InCred Research Services Private Limited was held on Thursday, March 27, 2025 to consider and recommend the proposed composite scheme of arrangement between InCred Wealth Private Limited ('**Transferor Company 1**') and InCred Capital Financial Services Limited ('**Transferee Company 1**' or '**Resulting Company**') and InCred Capital Wealth Portfolio Managers Private Limited ('**Transferee Company 2**' or '**Demerged Company**') and InCred Research Services Private Limited ('**Transferor Company 2**') and their respective shareholders ('**Composite Scheme**') under Sections 230 to 232 other applicable provisions of the Companies Act, 2013, as applicable.

1.2 In terms of Section 232(2)(c) of the Companies Act, 2013, a report from the Board of the Company explaining the effect of the compromise on each class of shareholders, key managerial personnel, promoters, and non-promoter shareholders has to be appended with the notice of the meeting of shareholders. Further, the said report has to also specify special valuation difficulties, if any. This report of the Board is made in order to comply with the requirements of Section 232(2)(c) of Companies Act, 2013. Capitalised terms used herein but not defined shall have the meaning ascribed to it in the Composite Scheme.

1.3 While deliberating on the Composite Scheme, the Board had, *inter-alia*, considered and took on record following necessary documents ('**Documents**'):

a. Draft composite scheme of arrangement between Transferor Company 1, Transferee Company 1 / Resulting Company, Transferee Company 2 / Demerged Company, Transferor Company 2 and their respective shareholders; and
b. Share swap ratio report dated March 27, 2025, prepared by Mr Akshat Jain, IBBI registered valuer entity (IBBI Registration No.: IBBI/RV/06/2022115048) ('**Valuation Report**').

## 2. Background to the proposed Composite Scheme:

This Composite Scheme is presented under sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder for:

a. amalgamation of InCred Wealth Private Limited with InCred Capital Financial Services Limited; and thereafter;

b. demerger of the Demerged Undertaking (*as defined in the Composite Scheme*) of InCred Capital Wealth Portfolio Managers Private Limited into InCred Capital Financial Services Limited; and thereafter;

c. amalgamation of InCred Research Services Private Limited with InCred Capital Wealth Portfolio Managers Private Limited.

**Rationale of the Scheme:**

The key objectives of the Scheme are:

1. To consolidate SEBI-regulated businesses of Transferor Company 1 and its subsidiaries within Transferee Company 1 by amalgamation of Transferor Company 1 into Transferee Company 1.

2. Demerger of the Demerged Undertaking from the Demerged Company into the Resulting Company / Transferee Company 1, with the Resulting Company focusing on providing financing solutions for various services, which inter alia, include structured finance advisory services to corporate and institutional clients through investment banking not amounting to merchant banking services, and also undertake corporate counselling, project counselling and gives advice on capital structuring, merger, amalgamation, acquisition etc.

3. To consolidate the business of research, consultancy and to act as advisors relating to personnel, industrial business management, distribution, marketing and selling and to collect, prepare and distribute information and statistics, relating to any type of business or industry and generally to act as market business research consultants and to act as a research analyst undertaken by Transferor Company 2 with Transferee Company 2 by amalgamation of Transferor Company 2 into Transferee Company 2.

4. Cost savings, which are expected to flow from enhanced operational efforts, rationalization, standardization and simplification of business processes, productivity improvements, improved procurement, usage of common resource pool like human resource, administration, finance, accounts, legal, technology and other related functions, leading to elimination of duplication and rationalization of administrative expenses.

This Scheme is expected to achieve the following advantages:

INCRED RESEARCH SERVICES PRIVATE LIMITED

i) Segregation and unbundling of the Demerged Undertaking of the Demerged Company into the Resulting Company, will enable enhanced focus on the Demerged Company and the Resulting Company for exploiting opportunities in their respective business domains;

ii) Focused management approach for pursuing the growth in the respective business' verticals and de-risk businesses from each other;

iii) assist in rationalizing the corporate structure and streamlining the operating structure;

iv) greater efficiencies in operations and utilization of common pool of resources, expansion of the market size and reach; and

v) exploitation of synergies resulting from consolidation leading to increase in cost savings.

The Scheme is in the interest of all the shareholders, creditors and other stakeholders of all Companies (as defined hereafter) and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.

**3. Valuation:**

(i) The Transferor Company 2 is a wholly owned subsidiary of Transferee Company 2 and the entire share capital of the Transferee Company 2 and its nominee whether in physical form or in the dematerialized form shall stand cancelled without any further application, acts or deeds and there shall not be any issue of new shares to the Transferee Company 2 in lieu or exchange of the holding of the Transferee Company 2 in the Transferor Company 2 (held directly and jointly with the nominee shareholders).

(ii) No specific valuation difficulties were reported by the valuers.

**4. Effect of the arrangement on each class of shareholders, key managerial personnel, promoters and non-promotor shareholders of the Company:**

Effect of the Scheme on shareholders (promoter and non-promoter shareholders):

Transferor Company 2 is a wholly owned subsidiary of Transferee Company 2. The entire share capital of Transferee Company 2 and its nominee in the dematerialized form shall stand cancelled without any further application, acts or deeds and there shall not be any issue of new shares to Transferee Company 2 in lieu or exchange of the holding of

Transferee Company 2 in Transferor Company 2 (held directly and jointly with the nominee shareholders). The authorized share capital of Transferor Company 2 shall be transferred and vested with Transferee Company 2 in terms of the provisions of the Act after the approval of the Scheme.

Effect of the Scheme on key managerial personnel:

Under Clause 31 of the Scheme, on the Scheme coming into effect, all staff and employees of Transferor Company 2 in service on the Effective Date, shall be deemed to have become staff and employees of Transferee Company 2 without any break in their service and the terms and conditions of their employment with Transferee Company 2 shall be no less favorable than those on which they are engaged by Transferor Company 2 as on the Effective Date.

Under Clause 40 of the Scheme, on the Scheme becoming effective, Transferor Company 2 shall stand dissolved without winding up, and the Board of Transferor Company 2 shall without any further act, instrument or deed be and stand discharged.

In the opinion of the Board, the Scheme will be of advantage and beneficial to the Company, its shareholders and other stakeholders and the terms thereof are fair and reasonable.

**For and on behalf of**
**InCred Research Services Private Limited**

**Nitin Rao**
**Director**
**DIN: 08108320**

**Date:** March 27, 2025
**Place:** Mumbai

# InCred Wealth Private Limited

## Standalone Financial Statements

## For the year ended 31st March 2024

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel : +91 22 6819 8000

## INDEPENDENT AUDITOR'S REPORT

To the Members of InCred Wealth Private Limited

### Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of InCred Wealth Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

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, as amended ("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 March 31, 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 of the standalone financial statements in accordance with the Standards on Auditing (SAs), as 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 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 financial statements under the provisions of the Act 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 audit opinion on the standalone financial statements.

### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises of the Directors Report, but does not include the standalone financial statements and our auditor's report thereon. The Director's Report is expected to be made available to us after this auditors report.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

### Responsibilities of Management and Those Charged With Governance for the Standalone 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 of these standalone financial statements that give a true and fair view of the

financial position, financial performance including other comprehensive income, 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 tfhe provisions of the Act for safeguarding of the assets of the Company 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 the 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 statements that give a true and fair view and are 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.

Those Charged with Governance are 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 on the basis of 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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 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.

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 them 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 of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" 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, to the extent applicable, 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 Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors 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 with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (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 Company does not have any pending litigations which would impact its financial position;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 37(vii)(a) to the standalone 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

5

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 37(vi)(b) to the standalone 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 such audit procedures performed that have been 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 (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

vi. Based on our examination which included test checks, 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 (refer Note 41 to the financial statements). Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

**For S.R. Batliboi & Associates LLP**
Chartered Accountants
**ICAI Firm Registration Number: 101049W/E300004**

Sarvesh Warty

**per Sarvesh Warty**
Partner
Membership Number: 121411
UDIN: 24121411BKFRRO1886

Place: Mumbai
Date: August 19, 2024

**Annexure '1' referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date on the financial statements of InCred Wealth Private Limited**

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

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

(B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) All Property, Plant and Equipment were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets.

(c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended 31 March 2024. The Company has not capitalized any intangible assets in the books of the Company.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 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) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

iii. (a) During the year the Company has provided loans, advances in the nature of loans to companies, firms, Limited Liability Partnerships, or any other parties as follows:

| Particulars | Advances in nature of loans |
|---|---|
| Aggregate amount granted/ provided during the year | Rs. 11,979 lakhs |
| - Subsidiaries<br>- Joint Ventures<br>- Associates<br>- Others | Rs. 81 Lakhs<br>Nil<br>Nil<br>Nil |
| Balance outstanding as at balance sheet date in respect of above cases<br>- Subsidiaries<br>- Joint Ventures<br>- Associates | <br><br>Nil<br>Nil<br>Nil |

| Particulars | Advances in nature of loans |
|---|---|
| - Others | Rs. 10,553.71 lakhs |

During the year the Company has not provided guarantee or given security to Limited Liability Partnerships or any other parties.

(b) During the year the investments made, securities given and the terms and conditions of the grant of all loans and advances in the nature of loans and investments to companies, firms, Limited Liability Partnerships or any other parties are not prejudicial to the Company's interest.

(c) The Company has granted loans or advance in the nature of loans during the year to companies, firms, Limited Liability Partnerships or any other parties where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.

(d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.

(f) As disclosed in note 10 to the financial statements, the Company has granted loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Of these following are the details of the aggregate amount of loans or advances in the nature of loans granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013:

| Particulars | Related Parties |
|---|---|
| Aggregate amount of loans / advances in nature of loans - Repayable on demand | Rs. 81 lakhs |
| Percentage of loans / advances in nature of loans to the total loans | 0.68% |

iv. Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

v. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

vi. The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

vii. (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, cess, and other statutory dues which have not been deposited on account of any dispute. The provisions of sales-tax, service tax, customs duty, excise duty, value added tax are not applicable to the Company.

viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

ix. (a) The Company has not defaulted in repayment of loans or other borrowings 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 did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used 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, joint ventures and associates.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

x. (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

xii. The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b), (c) of the Order is not applicable to the Company.

xiii. Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to

the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.

xiv. (a) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(a) of the Order is not applicable to the Company.

(b) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(b) of the Order is not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred cash losses in the current and immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

xix. On the basis of the financial ratios disclosed in note 36 to the 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 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. The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx) of the Order is not applicable to the Company.

**For S.R. Batliboi & Associates LLP**
Chartered Accountants
**ICAI Firm Registration Number: 101049W/E300004**

Sarvesh Warty

**per Sarvesh Warty**
Partner
Membership Number: 121411
UDIN: 24121411BKFRRO1886

Place: Mumbai
Date: August 19, 2024

**ANNEXURE '2' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF InCred WEALTH PRIVATE LIMITED**

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

We have audited the internal financial controls with reference to standalone financial statements of InCred Wealth Private Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's Management is 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 the 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 with reference to these standalone financial statements 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 with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, 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 Company's internal financial controls with reference to these standalone financial statements.

**Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements**

A company's internal financial controls with reference to standalone financial statements 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 controls with reference to standalone financial statements 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 With Reference to Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements 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, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, 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 issued by the ICAI.

**For S.R. Batliboi & Associates LLP**
Chartered Accountants
**ICAI Firm Registration Number: 101049W/E300004**

Sarvesh Warty

**per Sarvesh Warty**
Partner
Membership Number: 121411
UDIN: 24121411BKFRRO1886

Place: Mumbai
Date: August 19, 2024

**InCred Wealth Private Limited**
CIN: U67190MH2019PTC325577
**Standalone Balance Sheet as at 31 March 2024**
*(All amounts in INR Lakhs, unless otherwise stated)*

| Particulars | Note No. | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|---|
| **A. ASSETS** | | | |
| **1. Non-current assets** | | | |
| (a) Property, plant and equipment | 3 | - | 0.67 |
| (b) Capital work-in-progress | 3A | - | - |
| (c) Other intangible assets | 3B | - | - |
| (d) Intangible Assets under development | 3C | - | - |
| (e) Financial assets | | | |
| Investments | 4 | 8,028.89 | 5,049.86 |
| Loans | 5 | 6,825.98 | 1,887.76 |
| Other financial assets | 6 | 4.51 | - |
| (f) Deferred tax assets (net) | 26.4 | - | 604.27 |
| **Total non-current assets** | | 14,859.38 | 7,542.56 |
| **2. Current assets** | | | |
| (a) Financial assets | | | |
| Investments | 7 | 16,156.78 | 842.29 |
| Trade receivables | 8 | 38.33 | 159.17 |
| Cash and cash equivalents | 9 | 106.24 | 22.21 |
| Loans | 10 | 3,921.97 | 1,042.34 |
| (b) Current tax assets (net) | 11 | 237.43 | 111.46 |
| (c) Other current assets | 12 | 206.13 | 80.90 |
| **Total current assets** | | 20,666.88 | 2,258.37 |
| **Total Assets** | | 35,526.26 | 9,800.93 |
| **B. EQUITY AND LIABILITIES** | | | |
| **1. Equity** | | | |
| (a) Equity share capital | 13 | 5.15 | 5.15 |
| (b) Other equity | 14 | 1,708.98 | (632.55) |
| **Total Equity** | | 1,714.13 | (627.40) |
| **2. Liabilities** | | | |
| **2.1 Non-current liabilities** | | | |
| (a) Provisions | 15 | 1.69 | 0.30 |
| (b ) Deferred Tax Liabilities (Net) | 26.4 | 84.44 | - |
| **Total non-current liabilities** | | 86.13 | 0.30 |
| **2.2 Current liabilities** | | | |
| (a) Financial liabilities | | | |
| Borrowings | 16 | 33,390.95 | 5,276.29 |
| Trade payables | 17 | | |
| (i) total outstanding dues of micro and small enterprises | | - | - |
| (ii) total outstanding dues of creditors other than micro and small enterprises | | 58.44 | 9.35 |
| Other financial liabilities | 18 | 5.23 | 5,112.75 |
| (b) Other current liabilities | 19 | 271.38 | 29.64 |
| (c) Provisions | 20 | 0.00 | 0.00 |
| **Total current liabilities** | | 33,726.00 | 10,428.03 |
| **Total Liabilities** | | 33,812.13 | 10,428.33 |
| **Total Equity and Liabilities** | | 35,526.26 | 9,800.93 |

The accompanying notes are an integral part of the standalone financial statements — Note 1 & 2

As per our report of even date.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Sarvesh Warty

**per Sarvesh Warty**
Partner
Membership No: 121411

Place : Mumbai
Date : 19 August 2024

For and on behalf of the Board of Directors of
**InCred Wealth Private Limited**

**Bhupinder Singh**
Director
DIN : 07342318

Place : Mumbai
Date : 19 August 2024

**Kamlesh Dangi**
Director
DIN - 05152439

Place : Mumbai
Date : 19 August 2024

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

InCred Wealth Private Limited

InCred Wealth Private Limited
CIN: U67190MH2019PTC325577
**Standalone Statement of Profit and Loss for the year ended 31 March 2024**
(All amounts in INR Lakhs, unless otherwise stated)

| Particulars | Note No | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|---|
| **(I) INCOME** | | | |
| (i) Revenue from operations | 21 | 3,788.42 | 1,594.56 |
| (ii) Other income | 22 | 403.51 | 174.28 |
| **Total income (I = i + ii)** | | 4,191.93 | 1,768.84 |
| **(II) EXPENSES** | | | |
| (i) Employee benefits expenses | 23 | 63.60 | 53.40 |
| (ii) Finance cost | 24 | 924.54 | 533.40 |
| (iii) Depreciation, amortization and impairment | 3 | 0.67 | 0.99 |
| (iv) Other expenses | 25 | 32.00 | 369.54 |
| **Total expenses (II = i + ii + iii + iv)** | | 1,020.81 | 957.33 |
| **(III) Profit / (loss) before tax (III = I - II)** | | 3,171.12 | 811.51 |
| **(IV) Tax expense:** | 26 | | |
| (i) Current Tax | | 140.30 | - |
| (ii) Deferred tax expense / (income) | | 688.86 | 214.37 |
| **Total tax expense (IV = i + ii)** | | 829.16 | 214.37 |
| **(V) Profit / (loss) for the period (V = III - IV)** | | 2,341.96 | 597.14 |
| **(VI) Other comprehensive income** | | | |
| (i) Items that will not be reclassified to profit or loss | | (0.57) | 0.80 |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | 26 | 0.14 | (0.20) |
| **Total other comprehensive income (VI = i + ii)** | | (0.43) | 0.60 |
| **(VII) Total comprehensive income for the period (VII= V + VI)** | | 2,341.53 | 597.74 |
| **(VIII) Earnings per equity share (EPS)** | 27 | | |
| **(Face value of Rs. 10 each)** | | | |
| Basic (INR) | | 4,543.43 | 1,158.47 |
| Diluted (INR) | | 4,543.43 | 1,158.47 |

The accompanying notes are an integral part of the standalone financial statements Note 1 & 2

As per our report of even date.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Sarvesh Warty

**per Sarvesh Warty**
Partner
Membership No: 121411

Place : Mumbai
Date : 19 August 2024

For and on behalf of the Board of Directors of
**InCred Wealth Private Limited**

**Bhupinder Singh**
Director
DIN : 07342318

Place : Mumbai
Date : 19 August 2024

**Kamlesh Dangi**
Director
DIN - 05152439

Place : Mumbai
Date : 19 August 2024

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

InCred Wealth Private Limited

InCred Wealth Private Limited
CIN: U67190MH2019PTC325577
Standalone Cash Flow Statement for the year ended 31 March 2024
(All amounts in INR Lakhs, unless otherwise stated)

| Particulars | | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|---|
| **A. Cash flow from operating activities** | | | |
| **Profit / (loss) before tax** | | 3,171.12 | 811.51 |
| **Adjustments for non-cash/non-operating items:** | | | |
| Depreciation and amortisation | | 0.67 | 0.99 |
| Gain on Sale of Investments | | (743.55) | (505.16) |
| Dividend Income | | (4.01) | (16.93) |
| Impairment of financial instruments | | (44.82) | 88.86 |
| Gratuity expenses | | - | 0.77 |
| Interest on Loan Given | | (395.60) | (114.68) |
| Interest on borrowings | | 924.54 | 533.40 |
| **Operating cash flow before working capital changes** | | 2,908.35 | 798.76 |
| **Changes in working capital:** | | | |
| **Adjustments for decrease / (increase) in operating assets:** | | | |
| Decrease / (Increase) in other non-current financial assets | | (4.51) | - |
| Decrease / (Increase) in other trade receivables | | 195.95 | (231.12) |
| Decrease / (Increase) in other current assets | | (125.23) | 282.52 |
| Increase / (Decrease) in non-current provisions | | 0.82 | (0.80) |
| Increase / (Decrease) in trade payables | | 49.10 | 9.35 |
| Increase / (Decrease) in other current financial liabilities | | (5,107.52) | 5,111.19 |
| Increase / (Decrease) in other current liabilities | | 241.74 | 28.15 |
| Increase / (Decrease) in current provisions | | 0.00 | 0.00 |
| **Cash generated from (used in) operations** | | (1,841.30) | 5,998.05 |
| Income taxes paid | | (266.27) | 311.76 |
| **Net cash generated from / (used in) operating activities** | (A) | (2,107.57) | 6,309.81 |
| **B. Cash flow from investing activities** | | | |
| Purchase of Investments | | (39,985.57) | (19,290.14) |
| Sale Proceeds from Investments | | 22,435.59 | 19,859.37 |
| Dividend Income | | 4.01 | 0.44 |
| Loans Given | | (15,460.68) | (3,061.87) |
| Loans Given received back | | 7,746.97 | 120.00 |
| Interest on Loans | | 261.15 | 114.68 |
| **Net cash generated from (used in) investing activities** | (B) | (24,998.53) | (2,257.52) |
| **C. Cash Flow from financing activities** | | | |
| Borrowings taken | | 59957.19 | 32,404.95 |
| Borrowings repaid | | (32,005.16) | (36,146.92) |
| Interest paid | | (761.90) | (365.15) |
| Payment of Principal portion of Lease liabilities | | - | - |
| **Net cash generated from / (used in) financing activities** | (C) | 27,190.13 | (4,107.12) |
| **Net increase / (decrease) in cash and cash equivalents** | (A + B + C) | 84.03 | (54.83) |
| Cash and cash equivalents at the beginning of the year* | | 22.21 | 77.04 |
| **Cash and cash equivalents at the end of the year [Note 1 below]** | | 106.24 | 22.21 |
| **Net Increase / (decrease) in cash and cash equivalents during the year** | | 84.03 | (54.83) |

*As on 01 April 2022 Cash & Cash equivalents amounting to Rs. 1,241.91 lakhs is transferred to InCred Wealth and Investment Services Private Limited on account of business combination. (refer note no.38)

**Notes to Cash flow statement:**

1. Components of cash and cash equivalents: **[Refer Note No. 9]**

| | | |
|---|---|---|
| Cash on hand | - | - |
| Balances with bank | | |
| - in current accounts | 106.24 | 22.21 |
| | 106.24 | 22.21 |

2. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow

The accompanying notes are an integral part of the standalone financial statements — Note 1 & 2

As per our report of even date.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Sarvesh Warty

**per Sarvesh Warty**
Partner
Membership No: 121411

Place : Mumbai
Date : 19 August 2024

For and on behalf of the Board of Directors of
**InCred Wealth Private Limited**

**Bhupinder Singh**
Director
DIN : 07342318

Place : Mumbai
Date : 19 August 2024

**Kamlesh Dangi**
Director
DIN - 05152439

Place : Mumbai
Date : 19 August 2024

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

InCred Wealth Private Limited

InCred Wealth Private Limited
CIN: U67190MH2019PTC325577
**Standalone Statement of Changes in Equity for the year ended 31 March 2024**
(All amounts in INR Lakhs, unless otherwise stated)

**A. Equity share capital [Refer Note No. 13]**

| Particulars | Amount |
|---|---|
| **Equity shares of INR 10 each issued, subscribed and fully paid-up** | |
| **Balance as at 31 March 2022** | 5.15 |
| Changes in equity share capital during the year | - |
| **Balance as at 31 March 2023** | 5.15 |
| Changes in equity share capital during the year | - |
| **Balance as at 31 March 2024** | 5.15 |

**B. Other equity**

| Particulars | Reserves and Surplus<br>Retained earnings<br>[Refer Note No 14] | Total other equity |
|---|---|---|
| **Balance at 31 March 2022** | (8,400.53) | (8,400.53) |
| Profit / (loss) for the year | 597.14 | 597.14 |
| Other comprehensive income for the year, net of income tax | 0.60 | 0.60 |
| **Total comprehensive income for the year, net of income tax** | 597.74 | 597.74 |
| **Transfers/Utilisations** | | |
| Transferred on account of demerger | 6,395.90 | 6,395.90 |
| Merger Reserve | 774.34 | 774.34 |
| **Balance at 31 March 2023** | (632.55) | (632.55) |
| Profit / (loss) for the year | 2,341.96 | 2,341.96 |
| Other comprehensive income for the year, net of income tax | (0.43) | (0.43) |
| **Total comprehensive income for the year, net of income tax** | 2,341.53 | 2,341.53 |
| **Balance as at 31 March 2024** | 1,708.98 | 1,708.98 |

The accompanying notes are an integral part of the standalone financial statements Note 1 & 2

As per our report of even date.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Sarvesh Warty

**per Sarvesh Warty**
Partner
Membership No: 121411

Place : Mumbai
Date : 19 August 2024

For and on behalf of the Board of Directors of
**InCred Wealth Private Limited**

**Bhupinder Singh**
Director
DIN : 07342318

Place : Mumbai
Date : 19 August 2024

**Kamlesh Dangi**
Director
DIN - 05152439

Place : Mumbai
Date : 19 August 2024

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

InCred Wealth Private Limited

## Note 1 : General information

### 1.1. Corporate information

InCred Wealth Private Limited ('Company') was incorporated in India under the provision of Companies Act, 2013 (the Act) vide Certificate of Incorporation dated 20 May 2019 issued by the Registrar of Companies, Mumbai.

The Company is primarily engaged in the business of placement, facilitation and referral of financial products.

The registered office of the Company is Unit No. 1203, 12th floor, B Wing The Capital, Plot No. C - 70, G Block, BKC Mumbai-400051.

### 1.2. Basis of preparation

**A. Compliance with Ind AS**

The Standalone financial statements 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 presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the SFS.

These Standalone Financial Statements are approved for issue by the Board of Directors on 19 August 2024.

**B. Functional and presentation currency**

The 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 stated.

**C. Basis of measurement**

The 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 (FVTPL & FVOCI) / 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 financial statements in conformity with Ind AS requires that management make estimates, judgments and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities as at the date of financial statements, reported amount of revenues and expenses for the reporting period. The actual results could differ from these estimates. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

The Company makes certain estimates and judgments for valuation and impairment of financial instruments, fair valuation of employee stock options, incentive plans, 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 financial statements are prudent and reasonable.

Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

**Significant Estimates**

**Determination of the estimated useful lives of tangible assets**

Useful lives of property, plant and equipment are taken as prescribed in Schedule II of the Act. In cases, where the useful lives are different from that prescribed in Schedule II and in case of intangible assets, they are estimated by management based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

**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.

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

SR

InCred Wealth Private Limited

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.

E. 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.

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.

F. Presentation of financial statements
The financial statements of the Company are presented as per Schedule III ('Division II') of the Companies Act, 2013 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 Balance sheet and Statement of Profit and Loss, Statement of Changes in Equity as prescribed in the Schedule III of the Companies Act, 2013 are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Ind AS.

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.

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

InCred Wealth Private Limited

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')

The Company classifies its financial assets in the following measurement categories:

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.

Profit or loss on sale of investments is determined on the basis of first-in-first-out (FIFO) basis.

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 Standalone Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Standalone 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 Statement of Profit and Loss.

D. Classification of financial liabilities:

Financial liabilities are classified and measured at amortised cost. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as on initial recognition. For trade and other payable the carrying amount approximates the fair value due to short maturity of these instruments.

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 net of directly attributable and incremental transaction cost.

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.

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

SR

InCred Wealth Private Limited

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. The company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. At each reporting date, the company assesses whether the loans have been impaired. The company is exposed to credit risk when the customer defaults on his contractual obligations. For the computation of ECL, the loan receivables are classified into three stages based on the default and the aging of the outstanding. If the amount of an impairment loss decreases in a subsequent period, and the decrease can be related objectively to an event occurring after the impairment was recognised, the excess is written back by reducing the loan impairment allowance account accordingly. The write-back is recognised in the statement of profit and loss. The company recognises life time expected credit loss for trade receivables and has adopted the simplified method of computation as per Ind AS 109. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

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 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 comprises cash in hand, balances with the banks and short-term deposits with an original maturity of three months or less, and accrued interest thereon.

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. 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-financial 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 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 in the value of asset is recognized in the statement of profit and loss.

B. Subsequent expenditure

Subsequent cost is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

InCred Wealth Private Limited

C. Depreciation

Depreciation is provided on straight-line basis as per the useful life given under 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 estimated by the management and corresponding depreciation rates for the different category of assets recognised in the books are as under:

| Asset Group | Useful life estimated by the management (years) |
|---|---|
| Computers | 3 |

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 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 prospectively. 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.

2.6. 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.

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

2.7. 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 an item recognised directly in equity or in other comprehensive income ('OCI'), in which case the tax effect is recognised in equity or OCI. Income tax payable on profits is based on the applicable tax laws in each tax jurisdiction and is recognised as an expense in the period in which profit arises.

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 liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised, for all deductible temporary differences, to the extent it is probable that future taxable profits will be available against which deductible temporary differences can be utilised. 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.

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

SR

InCred Wealth Private Limited

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.

### 2.8. Borrowing costs

Borrowing costs include interest expense 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.

### 2.9. 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.

### 2.10. Leases

Effective 1st April, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1st April, 2019 using the modified retrospective method. 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.

### 2.11. Revenue from operations

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115, Revenue from contracts with customers, outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

**Step 1: Identify contract(s) with a customer:** A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
**Step 2: Identify performance obligations in the contract:** A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
**Step 3: Determine the transaction price:** The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
**Step 4: Allocate the transaction price to the performance obligations in the contract:** For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.
**Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.**

**The Company recognises revenue from the following sources:**
**(i) Fees and commission relating to Services:** Fees and commission on services are recognized at a point in time when the service obligations are completed and when the terms of contracts are fulfilled.

**(ii) Income from gain/loss on sale of investments.**

a) Profit or loss on sale of investments is determined on the basis of first-in-first-out (FIFO) basis.

b) All the instruments outstanding as at the balance sheet date are measured at fair value using quoted market prices in an actively traded market ,wherever available, as the best evidence of fair value. In absence of quoted market prices in an actively traded market, market intermediary quotes, valuation techniques are used to determine the fair value. In most cases the valuation techniques use observable market data as input parameters in order to ensure reliability of the fair value measure.

**(iii)** 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

### 2.12. 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.

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.

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

SR

InCred Wealth Private Limited

**2.13. 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.

C. Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. The Company assesses its obligations arising in the normal course of business, including pending litigations, proceedings pending with tax authorities and other contracts including derivative and long term contracts periodically and ensures that appropriate treatment has been made as required under Ind AS.

D. Contingent assets

Contingent assets are not recognised in the standalone financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.

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

**2.14. 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 translated using the exchange rates at the dates of transactions

Exchange differences on monetary items are recognised in Statement of Profit and Loss.

**2.15. 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.

**2.16. 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 statements 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.

**2.17. Related party disclosure**

A related party is any party of entity that controls or can significantly influence the management or operaions 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

**2.18. 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.

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

SR

InCred Wealth Private Limited

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 Investments

Investment in subsidiaries is carried at cost less impairment if any in the standalone financial statement and other investments are carried at fair value.

2.21. Standards issued but not yet effective upto the date of issuance of the financial statements

There are no standards that are notified and not yet effective as on date.

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

SR

InCred Wealth Private Limited

Note 3 : Property, plant and equipment

| Particulars | Furniture & fittings | Leasehold Improvements | Office Equipments | Vehicle | Computer & Computer Equipments | Total |
|---|---|---|---|---|---|---|
| Gross carrying amount: | | | | | | |
| As at 31 March 2022 | 26.24 | 129.16 | 26.56 | 62.66 | 130.33 | 374.95 |
| Additions during the year | - | - | - | - | - | - |
| Deletion / Disposals during the year | - | - | - | - | - | - |
| Transferred on account of demerger | (26.24) | (129.16) | (26.56) | (62.66) | (127.30) | (371.92) |
| As at 31 March 2023 | - | - | - | - | 3.03 | 3.03 |
| Additions during the year | - | - | - | - | - | - |
| Deletion / Disposals during the year | - | - | - | - | (1.40) | (1.40) |
| Transfers | - | - | - | - | 1.40 | 1.40 |
| As at 31 March 2024 | - | - | - | - | 3.03 | 3.03 |
| Accumulated depreciation: | | | | | | |
| As at 31 March 2022 | 8.48 | 40.50 | 7.77 | 3.44 | 48.33 | 108.51 |
| Depreciation charge for the year | - | - | - | - | 0.99 | 0.99 |
| Accumulated depreciation on disposals during the year | - | - | - | - | - | - |
| Transferred on account of demerger | (8.48) | (40.50) | (7.77) | (3.44) | (46.96) | (107.14) |
| As at 31 March 2023 | - | - | - | - | 2.36 | 2.36 |
| Depreciation charge for the year | - | - | - | - | 0.67 | 0.67 |
| Accumulated depreciation on disposals during the year | - | - | - | - | (1.40) | (1.40) |
| Transfers | - | - | - | - | 1.40 | 1.40 |
| As at 31 March 2024 | - | - | - | - | 3.03 | 3.03 |
| Net carrying amount: | | | | | | |
| As at 31 March 2024 | - | - | - | - | - | - |
| As at 31 March 2023 | - | - | - | - | 0.67 | 0.67 |

Note 3A : Capital work-in-progress

| Particulars | Leasehold Improvements | Furniture & fittings | Office Equipments | Total |
|---|---|---|---|---|
| Cost: | | | | |
| As at 31 March 2022 | 20.68 | - | - | 20.68 |
| Additions during the year | - | - | - | - |
| Capitalized during the year | - | - | - | - |
| Transfers | (20.68) | - | - | (20.68) |
| As at 31 March 2023 | - | - | - | - |
| Additions during the year | - | - | - | - |
| Capitalized during the year | - | - | - | - |
| As at 31 March 2024 | - | - | - | - |

As at 31 March 2024

| Particulars | Aging | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 -3 years | More than 3 years | |
| Projects in progress | - | - | - | - | - |
| Projects temporarily suspended | - | - | - | - | - |
| Total | - | - | - | - | - |

As at 31 March 2023

| Particulars | Aging | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 -3 years | More than 3 years | |
| Projects in progress | - | - | - | - | - |
| Projects temporarily suspended | - | - | - | - | - |
| Total | - | - | - | - | - |



S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

InCred Wealth Private Limited

**Note 3B : Other intangible assets**

| Particulars | Software | Website | Total |
|---|---|---|---|
| **Gross carrying amount:** | | | |
| As at 31 March 2022 | 15.25 | 2.00 | 17.25 |
| Additions during the year | - | - | - |
| Deletion / Disposals during the year | - | - | - |
| Transferred on account of Demerger | (15.25) | (2.00) | (17.25) |
| As at 31 March 2023 | - | - | - |
| Additions during the year | - | - | - |
| Deletion / Disposals during the year | - | - | - |
| Transfers | - | - | - |
| As at 31 March 2024 | - | - | - |
| **Accumulated depreciation:** | | | |
| As at 31 March 2022 | 5.01 | 1.19 | 6.20 |
| Depreciation charge for the year | - | - | - |
| Accumulated depreciation on disposals during the year | - | - | - |
| Transferred on account of Demerger | (5.01) | (1.19) | (6.20) |
| As at 31 March 2023 | - | - | - |
| Depreciation charge for the year | - | - | - |
| Accumulated depreciation on disposals during the year | - | - | - |
| Transfers | - | - | - |
| As at 31 March 2024 | - | - | - |
| **Net carrying amount:** | | | |
| As at 31 March 2024 | - | - | - |
| As at 31 March 2023 | - | - | - |

**Note 3C : Intangible Assets under development**

| Particulars | Intangible assets under development | Total |
|---|---|---|
| **Cost:** | | |
| As at 31 March 2022 | 1.00 | 1.00 |
| Additions during the year | - | - |
| Capitalized during the year | - | - |
| Transferred on account of Demerger | (1.00) | (1.00) |
| As at 31 March 2023 | - | - |
| Additions during the year | - | - |
| Capitalized during the year | - | - |
| Transfers | - | - |
| As at 31 March 2024 | - | - |

**As at 31 March 2024**

| Particulars | Ageing | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 -3 years | More than 3 years | |
| Projects in progress | - | - | - | - | - |
| Projects temporarily susperded | - | - | - | - | - |
| Total | - | - | - | - | - |

**As at 31 March 2023**

| Particulars | Ageing | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 -3 years | More than 3 years | |
| Projects in progress | - | - | - | - | - |
| Projects temporarily suspended | - | - | - | - | - |
| Total | - | - | - | - | - |



S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

SR

InCred Wealth Private Limited

Note 4 : Investments - Non Current

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Unquoted, carried at cost: | | |
| Investment in equity instrument of subsidiary: | | |
| InCred Capital Wealth Portfolio Managers Private Limited | | |
| 48,500,000 equity shares of INR 10 each, fully paid up bought at INR 10 each) | 4,850.00 | 4,850.00 |
| Unquoted, carried at FVTPL: | | |
| Compulsorily convertible Preference shares | 199.86 | 199.86 |
| Quoted, carried at FVTPL: | | |
| Equity Shares | 2,979.03 | - |
| Total | 8,028.89 | 5,049.86 |
| Aggregate amount of unquoted investments | 5,049.86 | 5,049.86 |
| Aggregate amount of quoted investments | 2,979.03 | - |

Note 5 : Loans - Non Current

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Loan to Others | 6,853.39 | 1,895.34 |
| | 6,853.39 | 1,895.34 |
| Less: Allowance for impairment loss | (27.41) | (7.58) |
| Total | 6,825.98 | 1,887.76 |
| (A) Details of security | | |
| (i) Secured by tangible assets | - | - |
| (ii) Secured by intangible assets | - | - |
| (iii) Covered by bank/Govt Guarantee | - | - |
| (iv) Unsecured | 6,853.39 | 1,895.34 |
| Total - Gross | 6,853.39 | 1,895.34 |
| Less: Allowance for impairment loss | (27.41) | (7.58) |
| Total - Net of impairment loss allowance | 6,825.98 | 1,887.76 |
| (B) (I) Loans in India | | |
| (i) Public Sector | - | - |
| (ii) Others | 6,853.39 | 1,895.34 |
| Total loans in India | 6,853.39 | 1,895.34 |
| (B) (II) Loans outside India | | |
| (i) Public Sector | - | - |
| (ii) Others | - | - |
| Total loans outside India | - | - |
| Total - Gross | 6,853.39 | 1,895.34 |
| Less: Allowance for impairment loss | (27.41) | (7.58) |
| Total - Net of impairment loss allowance | 6,825.98 | 1,887.76 |

Note 6 : Other financial assets

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Financial assets carried at amortized cost: | | |
| Deposits | 4.51 | - |
| Advance received towards Investments | - | - |
| Total | 4.51 | - |

Note 7 : Investments - Current

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Unquoted, carried at FVTPL: | | |
| Equity Shares | 16,156.77 | 22.83 |
| Quoted, carried at FVTPL: | | |
| Exchange Traded Fund | 0.01 | 199.24 |
| Options | - | 14.55 |
| Mutual Fund | - | 605.67 |
| Total | 16,156.78 | 842.29 |
| Aggregate amount of unquoted investments | 16,156.77 | 22.83 |
| Aggregate amount of quoted investments | 0.01 | 819.46 |

Note 8 : Trade receivables

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Unsecured, considered good | | |
| from others | 19.91 | 236.26 |
| from related parties [Refer Note No. 30] | 20.40 | - |
| | 40.31 | 236.26 |
| Less: Allowance for impairment loss | (1.98) | (77.09) |
| Total | 38.33 | 159.17 |

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

InCred Wealth Private Limited

As at 31 March 24

| Particulars | Outstanding for following periods from due date of payment | | | | | | Total |
|---|---|---|---|---|---|---|---|
| | Unbilled | Less than 6 Months | 6 months - 1 year | 1 - 2 years | 2 -3 years | More than 3 years | |
| i) Undisputed Trade Receivabes - Consider good | - | 38.33 | 0.57 | 1.41 | - | - | 40.31 |
| ii) Undisputed Trade Receivabes - which have significant increase in credit risk | - | - | - | - | - | - | - |
| iii) Undisputed Trade Receivables - Credit impaired | - | - | - | - | - | - | - |
| iv) Disputed Trade Receivalbes - Considered goods | - | - | - | - | - | - | - |
| v) Disputed Trade Receivalbes - which have significant increase in credit risk | - | - | - | - | - | - | - |
| vi) Disputed Trade Receivalbes - Credit impaired | - | - | - | - | - | - | - |
| Total | - | 38.33 | 0.57 | 1.41 | - | - | 40.31 |

As at 31 March 23

| Particulars | Outstanding for following periods from due date of payment | | | | | | Total |
|---|---|---|---|---|---|---|---|
| | Unbilled | Less than 6 Months | 6 months - 1 year | 1 - 2 years | 2 -3 years | More than 3 years | |
| I) Undisputed Trade Receivabes - Consider good | - | 130.15 | 106.11 | - | - | - | 236.26 |
| ii) Undisputed Trade Receivabes - which have significant increase in credit risk | - | - | - | - | - | - | - |
| iii) Undisputed Trade Receivables - Credit impaired | - | - | - | - | - | - | - |
| iv) Disputed Trade Receivalbes - Considered goods | - | - | - | - | - | - | - |
| v) Disputed Trade Receivalbes - which have significant increase in credit risk | - | - | - | - | - | - | - |
| vi) Disputed Trade Receivalbes - Credit impaired | - | - | - | - | - | - | - |
| Total | - | 130.15 | 106.11 | - | - | - | 236.26 |

Note 9 : Cash and cash equivalents

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Cash on hand | | |
| Balances with banks: | | |
| - In current accounts | 106.24 | 22.21 |
| Total | 106.24 | 22.21 |

Note 10 : Loans - Current

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Loan to Others | 3,936.62 | - |
| Loan to Subsidiary [Refer Note No. 30] | (0.00) | 1,046.53 |
| | 3,936.62 | 1,046.53 |
| Less: Allowance for impairment loss | (14.65) | (4.19) |
| Total | 3,921.97 | 1,042.34 |
| (A) Details of security | | |
| (i) Secured by tangible assets | - | - |
| (ii) Secured by intangible assets | - | - |
| (iii) Covered by bank/Govt Guarantee | - | - |
| (iv) Unsecured | 3,936.62 | 1,046.53 |
| Total - Gross | 3,936.62 | 1,046.53 |
| Less: Allowance for impairment loss | (14.65) | (4.19) |
| Total - Net of impairment loss allowance | 3,921.97 | 1,042.34 |
| (B) (I) Loans in India | | |
| (i) Public Sector | - | - |
| (ii) Others | 3,936.62 | 1,046.53 |
| Total loans in India | 3,936.62 | 1,046.53 |
| (B) (II) Loans outside India | | |
| (i) Public Sector | - | - |
| (ii) Others | - | - |
| Total loans outside India | - | - |
| Total - Gross | 3,936.62 | 1,046.53 |
| Less: Allowance for impairment loss | (14.65) | (4.19) |
| Total - Net of impairment loss allowance | 3,921.97 | 1,042.34 |

Note 11 : Current tax assets (net)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Income tax refundable (net of provision for income tax) | 237.43 | 111.46 |
| Total | 237.43 | 111.46 |

Note 12 : Other current assets

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Unsecured, considered good | | |
| Advances other than capital advances: | | |
| Advance to vendors | 0.26 | 0.32 |
| Others: | | |
| Balance with government authorities | 31.07 | 77.11 |
| Prepaid expenses | 0.08 | 1.24 |
| Others | 174.72 | 2.23 |
| Total | 206.13 | 80.90 |

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

InCred Wealth Private Limited

## Note 13 : Equity share capital

| Particulars | As at 31 March 2024 | | As at 31 March 2023 | |
|---|---|---|---|---|
| | Number | Amount | Number | Amount |
| **Authorized capital** | | | | |
| Equity shares of INR 10/- each | 60,000 | 6.00 | 60,000 | 6.00 |
| | 60,000 | 6.00 | 60,000 | 6.00 |
| **Issued, subscribed and paid up capital without Differential Voting Rights** | | | | |
| Equity shares of INR 10/- each, fully paid-up: | 10,000 | 1.00 | 10,000 | 1.00 |
| **Issued, subscribed and paid up capital with Differential Voting Rights** | | | | |
| Equity shares of INR 10/- each, fully paid-up: | 41,546 | 4.15 | 41,546 | 4.15 |
| **Total issued, subscribed and paid-up share capital** | 51,546 | 5.15 | 51,546 | 5.15 |

**a. Terms and rights attached to equity shares**

The Company has only two classes of equity shares. The equity shares with Differential Voting Rights and without Differential Voting Rights have a paid up value of INR 10 per share.

**Equity Shares without Differential Voting Rights**

The total voting power of holder of equity shares shall not exceed 51% of the total voting power in the Company. 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 by the shareholders at the ensuing 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 compulsory convertible preference shares, after distribution of all preferential amounts. The distribution shall be according to the members right and interest in the company.

**Equity Shares with Differential Voting Rights**

The equity shares with Differential Voting Rights (DVR) shall rank pari passu with the existing ordinary equity shares except as to voting. Every holder of DVR equity shares shall carry such voting rights as contemplated at the time of issuance of such DVR equity shares provided the total voting power in respect of all DVR equity shares issued by the Company shall not exceed 49% of the total voting power in the Company on a fully diluted basis.

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

| Particulars | As at 31 March 2024 | | As at 31 March 2023 | |
|---|---|---|---|---|
| | Number | Amount | Number | Amount |
| **Issued, subscribed and paid up capital without Differential Voting Rights** | | | | |
| Equity shares of INR 10/- each, fully paid-up: | 10,000 | 1.00 | 10,000 | 1.00 |
| Add: Shares issued during the year | - | - | - | - |
| | 10,000 | 1.00 | 10,000 | 1.00 |
| **Issued, subscribed and paid up capital with Differential Voting Rights** | | | | |
| Equity shares of INR 10/- each, fully paid-up: | 41,546 | 4.15 | 41,546 | 4.15 |
| Add: Shares issued during the year | - | - | - | - |
| **Outstanding at the end of the year** | 41,546 | 4.15 | 41,546 | 4.15 |

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

| Name of the shareholder | As at 31 March 2024 | | As at 31 March 2023 | |
|---|---|---|---|---|
| | No. of shares held | % Holding | No. of shares held | % Holding |
| **Issued, subscribed and paid up capital without Differential Voting Rights1** | | | | |
| Bhupinder Singh | 9,999 | 19.40% | 9,999 | 19.40% |
| Nisha Singh | 1 | 0.00% | 1 | 0.00% |
| **Issued, subscribed and paid up capital with Differential Voting Rights** | | | | |
| Saurabh Jhalaria | 22,371 | 43.40% | 22,371 | 43.40% |
| MV Capital Partners | 12,783 | 24.80% | 12,783 | 24.80% |
| Saumya Mittal | 6,392 | 12.40% | 6,392 | 12.40% |

1. 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 both legal and beneficial 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 31 March 2024 | | | As at 31 March 2023 | | |
|---|---|---|---|---|---|---|
| | No. of shares held | % of shares held | % Change during the year | No. of shares held | % of shares held | % Change during the year |
| Bhupinder Singh | 9,999 | 19.40% | 0.00% | 9,999 | 19.40% | 0.00% |

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

SR

InCred Wealth Private Limited

Note 14 : Other equity

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| (a) Retained earnings | | |
| Opening balance | (1,406.89) | (8,400.53) |
| Transferred on account of demerger | - | 6,395.90 |
| Profit / (loss) after tax for the year | 2,341.96 | 597.14 |
| Other comprehensive income for the year, net of income tax | (0.43) | 0.60 |
| Closing Balance | 934.64 | (1,406.89) |
| (b) Merger Reserves | 774.34 | 774.34 |
| Total | 1,708.98 | (632.55) |

Note 15 : Provisions - Non Current

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Provision for employee benefits [Refer Note No. 35] | | |
| Provision for gratuity | 1.69 | 0.30 |
| Total | 1.69 | 0.30 |

Note 16 : Borrowings - Current

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Unsecured carried at amortized cost: | | |
| Borrowings from related party* [Refer Note No. 30] | 33,390.95 | 5,276.29 |
| Total | 33,390.95 | 5,276.29 |

* Terms & conditions of the Borrowings

Loans from Related Party

The loan of Rs.33,390.95 lakhs (previous year Rs. 5276.29 lakhs) has been taken for the purpose of business and operations carrying an interest rate of 8.50% per annum except from InCred Financial Services Limited at an interest rate of 11% per annum.

Note 17 : Trade payables

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Total outstanding dues of micro enterprises and small enterprises | | |
| [Refer Note No. 29 for details of dues to micro and small enterprises] | | |
| - Principal amount due | - | - |
| - Interest amount due | - | - |
| | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | |
| - to others | 11.82 | 9.35 |
| - to related parties [Refer Note No. 30] | 46.62 | - |
| | 58.44 | 9.35 |
| Total | 58.44 | 9.35 |

As at 31 March 24

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|---|---|---|---|---|---|---|
| | Unbilled | Less than 1 year | 1 - 2 years | 2 -3 years | More than 3 years | Total |
| i) MSME | - | - | - | - | - | - |
| ii) Others | 58.44 | - | - | - | - | 58.44 |
| iii) Disputed dues - MSME | - | - | - | - | - | - |
| iv) Disputed dues - Others | - | - | - | - | - | - |
| Total | 58.44 | - | - | - | - | 58.44 |

As at 31 March 23

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|---|---|---|---|---|---|---|
| | Unbilled | Less than 1 year | 1 - 2 years | 2 -3 years | More than 3 years | Total |
| i) MSME | - | - | - | - | - | - |
| ii) Others | 9.35 | - | - | - | - | 9.35 |
| iii) Disputed dues - MSME | - | - | - | - | - | - |
| iv) Disputed dues - Others | - | - | - | - | - | - |
| Total | 9.35 | - | - | - | - | 9.35 |

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

InCred Wealth Private Limited

**Note 18 : Other financial liabilities**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Current maturities of long-term borrowings | | - |
| Employee benefits payable | 5.00 | 4.19 |
| Merger payable* | 0.23 | 5,108.56 |
| Total | 5.23 | 5,112.75 |

* The balance represents the net amount payable to InCred Wealth and Investment Services Private Limited ("Resulting Company") due to difference in appointment date and effective date of the Composite Scheme of Arrangement (the "Scheme") (Refer note no. 38). The Scheme was made effective by the Company and InCred Wealth and Investment Services Private Limited on 30 June 2022. However, the Appointed date of the Scheme is 01 April 2022, and accordingly the books of account and financial statements effecting the Scheme have been prepared with effect from 01 April 2022 and subsequently all the transactions have been appropriately transferred to the Resulting Company through Merger Payable account.

**Note 19 : Other current liabilities**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Statutory dues payable | 70.57 | 29.36 |
| Advance from Customers | - | 0.28 |
| Others | 200.81 | - |
| Total | 271.38 | 29.64 |

**Note 20 : Provisions**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Provision for employee benefits [Refer Note No. 35]** | | |
| Provision for leave encashment | - | - |
| Provision for gratuity | 0.00 | 0.00 |
| Total | 0.00 | 0.00 |

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

SR

InCred Wealth Private Limited

## Note 21 : Revenue from operations

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Fees and related income [Refer Note No. 30] | 3,044.87 | 1,089.40 |
| Gain on sale of Investments | 743.55 | 505.16 |
| Total | 3,788.42 | 1,594.56 |
| **Geographical Markets** | | |
| Within India | 3,788.42 | 1,594.56 |
| Outside India | - | - |
| Total | 3,788.42 | 1,594.56 |
| **Timing of revenue recognition** | | |
| Services transferred at a point in time | 3,788.42 | 1,594.56 |
| Services transferred over time | - | - |
| Total | 3,788.42 | 1,594.56 |

## Note 22 : Other income

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Interest on advance Given [Refer Note No. 30] | 395.60 | 114.68 |
| Dividend Income | 4.01 | 16.93 |
| Interest on income tax refund | 3.75 | 42.67 |
| Other Income | 0.15 | - |
| Total | 403.51 | 174.28 |

## Note 23 : Employee benefits expenses

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Salaries, wages and bonus | 64.10 | 49.48 |
| Contribution to provident and other funds [Refer Note No. 35] | 1.01 | 3.48 |
| Gratuity expenses [Refer Note No. 35] | 0.82 | 0.77 |
| Staff welfare expenses | (2.33) | (0.33) |
| Total | 63.60 | 53.40 |

## Note 24 : Finance cost

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Interest on borrowings carried at amortized cost [Refer Note No. 30] | 924.54 | 533.40 |
| Total | 924.54 | 533.40 |

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

InCred Wealth Private Limited

Note 25 : Other expenses

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Allowance for Impairment | (44.82) | 88.86 |
| Communication cost | 1.63 | 1.80 |
| Travelling and conveyance | 0.22 | (0.90) |
| Legal, professional and consultancy charges | 13.01 | 7.93 |
| Membership and Subscription | 0.02 | - |
| Information technology expenses | 0.74 | 1.04 |
| Trading expenses | 18.39 | 11.14 |
| Rates and taxes | 6.26 | 1.51 |
| Printing and stationery | 0.17 | - |
| Payment to auditors* | 6.76 | 6.00 |
| Office expenses | 4.81 | 2.06 |
| Interest on statutory dues | - | 18.46 |
| Referral Fees | 49.11 | 77.75 |
| Exchange differences | (0.16) | - |
| GST Expenses | (23.37) | 152.29 |
| Bank Charges | 0.10 | 1.47 |
| Miscellaenous expenses | (0.87) | 0.13 |
| Total | 32.00 | 369.54 |

* Payment to auditors:

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Auditor's remuneration | | |
| - Audit fees | 6.76 | 6.00 |
| Total | 6.76 | 6.00 |

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

InCred Wealth Private Limited

## Note 26 : Income taxes

### 26.1 Income tax recognised in the Standalone Statement of Profit and Loss

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Current tax | | |
| In respect of current period | 140.30 | - |
| | 140.30 | - |
| Deferred tax expense/(income) | 688.86 | 214.37 |
| Total income tax expense recognized in the current year | 829.16 | 214.37 |

### 26.2 Reconciliation of income tax expense applicable to accounting profits / (loss) before tax at the statutory income tax rate to recognised income tax expense for the period indicated are as follows:

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Profit / (loss) before tax as per Standalone statement of profit and loss (A) | 3,171.12 | 811.51 |
| Statutory income tax rate applicable to the Company (B) | 25.17% | 25.17% |
| Income tax expense using the statutory income tax rate (C = A * B) | 798.17 | 204.26 |
| Tax effect of: | | |
| Amounts which are not deductible in calculating taxable income | - | 4.65 |
| Others | 28.88 | 5.46 |
| Prior period adjustments | 2.11 | - |
| Incomes not considered in calculating taxable income | - | - |
| Effective tax expense | 829.16 | 214.37 |

### 26.3 Income tax recognized in other comprehensive income

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Items that will not be reclassified to profit or loss (A) | (0.57) | 0.80 |
| 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) | (0.14) | 0.20 |

### 26.4 Deferred tax

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

| Particulars | As at 31 March 2023 | Demerger Adjustment | Recognized in Profit & Loss | Recognized in OCI | As at 31 March 2024 |
|---|---|---|---|---|---|
| Deferred tax assets: | | | | | |
| Carry forward of losses | 501.12 | | (501.12) | - | - |
| Remeasurement of retirement benefits plans | 0.06 | | 0.23 | 0.14 | 0.43 |
| Provision for Bonus | (0.39) | | 0.39 | - | - |
| Leases | (0.00) | | 0.00 | - | - |
| Impairment loss on financial assets | 22.36 | | (11.28) | - | 11.08 |
| Restructuring Related expenses | - | | 0.15 | - | 0.15 |
| Provision for expenses | | | 14.71 | | 14.71 |
| Difference in WDV of property, plant & equipment as per Companies Act, 2013 and Income Tax Act, 1961 | 0.03 | | 0.10 | - | 0.13 |
| Net fair value gain on investments | 81.09 | | (192.03) | - | (110.94) |
| Total deferred tax assets (A) | 604.27 | - | (688.86) | 0.14 | (84.44) |

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

| Particulars | As at 31 March 2022 | Demerger Adjustment | Recognized in Profit & Loss | Recognized in OCI | As at 31 March 2023 |
|---|---|---|---|---|---|
| Deferred tax assets: | | | | | |
| Carry forward of losses | 2,823.54 | (2,004.70) | (317.73) | - | 501.12 |
| Remeasurement of retirement benefits plans | 15.47 | (15.40) | 0.19 | (0.20) | 0.06 |
| Provision for Bonus | - | | (0.39) | - | (0.39) |
| Leases | 18.53 | (18.53) | - | - | (0.00) |
| Impairment loss on financial assets | 17.84 | (17.84) | 22.36 | - | 22.36 |
| Restructuring Related expenses | 0.08 | (0.08) | - | - | - |
| Total deferred tax assets (A) | 2,875.46 | (2,056.55) | (295.57) | (0.20) | 523.15 |
| Deferred tax liabilities (B) | | | | | |
| Difference in WDV of property, plant & equipment as per Companies Act, 2013 and Income Tax Act, 1961 | (2.60) | (2.68) | (0.11) | - | (0.03) |
| Net fair value gain on investments | 46.98 | 46.99 | (81.09) | - | (81.09) |
| Total deferred tax liabilities (B) | 44.38 | 44.31 | (81.20) | - | (81.12) |
| Net deferred tax assets (A - B) | 2,831.08 | (2,012.24) | (214.37) | (0.20) | 604.27 |

### 26.5 Based on future business projections as assessed by the Company, deferred tax assets (net) on all timing differences (including accumulated tax losses) are recorded in books of account.

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

InCred Wealth Private Limited

**Note 27 : Earning per share (EPS)**

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

**i. Profit attributable to Equity shareholders**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Profit attributable to equity holders of the Company used in calculating basic & dilutive earnings per share | 2,341.96 | 597.14 |

**ii. Weighted average number of ordinary shares**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Weighted average number of equity shares used as the denominator in calculating basic & diluted earnings per share* | 51,546 | 51,546 |
| ** There are no potential dilutive shares in the Company.* | | |
| Basic earnings per share | 4,543.43 | 1,158.47 |
| Diluted earnings per share | 4,543.43 | 1,158.47 |

**Note 28 : Contingent liabilities and commitments**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Contigent liablities and commitments | Nil | Nil |

**Note 29 : 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 (the Act). Further, the Company has not received any claim for interest from any supplier under the said Act till 31 March 2024.

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

InCred Wealth Private Limited

**Note 30 : 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 party |
|---|---|
| Key managerial personnel ('KMP') | Bhupinder Singh, Director<br>Kamlesh Dangi, Director |
| Enterprise over which KMP is able to exercise significant influence | InCred Financial Services Limited<br>InCred Capital Financial Services Private Limited<br>InCred Asset Management Private Limited<br>InCred Management and Technology Services Private Limited<br>InCred Wealth and Investment Services Private Limited<br>InCred Alternative Investments Private Limited<br>Booth Fintech Private Limited<br>mValu Technology Services Private Limited<br>Alpha Fintech Private Limited<br>InCred Holdings Limited<br>InCred Global Wealth Limited |
| Subsidiary Company | InCred Capital Wealth Portfolio Managers Private Limited |
| Step down Subsidiary Company | InCred Research Services Private Limited |

**b. Transactions during the period with related parties :**

| Particulars | KMP | | Enterprise over which KMP are able to exercise significant influence | | Subsidiary Company | | Step down Subsidiary | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| **Borrowings taken:** | | | | | | | | | | |
| InCred Capital Wealth Portfolio Managers Private Limited | - | - | - | - | 705.06 | - | - | - | 705.06 | - |
| InCred Research Services Private Limited | - | - | - | - | - | - | - | 1,000.00 | - | 1,000.00 |
| InCred Capital Financial Services Private Limited | - | - | 24,645.00 | 22,791.98 | - | - | - | - | 24,645.00 | 22,791.98 |
| InCred Asset Management Private Limited | - | - | 1,226.00 | 900.00 | - | - | - | - | 1,226.00 | 900.00 |
| InCred Alternative Investments Private Limited | - | - | - | 500.00 | - | - | - | - | - | 500.00 |
| InCred Wealth and Investment Services Private Limited | - | - | 19,999.00 | 7,244.98 | - | - | - | - | 19,999.00 | 7,244.98 |
| Booth Fintech Private Limited | - | - | 7,000.00 | - | - | - | - | - | 7,000.00 | - |
| mValu Technology Services Private Limited | - | - | 2,830.00 | - | - | - | - | - | 2,830.00 | - |
| InCred Financial Services Limited | - | - | 4,000.00 | - | - | - | - | - | 4,000.00 | - |
| | - | - | 59,700.00 | 31,436.96 | 705.06 | - | - | 1,000.00 | 60,405.06 | 32,436.96 |
| **Borrowings repaid:** | | | | | | | | | | |
| InCred Capital Wealth Portfolio Managers Private Limited | - | - | - | - | 705.06 | - | - | - | 705.06 | - |
| InCred Research Services Private Limited | - | - | - | - | - | - | 400.00 | 600.00 | 400.00 | 600.00 |
| InCred Capital Financial Services Private Limited | - | - | 2,525.00 | 27,778.92 | - | - | - | - | 2,525.00 | 27,778.92 |
| InCred Asset Management Private Limited | - | - | 1,114.00 | - | - | - | - | - | 1,114.00 | - |
| InCred Alternative Investments Private Limited | - | - | 500.00 | - | - | - | - | - | 500.00 | - |
| InCred Wealth and Investment Services Private Limited | - | - | 22,233.98 | 3,800.00 | - | - | - | - | 22,233.98 | 3,800.00 |
| Booth Fintech Private Limited | - | - | 4,600.00 | - | - | - | - | - | 4,600.00 | - |
| mValu Technology Services Private Limited | - | - | 375.00 | - | - | - | - | - | 375.00 | - |
| | - | - | 31,347.98 | 31,578.92 | 705.06 | - | 400.00 | 600.00 | 32,453.04 | 32,178.92 |
| **Interest paid on Borrowings:** | | | | | | | | | | |
| InCred Capital Wealth Portfolio Managers Private Limited | - | - | - | - | 5.11 | - | - | - | 5.11 | - |
| InCred Research Services Private Limited | - | - | - | - | - | - | 24.50 | 5.75 | 24.50 | 5.75 |
| InCred Capital Financial Services Private Limited | - | - | 322.16 | 308.86 | - | - | - | - | 322.16 | 308.86 |
| InCred Asset Management Private Limited | - | - | 52.89 | 1.68 | - | - | - | - | 52.89 | 1.68 |
| InCred Alternative Investments Private Limited | - | - | 19.07 | 1.05 | - | - | - | - | 19.07 | 1.05 |
| InCred Wealth and Investment Services Private Limited | - | - | 302.82 | 158.70 | - | - | - | - | 302.82 | 158.70 |
| Booth Fintech Private Limited | - | - | 178.94 | - | - | - | - | - | 178.94 | - |
| mValu Technology Services Private Limited | - | - | 10.62 | - | - | - | - | - | 10.62 | - |
| InCred Financial Services Limited | - | - | 4.82 | - | - | - | - | - | 4.82 | - |
| | - | - | 891.32 | 470.29 | 5.11 | - | 24.50 | 5.75 | 920.93 | 476.04 |
| **Purchase of Investments:** | | | | | | | | | | |
| InCred Capital Financial Services Private Limited | - | - | - | 1,880.00 | - | - | | - | - | 1,880.00 |
| InCred Wealth and Investment Services Private Limited | - | - | 606.76 | - | | | | | 606.76 | - |
| | - | - | 606.76 | 1,880.00 | - | - | - | - | 606.76 | 1,880.00 |
| **Sale of Investments** | | | | | | | | | | |
| InCred Research Services Private Limited | - | - | - | - | - | - | - | 654.20 | | 654.20 |
| | - | - | - | - | - | - | - | 654.20 | | 654.20 |

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI 5 CHARTERED ACCOUNTANTS

S.R

InCred Wealth Private Limited

| Particulars | KMP | | Enterprise over which KMP are able to exercise significant influence | | Subsidiary Company | | Step down Subsidiary | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| **Loans Given :** | | | | | | | | | | |
| InCred Capital Wealth Portfolio Managers Private Limited | - | - | - | - | 81.00 | 1,160.00 | - | - | 81.00 | 1,160.00 |
| Alpha Fintech Private Limited | - | - | 800.00 | - | - | - | - | - | 800.00 | - |
| | - | - | 800.00 | - | 81.00 | 1,160.00 | - | - | 881.00 | 1,160.00 |
| **Loans Repayment received :** | | | | | | | | | | |
| InCred Capital Wealth Portfolio Managers Private Limited | - | - | - | - | 1,121.00 | 120.00 | - | - | 1,121.00 | 120.00 |
| Alpha Fintech Private Limited | - | - | 800.00 | - | - | - | - | - | 800.00 | - |
| | - | - | 800.00 | - | 1,121.00 | 120.00 | - | - | 1,921.00 | 120.00 |
| **Interest on advances :** | | | | | | | | | | |
| InCred Capital Wealth Portfolio Managers Private Limited | - | - | - | - | 48.43 | 8.76 | - | - | 48.43 | 8.76 |
| Alpha Fintech Private Limited | - | - | 21.90 | - | - | - | - | - | 21.90 | - |
| | - | - | 21.90 | - | 48.43 | 8.76 | - | - | 70.33 | 8.76 |
| **Distribution fees and related income:** | | | | | | | | | | |
| InCred Holdings Limited | - | - | 2,500.00 | - | - | - | - | - | 2,500.00 | - |
| InCred Financial Services Limited | - | - | 18.12 | 20.47 | - | - | - | - | 18.12 | 20.47 |
| InCred Capital Financial Services Private Limited | - | - | 0.25 | 338.92 | - | - | - | - | 0.25 | 338.92 |
| Booth Fintech Private Limited | - | - | 224.99 | - | - | - | - | - | 224.99 | - |
| Alpha Fintech Private Limited | - | - | 23.50 | - | - | - | - | - | 23.50 | - |
| | - | - | 2,766.86 | 359.39 | - | - | - | - | 2,766.86 | 359.39 |
| **Brokerage Expense:** | | | | | | | | | | |
| InCred Capital Wealth Portfolio Managers Private Limited | - | - | - | - | 22.00 | 11.27 | - | - | 22.00 | 11.27 |
| InCred Global Wealth Limited | - | - | 46.62 | - | - | - | - | - | 46.62 | - |
| | - | - | 46.62 | - | 22.00 | 11.27 | - | - | 68.62 | 11.27 |

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

| Particulars | KMP | | Enterprise over which KMP are able to exercise significant influence | | Subsidiary Company | | Step down Subsidiary | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| **Investment in Equity share:** | | | | | | | | | | |
| InCred Capital Wealth Portfolio Managers Private Limited | - | - | - | - | 4,850.00 | 4,850.00 | - | - | 4,850.00 | 4,850.00 |
| Alpha Fintech Private Limited | - | - | 5.94 | - | - | - | - | - | 5.94 | - |
| InCred Capital Financial Services Private Limited | - | - | 16,124.40 | - | - | - | - | - | 16,124.40 | - |
| | - | - | 16,130.34 | - | 4,850.00 | 4,850.00 | - | - | 20,980.34 | 4,850.00 |
| **Loans receivable (including interest receivable):** | | | | | | | | | | |
| InCred Capital Wealth Portfolio Managers Private Limited | - | - | - | - | - | 1,046.53 | - | - | - | 1,046.53 |
| | - | - | - | - | - | 1,046.53 | - | - | - | 1,046.53 |
| **Trade receivable** | | | | | | | | | | |
| InCred Financial Services Limited | - | - | 20.40 | - | - | - | - | - | 20.40 | - |
| | - | - | 20.40 | - | - | - | - | - | 20.40 | - |
| **Trade Payable** | | | | | | | | | | |
| InCred Global Wealth Limited | - | - | 46.62 | - | - | - | - | - | 46.62 | - |
| | - | - | 46.62 | - | - | - | - | - | 46.62 | - |
| **Borrowings :** | | | | | | | | | | |
| InCred Research Services Private Limited | - | - | - | - | - | - | - | 404.13 | - | 404.13 |
| InCred Capital Financial Services Private Limited | - | - | 22,245.11 | - | - | - | - | - | 22,245.11 | - |
| InCred Asset Management Private Limited | - | - | 1,015.36 | 901.51 | - | - | - | - | 1,015.36 | 901.51 |
| InCred Alternative Investments Private Limited | - | - | - | 500.94 | - | - | - | - | - | 500.94 |
| InCred Wealth and Investment Services Private Limited | - | - | 1,267.25 | 3,469.71 | - | - | - | - | 1,267.25 | 3,469.71 |
| Booth Fintech Private Limited | - | - | 2,402.24 | - | - | - | - | - | 2,402.24 | - |
| mValu Technology Services Private Limited | - | - | 2,460.99 | - | - | - | - | - | 2,460.99 | - |
| InCred Financial Services Limited | - | - | 4,000.00 | - | - | - | - | - | 4,000.00 | - |
| | - | - | 33,390.95 | 4,872.16 | - | - | - | 404.13 | 33,390.95 | 5,276.29 |
| **Advance to broker** | | | | | | | | | | |
| InCred Capital Wealth Portfolio Managers Private Limited | - | - | - | - | 174.72 | 2.23 | - | - | 174.72 | 2.23 |
| | - | - | - | - | 174.72 | 2.23 | - | - | 174.72 | 2.23 |



S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

InCred Wealth Private Limited

**Note 31 : 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 coveys 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 with a similar end date.

**ii.** Applied the exemption not to recognize ROU asset and liabilities for leases with less than 12 months of lease term on the date of initial application.

**iii.** Excluded the initial direct costs from the measurement of the ROU asset at the date of initial application.

**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 year ended 31 March 2024 are as follows:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Balance at the beginning of the year | - | 423.21 |
| Addition during the year | - | - |
| Transferred on account of demerger | - | (423.21) |
| Prior Period Adjustments | - | - |
| Depreciation for the year | - | - |
| **Balance as at the end of the year** | - | - |

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 for the year ended 31 March 2024 are as follows:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Balance as at the beginning of the year | - | 496.82 |
| Addition during the year | - | - |
| Finance cost accrued during the year | - | - |
| Prior Period Adjustments | - | - |
| Transferred on account of demerger | - | (496.82) |
| Payment of lease liabilities during the year | - | - |
| **Balance as at the end of the year** | - | - |

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

InCred Wealth Private Limited

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

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Current lease liabilities | - | - |
| Non-current lease liabilities | - | - |
| Total | - | - |

The details of the contractual maturities of lease liabilities as at 31 March 2024 on an undiscounted basis are as follows:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Less than one year | - | - |
| One to five years | - | - |
| More than five years | - | - |
| Total | - | - |

Expenses recognized in the Statement of Profit & Loss:

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Depreciation expense on RoU asset | - | - |
| Interest expense on lease liability | - | - |
| Expense relating to short-term leases | - | - |
| Total | - | - |

The Company does not face a significant liquidity risk with regard to its lease liability 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 was Rs. NIL for the year ended 31 March 2024 & Rs. NIL for the year ended 31 March 2023.

**Note 32 : 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, debt 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.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2024 & 31 March 2023.

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

IIFCred Wealth Private Limited

**Note 33 : Financial instruments**

**33.1 Fair values**

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments of the Company, other than those with carrying amounts that are reasonable approximation of fair values:

| Particulars | As at 31 March 2024 | | | |
|---|---|---|---|---|
| | Carrying Value | Amortized cost | FVTPL | FVTOCI |
| **Financial assets:** | | | | |
| Non-current investments | 8,028.89 | 4,850.00 | 3,178.89 | - |
| Rental deposits | 4.51 | 4.51 | - | - |
| Current investments | 16,156.78 | - | 16,156.78 | - |
| Trade receivables | 38.33 | 38.33 | - | - |
| Cash and cash equivalents | 106.24 | 106.24 | - | - |
| Loans | 10,747.95 | 10,747.95 | - | - |
| **Total financial assets** | 35,082.70 | 15,747.03 | 19,335.67 | - |
| **Financial liabilities:** | | | | |
| Borrowings | 33,390.95 | 33,390.95 | - | - |
| Trade payables | 58.44 | 58.44 | - | - |
| Other current financial liabilities | 5.23 | 5.23 | - | - |
| **Total financial liabilities** | 33,454.62 | 33,454.62 | - | - |

| Particulars | As at 31 March 2023 | | | |
|---|---|---|---|---|
| | Carrying Value | Amortized cost | FVTPL | FVTOCI |
| **Financial assets:** | | | | |
| Non-current investments | 5,049.86 | 4,850.00 | 199.86 | - |
| Current investments | 842.29 | - | 842.29 | |
| Trade receivables | 159.17 | 159.17 | - | - |
| Cash and cash equivalents | 22.21 | 22.21 | - | - |
| Loans | 2,930.10 | 2,930.10 | - | - |
| **Total financial assets** | 9,003.63 | 7,961.48 | 1,042.15 | - |
| **Financial liabilities:** | | | | |
| Long-term borrowings | - | - | - | - |
| Lease liabilities | - | - | - | - |
| Other non-current financial liabilities | - | - | - | - |
| Borrowings | 5,276.29 | 5,276.29 | - | - |
| Trade payables | 9.35 | 9.35 | - | - |
| Other current financial liabilities | 5,112.75 | 5,112.75 | - | - |
| **Total financial liabilities** | 10,398.39 | 10,398.39 | - | - |

The management of the Company assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, other current financial assets and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

**33.2 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 and 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 designated under FVOCI has been valued using discounted cash flow method.

S.H. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

InCred Wealth Private Limited

The following table provides quantitative disclosure of the fair value measurement hierarchy of the asset and liabilities of the Company:-

| Particulars | Level of fair value measurement | As at 31 March 2024 | |
|---|---|---|---|
| | | Carrying Value | Fair Value |
| **Financial assets:** | | | |
| Non-current investments | Level 3 | 5,049.86 | 5,049.86 |
| Non-current investments | Level 1 | 2,979.03 | 2,979.03 |
| Current investments | Level 1 | 0.01 | 0.01 |
| Current investments | Level 3 | 16,156.77 | 16,156.77 |
| Deposits | Level 3 | 4.51 | 4.51 |
| Trade receivables | Level 3 | 38.33 | 38.33 |
| Cash and cash equivalents | Level 1 | 106.24 | 106.24 |
| Loans | Level 3 | 10,747.95 | 10,747.95 |
| **Total financial assets** | | 35,082.70 | 35,082.70 |
| **Financial liabilities:** | | | |
| Borrowings | Level 3 | 33,390.95 | 33,390.95 |
| Trade payables | Level 3 | 58.44 | 58.44 |
| Other current financial liabilities | Level 3 | 5.23 | 5.23 |
| **Total financial liabilities** | | 33,454.62 | 33,454.62 |

| Particulars | Level of fair value measurement | As at 31 March 2023 | |
|---|---|---|---|
| | | Carrying Value | Fair Value |
| **Financial assets:** | | | |
| Non-current investments | Level 3 | 5,049.86 | 5,049.86 |
| Current investments | Level 1 | 819.46 | 819.46 |
| Current investments | Level 2 | 22.83 | 22.83 |
| Deposits | Level 3 | - | - |
| Trade receivables | Level 3 | 159.17 | 159.17 |
| Cash and cash equivalents | Level 1 | 22.21 | 22.21 |
| Loans | Level 3 | 2,930.10 | 2,930.10 |
| **Total financial assets** | | 9,003.63 | 9,003.63 |
| **Financial liabilities:** | | | |
| Borrowings | Level 3 | 5,276.29 | 5,276.29 |
| Trade payables | Level 3 | 9.35 | 9.35 |
| Other current financial liabilities | Level 3 | 5,112.75 | 5,112.75 |
| **Total financial liabilities** | | 10,398.39 | 10,398.39 |

**Notes:**

1. The fair value of cash and cash equivalents is their carrying amounts.
2. In the absence of observable inputs to measure fair value, the assets and liabilities have been classified as Level 3.
3. The carrying amount of trade receivables, trade payables, other current financial assets and other current financial liabilities is considered to be reasonable approximation of the fair value as they are short-term in nature.

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

8R

InCred Wealth Private Limited

**Note 34 : 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, comprise long-term borrowings, 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 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.

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 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Borrowings: | | |
| Fixed rate borrowings (including interest) | 33,390.95 | 5,276.29 |
| Loans given | | |
| Loans (including interest) | 10,790.02 | 2,941.87 |
| Total | 44,180.97 | 8,218.16 |

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. 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 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.

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

SR

InCred Wealth Private Limited

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.

Based on management estimation and calculation ECL provision has been kept as 100% for all the trade receivable outstanding more than 90days

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 historical 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. These parameters are derived from the Company's internally developed statistical models and other historical data. In addition, the Company uses reasonable and supportable information on future economic conditions including macroeconomic factors such as interest rates, gross domestic product, inflation and expected direction of the economic cycle. Since incorporating these forward looking information increases the judgment as to how the changes in these macroeconomic factor will affect ECL, the methodology and assumptions are reviewed at regular intervals.

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

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Trade receivables | 40.31 | 236.26 |
| Loans | 10,790.02 | 2,941.87 |
| Total | 10,830.33 | 3,178.13 |

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

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Loss allowance | | |
| Gross carrying amount of financial assets | 10,790.02 | 2,941.87 |
| Expected credit Loss | (42.06) | (11.77) |
| Carrying amount net of impairment provision | 10,747.96 | 2,930.10 |

Following table provides exposure to credit risk for trade receivables-

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Loss allowance measured at 12 month ECL - Trade receivable | | |
| Gross carrying amount of financial assets | 40.31 | 236.26 |
| Expected credit Loss | (1.98) | (77.09) |
| Carrying amount net of impairment provision | 38.33 | 159.17 |

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

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Opening balance | 88.86 | 70.88 |
| Changes in (loss) allowances due to Demerger | (88.86) | (70.88) |
| Additional Provision | (44.82) | 88.86 |
| Closing balance | (44.82) | 88.86 |

(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.

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

SR

InCred Wealth Private Limited

As at 31 March 2024:-

| Particulars | Note No. | Carrying Amount | Contractual cash flows: Gross outflow | On Demand | Less than 1 year | 1 - 3 years | 3 - 5 years | After 5 years |
|---|---|---|---|---|---|---|---|---|
| **Maturities of financial liabilities:** | | | | | | | | |
| Borrowings | 16 | 33,390.95 | (33,390.95) | 26,988.71 | 6,402.24 | - | - | - |
| Trade payables | 17 | 58.44 | (58.44) | 58.44 | - | - | - | - |
| Other current financial liabilities | 18 | 5.23 | (5.23) | - | 5.23 | - | - | - |
| Total | | 33,454.62 | (33,454.62) | 27,047.15 | 6,407.47 | - | - | - |

As at 31 March 2023:-

| Particulars | Note No. | Carrying Amount | Contractual cash flows: Gross outflow | On Demand | Less than 1 year | 1 - 3 years | 3 - 5 years | After 5 years |
|---|---|---|---|---|---|---|---|---|
| **Maturities of financial liabilities:** | | | | | | | | |
| Borrowings | 16 | 5,276.29 | (5,276.29) | 5,276.29 | - | - | - | - |
| Trade payables | 17 | 9.35 | (9.35) | 9.35 | - | - | - | - |
| Other current financial liabilities | 18 | 5,112.75 | (5,112.75) | - | 5,112.75 | - | - | - |
| Total | | 10,398.39 | (10,398.39) | 5,285.64 | 5,112.75 | - | - | - |

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 including interest that will be earned on those assets. The inclusion of information on nonderivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis. Hence, maturities of the relevant assets have been considered below.

As at 31 March 2024:-

| Particulars | Note No. | Carrying Amount | Contractual cash flows: Gross inflow | On Demand | Less than 1 year | 1 - 3 years | 3 - 5 years | After 5 years |
|---|---|---|---|---|---|---|---|---|
| **Maturities of financial assets:** | | | | | | | | |
| Non-current investments | 4 | 8,028.89 | 8,028.89 | - | - | 199.86 | - | 7,829.03 |
| Current investments | 7 | 16,156.78 | 16,156.78 | - | 16,156.78 | - | - | - |
| Trade receivables | 8 | 38.33 | 38.33 | - | 38.33 | - | - | - |
| Cash and cash equivalents | 9 | 106.24 | 106.24 | 106.24 | - | - | - | - |
| Loans | 5 & 10 | 10,747.95 | 10,747.95 | - | 3,921.97 | 6,825.98 | - | - |
| Other current financial assets | 6 | 4.51 | 4.51 | - | - | 4.51 | - | - |
| Total | | 35,082.70 | 35,082.70 | 106.24 | 20,117.08 | 7,030.35 | - | 7,829.03 |

As at 31 March 2023:-

| Particulars | Note No. | Carrying Amount | Contractual cash flows: Gross inflow | On Demand | Less than 1 year | 1 - 3 years | 3 - 5 years | After 5 years |
|---|---|---|---|---|---|---|---|---|
| **Maturities of financial assets:** | | | | | | | | |
| Non-current investments | 4 | 5,049.86 | 5,049.86 | - | - | 199.86 | - | 4,850.00 |
| Current investments | 7 | 842.29 | 842.29 | - | 842.29 | - | - | - |
| Trade receivables | 8 | 159.17 | 159.17 | - | 159.17 | - | - | - |
| Cash and cash equivalents | 9 | 22.21 | 22.21 | 22.21 | | - | - | - |
| Loans | 5 & 10 | 2,930.10 | 2,930.10 | 1,042.34 | - | 1,887.76 | - | - |
| Total | | 9,003.63 | 9,003.63 | 1,064.55 | 1,001.46 | 2,087.62 | - | 4,850.00 |



S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

SR

InCred Wealth Private Limited

**Note 35 : Employee benefits**

**35.1 Defined contribution plan**

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

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Provident fund (including LWF) | 1.01 | 3.48 |
| Total | 1.01 | 3.48 |

**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 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Change in benefit obligations** | | |
| Present value of benefit obligation at the beginning of the period | 0.30 | 61.53 |
| Interest cost | 0.02 | 0.02 |
| Current Service cost | 0.79 | 0.75 |
| Liability Transferred out/ Disinvestments | - | (61.20) |
| Actuarial (Gains) on obligations - due to change in demographic assumptions | 0.78 | - |
| Actuarial (Gains) on obligations - due to change in financial assumptions | 0.01 | (0.08) |
| Actuarial Losses on obligations - due to experience | (0.22) | (0.71) |
| Liability at the end of the period | 1.68 | 0.30 |

**Amount recognized in the Standalone Balance Sheet:**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Present value of benefit obligation | (1.68) | (0.30) |
| Fair value of plan assets at the end of the period | - | - |
| Funded Status (Deficit) | (1.68) | (0.30) |
| Net (Liability) Recognized in the Standalone Balance Sheet | (1.68) | (0.30) |

**Expenses recognized in the Standalone Statement of Profit and Loss:**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Current service cost | 0.79 | 0.75 |
| Net interest cost | 0.02 | 0.02 |
| Past service cost | - | - |
| Expected Contributions by the Employees | - | - |
| (Gains)/Losses on curtailments and settlements | - | - |
| Net effect of changes in foreign exchange rates | - | - |
| Expenses recognised | 0.81 | 0.77 |

**Expenses recognized in the Other comprehensive income (OCI)**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Actuarial (Gains) on obligation for the period | 0.57 | (0.80) |
| Return on plan assets, excluding interest income | - | - |
| Net (income) for the period recognized in OCI | 0.57 | (0.80) |

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

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Discount Rate | 7.21% | 7.29% |
| Salary escalation rate | 10.00% | 10.00% |
| Expected Rate of return on Plan Assets | NA | NA |
| Rate of Employee Turnover | 10.00% | 24.00% |
| Retirement Age | 60 years | 60 years |
| 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.

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

InCred Wealth Private Limited

**Standalone Balance sheet reconciliation**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Opening net liability** | 0.30 | 61.53 |
| Expenses recognized in Statement of Profit and Loss | 0.81 | 0.77 |
| Expenses recognized in OCI | 0.57 | (0.80) |
| Net (Asset) Transfer In | - | - |
| Net (Liability)/Asset Transfer Out | - | (61.20) |
| Benefit Paid Directly by the Employer | - | - |
| Employer's Contribution | - | - |
| **Net liability recognized in the Standalone Balance Sheet** | 1.68 | 0.30 |

**Other details:**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Number of eligible employees | 4.00 | 4.00 |
| Per month salary for eligible employees | 1.95 | 0.97 |
| Average expected future service | 8.00 | 3.00 |
| Weighted average duration of the Projected Benefit Obligation | 12.00 | 7.00 |
| Projected Benefit Obligation (PBO) | 1.69 | 0.30 |
| DBO Non Vested Employees | 1.69 | 0.30 |
| DBO Vested Employees | - | - |
| Prescribed Contribution For Next Year (12 Months) | - | - |

**Cash Flow Projection:**
**Maturity analysis of the benefit payments: from the employer**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Projected benefits payable in future years from the date of reporting** | | |
| 1st following year | 0.00 | 0.00 |
| 2nd following year | 0.00 | 0.00 |
| 3rd following year | 0.04 | 0.00 |
| 4th following year | 0.11 | 0.04 |
| 5th following year | 0.17 | 0.08 |
| Sum of years 6 to 10 | 0.83 | 0.24 |
| Sum of years 11 and above | 3.20 | 0.16 |

**Sensitivity analysis:**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Projected benefit obligation on current assumptions** | 1.68 | 0.30 |
| Delta effect of +1% change in rate of discounting | (0.17) | (0.02) |
| Delta effect of -1% change in rate of discounting | 0.20 | 0.02 |
| Delta effect of +1% change in rate of salary increase | 0.19 | 0.02 |
| Delta effect of -1% change in rate of salary increase | (0.17) | (0.02) |
| Delta effect of +1% change in rate of employee turnover | (0.08) | 0.02 |
| Delta effect of -1% change in rate of employee turnover | 0.09 | 0.02 |

**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.

**35.3 Compensated Absences**
As per the revised policy of the company , the accumulated unavailed leave lapses as at 31 March 2024. Thus no liability has been determined for the current year in respect of compensated absences.

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

InCred Wealth Private Limited

**Note 36 : Ratio Analysis and its elements**

| Ratio | Numerator | Denominator | Year ended 31 March 2024 | Year ended 31 March 2023 | % change during the year | Remarks |
|---|---|---|---|---|---|---|
| Current ratio | Current Assets | Current Liabilities | 0.51 | 0.22 | 182.96 | Increase in Current Investments during the year |
| Debt- Equity Ratio | Borrowings | Shareholders Equity | 19.48 | (8.41) | (331.64) | Increase of Borrowings during FY 23 24 |
| Debt Service Coverage ratio | Net Operating Income | Debt Service | 0.09 | 0.03 | 178.44 | Increase of Net Operating Income |
| Return on Equity ratio | Net Profits after taxes | Shareholder's Equity | 4.31 | (0.13) | (3,356.30) | Increase of Profit during FY 23 24 |
| Inventory Turnover ratio | NA | NA | NA | NA | NA | NA |
| Trade Receivable Turnover Ratio | Net credit sales | Average Trade Receivable | 38.36 | 1.14 | 3,269.07 | Increase in Income and decrease of Trade Receivable |
| Trade Payable Turnover Ratio | Net credit purchases | Average Trade Payables | 0.94 | 3.08 | (69.35) | Increase in Trade Payable and decrease of purchases |
| Net Capital Turnover Ratio | Total sales | Working capital = Current assets – Current liabilities | (0.29) | (0.20) | 48.63 | Increase in Income during FY 23-24 |
| Net Profit ratio | Net Profit | Total sales | 0.52 | 0.37 | 65.08 | Increase of Profit during FY 23 24 |
| Return on Capital Employed | Earnings before interest and taxes | Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability | 0.12 | 0.29 | (59.67) | Increase in borrowings during the year |
| Return on Investment | Gain on Investment/Interest (Finance Income) | Investment | 0.03 | 0.09 | (65.12) | Increase in Investment |

**Note 37 : Other Statutory Information**

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

(ii) The Company does not have any transactions with companies struck off.
(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
(iv) The Company has 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 has 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 25 May 2023,Company has borrowed from InCred Wealth & Investment Services Pvt Ltd ("IWISPL") Rs. 800 lakhs and the amount was used to further advance ICD loan of Rs. 800 lakhs to Alpha Fintech Private Limited.
B. On 07 November 2023, Company has borrowed from Incred Capital Wealth Portfolio Managers Private Limited Rs. 456.06 lakhs and the amount was used to further advance ICD loan of Rs. 356.06 lakhs to Prithvi Chandrashekhar
C. On 21 December 2023,Company has borrowed from InCred Capital Financial Services Pvt Ltd ("ICFSPL") Rs. 2,525 lakhs and 25 lakh on 22 December 2023 and the amount was used to further advance ICD loan of Rs. 2,550 lakhs to Triumph Global India Private Limited.
D. On 14 March 2024,Company has borrowed from InCred Capital Financial Services Pvt Ltd ("ICFSPL") Rs. 23 lakhs and the amount was used to further advance ICD loan of Rs. 23 lakhs to Amar Kothari.
(b) Except as disclosed above and in Annexure A, 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 do not have 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 is a composite scheme of arrangement ("Scheme") which has been filed by the Company under the Act with the National Company Law Tribunal on 08 October 2021.The same has been approval by the competent authority u/s 232 to 237 of the Act as on 26 April 2022. The appointed date under the scheme is 01 April 2022.
(x) The company is in compliance with provisions of sec 2(87) read with Companies (Restriction on number of Layers) Rules, 2017.
(xi) The Company has not been declared as wiful 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.
(xiii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
(xiv) The Company does not have any pending litigations as on 31 March 2024

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

SR

InCred Wealth Private Limited

**Note 38 : Composite Scheme of Arrangement**

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

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

The Appointed date of the Scheme is 01 April 2022, and accordingly the books of account and financial statements effecting the Scheme have been prepared with effect from 01 April 2022.

Under the Scheme, the identified Wealth (Distribution of third party products) business of the Company shall be demerged with InCred Wealth and Investment Services Private Limited. Further, InCred Capital Financial Services Private Limited (Parent Company) of InCred Wealth and Investment Services Private Limited shall issue shares to the shareholders of InCred Wealth Private Limited as Purchase Consideration. Further, with the discharge of purchase consideration for demergers, shareholders of the company will hold majority shareholding of the company.

The following assets and liabilities balances as on 31 March 2022 have been vested into InCred Wealth and Investment Services Private Limited from the Company with effect from 01 April 2022

| Particulars | Amount |
|---|---|
| **(i) Assets :** | |
| Property, plant and equipment | 264.78 |
| Capital work-in-progress | 20.68 |
| Other intangible assets | 11.05 |
| Right of Use Assets | 423.21 |
| Intangible assets under development | 1.00 |
| Others non-current financial assets | 52.90 |
| Deferred Tax Assets | 2,012.24 |
| Other non current assets | 0.20 |
| Current Investments | 3,574.79 |
| Trade receivables | 2,637.24 |
| Cash and cash equivalents | 1,241.91 |
| Loans | 5,125.66 |
| Other current assets | 127.69 |
| **Total** | **15,493.35** |
| **(ii) Liabilities :** | |
| Reserves | (6,395.96) |
| Lease Liability | 496.82 |
| Provisions | 61.20 |
| Borrowings | 20,011.24 |
| Trade payables | 230.56 |
| Other financial liabilities | 1,632.29 |
| Other current liabilities | 231.54 |
| **Total** | **16,267.69** |
| **Net Assets transferred Pursuant to the Scheme (i-ii)** | **(774.33)** |

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

InCred Wealth Private Limited

**Note 39 : Interest in other entities**

**Subsidiary**

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

| Name of Company | Principal business activities | Holding Company | Country of Incorporation | % ownership interest 31 March 2024 |
|---|---|---|---|---|
| InCred Capital Wealth Portfolio Managers Private Limited (formerly known as BSH Corporate Advisors and Consultants Private Limited) | Financial services - Stock broking, Portfolio management services & Investment advisory services | InCred Wealth Private Limited | India | 100.00% |

**Note 40 : Other notes**

**a. Segment reporting**

The Company's main business is placement , facilitation and referral of financial products and all other activities revolve around the same. All activities of the Company are carried out in India. As such there are no separate reportable segments as per the Indian Accounting Standard 108 (IND AS 108) on Operating Segments.

The Company operates in a single geographical segment i.e. domestic.

**b. Corporate social responsibility**

The Ministry of Corporate Affairs notified section 135 of the Companies Act 2013 along with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The provisions related to Corporate Social Responsibility are not applicable to the Company.

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

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

**Note 41 : Back up of Books and Audit trail**

a. As per MCA notification dated 05 August,2022 Government has notified the Companies (Accounts) Fourth Amendement Rules, 2022. As per the amended rules back-up of the books 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 and backup is done on 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 software. Further, there are no instance of audit trail feature being tampered with.

As per our report of even date.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Sarvesh Warty

**per Sarvesh Warty**
Partner
Membership No: 121411
Place : Mumbai
Date : 19 August 2024

For and on behalf of the Board of Directors of
**InCred Wealth Private Limited**

**Bhupinder Singh**
Director
DIN : 07342318
Place : Mumbai
Date : 19 August 2024

**Kamlesh Dangi**
Director
DIN - 05152439
Place : Mumbai
Date : 19 August 2024

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

InCred Wealth Private Limited

ANNUAL REPORT FOR THE FINANCIAL YEAR 2023-24

***CORPORATE INFORMATION: -***

**COMPANY IDENTIFICATION NUMBER**

U67190MH2019PTC325577

**BOARD OF DIRECTORS**

Mr. Bhupinder Singh
Mr. Kamlesh Dangi

**STATUTORY AUDITORS**

S.R. BATLIBOI & ASSOCIATE LLP,
Chartered Accountants,
ICAI Firm Registration No. 101049W/E300004

**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.incredwealth.com
8826272192

**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

## DIRECTOR'S REPORT

**Dear Shareholders,**
**InCred Wealth Private Limited**

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

Type text here

### 1. FINANCIAL HIGHLIGHTS OF THE COMPANY

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

| | Standalone (Rs. In lakhs) | | Consolidated (Rs. In lakhs) | |
|---|---|---|---|---|
| **Particulars** | **2023-24** | **2022-23** | **2023-24** | **2022-23** |
| Income from Operations | 3788.42 | 1594.56 | 9378.44 | 3,636.94 |
| Other Income | 403.51 | 174.28 | 215.65 | (163.27) |
| **Total Income** | 4191.93 | 1768.84 | 9162.80 | 3,473.67 |
| Expenses | 1020.14 | 956.34 | 1488.14 | 216.01 |
| Depreciation & Amortization | 0.67 | 0.99 | 1051.68 | 659.31 |
| **Total Expenses** | 1020.81 | 957.33 | (139.12) | - |
| **Profit/(Loss) before Depreciation & Tax** | 3170.45 | 812.50 | 6762.09 | 2,598.35 |
| Depreciation | (0.67) | (0.99) | (17.67) | 1.41 |
| **Profit/(Loss) before Tax** | 3171.12 | 811.51 | 6744.42 | 2,599.76 |
| Tax Provision/MAT | 140.30 | - | - | - |
| Deferred Tax Provision for the year | 688.86 | 214.37 | 6744.42 | 2,599.76 |
| Tax Expenses for previous years | - | - | 9378.44 | 3,636.94 |
| **Profit/(Loss) after Tax** | 2341.96 | 597.14 | 215.65 | (163.27) |
| Other Comprehensive Income | -0.43 | 0.60 | 9162.80 | 3,473.67 |
| Total Comprehensive Income | 2341.53 | 597.74 | 1488.14 | 216.01 |
| Appropriation for earlier years | - | - | 1051.68 | 659.31 |
| Profit/(Loss) transferred to Balance Sheet | 2341.96 | 597.14 | (139.12) | - |

**OVERVIEW OF THE FY 2023-24**

During the year under review, the Company's standalone revenue from operations stood at INR 3788.42 lakhs as compared to INR 1594.56 lakhs in previous year. The standalone profit after tax stood at INR 2341.96 lakhs as compared to INR 597.14 lakhs in previous year.

During the year under review, the Company's consolidated revenue from operations stood at INR 9378.44 lakhs as compared to INR 3636.94 lakhs in previous year. The consolidated profit after tax stood at INR 215.65 lakhs as compared to loss of INR (163.27) lakhs in previous year.

### 2. DIVIDEND & TRANSFER OF GENERAL RESERVES

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.

### 3. CHANGES IN SHARE CAPITAL

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

### 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. **MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

During the year under review, there were no material changes and commitments that took place during and after the financial year till the date of signing of this board report, affecting the financial position of the company.

6. **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.

7. **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.

8. **DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES ALONG WITH THE PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT**

As on March 31, 2024, the Company has 2 subsidiaries (including step down subsidiary) viz. InCred Capital Wealth Portfolio Private Limited (formerly known as BSH Corporate Advisors and Consultants Private Limited) and InCred Research Services Private Limited. The Company does not have any joint ventures within the meaning of Section 2(6) of the Companies Act, 2013.

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 I.**

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.

9. **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.

10. **STATUTORY AUDITORS AND THEIR REPORT**

M/s. S.R. Batliboi & Associates LLP.,Chartered Accountants, (Firm Registration No. 101049W/E300004), were appointed as the Statutory Auditors of the Company at 02nd Annual General Meeting of the Company Statutory Auditors of the Company for a term of 5 (Five) year until

the conclusion of the Annual General Meeting of the Financial Year 2026-2027 at such remuneration as was mutually agreed between the Board of Directors of the Company and the said Auditors.

However, due to significant reduction in Audit fees proposed by the Management for the audit of year ended March 31st, 2025 as compared to the fees for the previous year March 31st,2024, M/s S.R. Batliboi & Associates LLP., Chartered Accountants, have resigned as the Statutory Auditor of the Company, causing the casual vacancy in the position of the statutory auditors of the Company.

The Board of Directors, at its meeting held on September 24, 2024 noted and accepted the resignation of M/s. S.R. Batliboi & Associates LLP., Chartered Accountants .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 04, 2024 appointed M/s. M S K A & Associates, Chartered Accountants, (Firm Registration No. 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. S.R. Batliboi & Associates LLP., Chartered Accountants.

As required by Section 139(8) of the Companies Act, 2013, the appointment should 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 05th AGM till the conclusion of the 09th 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. S.R. Batliboi & Associates LLP., Chartered Accountants, (Firm Registration No. 101049W/E300004) 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.

## 11. 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 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 has no Exchange Earnings or expense as compared to Foreign Exchange Earnings of INR 106.61 lakhs and Foreign Exchange Outgo of INR 128.27 Lakhs in the previous financial year.

## 12. 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 not 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").

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.

## 13. DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP)

During the year under review, there were no changes in Directors, Mr. Bhupinder Singh and Mr. Kamlesh Dangi continue to act as Directors as at March 31, 2024.

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 continue as Directors

## 14. BOARD OF MEETINGS

6 (Six) meetings were held during the period under review. These meetings were held on May 10, 2023, August 07, 2023, September 06, 2023, November 24, 2023, December 27, 2023 and March 15, 2024. The intervening gap between two meetings did not exceed the period stipulated in the Companies Act, 2013.

## 15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The disclosures regarding, details of loans and guarantees given 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.

## 16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, the Company has entered into contracts or arrangements with its related parties referred to and attracting the provisions of Section 188 (1) of the Companies Act, 2013. Company has disclosed the particulars of the transactions as prescribed in **Form AOC - 2** annexed herewith as **Annexure II** in terms of the provisions of Section 134(3)(h) read with rule 8(2) of the Companies (Accounts) Rules, 2014.

## 17. 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.

## 18. EXTRACT OF THE ANNUAL RETURN

Pursuant to sub-section (3)(a) of Section 134 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 states that the Company shall require to provide the web address, if any, where annual return referred to in sub- section (3) of section 92 of the Companies Act, 2013 has been placed.

The Company does not have website. Further, as per provisions of the Companies Act, 2013 it's not mandatory to maintain the website for a Private Limited Company.

The Annual Return under Section 92 of the Companies Act, 2013 for the financial year ended March 31, 2024 shall be filed within the time prescribed under the Companies Act, 2013 and rules made thereunder.

## 19. RISK MANAGEMENT POLICY

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.

## 20. 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.

## 21. 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. No significant or material orders which impact the going concern status and Company's operations in future were passed by Regulators/Courts/Tribunals.
d. There was no issue of equity shares with differential rights as to dividend, voting or otherwise during the period.
e. The Company has not issued any shares (including sweat equity shares) to its employees under any scheme during the period.
f. The provisions of Section 149, 177, 178 and 197 of the Companies Act, 2013 are not applicable to the Company.
g. The Company has complied with applicable Secretarial Standards issued by the Institute of the Company Secretaries of India.
h. No petition/application has been admitted under Insolvency & Bankruptcy Code, 2016 by National Company Law Tribunal.

## 22. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that:

(a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) The directors had 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 at the financial year ended March 31, 2024 and of the profit of the Company for that period;

(c) The directors 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) The directors had prepared the annual accounts on a going concern basis; and

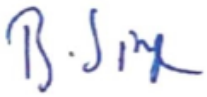
(e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 23. 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 trust reposed by them in the Company.

**For and on behalf of the Board of Directors**
**InCred Wealth Private Limited**



**Bhupinder Singh**
**Director**
**DIN:07342318**

**Kamlesh Dangi**
**Director**
**DIN: 05152439**

**Date: September 24, 2024**
**Place: Mumbai**

**Annexure I**

**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**

**(in Rs.lakh)**

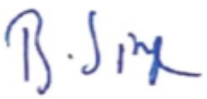
| Sr. No. | 1 | 2 |
|---|---|---|
| Name of the Subsidiary / Step-down Subsidiary | InCred Capital Wealth Portfolio Managers Private Limited (Subsidiary) | InCred Research Services Private Limited (Step down Subsidiary) |
| Registered Office | Unit No. 1203, 12th floor, B Wing, The Capital, Plot No. C - 70, G Block, Bandra - Kurla Complex, Bandra East, Mumbai - 400 051 | Unit No. 1502, 15th floor, B Wing, The Capital, Plot No. C - 70, G Block, Bandra - Kurla Complex, Bandra East, Mumbai - 400 051 |
| Nature of Business | The Company is principally engaged in the financial services space, offering financial services such as Stock Broking on both the stock exchanges i.e. National Stock Exchange ('NSE') & Bombay Stock Exchange ('BSE'), Debt broking on the whole sale debt segment of NSE & BSE, Depository Participant, Portfolio Management services, Investment Advisory services and Merchant Banking activity. | The Company is engaged in the business of research, consultancy and to act as advisors relating to personnel, industrial business management, distribution, marketing and selling and to collect, prepare and distribute information and statistics, relating to any type of business or industry and generally to act as market business research consultants and to act as a research analyst. |
| No. of Branches | 5 | 1 |
| Reporting period | 1st April 2023 to 31st March 2024 | 1st April 2023 to 31st March 2024 |
| Reporting currency | INR | INR |
| Exchange rate on the last day of the financial year | NA | NA |
| Share Capital | 4850 | 1826 |
| Reserves and Surplus | 3796.77 | 250.04 |
| Total assets (Fixed assets + Investments + Other assets) | 25121.96 | 7185.88 |
| Total liabilities (Deposits + Borrowings + Other liabilities + Provisions) | 16475.19 | 5109.84 |
| Investments | 4403.14 | 812.90 |
| Turnover | 10984.60 | 1255.91 |
| Profit/ (Loss) Before Tax | 5208.65 | 783.02 |
| Provision for tax | 1376.79 | 194.74 |
| Profit/ (Loss)After Tax | 3831.86 | 588.28 |

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

**Part: B: Associates and Joint Ventures: Not Applicable**
As on March 31,2024, the Company does not have any associates and joint ventures

1. Names of associates or joint ventures which are yet to commence operations: NA
2. 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 Wealth Private Limited**



**Bhupinder Singh**
**Director**
**DIN:07342318**

**Kamlesh Dangi**
**Director**
**DIN: 05152439**

**Date: September 24, 2024**
**Place: Mumbai**

**Annexure II**

**FORM 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 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 arms-length transactions under third proviso thereto** ***(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)***

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 |
|---|---|---|---|---|---|---|
| NA | | | | | | |

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

(INR in lakhs)

| 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. Date of approval by the board of directors | 6. Amount paid as advance, if any |
|---|---|---|---|---|---|
| InCred Holdings Limited | Distribution fees and related income | FY 23 24 | 2500 | | |

**For and on behalf of the Board of Directors**
**InCred Wealth Private Limited**

**Bhupinder Singh**
**Director**
**DIN:07342318**

**Kamlesh Dangi**
**Director**
**DIN: 05152439**

**Date: September 24, 2024**
**Place: Mumbai**

**InCred Wealth Private Limited**
CIN: U67190MH2019PTC325577
**Standalone Balance Sheet as at 28 February 2025**
*(All amounts in INR Lakhs, unless otherwise stated)*

| Particulars | Note No. | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|---|
| **A. ASSETS** | | | |
| **1. Non-current assets** | | | |
| **(a)** Property, plant and equipment | 3 | - | - |
| **(b)** Capital work-in-progress | 4 | - | - |
| **(c)** Other intangible assets | 5 | - | - |
| **(d)** Right of Use Assets | | - | - |
| **(e)** Intangible Assets under development | 6 | - | - |
| **(f)** Financial assets | | | |
| Investments | 7 | 6,707.03 | 8,028.89 |
| Loan | 8 | 7,764.12 | 6,825.98 |
| Other financial assets | 9 | 4.71 | 4.51 |
| **(g)** Deferred tax assets (net) | 30 | 228.97 | - |
| **(h)** Other non-current assets | 10 | - | - |
| **Total non-current assets** | | **14,704.83** | **14,859.38** |
| **2. Current assets** | | | |
| **(a)** Financial assets | | | |
| Investments | 11 | 8,299.00 | 16,156.78 |
| Trade receivables | 12 | 8.93 | 38.33 |
| Cash and cash equivalents | 13 | 108.30 | 106.24 |
| Loans | 14 | 5,958.95 | 3,921.97 |
| **(b)** Current tax assets (net) | 15 | - | 237.43 |
| **(c)** Other current assets | 16 | 445.92 | 206.13 |
| **Total current assets** | | **14,821.09** | **20,666.88** |
| **Total Assets** | | **29,525.92** | **35,526.26** |
| **B. EQUITY AND LIABILITIES** | | | |
| **1. Equity** | | | |
| **(a)** Equity share capital | 17 | 5.15 | 5.15 |
| **(b)** Other equity | 18 | 5,813.74 | 1,708.98 |
| **Total Equity** | | **5,818.90** | **1,714.13** |
| **2. Liabilities** | | | |
| **2.1 Non-current liabilities** | | | |
| **(a)** Financial liabilities | | | |
| Borrowings | | - | - |
| Lease Liabilities | | - | - |
| Other financial liabilities | | - | - |
| **(b)** Provisions | 19 | - | 1.69 |
| (c ) Deferred Tax Liabilities (Net) | | - | 84.44 |
| **Total non-current liabilities** | | - | **86.13** |
| **2.2 Current liabilities** | | | |
| **(a)** Financial liabilities | | | |
| Borrowings | 20 | 23,257.49 | 33,390.95 |
| Lease Liabilities | | - | - |
| Trade payables | 21 | | |
| **(i)** total outstanding dues of micro and small enterprises | | - | - |
| **(ii)** total outstanding dues of creditors other than micro and small enterprises | | 431.39 | 58.44 |
| Other financial liabilities | 22 | 15.26 | 5.23 |
| **(b)** Other current liabilities | 23 | 1.08 | 271.38 |
| **(c)** Provisions | 24 | 1.80 | 0.00 |
| **Total current liabilities** | | **23,707.03** | **33,726.00** |
| **Total Liabilities** | | **23,707.03** | **33,812.13** |
| **Total Equity and Liabilities** | | **29,525.92** | **35,526.26** |

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

For and on behalf of the Board of Directors of
**InCred Wealth Private Limited**

BHUPINDER SINGH — Digitally signed by BHUPINDER SINGH Date: 2025.03.27 16:16:54 +05'30'

**Bhupinder Singh**
Director
DIN : 07342318

Place : Mumbai
Date: 27th March 2025

KAMLESH RAJANINATH DANGI — Digitally signed by KAMLESH RAJANINATH DANGI Date: 2025.03.27 16:17:18 +05'30'

**Kamlesh Dangi**
Director
DIN : 05152439

Place : Mumbai
Date: 27th March 2025

**InCred Wealth Private Limited**
CIN: U67190MH2019PTC325577
**Standalone Statement of Profit and Loss for the year ended 28 February 2025**
(All amounts in INR Lakhs, unless otherwise stated)

| Particulars | Note No | For the year ended 28 February 2025 | For the year ended 31 March 2024 |
|---|---|---|---|
| **(I) INCOME** | | | |
| **(i)** Revenue from operations | **25** | 6,615.30 | 3,788.42 |
| **(ii)** Other income | **26** | 1,167.50 | 403.51 |
| **Total income (I = i + ii)** | | **7,782.80** | **4,191.93** |
| **(II) EXPENSES** | | | |
| **(i)** Employee benefits expenses | **27** | 63.83 | 63.60 |
| **(ii)** Finance cost | **28** | 1,977.46 | 924.54 |
| **(iii)** Depreciation, amortization and impairment | **3 & 5** | - | 0.67 |
| **(iv)** Other expenses | **29** | 872.31 | 32.00 |
| **Total expenses (II = i + ii + iii + iv)** | | **2,913.60** | **1,020.81** |
| **(III) Profit / (loss) before tax (III = I - II)** | | **4,869.20** | **3,171.12** |
| **(IV) Tax expense:** | | | |
| **(i)** Current Tax | | 1077.85 | 140.30 |
| **(ii)** Deferred tax expense / (income) | **30** | -313.41 | 688.86 |
| **Total tax expense (IV = i + ii)** | | **764.44** | **829.16** |
| **(V) Profit / (loss) for the period (V = III - IV)** | | **4,104.76** | **2,341.96** |
| **(VI) Other comprehensive income** | | | |
| **(i)** Items that will not be reclassified to profit or loss | | - | (0.57) |
| **(ii)** Income tax relating to items that will not be reclassified to profit or loss | **30** | - | 0.14 |
| **Total other comprehensive income (VI = i + ii)** | | **-** | **(0.43)** |
| **(VII) Total comprehensive income for the period (VII= V + VI)** | | **4,104.76** | **2,341.53** |
| **(VIII) Earnings per equity share (EPS)** | **31** | | |
| **(Face value of Rs. 10 each)** | | | |
| Basic (INR) | | 7,963.30 | 4,543.44 |
| Diluted (INR) | | 7,963.30 | 4,543.44 |

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

For and on behalf of the Board of Directors of
**InCred Wealth Private Limited**

BHUPINDER SINGH
Digitally signed by BHUPINDER SINGH
Date: 2025.03.27 16:18:11 +05'30'

**Bhupinder Singh**
Director
DIN : 07342318

Place : Mumbai
Date: 27th March 2025

KAMLESH RAJANINATH DANGI
Digitally signed by KAMLESH RAJANINATH DANGI
Date: 2025.03.27 16:18:31 +05'30'

**Kamlesh Dangi**
Director
DIN - 05152439

Place : Mumbai
Date: 27th March 2025

## Note 3 : Property, plant and equipment

| Particulars | Computers & Laptop | Total |
|---|---|---|
| Gross carrying amount: | | |
| As at 28 Feb 2025 | 3.03 | **3.03** |
| Accumulated depreciation: | | |
| As at 28 Feb 2025 | 3.03 | **3.03** |
| Net carrying amount: | | |
| As at 28 Feb 2025 | - | **-** |
| Depreciation charge for the year | - | **-** |

## Note 4 : Intangible assets

| Particulars | Amount |
|---|---|
| Gross carrying amount: | |
| As at 28 Feb 2025 | - |
| Accumulated depreciation: | |
| As at 28 Feb 2025 | - |
| Net carrying amount: | |
| As at 28 Feb 2025 | - |
| Depreciation charge for the year | - |

## Note 5 : Other Intangible assets

| Particulars | Amount |
|---|---|
| Gross carrying amount: | |
| As at 28 Feb 2025 | - |
| Accumulated depreciation: | |
| As at 28 Feb 2025 | - |
| Net carrying amount: | |

| | |
|---|---|
| As at 28 Feb 2025 | - |

**InCred Wealth Private Limited**
CIN: U67190MH2019PTC325577
**Standalone Statement of Profit and Loss for the year ended 28 February 2025**
(All amounts in INR Lakhs, unless otherwise stated)

## Note 6 : Intangible Assets under development

| Particulars | Amount |
|---|---|
| Gross carrying amount: | |
| As at 28 Feb 2025 | - |
| Accumulated depreciation: | |
| As at 28 Feb 2025 | - |
| Net carrying amount: | |
| As at 28 Feb 2025 | - |

**Note 7 : Investments - Non Current**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| **Unquoted, carried at cost:** | | |
| **Investment in equity instrument of subsidiary:** | | |
| InCred Capital Wealth Portfolio Managers Private Limited<br>48,500,000 equity shares of INR 10 each, fully paid up bought at INR 10 each) | 4,850.00 | 4,850.00 |
| **Unquoted, carried at FVTPL:** | | |
| Compulsorily convertible Preference shares | 199.86 | 199.86 |
| **Quoted, carried at FVTPL:** | | |
| Equity Shares | 1,657.17 | 2,979.03 |
| **Total** | **6,707.03** | **8,028.89** |
| Aggregate amount of unquoted investments | 6,707.03 | 8,028.89 |
| Aggregate amount of quoted investments | 1,657.17 | - |

**Note 8 : Loan - Non Current**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| Loan to Others | 7,807.47 | 6,860.79 |
| Loan to Subsidiary | - | - |
| | **7,807.47** | **6,860.79** |
| Less: Allowance for impairment loss | (43.35) | (34.81) |
| **Total** | **7,764.12** | **6,825.98** |

**Note 9 : Other financial assets**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| **Financial assets carried at amortized cost:** | | |
| Rental deposits | 4.71 | 4.51 |
| Advance received towards Investments | - | - |
| **Total** | **4.71** | **4.51** |

**Note 10 : Other non-current assets**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| **Unsecured, considered good** | | |
| **Others:** | | |
| Prepaid expenses | - | - |
| **Total** | **-** | **-** |

**Note 11 : Investments - Current**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| **Unquoted, carried at FVTPL:** | | |
| Equity Shares | 8,298.99 | 16,156.77 |
| **Quoted, carried at FVTPL:** | | |
| Exchange Traded Fund | 0.01 | 0.01 |
| Options | - | - |
| Mutual Fund | - | - |
| **Total** | **8,299.00** | **16,156.78** |
| Aggregate amount of unquoted investments | 8,298.99 | 16,156.77 |
| Aggregate amount of quoted investments | 0.01 | 0.01 |

**Note 12 : Trade receivables**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| **Unsecured, considered good** | | |
| from others | 10.91 | 19.92 |
| from related parties | - | 20.40 |
| | **10.91** | **40.32** |
| Less: Allowance for impairment loss | (1.98) | (1.98) |
| **Total** | **8.93** | **38.34** |

**Note 13 : Cash and cash equivalents**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| Cash on hand | | |
| Balances with banks: | | |
| - In current accounts | 108.30 | 106.24 |
| **Total** | **108.30** | **106.24** |

**Note 14 : Loans**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| Loan to Others | - | - |
| Loan to Subsidiary | 5,958.95 | 3,929.23 |
| | **5,958.95** | **3,929.23** |
| Less: Allowance for impairment loss | - | (7.25) |
| **Total** | **5,958.95** | **3,921.97** |

**As at 28 February 2025**

| Type of Borrower | Amount of Loan or Advance in the nature of Loan outstanding | % to the total Loans and Advances in the nature of Loans |
|---|---|---|
| Promotor | - | - |
| Directors | - | - |
| KMPs | - | - |
| Related Parties | 5,958.95 | 100% |

**As at 31 March 2024**

| Type of Borrower | Amount of Loan or Advance in the nature of Loan outstanding | % to the total Loans and Advances in the nature of Loans |
|---|---|---|
| Promotor | - | - |
| Directors | - | - |
| KMPs | - | - |
| Related Parties | 3,929.23 | 100% |

**Note 15 : Current tax assets (net)**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| Income tax refundable (net of provision for income tax) | - | 237.43 |
| **Total** | **-** | **237.43** |

**Note 16 : Other current assets**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| **Unsecured, considered good** | | |
| **Advances other than capital advances:** | | |
| Advance to vendors | 6.59 | 0.26 |
| Advance to employees | 0.06 | 0.06 |
| **Capital advances:** | | |
| Advance to vendors | - | - |
| **Others:** | | |
| Balance with government authorities | 439.08 | 31.07 |
| Prepaid expenses | 0.05 | 0.08 |
| Others | 0.12 | 174.72 |
| **Total** | **445.92** | **206.19** |

**Note 18 : Other equity**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| **(a) Retained earnings** | | |
| Opening balance | 934.64 | (1,406.89) |
| Transferred on account of demerger | - | - |
| Profit / (loss) after tax for the year | 4,104.76 | 2,341.96 |
| Other comprehensive income for the year, net of income tax | - | (0.43) |
| **Closing Balance** | **5,039.40** | **934.64** |
| **(b) Merger Reserves** | 774.34 | **774.34** |
| **Total** | **5,813.74** | **1,708.98** |

**Note : Borrowings - Non Current**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| **Unsecured carried at amortized cost:** | | |
| Borrowings from related party | - | - |
| **Total** | **-** | **-** |

**Note : Other financial liabilities**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| Lease liability | - | - |
| Advance towards sale of Investments | - | - |
| **Total** | | **-** |

**Note 19 : Provisions - Non Current**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| **Provision for employee benefits** | | |
| Provision for leave encashment | - | - |
| Provision for gratuity | - | 1.69 |
| **Total** | **-** | **1.69** |

**Note 20 : Borrowings - Current**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| **Unsecured carried at amortized cost:** | | |
| Borrowings from related party* | 23,257.49 | 33,390.95 |
| Others | - | - |
| **Total** | **23,257.49** | **33,390.95** |

**Note 21 : Trade payables**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| Total outstanding dues of micro enterprises and small enterprises | | |
| **[Refer Note No. 33 for details of dues to micro and small enterprises]** | | |
| - Principal amount due | - | - |
| - Interest amount due | - | - |
| | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | |
| - to others | 431.39 | 58.44 |
| - to related parties | - | - |
| | **431.39** | **58.44** |
| **Total** | **431.39** | **58.44** |

**Note 22 : Other financial liabilities**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| Current maturities of long-term borrowings [**Refer Note No. 17**] | | - |
| Employee benefits payable | 3.85 | 5.06 |
| Expenses payable | - | - |
| Lease liability | - | - |
| Security deposit car | - | - |
| Merger payable* | - | - |
| Others | 11.40 | - |
| **Total** | **15.26** | **5.06** |

**Note 23 : Other current liabilities**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| Statutory dues payable | - | 70.62 |
| Advance from Customers | 0.71 | - |
| Others | 0.37 | 200.22 |
| **Total** | **1.08** | **270.85** |

**Note 24 : Provisions**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| **Provision for employee benefits** | | |
| Provision for leave encashment | - | - |
| Provision for gratuity | 1.80 | 0.00 |
| **Total** | **1.80** | **0.00** |

**Note 25 : Revenue from operations**

| Particulars | For the year ended 28 February 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Distribution fees and related income | 309.58 | 3,044.87 |
| Gain on sale of Investments | 6,305.71 | 743.55 |
| **Total** | **6,615.30** | **3,788.42** |
| **Geographical Markets** | | |
| Within India | 6,615.30 | 3,788.42 |
| Outside India | - | - |
| **Total** | **6,615.30** | **3,788.42** |
| **Timing of revenue recognition** | | |
| Services transferred at a point in time | 6,615.30 | 3,788.42 |
| Services transferred over time | - | - |
| **Total** | **6,615.30** | **3,788.42** |

**Note 26 : Other income**

| Particulars | For the year ended 28 February 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Interest on advance Given | 1,166.10 | 395.60 |
| Dividend Income | 0.23 | 4.01 |
| Marketing Income | - | - |
| Unwinding of Securtiy deposits | - | - |
| Business support services | - | - |
| Interest on income tax refund | - | 3.75 |
| Interest Income on Fixed Deposit | 0.95 | - |
| Other | 0.23 | 0.15 |
| **Total** | **1,167.50** | **403.51** |

**Note 27 : Employee benefits expenses**

| Particulars | For the year ended 28 February 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Salaries, wages and bonus | 62.80 | 64.10 |
| Contribution to provident and other funds | 0.87 | 1.01 |
| Share based payments to employees | - | - |
| Gratuity expenses | - | 0.82 |
| Leave encashment expenses | - | - |
| Staff welfare expenses | 0.16 | (2.33) |
| **Total** | **63.83** | **63.60** |

**Note 28 : Finance cost**

| Particulars | For the year ended 28 February 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Interest on borrowings carried at amortized cost | 1,977.46 | 924.54 |
| Interest on lease liability | - | - |
| **Total** | **1,977.46** | **924.54** |

**Note 29 : Other expenses**

| Particulars | For the year ended 28 February 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Rent | - | - |
| Allowance for Impairment | 1.29 | (44.82) |
| Communication cost | - | 1.63 |
| Sponsorship | - | - |
| Advertising and Business Promotion | - | - |
| Travelling and conveyance | 0.34 | 0.22 |
| Legal, professional and consultancy charges | 21.02 | 13.01 |
| Membership and Subscription | 0.03 | 0.02 |
| Information technology expenses | 0.45 | 0.74 |
| Trading expenses | 17.23 | 18.39 |
| Manpower Support services | 4.06 | - |
| Repair and maintenance | - | - |
| Rates and taxes | 6.02 | 6.26 |
| Printing and stationery | (0.08) | 0.17 |
| Payment to auditors* | 3.63 | 6.76 |
| Office expenses | 0.65 | 4.81 |
| Interest on statutory dues | - | - |
| Recruitment fees | - | - |
| Referral Fees | 801.44 | 49.11 |
| Exchange differences | - | (0.16) |
| Stamp duty & filing fees | - | - |
| Bad debts | - | - |
| GST Expenses | 0.67 | (23.37) |
| Loss on Sale of property plant and equipment | - | - |
| Bank Charges | 2.47 | 0.10 |
| Business Support Services | - | - |
| Miscellaenous expenses | (0.01) | (1.01) |
| Custody Charges | 1.10 | - |
| CSR Donation | 12.00 | - |
| **Total** | **872.31** | **31.85** |

*** Payment to auditors:**

| Particulars | For the year ended 28 February 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Auditor's remuneration | | |
| - Audit fees | 3.63 | 6.76 |
| In other capacity | | |
| - Certification services | | - |
| - Taxation | | - |
| **Total** | **3.63** | **6.76** |

P N A M & CO. LLP
Chartered Accountants

# 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.

**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
Digitally signed 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

**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 | - |

**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).

**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.

**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
Digitally signed by PARV BANSAL
Date: 2024.09.04 18:16:06 +05'30'

**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
Digitally signed by PARV BANSAL
Date: 2024.09.04 18:16:21 +05'30'

**Parv Bansal**
Partner
Membership No.: 515167

**UDIN:** 24515167BKBJBY1153
**Place:** New Delhi
**Date:** 04th September 2024

**InCred Capital Financial Services Private Limited**
CIN: U67120MH1996PTC355036
**Standalone Balance Sheet as at 31st March 2024**
(All amounts in INR Lakhs, unless otherwise stated)

| 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 15:02:56 +05'30'

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

**InCred Capital Financial Services Private Limited**
CIN: U67120MH1996PTC355036
**Standalone Statement of Profit & Loss for the year ended 31st March 2024**
(All amounts in INR Lakhs, unless otherwise stated)

| 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 18:17:15 +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 15:11:49 +05'30'

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

SAURABH JHALARIA Digitally signed by SAURABH JHALARIA Date: 2024.09.04 15:03:25 +05'30'

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

**InCred Capital Financial Services Private Limited**
CIN: U67120MH1996PTC355036
**Standalone Cash flow statement for the year ended 31st March 2024**
(All amounts in INR Lakhs, unless otherwise stated)

| 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 |
| | **1,593.47** | **759.31** |

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 18:17:35 +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 15:12:14 +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

**InCred Capital Financial Services Private Limited**
CIN: U67120MH1996PTC355036
**Standalone Statement of Changes in Equity for the year ended 31st March 24**
(All amounts in INR Lakhs, unless otherwise stated)

**A. Equity share capital**

| Particulars | Year ended 31st March 2024 | Year ended 31st March 2023 |
|---|---|---|
| **Issued, subscribed and fully paid-up** | | |
| **Equity share capital of INR 10 each issued** | | |
| 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 |
|---|---|---|
| **Issued, subscribed and fully paid-up** | | |
| **Compulsorily convertible preference shares of INR 10 each** | | |
| 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** | - | - |
| **Optionally convertible preference shares of INR 10 each** | | |
| 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** |

***(This space has been intentionally left blank)***

**InCred Capital Financial Services Private Limited**
CIN: U67120MH1996PTC355036
**Standalone Statement of Changes in Equity for the year ended 31st March 24**
(All amounts in INR Lakhs, unless otherwise stated)

**C. Other equity**

| Particulars | Share application money pending allotment | Reserves and Surplus | | | | | | Total Other Equity |
|---|---|---|---|---|---|---|---|---|
| | | Contingency reserve | Share based payment reserve | Statutory reserve | Securities premium | Debenture Redemption Reserve | Retained earnings | |
| **Balance as at 31st March 2022** | - | 0.54 | 291.72 | 719.06 | 36,364.38 | - | 696.57 | 38,072.27 |
| Profit / (loss) for the year | - | - | - | - | - | | 983.75 | **983.75** |
| Other comprehensive income for the year | - | - | - | - | - | | (5.77) | **(5.77)** |
| **Total comprehensive income for the year (net of tax)** | - | - | - | - | - | - | 977.98 | 977.98 |
| **Transfer / utilisations:** | | | | | | | | |
| Share application money pending allotment | - | - | - | - | - | | - | - |
| Utilisation on conversion of Share capital | - | - | (51.50) | - | (2.94) | | - | **(54.44)** |
| Premium on private placement | - | - | - | - | 20,885.01 | | - | **20,885.01** |
| Amounts utilised towards share issue expenses | - | - | - | - | (531.65) | | - | **(531.65)** |
| Transferred to statutory reserve from retained earnings | - | - | - | 196.75 | - | | (196.75) | - |
| Employee stock option expense | - | - | 2,777.34 | - | - | | - | **2,777.34** |
| Reserves acquired on amalgamation/merger | - | - | - | - | - | | (1,772.12) | **(1,772.12)** |
| **Balance as at 31st March 2023** | - | 0.54 | 3,017.56 | 915.81 | 56,714.80 | - | (294.32) | 60,354.39 |
| Profit / (loss) for the year | - | - | - | - | - | | 1,722.91 | **1,722.91** |
| Other comprehensive income for the year | - | - | - | - | - | | 2.04 | **2.04** |
| **Total comprehensive income for the year (net of tax)** | - | - | - | - | - | - | 1,724.95 | 1,724.95 |
| **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) | 2,766.52 | (2,346.44) | - |
| Transferred to/from statutory reserve from/to retained earnings | - | - | - | (915.81) | - | | 915.81 | - |
| Employee stock option expense | - | - | 644.51 | - | - | | - | **644.51** |
| Reserves acquired on amalgamation/merger | - | - | - | - | - | | - | - |
| **Balance as at 31st March 2024** | - | 0.54 | 3,662.07 | - | 56,294.73 | 2,766.52 | - | 62,723.85 |

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 Digitally signed by PARV BANSAL Date: 2024.09.04 18:37:59 +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 15:13:04 +05'30'

**Bhupinder Singh**
Director
DIN - 07342318

Place : Mumbai
Date : 04 September 2024

SAURABH JHALARIA Digitally signed by SAURABH JHALARIA Date: 2024.09.04 15:04:57 +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 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 ICFSPL 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.

**Note 3 : Property, plant and equipment**

| Particulars | ROU Assets | Furniture and fixtures | Leasehold Improvements | Office equipment | Vehicle | Computer & Printer | Total |
|---|---|---|---|---|---|---|---|
| **Gross carrying amount:** | | | | | | | |
| **As at 31st March 2022** | **456.25** | **25.91** | **96.83** | **34.32** | **77.21** | **28.02** | **718.54** |
| Additions during the year | 30.59 | - | - | 0.17 | - | 18.18 | **48.93** |
| Acquired via Merger | - | 20.55 | 68.39 | 46.53 | - | 23.29 | **158.77** |
| Disposals during the year | - | - | - | - | 12.21 | 0.55 | **12.77** |
| **As at 31st March 2023** | **486.84** | **46.47** | **165.22** | **81.02** | **65.00** | **68.93** | **913.47** |
| Additions during the year | 395.71 | 0.05 | - | 0.96 | - | 14.75 | **411.47** |
| Disposals during the year | 28.87 | - | - | - | - | - | **28.87** |
| Write offs during the year | - | 20.55 | 68.39 | 46.70 | - | 23.29 | **158.93** |
| **As at 31st March 2024** | **853.68** | **25.97** | **96.83** | **35.27** | **65.00** | **60.39** | **1,137.14** |
| **Accumulated depreciation:** | | | | | | | |
| **As at 31st March 2022** | **209.27** | **4.81** | **36.17** | **12.36** | **6.50** | **14.73** | **283.83** |
| Depreciation charge during the year | 100.13 | 2.80 | 22.36 | 8.70 | 8.79 | 13.09 | **155.88** |
| Acquired via Merger | - | 17.93 | 68.39 | 37.23 | - | 22.99 | **146.54** |
| Accumulated depreciation on disposals | - | - | - | - | 2.61 | 0.15 | **2.75** |
| **As at 31st March 2023** | **309.40** | **25.53** | **126.92** | **58.29** | **12.69** | **50.66** | **583.49** |
| Depreciation charge during the year | 163.51 | 2.60 | 22.42 | 6.41 | 8.15 | 15.03 | **218.11** |
| Accumulated depreciation on disposals | 11.88 | - | - | - | - | - | **11.88** |
| Write offs during the year | - | 18.14 | 68.39 | 39.11 | - | 23.11 | **148.74** |
| **As at 31st March 2024** | **461.03** | **10.00** | **80.95** | **25.60** | **20.84** | **42.58** | **640.98** |
| **Net carrying amount:** | | | | | | | |
| **As at 31st March 2024** | **392.66** | **15.97** | **15.88** | **9.68** | **44.16** | **17.81** | **496.15** |
| **As at 31st March 2023** | **177.44** | **20.93** | **38.30** | **22.72** | **52.31** | **18.27** | **329.97** |

**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 then 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 then 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 Receivabes - Consider good | 915.38 | 17.70 | - | - | - | **933.08** |
| ii) Undisputed Trade Receivabes - which have significant increase in credit risk | - | - | - | - | - | - |
| iii) Undisputed Trade Receivables - Credit impaired | - | - | - | - | - | - |
| iv) Disputed Trade Receivalbes - Considered goods | - | - | - | - | - | - |
| v) Disputed Trade Receivalbes - which have significant increase in credit risk | - | - | - | - | - | - |
| vi) Disputed Trade Receivalbes - 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 Receivabes - Consider good | 1,362.95 | - | - | - | - | **1,362.95** |
| ii) Undisputed Trade Receivabes - which have significant increase in credit risk | - | - | - | - | - | - |
| iii) Undisputed Trade Receivables - Credit impaired | - | - | - | - | - | - |
| iv) Disputed Trade Receivalbes - Considered goods | - | - | - | - | - | - |
| v) Disputed Trade Receivalbes - which have significant increase in credit risk | - | - | - | - | - | - |
| vi) Disputed Trade Receivalbes - 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 | As at 31st March 2023 |
|---|---|---|
| | Amortised cost | Amortised cost |
| **Unsecured and Considered Good *** | | |
| (i) Intercorporate deposits to others | 7,730.99 | - |
| (ii) Intercorporate 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** | **-** |

*Intercorporate 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** |

**Note 16 : Equity share capital**

| Particulars | As at 31st March 2024 | | As at 31st March 2023 | |
|---|---|---|---|---|
| | Number | Amount | Number | Amount |
| **Authorised share capital [Refer note 'd' below]** | | | | |
| Equity shares of INR. 10/- each | 3,41,94,000 | 3,419.40 | 3,41,94,000 | 3,419.40 |
| Compulsorily convertible preference shares of INR 10/- each | 7,16,000 | 71.60 | 7,16,000 | 71.60 |
| Optionally convertible redeemable preference shares of INR 10/- each | 6,00,000 | 60.00 | 6,00,000 | 60.00 |
| | **3,55,10,000** | **3,551.00** | **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 | 1,27,57,390 | 1,275.74 |
| Optionally convertible redeemable preference shares of INR 10/- each fully paid-up | 4,53,962 | 45.40 | 4,53,962 | 45.40 |
| **Total issued, subscribed and paid-up share capital** | **1,32,11,352** | **1,321.14** | **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 capital of the Company held by the 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 by the shareholders at the ensuing 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 compulsory convertible preference shares, after distribution 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 Group 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') and the Order dated 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 report of registered valuer 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.

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

| Particulars | As at 31st March 2024 | | As at 31st March 2023 | |
|---|---|---|---|---|
| | Number | Amount | Number | Amount |
| **Equity shares** | | | | |
| **At the beginning of the year** | **1,27,57,390** | **1,275.74** | **98,99,804** | 989.98 |
| Add: Shares issued on conversion of CCPS and OCRPS during the year | - | - | 6,32,894 | 63.29 |
| Add: Shares issued during the year | - | - | 22,24,692 | 222.47 |
| Less: Bought back during the year | - | - | - | - |
| **Outstanding at the end of the year** | **1,27,57,390** | **1,275.74** | **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 | - | - | 6,03,530 | 60.35 |
| Less: Converted to Equity shares during the year | - | - | 6,03,530 | 60.35 |
| **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 | - | - | 4,53,962 | 45.40 |
| Less: Converted to Equity shares during the year | - | - | - | - |
| **Outstanding at the end of the year** | **4,53,962** | **45.40** | **4,53,962** | **45.40** |
| **Total instruments entirely equity in nature** | **4,53,962** | **45.40** | **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 | | As at 31st March 2023 | |
|---|---|---|---|---|
| | No. of shares held | % Holding | No. of shares held | % Holding |
| **Equity shares** | | | | |
| Bhupinder Singh[1] | 43,90,180 | 33.23% | 42,36,578 | 33.21% |
| MEMG Family office LLP | 9,43,704 | 7.14% | 9,43,704 | 7.40% |
| Paragon Partners Growth Fund-I | 9,07,408 | 6.87% | 9,07,408 | 7.11% |
| Ravi Pillai | - | - | 7,78,842 | 6.11% |
| InCred Wealth Private Limited | 9,67,840 | 7.33% | | |
| **Optionally convertible redeemable preference shares** | | | | |
| Ramprasad M | 1,95,955 | 43.17% | 1,95,955 | 43.17% |
| Jacob Mathew | 1,03,201 | 22.73% | 1,03,201 | 22.73% |
| Anu Jacob | 92,753 | 20.43% | 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 both legal and beneficial ownerships of 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 | | | As at 31st March 2023 | | |
|---|---|---|---|---|---|---|
| | No. of shares held | % of shares held | % Change during the year | No. of shares held | % of shares held | % Change during the year |
| Bhupinder Singh | 43,90,180 | 33.23% | 3.63% | 42,36,578 | 33.21% | 1.81% |

**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) 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;(c) 7,16,000 (Seven Lakh Sixteen Thousand) compulsorily convertible preference shares having the face value of INR 10/- (Indian Rupees Ten) each. vide shareholders' approval at the Extraordinary General Meeting (EGM) held on 4th June 2022.

ii) Pursuant to Composite Scheme of Arrangement between Clamant Tech Services Private Limited ('Transferor Company'), InCred Wealth Private Limited ('Demerged Company 1'), MAPE Advisory Group 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') and the Order dated April 26, 2022 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 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 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 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*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*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** |

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

**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 | - | - |
| | **349.58** | **406.33** |
| **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 |
| Referrel 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)** |

**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 | Recognised in OCI | As at 31st March 2024 |
|---|---|---|---|---|---|
| **Deferred tax assets:** | | | | | |
| Brought forward losses | 547.12 | - | (113.73) | - | 433.39 |
| Retirement benefit plans | 18.07 | - | 2.84 | (4.12) | 16.79 |
| EIR impact on financial instruments | - | - | | - | - |
| Provision for Expenses | 25.92 | - | 60.33 | - | 86.25 |
| Interest on MLDs | - | - | 223.58 | - | 223.58 |
| Impairment loss on Loans | 18.98 | - | 74.49 | - | 93.47 |
| Restructuring related expenses | 17.53 | - | (8.96) | - | 8.57 |
| Leases | 28.72 | - | (11.76) | - | 16.96 |
| Difference between written down value of fixed assets as per the books of accounts and income tax | 30.60<br>- | -<br>- | | -<br>- | 30.60<br>- |
| **Total Deferred tax assets (A)** | **686.94** | **-** | **226.79** | **(4.12)** | **909.61** |
| **Deferred tax liabilities:** | | | | | |
| Difference between written down value of fixed assets as per the books of accounts and income tax | 211.63 | - | 122.16 | - | 333.80<br>- |
| Fair value of investments measured at FVTPL | 17.00 | - | 268.62 | - | 285.62 |
| EIR impact on financial instruments | 0.00 | - | | - | 0.00 |
| **Total Deferred tax liabilities (B)** | **228.63** | **-** | **390.78** | **-** | **619.41** |
| **Net Deferred tax assets (A-B)** | **458.31** | **-** | **(163.99)** | **(4.12)** | **290.20** |



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 | (0.00) | 17.90 | 529.21 | - | 547.12 |
| Retirement benefit plans | 3.34 | 9.77 | 0.50 | 4.45 | 18.07 |
| EIR impact on financial instruments | - | - | | - | - |
| Provision for Expenses | - | - | 25.92 | - | 25.92 |
| Impairment loss on Loans | 10.02 | - | 8.96 | - | 18.98 |
| Restructuring related expenses | 13.03 | - | 4.51 | - | 17.53 |
| Leases | 35.91 | - | (7.19) | - | 28.72 |
| Difference between written down value of fixed assets as per the books of accounts and income tax | 13.64<br>- | 16.96 | - | -<br>- | 30.60<br>- |
| **Total Deferred tax assets (A)** | **75.94** | **44.64** | **561.91** | **4.45** | **686.94** |
| **Deferred tax liabilities:** | | | | | |
| Difference between written down value of fixed assets as per the books of accounts and income tax | - | - | 211.63 | - | 211.63<br>- |
| Fair value of investments measured at FVTPL | (34.84) | - | 51.83 | - | 17.00 |
| EIR impact on financial instruments | 0.00 | - | | - | 0.00 |
| **Total Deferred tax liabilities (B)** | **(34.84)** | **-** | **263.46** | **-** | **228.63** |
| **Net Deferred tax assets (A-B)** | **110.78** | **44.64** | **298.45** | **4.45** | **458.31** |

**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* | 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 |

* 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 sheme of merger) had been converted into equity for an aggregate amount of Rs. 20,011.24 lakhs. Pursuant to the approval, the Company was alloted 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 alloted 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 coveys 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<br>1st January 2024 | 1st April 2022<br>1st July 2022<br>1st October 2022<br>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<br>INR.1,568 | INR. 367.30 and<br>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 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 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 assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

| | Carrying Amount | | | Level of Fair value measurement | | | |
|---|---|---|---|---|---|---|---|
| **As at 31st March 2024** | **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** | **Total** |
| **Financial assets** | | | | | | | |
| Investments | - | 20,240.00 | **20,240.00** | 13,673.61 | 4,395.84 | 2,170.55 | **20,240.00** |
| Investments in subsidiaries and associates | 63,207.61 | - | **63,207.61** | - | - | 63,207.61 | **63,207.61** |
| Trade receivables | 902.75 | - | **902.75** | - | - | 902.75 | **902.75** |
| Cash and cash equivalents | 1,593.47 | - | **1,593.47** | 1,593.47 | - | - | **1,593.47** |
| Bank balance other than cash and cash equivalents | - | - | - | - | - | - | - |
| Loans | 32,294.31 | - | **32,294.31** | - | - | 32,294.31 | **32,294.31** |
| Other financial assets | 854.65 | - | **854.65** | - | - | 854.65 | **854.65** |
| **Total Financial assets** | **98,852.79** | **20,240.00** | **1,19,092.79** | **15,267.08** | **4,395.84** | **99,429.87** | **1,19,092.79** |
| **Financial liabilities** | | | | | | | |
| Borrowings | 59,134.63 | - | **59,134.63** | - | - | 59,134.63 | **59,134.63** |
| Lease Liabiity | 460.03 | - | **460.03** | - | - | 460.03 | **460.03** |
| Trade payables | 349.58 | - | **349.58** | - | - | 349.58 | **349.58** |
| Other financial liabilities | 1,948.66 | - | **1,948.66** | - | - | 1,948.66 | **1,948.66** |
| **Total Financial liabilities** | **61,892.90** | **-** | **61,892.90** | **-** | **-** | **61,892.90** | **61,892.90** |

| 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 | Total |
| **Financial assets** | | | | | | | |
| Investments | - | 10,415.80 | **10,415.80** | 5,993.97 | 4,411.83 | 10.00 | **10,415.80** |
| Investments in subsidiaries and associates | 49,932.01 | - | **49,932.01** | - | - | 49,932.01 | **49,932.01** |
| Cash and cash equivalents | 759.31 | - | **759.31** | 759.31 | - | - | **759.31** |
| Bank balance other than cash and cash equivalents | - | - | - | - | - | - | - |
| Trade receivables | 1,356.04 | - | **1,356.04** | - | - | 1,356.04 | **1,356.04** |
| Loans | - | - | - | - | - | - | - |
| Other financial assets | 1,203.68 | - | **1,203.68** | - | - | 1,203.68 | **1,203.68** |
| **Total Financial assets** | **53,251.04** | **10,415.80** | **63,666.84** | **6,753.28** | **4,411.83** | **52,501.73** | **63,666.84** |
| **Financial liabilities** | | | | | | | |
| Borrowings | 9,099.68 | - | **9,099.68** | - | - | 9,099.68 | **9,099.68** |
| Lease Liability | 291.54 | - | **291.54** | - | - | 291.54 | **291.54** |
| Trade payables | 406.33 | - | **406.33** | - | - | 406.33 | **406.33** |
| Other financial liabilities | 354.24 | - | **354.24** | - | - | 354.24 | **354.24** |
| **Total Financial liabilities** | **10,151.80** | - | **10,151.79** | - | - | **10,151.79** | **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 largely due to the short-term maturities of these instruments.

**41.3 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 and 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 designated under FVOCI has 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 Simplied 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 Lo

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.

**As at 31 March 2024:-**

| Particulars | Note No. | Contractual cash flows | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | Carrying amount | Gross nominal inflow/(outflow) | On Demand | Less than 1 year | 1-3 years | 3-5 years | After 5 years |
| **Maturities of financial liabilities** | | | | | | | | |
| Borrowings | 18 & 22 | 59,134.63 | (48,612.65) | 11,490.20 | 25,479.26 | 11,643.20 | - | - |
| Lease Liability | 38 | 460.03 | (540.21) | - | 214.10 | 319.92 | 6.20 | - |
| Trade payables | 21 | 349.58 | (349.58) | - | 349.58 | - | - | - |
| Others liabilities | 19 & 23 | 1,948.66 | (1,947.67) | - | 1,920.76 | 26.91 | - | - |
| 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** | **11,990.03** | **6.20** | **-** |

**As at 31 March 2023:-**

| Particulars | Note No. | Contractual cash flows | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | Carrying amount | Gross nominal inflow/(outflow) | On Demand | Less than 1 year | 1-3 years | 3-5 years | After 5 years |
| **Maturities of financial liabilities** | | | | | | | | |
| Borrowings | 18 & 22 | 9,099.68 | (9,099.68) | - | - | - | 9,099.68 | - |
| Lease Liability | 38 | 291.54 | (316.96) | - | 183.08 | 133.89 | - | - |
| Trade payables | 21 | 406.33 | (406.33) | - | 406.33 | - | - | - |
| Others liabilities | 19 & 23 | 354.24 | (354.24) | - | 341.24 | 13.00 | - | - |
| Capital Commitments | 33 | 2,000.00 | (2,000.00) | - | 2,000.00 | - | - | - |
| **Total** | | **12,151.80** | **(12,177.22)** | **-** | **2,930.65** | **146.89** | **9,099.68** | **-** |

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 including interest that will be earned on those assets. The inclusion of information on nonderivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis. Hence, 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 | 1-3 years | 3-5 years | After 5 years |
| **Maturities of financial assets** | | | | | | | | |
| Investments | 6 & 9 | 83,447.61 | 83,447.61 | - | 5,207.82 | - | 15,032.18 | 63,207.61 |
| 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 | - | 47.25 | - |
| **Total** | | **1,19,092.79** | **1,19,222.65** | **26,286.64** | **14,648.96** | **-** | **15,079.43** | **63,207.61** |

**As at 31 March 2023:-**

| Particulars | Note No. | Contractual cash flows | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | Carrying amount | Gross nominal inflow/(outflow) | On Demand | Less than 1 year | 1-3 years | 3-5 years | After 5 years |
| **Maturities of financial assets** | | | | | | | | |
| Investments | 6 & 9 | 60,347.81 | 60,347.81 | - | 3,232.20 | - | 7,183.60 | 49,932.01 |
| 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 | 62.62 | - | - |
| **Total** | | **63,666.84** | **63,735.35** | **759.31** | **5,797.82** | **62.62** | **7,183.60** | **49,932.01** |

**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<br>**b.** Venkatesh Vishwanathan, Director<br>**c.** Saurabh Jhalaria , Director<br>**d.** Vivek Bansal, Director<br>**e.** Siddharth Parekh, Director<br>**f.** Deepak Dhingra, CFO (upto 7th September 2022)<br>**g.** Varun Shah, Company Secretary (upto 24th April 2023)<br>**h**. Mitesh Kamariya, Company Secretary (w.e.f 25th April 2023 till 17 January 2024)<br>**i**. Abhijeet Shinde, Company Secretary (w.e.f 17 January 2024 to 24th July 2024)<br>**j.** Nisha Singh, Relative of Director<br>**k.** Manisha Bansal, Relative of Director<br>**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 Financial Services Limited )<br>**b.** InCred Housing Finance Private Limited<br>**c.** InCred Management and Technology Private Limited<br>**d.** InCred Wealth Private Limited<br>**e.** Incred Research Services Private Limited<br>**f.** InCred Capital Wealth Portfolio Managers Private Limited<br>**g.** Incred Global Wealth Limited<br>**h.** Incred Global Wealth Pte. Ltd.<br>**i.** Mountain Trail Foods Private Limited<br>**j.** MV Capital Partners<br>**k.** InCred Employee Welfare Trust<br>**l.** InCred Holding Limited<br>**m.** InCred Global Insights Partners Private Limited |
| Subsidiaries | **a.** InCred Asset Management Private Limited<br>**b.** InCred Wealth and Investment Services Private Limited<br>**c**. Incred Alternative Investments Private Limited<br>**d.** Booth Fintech Private Limited (w.e.f 11th July 2023)<br>**e.** InCred Overseas Holding Pte Limited |
| Step down Subsidiaries | **a.** mValu Technology Services Private Limited (w.e.f 11th July 2023)<br>**b.** InCred Value Plus Private Limited |
| Associate | Alpha Fintech Private Limited |

**b. Transactions during the year with related parties**

| Transactions | KMP | | Relatives of KMP | | Enterprise over which KMP are able to exercise significant influence | | Subsidiaries and Associates | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 31st March 2024 | 31st March 2023 | 31st March 2024 | 31st March 2023 | 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 | - | - | - | - | 24,645.00 | 22,791.98 | - | - | **24,645.00** | **22,791.98** |
| InCred Asset Management Private Limited | - | - | - | - | - | - | 188.08 | 2,390.89 | **188.08** | **2,390.89** |
| InCred Prime Finance Limited (formerly known as InCred Financial Services Limited ) | - | - | - | - | 360.00 | 3,500.00 | - | - | **360.00** | **3,500.00** |
| mValu Technology Services Private Limited | - | - | - | - | - | - | 789.00 | - | **789.00** | - |
| Booth Fintech Private Limited | - | - | - | - | - | - | 420.00 | - | **420.00** | - |
| InCred Capital Wealth Portfolio Managers Private Limited | - | - | - | - | - | 12,838.03 | - | - | - | **12,838.03** |
| InCred Wealth and Investment Services Private Limited | - | - | - | - | - | - | 13,639.85 | 35,830.36 | **13,639.85** | **35,830.36** |
| InCred Alternative Investment Private Limited | - | - | - | - | - | - | 2,806.08 | 1,810.91 | **2,806.08** | **1,810.91** |
| InCred Employee Welfare Trust | - | - | - | - | - | 3,641.41 | - | - | - | **3,641.41** |
| | - | - | - | - | **25,005.00** | **42,771.42** | **17,843.01** | **40,032.16** | **42,848.01** | **82,803.57** |
| **Loans & advances repayment received:** | | | | | | | | | | |
| InCred Wealth Private Limited | - | - | - | - | 2,525.00 | 47,790.16 | - | - | **2,525.00** | **47,790.16** |
| InCred Asset Management Private Limited | - | - | - | - | - | - | 188.08 | 3,886.89 | **188.08** | **3,886.89** |
| InCred Prime Finance Limited (formerly known as InCred Financial Services Limited ) | - | - | - | - | - | 3,500.00 | - | - | - | **3,500.00** |
| InCred Capital Wealth Portfolio Managers Private Limited | - | - | - | - | - | 12,838.03 | - | - | - | **12,838.03** |
| Booth Fintech Private Limited | - | - | - | - | - | - | 420.00 | - | **420.00** | - |
| mValu Technology Services Private Limited | - | - | - | - | - | - | 789.00 | - | **789.00** | - |
| InCred Wealth and Investment Services Private Limited* | - | - | - | - | - | - | 13,639.85 | 35,830.36 | **13,639.85** | **35,830.36** |
| InCred Alternative Investments Private Limited | - | - | - | - | - | - | 731.08 | 1,811.91 | **731.08** | **1,811.91** |
| InCred Employee Welfare Trust | - | - | - | - | - | 3,641.41 | - | - | - | **3,641.41** |
| | - | - | - | - | **2,525.00** | **67,769.60** | **15,768.01** | **41,529.16** | **18,293.01** | **1,09,298.76** |
| **MLD Borrowings** | | | | | | | | | | |
| InCred Wealth Private Limited | - | - | - | - | - | 1,870.00 | - | - | - | **1,870.00** |
| mValu Technology Services Private Limited | - | - | - | - | 307.00 | - | - | - | **307.00** | - |
| InCred Value Plus Private Limited | - | - | - | - | - | - | 300.00 | - | **300.00** | - |
| InCred Financial Services Limited | - | - | - | - | 1,150.00 | - | - | - | **1,150.00** | - |
| InCred Wealth and Investment Services Private Limited | - | - | - | - | - | - | 7,540.00 | 3,000.00 | **7,540.00** | **3,000.00** |
| | - | - | - | - | **1,457.00** | **1,870.00** | **7,840.00** | **3,000.00** | **9,297.00** | **4,870.00** |
| **Borrowings taken** | | | | | | | | | | |
| InCred Research Services Private Limited | - | - | - | - | 6,000.00 | - | - | - | **6,000.00** | - |
| InCred Financial Services Limited | - | - | - | - | 10,000.00 | - | - | - | **10,000.00** | - |
| InCred Wealth and Investment Services Private Limited | - | - | - | - | - | - | 44,002.82 | - | **44,002.82** | - |
| | - | - | - | - | **16,000.00** | - | **44,002.82** | - | **60,002.82** | - |
| **Borrowings Repaid:** | | | | | | | | | | |
| InCred Wealth and Investment Services Private Limited | - | - | - | - | - | - | 38,579.30 | - | **38,579.30** | - |
| | - | - | - | - | - | - | **38,579.30** | - | **38,579.30** | - |

**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)

| Transactions | KMP | | Relatives of KMP | | Enterprise over which KMP are able to exercise significant influence | | Subsidiaries and Associates | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 31st March 2024 | 31st March 2023 | 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 | - | **273.86** | - |
| InCred Financial Services Limited | - | - | - | - | 196.64 | - | - | - | **196.64** | - |
| InCred Research Services Private Limited | - | - | - | - | 11.90 | - | - | - | **11.90** | - |
| | - | - | - | - | **208.54** | - | **273.86** | - | **482.41** | - |
| **Investment in Associate:** | | | | | | | | | | |
| Alpha Fintech Private Limited | - | - | - | - | - | - | - | 1,220.16 | - | **1,220.16** |
| | - | - | - | - | - | - | - | **1,220.16** | - | **1,220.16** |
| **Investment in Subsidiary:** | | | | | | | | | | |
| InCred Asset Management Private Limited | - | - | - | - | - | - | - | 2,000.00 | - | **2,000.00** |
| InCred Alternative Investment Private Limited | - | - | - | - | - | - | - | 1,510.00 | - | **1,510.00** |
| InCred Wealth and Investment Services Private Limited | - | - | - | - | - | - | - | 42,229.85 | - | **42,229.85** |
| InCred Overseas Holdings Pte Limited | - | - | - | - | - | - | 9,058.43 | - | **9,058.43** | - |
| | - | - | - | - | - | - | **9,058.43** | **45,739.85** | **9,058.43** | **45,739.85** |
| **Employee Stock Expense:** | | | | | | | | | | |
| InCred Research Services Private Limited | - | - | - | - | 2.75 | - | - | - | **2.75** | - |
| | - | - | - | - | **2.75** | - | - | - | **2.75** | - |
| **Investment in Market Linked Debentures** | | | | | | | | | | |
| InCred Wealth and Investment Services Private Limited | - | - | - | - | - | - | 9,900.00 | - | **9,900.00** | - |
| | - | - | - | - | - | - | **9,900.00** | - | **9,900.00** | - |
| **Purchase of Investments:** | | | | | | | | | | |
| InCred Wealth Private Limited | - | - | - | - | - | - | - | - | - | - |
| InCred Capital Wealth Portfolio Managers Private Limited | | | | | 3,031.16 | - | - | - | **3,031.16** | - |
| InCred Wealth and Investment Services Private Limited | - | - | - | - | - | - | 5,749.61 | 5,816.38 | **5,749.61** | **5,816.38** |
| InCred Financial Services Limited | - | - | - | - | 150.00 | - | - | - | **150.00** | - |
| Alpha Fintech Private Limited | - | - | - | - | - | - | 403.87 | - | **403.87** | - |
| InCred Prime Finance Limited (formerly known as InCred Financial Services Limited ) | - | - | - | - | - | - | - | - | - | - |
| Mountain Trail Foods Private Limited | - | - | - | - | - | - | - | - | - | - |
| | - | - | - | - | **3,181.16** | - | **6,153.48** | **5,816.38** | **9,334.64** | **5,816.38** |

**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)

| Transactions | KMP | | Relatives of KMP | | Enterprise over which KMP are able to exercise significant influence | | Subsidiaries and Associates | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 31st March 2024 | 31st March 2023 | 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 | - | - | - | - | - | - | **30.00** | **75.19** |
| Manisha Bansal | - | - | - | 325.06 | - | - | - | - | - | **325.06** |
| Alpha Fintech Private Limited | - | - | - | - | - | - | 50.60 | - | **50.60** | - |
| InCred Financial Services Limited | - | - | - | - | 1,293.88 | - | - | - | **1,293.88** | - |
| InCred Wealth and Investment Services Private Limited | - | - | - | - | - | - | 5,056.68 | 1,339.75 | **5,056.68** | **1,339.75** |
| InCred Wealth Private Limited | - | - | - | - | - | - | - | - | - | - |
| | **30.00** | **75.19** | - | **325.06** | **1,293.88** | - | **5,107.28** | **1,339.75** | **6,431.16** | **1,740.00** |
| **Loss on Sale Investments:** | | | | | | | | | | |
| Manisha Bansal | - | - | (72.65) | - | - | - | - | - | **(72.65)** | - |
| | - | - | **(72.65)** | - | - | - | - | - | **(72.65)** | - |
| **Profit on Sale Investments:** | | | | | | | | | | |
| InCred Wealth Private Limited | - | - | - | - | - | 16.45 | - | - | - | **16.45** |
| InCred Wealth and Investment Services Private Limited | - | - | - | - | - | - | 45.53 | - | **45.53** | - |
| InCred Capital Wealth Portfolio Managers Private Limited | - | - | - | - | 4.98 | - | - | - | **4.98** | - |
| Varun Shah | - | 0.08 | - | - | - | - | - | - | - | **0.08** |
| Bhupinder Singh | - | 0.10 | - | - | - | - | - | - | - | **0.10** |
| Saurabh Jhalaria | 0.14 | - | - | - | - | - | - | - | **0.14** | - |
| | **0.14** | **0.18** | - | - | **4.98** | **16.45** | **45.53** | - | **50.65** | **16.63** |
| **Purchase of CCPS of Subsidiary Booth Fintech Private Limited:** | | | | | | | | | | |
| InCred Wealth and Investments Services Private Limited | - | - | - | - | - | - | 1,047.13 | - | **1,047.13** | - |
| | - | - | - | - | - | - | **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** | - |
| | - | - | - | - | **1,736.49** | - | - | - | **1,736.49** | - |
| **Deemed Investment in Subsidiary:** | | | | | | | | | | |
| InCred Asset Management Private Limited | - | - | - | - | - | - | 149.31 | - | **149.31** | - |
| InCred Alternative Investment Private Limited | - | - | - | - | - | - | 7.50 | - | **7.50** | - |
| InCred Wealth and Investment Services Private Limited | - | - | - | - | - | - | 510.55 | - | **510.55** | - |
| | - | - | - | - | - | - | **667.36** | - | **667.36** | - |
| **Remuneration paid to KMPs** | 318.40 | 711.89 | - | - | - | - | - | - | **318.40** | **711.89** |
| | **318.40** | **711.89** | - | - | - | - | - | - | **318.40** | **711.89** |

**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)

| Transactions | KMP | | Relatives of KMP | | Enterprise over which KMP are able to exercise significant influence | | Subsidiaries and Associates | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 31st March 2024 | 31st March 2023 | 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 | - | - | **322.16** | **756.24** |
| InCred Asset Management Private Limited | - | - | - | - | - | - | 0.19 | 71.43 | **0.19** | **71.43** |
| InCred Prime Finance Limited (formerly known as InCred Financial Services Limited ) | - | - | - | - | 0.49 | 3.72 | - | - | **0.49** | **3.72** |
| Clamant Tech Services Private Limited | - | - | - | - | - | - | - | - | - | - |
| InCred Research Services Private Limited | - | - | - | - | - | - | - | - | - | - |
| mValu Technology Services Private Limited | - | - | - | - | - | - | 3.60 | | **3.60** | - |
| Booth Fintech Private Limited | - | - | - | - | - | - | 0.50 | - | **0.50** | - |
| InCred Management and Technology Private Limited | - | - | - | - | - | - | - | - | - | - |
| InCred Capital Wealth Portfolio Managers Private Limited | - | - | - | - | - | 207.05 | - | - | - | **207.05** |
| InCred Alternative Investment Private Limited | - | - | - | - | - | - | 46.80 | 28.07 | **46.80** | **28.07** |
| InCred Wealth and Investment Private Limited | - | - | - | - | - | - | 350.82 | 322.13 | **350.82** | **322.13** |
| | - | - | - | - | **322.65** | **967.01** | **401.91** | **421.63** | **724.56** | **1,388.64** |
| **Branding Expenses** | | | | | | | | | | |
| InCred Management and Technology Private Limited | - | - | - | - | - | 2.18 | - | - | - | **2.18** |
| | - | - | - | - | - | **2.18** | - | - | - | **2.18** |
| **Revenue from Operations** | | | | | | | | | | |
| mValu Technology Services Private Limited | - | - | - | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | - | - | - | - |
| **Referrel Expenses** | | | | | | | | | | |
| InCred Wealth Private Limited | - | - | - | - | 0.25 | 369.42 | - | - | **0.25** | **369.42** |
| Incred Global Wealth Limited | - | - | - | - | - | 95.17 | - | - | - | **95.17** |
| Incred Global Wealth Pte. Ltd. | - | - | - | - | - | 162.23 | - | - | - | **162.23** |
| InCred Capital Wealth Portfolio Managers Private Limited | - | - | - | - | - | 66.21 | - | - | - | **66.21** |
| | - | - | - | - | **0.25** | **693.03** | - | - | **0.25** | **693.03** |
| **Depository Charges** | | | | | | | | | | |
| InCred Capital Wealth Portfolio Managers Private Limited | - | - | - | - | - | 1.23 | - | - | - | **1.23** |
| | - | - | - | - | - | **1.23** | - | - | - | **1.23** |
| **Legal and Professional Expenses** | | | | | | | | | | |
| Manisha Bansal | - | - | - | 49.05 | - | - | - | - | - | **49.05** |
| | - | - | - | **49.05** | - | - | - | - | - | **49.05** |
| **Sale of Fixed Asset** | | | | | | | | | | |
| InCred Holdings Limited | - | - | - | - | - | 0.50 | - | - | - | **0.50** |
| | - | - | - | - | - | **0.50** | - | - | - | **0.50** |
| **Profit on sale Fixed Asset** | | | | | | | | | | |
| InCred Holdings Limited | - | - | - | - | - | 0.09 | - | - | - | **0.09** |
| | - | - | - | - | - | **0.09** | - | - | - | **0.09** |

**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)

| Transactions | KMP | | Relatives of KMP | | Enterprise over which KMP are able to exercise significant influence | | Subsidiaries and Associates | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 31st March 2024 | 31st March 2023 | 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 | - | - | - | **9.64** |
| InCred Research Services Private Limited | - | - | - | - | - | - | - | - | - | - |
| InCred Financial Services Limited | - | - | - | - | 1.42 | - | - | - | **1.42** | - |
| InCred Wealth Private Limited | - | - | - | - | - | - | - | - | - | - |
| InCred Capital Wealth Portfolio Managers Private Limited | - | - | - | - | 20.27 | 0.69 | - | - | **20.27** | **0.69** |
| InCred Wealth and Investment Services Private Limited | - | - | - | - | - | - | - | 0.75 | - | **0.75** |
| | - | - | - | - | **21.69** | **10.33** | - | **0.75** | **21.69** | **11.08** |
| **Business Support Services** | | | | | | | | | | |
| InCred Asset Management Private Limited | - | - | - | - | - | - | 54.30 | 6.52 | **54.30** | **6.52** |
| InCred Prime Finance Limited (formerly known as InCred Financial Services Limited ) | - | - | - | - | - | - | - | - | - | - |
| InCred Wealth Private Limited | - | - | - | - | - | - | - | - | - | - |
| InCred Capital Wealth Portfolio Managers Private Limited | - | - | - | - | | 5.01 | - | - | - | **5.01** |
| InCred Research Services Private Limited | - | - | - | - | | 6.38 | - | - | - | **6.38** |
| InCred Wealth and Investment Services Private Limited | - | - | - | - | - | - | 11.03 | 12.89 | **11.03** | **12.89** |
| InCred Alternative Investments Private Limited | - | - | - | - | - | - | 36.20 | 63.35 | **36.20** | **63.35** |
| | - | - | - | - | - | **11.39** | **101.53** | **82.76** | **101.53** | **94.15** |
| **Stamp duty on Sale of shares** | | | | | | | | | | |
| InCred Capital Wealth Portfolio Managers Private Limited | - | - | - | - | - | 1.12 | - | - | - | **1.12** |
| | - | - | - | - | - | **1.12** | - | - | - | **1.12** |
| **Issue of equity shares upon scheme of Merger:** | | | | | | | | | | |
| Bhupinder Singh | - | 8.52 | - | - | - | - | - | - | - | **8.52** |
| Saurabh Jhalaria | - | 19.05 | - | - | - | - | - | - | - | **19.05** |
| Nisha Singh | - | - | - | 0.00 | - | - | - | - | - | **0.00** |
| Godhuli Vishwanathan | - | - | - | 32.65 | - | - | - | - | - | **32.65** |
| MV Capital Partners (Through its partners Mr.Vivek Bansal and Manisha Bansal) | - | - | - | - | - | 10.89 | - | - | - | **10.89** |
| | - | **27.57** | - | **32.65** | - | **10.89** | - | - | - | **71.11** |
| **Securities premium on issue of Equity shares upon scheme of Merger:** | | | | | | | | | | |
| Bhupinder Singh | - | 330.62 | - | - | - | - | - | - | - | **330.62** |
| Saurabh Jhalaria | - | 739.70 | - | - | - | - | - | - | - | **739.70** |
| Nisha Singh | - | - | - | 0.03 | - | - | - | - | - | **0.03** |
| Godhuli Vishwanathan | - | - | - | 1,267.83 | - | - | - | - | - | **1,267.83** |
| MV Capital Partners (Through its partners Mr.Vivek Bansal and Manisha Bansal) | - | - | - | - | - | 422.67 | - | - | - | **422.67** |
| | - | **1,070.32** | - | **1,267.86** | - | **422.67** | - | - | - | **2,760.85** |
| **Issue of equity shares upon :** | | | | | | | | | | |
| InCred Employee Welfare trust | - | - | - | - | - | 54.44 | - | - | - | **54.44** |
| | - | - | - | - | - | **54.44** | - | - | - | **54.44** |

| Transactions | KMP | | Relatives of KMP | | Enterprise over which KMP are able to exercise significant influence | | Subsidiaries and Associates | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 31st March 2024 | 31st March 2023 | 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** |
| | - | - | - | - | - | **2,950.86** | - | - | - | **2,950.86** |
| **Issue of CCPS:** | | | | | | | | | | |
| InCred Wealth Private Limited | - | - | - | - | - | 11.75 | - | - | - | **11.75** |
| | - | - | - | - | - | **11.75** | - | - | - | **11.75** |
| **Securities premium on issue of Equity shares :** | | | | | | | | | | |
| InCred Wealth Private Limited | - | - | - | - | - | 1,868.25 | - | - | - | **1,868.25** |
| | - | - | - | - | - | **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 | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 31st March 2024 | 31st March 2023 | 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 | - | - | - | **8.31** | - |
| InCred Management and Technology Private Limited | - | - | - | - | - | 2.18 | - | - | - | **2.18** |
| | - | - | - | - | **8.31** | **2.18** | - | - | **8.31** | **2.18** |
| **Trade Receivable:** | | | | | | | | | | |
| InCred Holdings Limited | - | - | - | - | - | 0.59 | - | - | - | **0.59** |
| | - | - | - | - | - | **0.59** | - | - | - | **0.59** |
| **Other Receivable:** | | | | | | | | | | |
| InCred Research Services Private Limited | - | - | - | - | 2.70 | - | - | - | **2.70** | - |
| InCred Global Insights Partners Private Limited | - | - | - | - | 18.59 | - | - | - | **18.59** | - |
| InCred Holdings Limited | - | - | - | - | 0.59 | - | - | - | **0.59** | - |
| InCred Valuplus Private Limited | - | - | - | - | - | - | 0.47 | - | **0.47** | - |
| | - | - | - | - | **21.88** | - | **0.47** | - | **22.35** | - |
| **Other Payables:** | | | | | | | | | | |
| InCred Capital Wealth Portfolio Managers Private Limited | - | - | - | - | 0.99 | - | - | - | **0.99** | - |
| InCred Wealth and Investment Services Private Limited | - | - | - | - | - | - | 1,048 | - | **1,048.34** | - |
| InCred Holdings Limited | - | - | - | - | 0.30 | - | - | - | **0.30** | - |
| InCred Management and Technology Services Private Limited | - | - | - | - | 0.11 | - | - | - | **0.11** | - |
| InCred Alternative Investment Private Limited | - | - | - | - | - | - | - | - | - | - |
| InCred Financial Services Limited | - | - | - | - | 2.03 | - | - | - | **2.03** | - |
| | - | - | - | - | **3.42** | - | **1,048.34** | - | **1,051.76** | - |

| Closing balance | KMP | | Relatives of KMP | | Enterprise over which KMP are able to exercise significant influence | | Subsidiaries and Associates | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 31st March 2024 | 31st March 2023 | 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 | - | - | - | **10,000.00** | - |
| InCred Research Services Private Limited | - | - | - | - | 6,010.71 | - | - | - | **6,010.71** | - |
| InCred Wealth and Investment Services Private Limited | - | - | - | - | - | - | 5,479.49 | - | **5,479.49** | - |
| | - | - | - | - | **16,010.71** | - | **5,479.49** | - | **21,490.20** | - |
| **Loans** | | | | | | | | | | |
| InCred Wealth Private Limited | - | - | - | - | 22,245.11 | - | - | - | **22,245.11** | - |
| InCred Financial Services Limited | - | - | - | - | - | - | - | - | - | - |
| InCred Alternative Investment Private Limited | - | - | - | - | - | - | 2,088.07 | - | **2,088.07** | - |
| InCred Prime Finance Limited | - | - | - | - | 360.00 | - | - | | **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** | - | **24,693.18** | - |
| **Investment in Subsidiary and Associates:** | | | | | | | | | | |
| InCred Asset Management Private Limited | - | - | - | - | - | - | 5,049.31 | 4,900.00 | **5,049.31** | **4,900.00** |
| InCred Wealth and Investment Services Pvt Ltd | - | - | - | - | - | - | 42,811.40 | 42,300.85 | **42,811.40** | **42,300.85** |
| InCred Alternative Investment Private Limited | - | - | - | - | - | - | 1,518.50 | 1,511.00 | **1,518.50** | **1,511.00** |
| Arma Fintech Private Limited | - | - | - | - | - | - | 2,305.34 | 1,220.16 | **2,305.34** | **1,220.16** |
| Booth Fintech Private Limited | - | - | - | - | - | - | 2,464.63 | - | **2,464.63** | - |
| InCred Overseas Holdings Pte Limited | - | - | - | - | - | - | 9,058.43 | - | **9,058.43** | - |
| | - | - | - | - | - | - | **63,207.61** | **49,932.02** | **63,207.61** | **49,932.02** |
| **Investment in Market Linked Debentrues of Subsidiary :** | | | | | | | | | | |
| InCred Wealth and Investment Services Pvt Ltd | - | - | - | - | - | - | 89.00 | 10.00 | **89.00** | **10.00** |
| | - | - | - | - | - | - | **89.00** | **10.00** | **89.00** | **10.00** |



*(This space has been intentionally left blank)*

**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 : Oher 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 Debentrues 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 Debentrues 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 Debentrues 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 Debentrues 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 Debentrues 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 Debentrues 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 Debentrues 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 Debentrues 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** | | |
| Referrel 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 anxillary 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

**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:

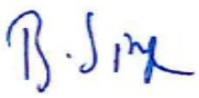
a. The Company has neither revised the financial statements nor the Board's report.
b. The Company has not received any complaint of sexual harassment pursuant to Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013.
c. There are no material changes 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**



**Bhupinder Singh**
**Director**
**DIN: 07342318**

**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**

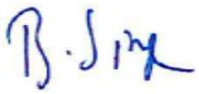
**Details of employees who received a grant of options in any one year of options amounting to five per cent or more of options granted during that year:**

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**



**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 | 1st April 2023 to 31st March 2024 | 1st April 2023 to 31st March 2024 | 1st April 2023 to 31st March 2024 | 24th August 2023 to 31st March, 2024 | 1st April 2023 to 31st March 2024 | 8th November 2023 to 31st March 2024 | 1st April 2023 to 31st 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) |

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

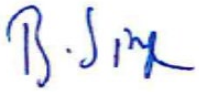
**Part "B": Associates**

**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**



**Bhupinder Singh**
**Director**
**DIN: 07342318**

**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:

| 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)** | **Location of the Project** | | **Project duration** | **Amount allocated for the project (in INR)** | **Amount spent in the current financial year (in INR)** | **Amount transferred to unspent CSR account for the project as per section 135(6) (in INR)** | **Mode of Implementation Direct (Yes/No)** | **Mode of Implementation- Through Implementing Agency** | |
| | | | | **State** | **District** | | | | | | **Name** | **CSR Registration 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 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 | CSR00000511 |

(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 |

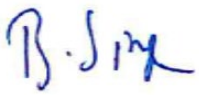
(b) Details of CSR amount spent in the financial year for **ongoing projects** of preceding financial year(s): NA

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**



**Bhupinder Singh**
**Director**
**DIN: 07342318**

**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:**

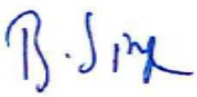
| 1. Name(s) of the related party and nature of relationship | 2. Nature of contracts/arrangements/transactions | 3.Duration of contracts /arrangements/transactions | 4.Salient terms of contracts/arrangements/transactions including the value, if any | 5.Justification for entering into such contracts/arrangements/transactions | 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**



**Bhupinder Singh**
**Director**
**DIN: 07342318**

**Saurabh Jhalaria**
**Director**
**DIN: 07908327**

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

**InCred Capital Financial Services Limited**
CIN: U67120MH1996PLC355036
**Balance Sheet as at 28 February 2025**
(All amounts in INR Lakhs, unless otherwise stated)

# Annexure L

| Particulars | Note No. | As at 28th Feb 2025 | As at 31st March 2024 |
|---|---|---|---|
| **A. ASSETS** | | | |
| **1. Non-current assets** | | | |
| **(a)** Property, plant and equipment | 1 | 1,252.16 | 496.15 |
| **(b)** Capital work in Progress | 2 | 20.61 | 10.79 |
| **(c)** Goodwill | | 1,046.84 | 1,046.84 |
| **(d)** Other intangible assets | 3 | 4,090.67 | 4,619.21 |
| **(e)** Financial assets | | | |
| Non Current Investments | 4 | 1,09,532.06 | 78,239.79 |
| Others non-current financial assets | 5 | 1,089.64 | 508.83 |
| **(f)** Deferred tax assets (Net) | | 837.39 | 290.20 |
| **(g)** Other non current assets | 6 | 593.96 | 78.83 |
| **Total non-current assets** | | **1,18,463.34** | **85,290.64** |
| **2. Current assets** | | | |
| **(a)** Financial assets | | | |
| Current Investments | 7 | 33,904.05 | 5,207.82 |
| Trade receivables | 8 | 165.07 | 902.75 |
| Cash and cash equivalents | 9 | 7,689.02 | 1,593.47 |
| Loans | 10 | 24,772.36 | 32,294.31 |
| Others current financial assets | 11 | 343.19 | 345.83 |
| **(b)** Current tax assets (Net) | 12 | 761.72 | 299.82 |
| **(c)** Other current assets | 13 | 717.27 | 161.00 |
| **Total current assets** | | **68,352.68** | **40,805.00** |
| **Total Assets** | | **1,86,816.02** | **1,26,095.64** |
| **B. LIABILITIES AND EQUITY** | | | |
| **1. Equity** | | | |
| **(a)** Equity share capital | | 1,421.14 | 1,321.14 |
| **(b)** Other equity | 14 | 95,379.41 | 62,723.85 |
| **Total Equity** | | **96,800.55** | **64,044.99** |
| **2. Liabilities** | | | |
| **Non Current liabilities** | | | |
| **(a)** Financial liabilities | | | |
| Non-current borrowings | 15 | 54,952.04 | 22,165.18 |
| Lease Liability | | 1,074.97 | 282.21 |
| Other non-current financial liabilities | 16 | 13.06 | 13.00 |
| **(b)** Non-current provisions | 17 | - | 59.16 |
| **Total non-current liabilities** | | **56,040.06** | **22,519.55** |
| **Current liabilities** | | | |
| **(a)** Financial liabilities | | | |
| Lease Liabilities | | - | 177.82 |
| Trade payables | 18 | | |
| **(i)** total outstanding dues of micro and small enterprises | | - | - |
| **(ii)** total outstanding dues of creditors other than micro and small enterprises | | 1,434.80 | 349.58 |
| Borrowings | 19 | 27,401.04 | 36,969.45 |
| Other current financial liabilities | 20 | 5,063.99 | 1,935.66 |
| **(b)** Other current liabilities | 21 | 8.88 | 91.05 |
| **(c)** Current provisions | 22 | 66.70 | 7.54 |
| **Total current liabilities** | | **33,975.41** | **39,531.10** |
| **Total Liabilities** | | **90,015.47** | **62,050.65** |
| **Total Liabilities and Equity** | | **1,86,816.02** | **1,26,095.64** |

The accompanying notes are an integral part of the financial statements. Note 1 & 2

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

BHUPINDER SINGH Digitally signed by BHUPINDER SINGH Date: 2025.03.27 16:44:10 +05'30'

**Bhupinder Singh**
Director
DIN - 07342318
**Place :** Mumbai
**Date :** 27th March 2025

Vikram Agarwal Digitally signed by Vikram Agarwal Date: 2025.03.27 16:44:53 +05'30'

**Vikram Agarwal**
Director
DIN - 08113532
**Place :** Mumbai
Date : 27th March 2025

**InCred Capital Financial Services Limited**
CIN: U67120MH1996PLC355036
**Statement of Profit & Loss for the period ended 28 February 2025**
(All amounts in INR Lakhs, unless otherwise stated)

| Particulars | Note No. | Period ended 28-Feb-25 | Year ended 31st March 2024 |
|---|---|---|---|
| **(I) Income** | | | |
| **(i)** Revenue From operations | **23** | 5,832.38 | 12,265.21 |
| **(ii)** Other Income | **24** | 2,507.37 | 1,072.69 |
| **Total revenue from operations (I = i + ii)** | | **8,339.75** | **13,337.90** |
| **(II) Expenses** | | | |
| **(i)** Employee benefits expenses | **25** | 3,566.83 | 3,300.00 |
| **(ii)** Finance costs | **26** | 6,350.29 | 4,172.66 |
| **(iii)** Depreciation, amortization and impairment | **1 & 3** | 841.45 | 797.30 |
| **(iv)** Others expenses | **27** | 2,776.26 | 2,387.85 |
| **Total expenses (II = i + ii + iii + iv)** | | **13,534.83** | **10,657.81** |
| **(III) Profit/(loss) before tax and exceptional items (III = I - II)** | | **(5,195.08)** | **2,680.09** |
| **(IV)** Exceptional items | | - | - |
| **(V) Profit/(loss) before tax (V = III - IV)** | | **(5,195.08)** | **2,680.09** |
| **(VI) Tax Expense:** | **28** | | |
| **(i)** Current tax | | - | - |
| **(ii)** Deferred tax | | 547.19 | (298.45) |
| **(iii)** Pertaining to earlier years | | 66.44 | 10.19 |
| **Total tax expense (VI = i + ii + iii)** | | **613.63** | **(288.26)** |
| **(VII) Profit/(loss) for the period (VII = V - VI)** | | **(4,581.45)** | **2,968.35** |
| **(VIII) Other comprehensive income** | | | |
| **(A) Items that will not be reclassified to profit or loss** | | | |
| **(i)** Remeasurements of the defined benefit plans | | - | 6.16 |
| **(ii)** Income tax relating to items that will not be reclassified to profit or loss | | - | 4.45 |
| **Subtotal (A = i + ii)** | | **-** | **10.61** |
| **(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)** | | **-** | **10.61** |
| **(IX) Total comprehensive income for the period (IX = VII + VIII)** | | **(4,581.45)** | **2,978.96** |
| **(X) Earnings per share (EPS)** | | | |
| **(Face value of INR. 10 each)** | | | |
| Basic (INR.) | **29** | -35.91 | 26.14 |
| Diluted (INR.) | | -34.68 | 24.55 |

The accompanying notes are an integral part of the financial statements. Note 1 & 2

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

BHUPINDER SINGH Digitally signed by BHUPINDER SINGH Date: 2025.03.27 16:44:30 +05'30'

**Bhupinder Singh**
Director
DIN - 07342318
Place : Mumbai
Date : 27th March 2025

Vikram Agarwal Digitally signed by Vikram Agarwal Date: 2025.03.27 16:45:29 +05'30'

**Vikram Agarwal**
Director
DIN - 08113532
Place : Mumbai
Date : 27th March 2025

Note 1 : Property, plant and equipment

| Particulars | ROU Assets | Furniture and fixtures | Leasehold Improvements | Office equipment | Vehicle | Computer & Printer | Total |
|---|---|---|---|---|---|---|---|
| Gross carrying amount: | | | | | | | |
| As at 31st March 2023 | 486.84 | 46.47 | 165.22 | 81.02 | 65.00 | 68.93 | 913.48 |
| Additions during the year | 395.71 | 0.05 | - | 0.96 | - | 14.75 | 411.47 |
| Disposals during the year | 28.87 | - | - | - | - | - | 28.87 |
| Write offs during the year | - | 20.55 | 68.39 | 46.70 | - | 23.29 | 158.93 |
| As at 31st March 2024 | 853.68 | 25.97 | 96.83 | 35.28 | 65.00 | 60.39 | 1,137.15 |
| Additions during the year | 865.15 | 21.97 | 56.99 | 67.50 | 35.57 | 22.27 | 1,069.46 |
| Disposals during the year | - | 0.41 | - | - | 0.14 | - | 0.55 |
| Write offs during the year | - | - | - | - | - | - | - |
| As at 28th Feb 2025 | 1,718.83 | 47.53 | 153.82 | 102.78 | 100.44 | 82.66 | 2,206.06 |
| Accumulated depreciation: | | | | | | | |
| As at 31st March 2023 | 309.40 | 25.53 | 126.92 | 58.29 | 12.69 | 50.66 | 583.50 |
| Depreciation charge during the year | 163.51 | 2.60 | 22.42 | 6.41 | 8.15 | 15.03 | 218.12 |
| Accumulated depreciation on disposals | 11.88 | - | - | - | - | - | 11.88 |
| Write offs during the year | - | 18.14 | 68.39 | 39.11 | - | 23.11 | 148.75 |
| As at 31st March 2024 | 461.03 | 9.99 | 80.95 | 25.59 | 20.84 | 42.58 | 640.99 |
| Depreciation charge during the period | 256.16 | 3.55 | 18.43 | 13.37 | 8.28 | 13.11 | 312.90 |
| Accumulated depreciation on disposals | - | - | - | - | - | - | - |
| Write offs during the period | - | - | - | - | - | - | - |
| As at 28th Feb 2025 | 717.19 | 13.55 | 99.38 | 38.97 | 29.12 | 55.69 | 953.90 |
| Net carrying amount: | | | | | | | |
| As at 28th Feb 2025 | 1,001.64 | 33.98 | 54.45 | 63.81 | 71.31 | 26.96 | 1,252.16 |

Note 2 : Capital work in Progress

| Particulars | Total |
|---|---|
| As at 31st March 2023 | 1.09 |
| Additions during the period | 9.70 |
| Capitalized during the period | - |
| As at 31st March 2024 | 10.79 |
| Additions during the period | 9.82 |
| Capitalized during the period | - |
| As at 28th Feb 2025 | 20.61 |

Note 3 : Other intangible assets

| Particulars | Software | Technology Development | Brand | Customer Relationships | Total |
|---|---|---|---|---|---|
| Gross carrying amount: | | | | | |
| 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 |
| Additions during the year | | | | | - |
| Disposals during the year | | | | | - |
| As at 28th Feb 2025 | 5.43 | 2,411.50 | 575.00 | 2,789.50 | 5,781.43 |
| Accumulated amortisation and impairment: | | | | | |
| 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 |
| Amortisation charge during the year | | 220.67 | 52.62 | 255.26 | 528.54 |
| Disposals | | | | | - |
| As at 28th Feb 2025 | 5.43 | 703.63 | 167.78 | 813.92 | 1,690.76 |
| Net carrying amount as at 28th Feb 2025 | - | 1,707.87 | 407.22 | 1,975.58 | 4,090.67 |

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 4 : Non Current Investments**

| Particulars | As at 28th Feb 2025 | As at 31st March 2024 |
|---|---|---|
| **(A) Investments carried at fair value through profit or loss** | | |
| In Alternate Investment Fund | 17,115.18 | 10,632.10 |
| In Portfolio Management Services | 502.79 | 502.83 |
| In Non Convertible Debentures & Market Linked Debentures | 1,357.17 | 2,055.28 |
| In Derivative assets | -482.45 | 1,841.97 |
| | **18,492.69** | **15,032.18** |
| **(B) Investments carried at cost** | | |
| **In Subsidiaries (unquoted)** | | |
| InCred Asset Management Private Limited | 5,049.31 | 5,049.31 |
| InCred Wealth and Investment Services Private Limited | 42,811.40 | 42,811.40 |
| InCred Alternative Investments Private Limited | 1,518.50 | 1,518.50 |
| Booth Fintech Private Limited | 15,633.72 | 2,464.63 |
| InCred Overseas Holding Private Limited (Singapore) | 21,300.58 | 9,058.43 |
| InCred Prime | 2,420.52 | - |
| **In Associates (unquoted)** | | |
| Alpha Fintech Private Limited | 2,305.34 | 2,305.34 |
| | **91,039.37** | **63,207.61** |
| **Total - Gross (A + B )** | **1,09,532.06** | **78,239.79** |
| Less: Impairment loss allowance | - | - |
| **Total - Net of impairment loss allowance** | **1,09,532.06** | **78,239.79** |
| **(A)** Investments in India | 88,231.48 | 69,181.36 |
| **(B)** Investments outside India | 21,300.58 | 9,058.43 |
| **Total - Gross (A + B)** | **1,09,532.06** | **78,239.79** |
| Less: Impairment loss allowance | - | - |
| **Total - Net of impairment loss allowance** | **1,09,532.06** | **78,239.79** |

**Note 5 : Others non-current financial assets**

| Particulars | As at 28th Feb 2025 | As at 31st March 2024 |
|---|---|---|
| **Financial assets carried at amortized cost:** | | |
| Rental deposits | 366.10 | 38.09 |
| Other Advances | 87.70 | - |
| Advance to Broker | 847.03 | 470.73 |
| | **1,300.84** | **508.82** |
| Less: Allowance for impairment loss | (211.20) | - |
| **Total** | **1,089.64** | **508.82** |

**Note 6 : Other non current assets**

| Particulars | As at 28th Feb 2025 | As at 31st March 2024 |
|---|---|---|
| Balances with government authorities | 462.90 | - |
| Deferred rent expense | 10.58 | 14.01 |
| Prepaid Expenses | 120.31 | 64.82 |
| Others | 0.17 | -0.00 |
| **Total** | **593.96** | **78.83** |

**Note 7 : Current Investments**

| Particulars | As at 28th Feb 2025 | As at 31st March 2024 |
|---|---|---|
| **Investments carried at fair value through profit or loss** | | |
| In Mutual Funds | 6,722.20 | 0.29 |
| In Equity Shares - Unlisted | 4,658.04 | 2,435.30 |
| In other Equity Shares | 1,615.51 | 2,772.23 |
| In Non Convertible Debentures & Market Linked Debentures | 20,908.30 | - |
| **Total** | **33,904.05** | **5,207.82** |
| Aggregate amount of unquoted investments | 33,892.54 | 5,196.31 |
| Aggregate amount of quoted investments | 11.51 | 11.51 |

**Note 8 : Trade receivables**

| Particulars | As at 28th Feb 2025 | As at 31st March 2024 |
|---|---|---|
| Secured, considered good | - | - |
| Unsecured, considered good | 170.97 | 933.08 |
| Significant increase in credit risk | - | - |
| Credit impaired | - | - |
| | **170.97** | **933.08** |
| Less: Allowance for impairment loss | (5.90) | (30.32) |
| **Total** | **165.07** | **902.76** |

**Note 9 : Cash and cash equivalents**

| Particulars | As at 28th Feb 2025 | As at 31st March 2024 |
|---|---|---|
| Balances with banks (of the nature of cash and cash equivalent) | 7,630.52 | 1,593.47 |
| Interest accrued on fixed deposits | 58.49 | - |
| **Total** | **7,689.02** | **1,593.47** |

**Note 10 : Loans**

| Particulars | As at 28th Feb 2025 | As at 31st March 2024 |
|---|---|---|
| | Amortised cost | Amortised cost |
| **Unsecured and Considered Good *** | | |
| (i) Intercorporate deposits to others | 8,385.03 | 7,730.99 |
| (ii) Intercorporate deposits to related party | 16,515.59 | 24,693.18 |
| **Total - Gross** | **24,900.62** | **32,424.17** |
| Less: Impairment loss allowance | (128.26) | -129.86 |
| **Total - Net of impairment loss allowance** | **24,772.36** | **32,294.31** |

*Intercorporate deposits has been given for general business purpose.

**Note 11 : Others current financial assets**

| Particulars | As at 28th Feb 2025 | As at 31st March 2024 |
|---|---|---|
| Rental Deposits | - | 72.11 |
| Merger receivable | 306.44 | 456.44 |
| Others | 36.75 | 28.46 |
| | **343.19** | **557.01** |
| Less: Impairment loss allowance | - | -211.20 |
| **Total** | **343.19** | **345.81** |

**Note 12 : Current tax assets (Net)**

| Particulars | As at 28th Feb 2025 | As at 31st March 2024 |
|---|---|---|
| Income tax refundable (net of provision for income tax) | 761.72 | 299.82 |
| **Total** | **761.72** | **299.82** |

**Note 13 : Other current assets**

| Particulars | As at 28th Feb 2025 | As at 31st March 2024 |
|---|---|---|
| Prepaid expenses | - | 142.40 |
| Others | - | 0.03 |
| Deferred rent expense | - | 4.32 |
| Advance for expenses | 717.29 | 14.26 |
| **Total** | **717.29** | **161.01** |

**Note 14 : Other equity**

| Particulars | As at 28th Feb 2025 | As at 31st March 2024 |
|---|---|---|
| **Securities premium** | | |
| Balance as at the beginning of the year | 56,294.73 | 56,714.80 |
| Add: Additions during the year: | | |
| - Issue of share warrants | - | - |
| - Premium of shares issued during the year | 29,900.00 | - |
| Less: Utilized during the year: | | |
| - Transfer to Debenture Redemption Reserve | - | -420.07 |
| - Amounts utilized towards share issue expenses | - | - |
| **Balance as at the end of the year** | **86,194.73** | **56,294.73** |
| **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 | 3,662.07 | 3,017.56 |
| Add: Addition during the year: | 1,086.99 | 644.51 |
| Less: Utilized during the year | - | - |
| **Balance as at the end of the year** | **4,749.06** | **3,662.07** |
| **Statutory reserve fund pursuant to Section 45-IC of the RBI Act, 1934** | | |
| Balance as at the beginning of the year | - | 915.81 |
| Add: Addition during the year: | | |
| - Transfer from surplus in statement of profit and loss | - | - |
| Less: Utilized during the year | - | 915.81 |
| **Balance as at the end of the year** | - | - |
| **Debenture Redemption Reserve** | | |
| Balance as at the beginning of the year | 2,766.52 | - |
| Add: Addition during the year: | - | 2,766.52 |
| Less: Utilized during the year | - | - |
| **Balance as at the end of the year** | **2,766.52** | **2,766.52** |
| **Share warrants** | | |
| Issue during the year | 6,250.00 | - |
| **Balance as at the end of the year** | **6,250.00** | - |
| **Surplus / (Deficit) in Statement of Profit & Loss** | | |
| Balance as at the beginning of the year | - | (294.32) |
| Add: Reserves on Merger | - | - |
| Add: Profit / (loss) after tax for the year | -4,581.45 | 1,722.91 |
| 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 |
| **Amount available for appropriations** | **(4,581.45)** | **2,346.44** |
| Less: Appropriations | | |
| - Transfer to Debenture Redemption Reserve | - | (2,346.44) |
| - Transfer to Statutory reserve pursuant to Section 45-IC of the RBI Act, 1934 | - | - |
| **Balance as at the end of the year** | **(4,581.45)** | - |
| **Total** | **95,379.41** | **62,723.86** |

**Note 15 : Non-current borrowings**

| Particulars | As at 28th Feb 2025 | As at 31st March 2024 |
|---|---|---|
| **Secured - At amortised cost** | | |
| - Market Linked Debentures (including derivative component) | 54,952.04 | 22,165.18 |
| **Total** | **54,952.04** | **22,165.18** |

**Note 16 : Other non-current financial liabilities**

| Particulars | As at 28th Feb 2025 | As at 31st March 2024 |
|---|---|---|
| **At amortised cost** | | |
| - Security deposit car | 13.06 | 13.00 |
| **Total** | **13.06** | **13.00** |

**Note 17 : Non-current provisions**

| Particulars | As at 28th Feb 2025 | As at 31st March 2024 |
|---|---|---|
| **Provision for employee benefits** | | |
| Provision for gratuity | - | 59.16 |
| **Total** | **-** | **59.16** |

**Note 18 : Trade payables**

| Particulars | As at 28th Feb 2025 | As at 31st March 2024 |
|---|---|---|
| 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 | 1,434.80 | 349.58 |
| - Interest amount due | - | - |
| | **1,434.80** | **349.58** |
| **Total** | **1,434.80** | **349.58** |

**Note 19 : Borrowings**

| Particulars | As at 28th Feb 2025 | As at 31st March 2024 |
|---|---|---|
| **Unsecured At amortised cost** | | |
| Debentures | - | - |
| Related Parties | 27,300.29 | 21,490.20 |
| Other Parties | 100.75 | 9,979.26 |
| **Secured At amortised cost** | | |
| Non-Convertible Debentures | (0.00) | 5,141.28 |
| Marked Linked Debentures | - | 358.72 |
| **Total** | **27,401.04** | **36,969.46** |

**Note 20 : Other current financial liabilities**

| Particulars | As at 28th Feb 2025 | As at 31st March 2024 |
|---|---|---|
| Employee expenses payable | 175.67 | 743.36 |
| Financial Liability on Guarantee | 30.96 | 30.96 |
| Payable to broker | - | 0.99 |
| Others | 1.49 | 1,067.06 |
| Advance received | 4,855.87 | 93.29 |
| **Total** | **5,063.99** | **1,935.66** |

**Note 21 : Other current liabilities**

| Particulars | As at 28th Feb 2025 | As at 31st March 2024 |
|---|---|---|
| Revenue received in advance | - | - |
| Statutory dues payable | 8.88 | 91.05 |
| **Total** | **8.88** | **91.05** |

**Note 22 : Current provisions**

| Particulars | As at 28th Feb 2025 | As at 31st March 2024 |
|---|---|---|
| **Provision for employee benefits** | | |
| Provision for gratuity | 66.70 | 7.54 |
| **Total** | **66.70** | **7.54** |

**Note 23 : Revenue From operations**

| Particulars | Period ended 28th Feb 2025 | Year ended 31st March 2024 |
|---|---|---|
| Fees and charges | 2,706.15 | 6,825.69 |
| Gain on sale of Investments | 3,126.23 | 5,439.52 |
| **Total** | **5,832.38** | **12,265.21** |
| **Geographical Markets** | | |
| Within India | 5,811.71 | 12,261.10 |
| Outside India | 20.66 | 4.11 |
| **Total** | **5,832.38** | **12,265.21** |
| **Timing of revenue recognition** | | |
| Services transferred at a point in time | 5,832.38 | 12,265.21 |
| Services transferred over time | - | - |
| **Total** | **5,832.38** | **12,265.21** |

**Note 24 : Other Income**

| Particulars | Period ended 28th Feb 2025 | Year ended 31st March 2024 |
|---|---|---|
| Interest on loans | 2,184.38 | 759.00 |
| Interest on deposits with banks | 39.81 | - |
| Unwinding of discount on security deposit | 8.11 | 10.52 |
| Miscellaneous income | 19.26 | 47.14 |
| Reimbursement Income | 255.81 | 120.75 |
| Finance Income on Guarantee | - | 135.27 |
| **Total** | **2,507.37** | **1,072.69** |

**Note 25 : Employee benefits expenses**

| Particulars | Period ended 28th Feb 2025 | Year ended 31st March 2024 |
|---|---|---|
| Salaries and wages | 2,410.43 | 3,231.86 |
| Contribution to provident and other funds | 58.49 | 45.07 |
| Share Based Payments to employees | 1,086.99 | (22.85) |
| Gratuity | - | 21.72 |
| Staff welfare expenses | 10.91 | 24.20 |
| **Total** | **3,566.83** | **3,300.00** |

**Note 26 : Finance costs**

| Particulars | Period ended 28th Feb 2025 | Year ended 31st March 2024 |
|---|---|---|
| Interest on lease liability | 89.27 | 48.84 |
| Interest on Borrowings | 6,261.02 | 3,983.42 |
| Finance Expense on Guarantee | - | 140.27 |
| Others | - | 0.13 |
| **Total** | **6,350.29** | **4,172.66** |

**Note 27 : Others expenses**

| Particulars | Period ended 28th Feb 2025 | Year ended 31st March 2024 |
|---|---|---|
| Rent | 55.12 | 54.70 |
| Communication cost | 15.28 | 6.02 |
| Travelling and conveyance | 340.85 | 353.27 |
| Allowance for Impairment | (26.02) | 361.47 |
| Legal, professional and consultancy charges | 1,193.46 | 992.87 |
| Membership and subscription | 29.07 | 74.34 |
| IT expenses | 77.26 | 38.11 |
| Manpower support services | 27.70 | 19.57 |
| Rates and taxes | 34.61 | 6.75 |
| Printing and stationary | 6.06 | 4.58 |
| Referrel Fees | 81.90 | 30.41 |
| Payment to auditors | 13.46 | 21.72 |
| Advertisement, publicity and sales promotion expenses | 734.72 | 130.64 |
| Demat and related charges | - | 7.03 |
| Office expenses | 82.07 | 69.59 |
| Interest on statutory dues | 0.36 | 2.29 |
| Recruitment fees | 73.23 | 120.71 |
| Foreign exchange loss | 1.86 | 3.55 |
| GST Expenses | 23.46 | 18.23 |
| Corporate Social Responsibility Expense | 0.40 | 55.42 |
| Miscellaneous expenses | 11.41 | 16.60 |
| **Total** | **2,776.26** | **2,387.85** |

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel: +91 22 6819 8000

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Incred Capital Wealth Portfolio Managers Private Limited

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of Incred Capital Wealth Portfolio Managers Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("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 March 31, 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 of the financial statements in accordance with the Standards on Auditing (SAs), as 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 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 financial statements under the provisions of the Act 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 audit opinion on the financial statements.

**Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's report but does not include the financial statements and our auditor's report thereon. The Directors 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 identified and when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the Directors Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

**Responsibility of Management and Those Charged with Governance for the 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 of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, 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 safeguarding of the assets of the Company 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 the 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.

In preparing the 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.

Those Charged with Governance are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 them 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 of India in terms of sub-section (11) of section 143 of the we give in the "Annexure 1" 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, to the extent applicable, 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 except for the matters stated in the paragraph (i) (vi) below on reporting under Rule 11(g).

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended, specified under section 133 of the Act;

   (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors are 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 with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (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) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i) (vi) below on reporting under Rule 11(g).

   (i) 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 litigations which would impact its financial position;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      iv. a) The management has represented that, to the best of its knowledge and belief and as disclosed in the note 45 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 and as disclosed in the note 45 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 such audit procedures performed that have been 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 (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

vi. Based on our examination which included test checks, and as explained in note 48 to the financial statements, the Company uses separate accounting applications to maintain its books of accounts relating to general ledgers and recording transactions related to the broking business. The accounting software for maintaining its books of account in relation to general ledgers 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 audit trail feature being tampered, with regards to this system. For the application used for recording transactions related to the broking business, the Company has not evaluated the enablement of audit trail feature in respect of this application and accordingly, we are unable to comment whether audit trail feature was enabled or tampered with, in respect of such other accounting records.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

SARVESH VISHWESH WARTY

Digitally signed by SARVESH VISHWESH WARTY
DN: cn=SARVESH VISHWESH WARTY, c=IN, o=Personal, email=sarvesh.warty@srb.in
Date: 2024.05.17 23:33:50 +05'30'

**per** Sarvesh Warty
Partner
Membership Number: 121411
UDIN: 24121411BKFROU3718
Place: Mumbai
Date: May 17, 2024

**ANNEXURE '1' REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF INCRED CAPITAL WEALTH PORTFOLIO MANAGERS PRIVATE LIMITED**

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

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

(b) The Company has maintained proper records showing full particulars of intangibles assets. All Property, Plant and Equipment were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets.

(c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 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) As disclosed in note 15 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and financial institutions during the year on the basis of pledge of government securities held by the Company. Based on the records examined by us in the normal course of audit of the financial statements, the half yearly statements filed by the Company with such banks and financial institutions are in agreement with the unaudited books of accounts of the Company.

iii. (a). During the year the Company has provided loans and margin trading facilities ('MTF') to companies and other parties as follows:

| | Loans | Margin Trading Facility<br><br>*(refer note 06 in the financial statements)* |
|---|---|---|
| **Aggregate amount granted/ provided during the year** | | |
| - Subsidiaries | Rs 4,800 lakhs | Nil |
| - Others | Rs 705 lakhs | Rs 1,435 lakhs |
| **Balance outstanding as at balance sheet date in respect of above cases** | | |
| - Subsidiaries | Rs 4,800 lakhs | Nil |
| - Others | Nil | Rs 361.80 lakhs |

During the year the Company has not stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on these is not applicable to the Company.

(b) During the year the investments made and the terms and conditions of the grant of all loans and advances in the nature of loans and investments to companies or any other parties are not prejudicial to the Company's interest.

During the year the Company has not provided guarantees and provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on these is not applicable to the Company.

(c) The Company has granted loan(s) during the year to companies where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.

In respect of MTF loans granted by the Company, the schedule of repayment of principle and payment of interest has not been stipulated and in the absence of such schedule, we are unable to comment on the regularity of the repayments of principle amounts and payment of interest (refer reporting under clause (iii)(f) below).

(d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(e) There were no loans or advance in the nature of loan granted to companies or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

(f) As disclosed in note 06 to the financial statements, the Company has granted loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies or any other parties. Of these following are the details of the aggregate amount of loans or advances in the nature of loans granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013:

| | All parties | Related parties |
|---|---|---|
| Aggregate amount of loans/ advances in nature of loans<br>- Repayable on demand<br>- Without specifying terms of repayment | <br><br>Rs 5,505 lakhs<br>Rs 1,435 lakhs | <br><br>Rs 5,505 lakhs<br>- |
| Percentage of loans/ advances in nature of loans to the total loans | 100% | |

iv. The Company is a private company and satisfies the conditions for exemption from the provisions of section 185 prescribed in notification dated June 5, 2015 issued by the Ministry of Corporate Affairs. Accordingly, the provisions of section 185 do not apply to the Company. Further, according to the information and explanations given to us, provisions of sections 186 of the Companies Act, 2013 in respect of loans, investments and, guarantees, and security have been complied with by the Company.

v. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

vi. The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the services of the Company.

vii. (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, income-tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in

respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) There are no dues of goods and services tax, provident fund, income-tax, cess, and other statutory dues which have not been deposited on account of any dispute.

viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to 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, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

x. (a) The Company has not raised any money during the year by way of initial public offer/further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

xii. The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b), (c) of the Order is not applicable to the Company.

xiii. Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.

xiv. (a) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(a) of the Order is not applicable to the Company.

(b) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(b) of the Order is not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred cash losses in the current and immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

xix. On the basis of the financial ratios, 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 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. (a) and (b) The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx) of the Order is not applicable to the Company.

**For S.R. Batliboi & Associates LLP**
Chartered Accountants
**ICAI Firm Registration Number: 101049W/E300004**

SARVESH VISHWESH WARTY

Digitally signed by SARVESH VISHWESH WARTY
DN: cn=SARVESH VISHWESH WARTY, c=IN, o=Personal, email=sarvesh.warty@srb.in
Date: 2024.05.17 23:34:45 +05'30'

**per Sarvesh Warty**
Partner
Membership Number: 121411
UDIN: 24121411BKFROU3718
Place: Mumbai
Date: May 17, 2024

**ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF INCRED CAPITAL WEALTH PORTFOLIO MANAGERS PRIVATE LIMITED**

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

We have audited the internal financial controls with reference to financial statements of Incred Capital Wealth Portfolio Managers Private Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's Management is 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 the 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 with reference to these financial statements 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, 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 Company's internal financial controls with reference to these financial statements.

**Meaning of Internal Financial Controls With Reference to these Financial Statements**

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements 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 With Reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, 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 issued by the ICAI.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

SARVESH VISHWESH WARTY

Digitally signed by SARVESH VISHWESH WARTY
DN: cn=SARVESH VISHWESH WARTY, c=IN, o=Personal, email=sarvesh.warty@srb.in
Date: 2024.05.17 23:35:14 +05'30'

**per** Sarvesh Warty
Partner
Membership Number: 121411
UDIN: 24121411BKFROU3718
Place: Mumbai
Date: May 17, 2024

**Incred Capital Wealth Portfolio Managers Private Limited**
CIN: U74999MH2018PTC305048
**Balance Sheet as at 31 March 2024**
(All amounts in INR Lakhs, unless otherwise stated)

| Particulars | Note No. | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|---|
| **A. ASSETS** | | | |
| **1. Financial Assets** | | | |
| **(a)** Cash and cash equivalents | **3** | 301.66 | 2,917.38 |
| **(b)** Bank balance other than cash and cash equivalents | **4** | 2,187.26 | 821.97 |
| **(c)** Trade receivables | **5** | 10,598.27 | 4,406.77 |
| **(d)** Loans | **6** | 5,157.44 | 140.57 |
| **(e)** Investments | **7** | 4,403.14 | 1,862.15 |
| **(f)** Other financial assets | **8** | 1,398.46 | 1,625.79 |
| **Total financial assets** | | **24,046.23** | **11,774.63** |
| **2. Non-financial assets** | | | |
| **(a)** Current tax assets (Net) | **9** | - | 1.91 |
| **(b)** Deferred tax assets (Net) | **31** | 72.70 | 268.70 |
| **(c)** Property, plant and equipment | **10** | 775.13 | 427.57 |
| **(d)** Capital work in progress | **11** | - | - |
| **(e)** Other intangible assets | **12** | 7.10 | 8.77 |
| **(f)** Other non-financial assets | **13** | 220.80 | 109.28 |
| **Total non-financial assets** | | **1,075.73** | **816.23** |
| **Total Assets** | | **25,121.96** | **12,590.86** |
| **B. LIABILITIES AND EQUITY** | | | |
| **1. Liabilities** | | | |
| **1.1 Financial liabilities** | | | |
| **(a)** Trade payables | **14** | | |
| (i) total outstanding dues of micro and small enterprises | | - | - |
| (ii) total outstanding dues of creditors other than micro and small enterprises | | 10,879.22 | 3,341.02 |
| **(b)** Borrowings | **15** | 3,313.49 | 3,847.46 |
| **(c)** Deposits | **16** | 46.53 | 40.90 |
| **(d)** Other financial liabilities | **17** | 1,069.29 | 337.05 |
| **Total financial liabilities** | | **15,308.53** | **7,566.43** |
| **1.2 Non-financial liabilities** | | | |
| **(a)** Provisions | **18** | 325.10 | 46.47 |
| **(b)** Other non-financial liabilities | **19** | 841.56 | 144.50 |
| **Total non-financial liabilities** | | **1,166.66** | **190.97** |
| **Total Liabilities** | | **16,475.19** | **7,757.40** |
| **2. Equity** | | | |
| **(a)** Equity share capital | **20** | 4,850.00 | 4,850.00 |
| **(b)** Other equity | **21** | 3,796.77 | (16.54) |
| **Total Equity** | | **8,646.77** | **4,833.46** |
| **Total Equity and Liabilities** | | **25,121.96** | **12,590.86** |

The accompanying notes are an integral part of the financial statements

Note 1 & 2

As per our report of even date.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

SARVESH VISHWESH WARTY
Digitally signed by SARVESH VISHWESH WARTY
DN: cn=SARVESH VISHWESH WARTY, c=IN, o=Personal, email=sarvesh.warty@srb.in
Date: 2024.05.17 23:35:30 +05'30'

**per Sarvesh Warty**
Partner
Membership No: 121411

**Place** : Mumbai
**Date : 17 May 2024**

For and on behalf of the Board of Directors of
**Incred Capital Wealth Portfolio Managers Private Limited**

KAMLESH RAJANINATH DANGI
Digitally signed by KAMLESH RAJANINATH DANGI
Date: 2024.05.17 23:05:32 +05'30'

**Kamlesh Dangi**
Director
DIN - 05152439
**Place** : Mumbai

NITIN SUBRAMANYA RAO
Digitally signed by NITIN SUBRAMANYA RAO
Date: 2024.05.17 23:06:12 +05'30'

**Nitin Subramanya Rao**
Director
DIN - 08108320
**Place** : Mumbai

RAKESH GORAKH POSTANDEL
Digitally signed by RAKESH GORAKH POSTANDEL
Date: 2024.05.17 23:00:12 +05'30'

**Rakesh Postandel**
Company Secretary
Mem No. - A64419

**Place** : Mumbai
**Date : 17 May 2024**

**Incred Capital Wealth Portfolio Managers Private Limited**
CIN: U74999MH2018PTC305048
**Statement of Profit and Loss for the year ended 31 March 2024**
(All amounts in INR Lakhs, unless otherwise stated)

| Particulars | | Note No | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|---|---|
| **(I)** | **REVENUE FROM OPERATIONS** | | | |
| | **(i)** Interest income | **22** | 842.47 | 365.56 |
| | **(ii)** Fees and commission income | **23** | 10,138.90 | 5,558.11 |
| | **(iii)** Net gain on fair value changes | **24** | 3.23 | 245.14 |
| | **Total revenue from operations (I = i + ii + iii)** | | **10,984.60** | **6,168.81** |
| **(II)** | Other income | **25** | 55.26 | 22.62 |
| **(III)** | **Total income (III = I + II)** | | **11,039.86** | **6,191.43** |
| **(IV)** | **EXPENSES** | | | |
| | **(i)** Finance cost | **26** | 642.22 | 508.29 |
| | **(ii)** Fees and commission expense | **27** | 262.35 | 491.25 |
| | **(iii)** Impairment on financial instruments | **28** | 7.32 | 22.85 |
| | **(iv)** Employee benefit expenses | **29** | 2,908.17 | 2,266.79 |
| | **(v)** Depreciation, amortization and impairment | **10 & 12** | 197.02 | 146.35 |
| | **(vi)** Other expenses | **30** | 2,063.70 | 1,365.36 |
| | **Total expenses (IV = i + ii + iii + iv + v + vi)** | | **6,080.78** | **4,800.89** |
| **(V)** | **Profit before exceptional item and tax (V = III - IV)** | | **4,959.08** | **1,390.54** |
| | Exceptional item | | 249.57 | - |
| **(VI)** | **Profit before tax** | | **5,208.65** | |
| **(VI)** | **Tax expense:** | **31** | | |
| | **(i)** Current Tax | | 1,323.59 | 216.01 |
| | **(ii)** Previous year tax adjustment | | (139.12) | - |
| | **(iii)** Deferred tax expense / (income) | | 192.32 | 127.60 |
| | **Total Tax expense (VI = i + ii + iii )** | | **1,376.79** | **343.61** |
| **(VII)** | **Profit / (Loss) for the year (VII = V - VI)** | | **3,831.86** | **1,046.93** |
| **(VIII)** | **Other comprehensive income** | | | |
| | **(A)** Items that will not be reclassified to profit or loss | | (14.86) | 2.22 |
| | Income tax relating to items that will not be reclassified to profit or loss | | (3.68) | (0.51) |
| | **Total other comprehensive income (VIII = A)** | | **(18.54)** | **1.71** |
| **(IX)** | **Total comprehensive income for the year / period (IX = VII + VIII)** | | **3,813.32** | **1,048.64** |
| **(X)** | **Earnings per equity share (EPS)** | **32** | | |
| | **(Face value of Rs. 10 each)** | | | |
| | Basic (INR) | | 7.90 | 2.16 |
| | Diluted (INR) | | 7.90 | 2.16 |

The accompanying notes are an integral part of the financial statements

As per our report of even date.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

SARVESH VISHWESH WARTY
Digitally signed by SARVESH VISHWESH WARTY
DN: cn=SARVESH VISHWESH WARTY, c=IN, o=Personal, email=sarvesh.warty@srb.in
Date: 2024.05.17 23:35:46 +05'30'

**per Sarvesh Warty**
Partner
Membership No: 121411

Place : Mumbai
Date : 17 May 2024

For and on behalf of the Board of Directors of
**Incred Capital Wealth Portfolio Managers Private Limited**

KAMLESH RAJANINATH DANGI
Digitally signed by KAMLESH RAJANINATH DANGI
Date: 2024.05.17 23:05:09 +05'30'

**Kamlesh Dangi**
Director
DIN - 05152439
Place : Mumbai

NITIN SUBRAMANYA RAO
Digitally signed by NITIN SUBRAMANYA RAO
Date: 2024.05.17 23:06:41 +05'30'

**Nitin Subramanya Rao**
Director
DIN - 08108320
Place : Mumbai

RAKESH GORAKH POSTANDEL
Digitally signed by RAKESH GORAKH POSTANDEL
Date: 2024.05.17 23:01:21 +05'30'

**Rakesh Postandel**
Company Secretary
Mem No. - A64419

Place : Mumbai
Date : 17 May 2024

**Incred Capital Wealth Portfolio Managers Private Limited**
CIN: U74999MH2018PTC305048
**Cash Flow Statement for the year ended 31 March 2024**
(All amounts in INR Lakhs, unless otherwise stated)

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| **A. Cash flow from operating activities** | | |
| **Profit before tax** | **5,208.65** | **1,390.54** |
| **Adjustments for non-cash/non-operating items:** | | |
| Depreciation and amortisation | 197.02 | 146.35 |
| Gain on Sale of Investments | 3.23 | (245.14) |
| Interest income on Loans | (17.77) | (0.21) |
| Interest on borrowings | 251.13 | 292.31 |
| Interest on lease liability | (10.42) | 29.10 |
| Impairment of financial instruments | 7.32 | 22.85 |
| Unwinding of discount on security deposit | (0.03) | - |
| Rent expense on account of deferred lease rental | - | - |
| **Operating cash flow before working capital changes** | **5,639.13** | **1,635.80** |
| **Changes in working capital:** | | |
| **Adjustments for decrease / (increase) in operating assets:** | | |
| Decrease / (Increase) in trade receivables | (6,198.82) | (4,017.46) |
| Decrease / (Increase) in other financial assets | 227.36 | 1,234.72 |
| Decrease / (Increase) in other non financial assets | (111.52) | (11.61) |
| **Adjustments for increase in operating liabilities:** | | |
| Increase / (Decrease) in trade payables | 7,538.20 | 1,102.71 |
| Increase / (Decrease) in other financial liabilities | 513.92 | (253.21) |
| Increase / (Decrease) in deposits | (3.99) | 3.27 |
| Increase / (Decrease) in provisions | 34.77 | 21.19 |
| Increase / (Decrease) in other non financial liabilities | 697.05 | 50.31 |
| **Cash generated from (used in) operations** | **8,336.10** | **(234.27)** |
| Income taxes (paid) / refunds | (953.54) | (93.68) |
| **Net cash generated from / (used in) operating activities (A)** | **7,382.56** | **(327.95)** |
| **B. Cash flow from investing activities** | | |
| Purchase of property, plant and equipment | (227.57) | (50.95) |
| Purchase of intangibles assets | (2.70) | (5.87) |
| Sale of property, plant and equipment | 10.81 | - |
| Purchase of Investments | (1,00,728.57) | (1,10,219.98) |
| Sale Proceeds of Investments | 98,184.33 | 1,10,514.20 |
| Net changes in Loans | (5,016.87) | 822.88 |
| Interest Income on Loans | 17.77 | 0.21 |
| Investment in Fixed deposits | (1,365.29) | (273.72) |
| **Net cash generated from (used in) investing activities (B)** | **(9,128.08)** | **786.77** |
| **C. Cash Flow from financing activities** | | |
| Borrowings taken | 48,857.89 | 25,705.71 |
| Borrowings repaid | (49,392.00) | (25,175.39) |
| Interest expense on borrowings | (251.01) | (288.97) |
| Payment of lease liabilities | (85.10) | (82.27) |
| **Net cash generated from / (used in) financing activities (C )** | **(870.20)** | **159.08** |
| **Net increase / (decrease) in cash and cash equivalents (A + B + C)** | **(2,615.72)** | **617.90** |
| Cash and cash equivalents at the beginning of the year | 2,917.38 | 2,351.81 |
| **Cash and cash equivalents at the end of the year [Note 1 below]** | **301.66** | **2,917.38** |
| **Net Increase / (decrease) in cash and cash equivalents during the year** | **(2,615.72)** | **565.57** |

**Notes to Cash flow statement:**
**1.** Components of cash and cash equivalents: **[Refer Note No. 3]**

| | | |
|---|---|---|
| Cash on hand | | - |
| Balances with bank | | |
| - in current accounts | 301.66 | 2,917.38 |
| Fixed deposits | - | - |
| | **301.66** | **2,917.38** |

The accompanying notes are an integral part of the financial statements

As per our report of even date.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

SARVESH VISHWESH WARTY
Digitally signed by SARVESH VISHWESH WARTY
DN: cn=SARVESH VISHWESH WARTY, c=IN, o=Personal, email=sarvesh.warty@srb.in
Date: 2024.05.17 23:36:02 +05'30'

**per Sarvesh Warty**
Partner
Membership No: 121411

Place : Mumbai
Date : 17 May 2024

For and on behalf of the Board of Directors of
**Incred Capital Wealth Portfolio Managers Private Limited**

KAMLESH RAJANINATH DANGI
Digitally signed by KAMLESH RAJANINATH DANGI
Date: 2024.05.17 23:04:48 +05'30'

**Kamlesh Dangi**
Director
DIN - 05152439
Place : Mumbai

NITIN SUBRAMANYA RAO
Digitally signed by NITIN SUBRAMANYA RAO
Date: 2024.05.17 23:07:02 +05'30'

**Nitin Subramanya Rao**
Director
DIN - 08108320
Place : Mumbai

RAKESH GORAKH POSTANDEL
Digitally signed by RAKESH GORAKH POSTANDEL
Date: 2024.05.17 23:01:43 +05'30'

**Rakesh Postandel**
Company Secretary
Mem No. - A64419

Place : Mumbai
Date : 17 May 2024

**Incred Capital Wealth Portfolio Managers Private Limited**
CIN: U74999MH2018PTC305048
**Statement of Changes in Equity for the year ended 31 March 2024**
(All amounts in INR Lakhs, unless otherwise stated)

**A. Equity share capital [Refer Note No. 20]**

| Particulars | Amount |
|---|---|
| **Equity shares of INR 10 each issued, subscribed and fully paid-up** | |
| **Balance as at the 31 March 2022** | **4,850.00** |
| Changes in equity share capital during the year | - |
| **Balance as at the 31 March 2023** | **4,850.00** |
| Changes in equity share capital during the year | - |
| **Balance as at the 31 March 2024** | **4,850.00** |

**B. Other equity**

| Particulars | Reserves and Surplus<br>Retained earnings<br>[Refer Note No. 21] | Total other equity |
|---|---|---|
| **Balance at 31 March 2022** | **(1,065.18)** | **(1,065.18)** |
| Profit / (loss) for the year | 1,046.93 | 1,046.93 |
| Other comprehensive income for the year, net of income tax | 1.71 | 1.71 |
| **Total comprehensive income for the year, net of income tax** | **1,048.64** | **1,048.64** |
| **Balance at 31 March 2023** | **(16.54)** | **(16.54)** |
| Profit / (loss) for the year | 3,831.86 | 3,831.86 |
| Other comprehensive income for the year, net of income tax | (18.54) | (18.54) |
| **Total comprehensive income for the year, net of income tax** | **3,813.32** | **3,813.32** |
| **Balance as at the 31 March 2024** | **3,796.78** | **3,796.77** |

The accompanying notes are an integral part of the financial statements

As per our report of even date.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

SARVESH VISHWESH WARTY
Digitally signed by SARVESH VISHWESH WARTY
DN: cn=SARVESH VISHWESH WARTY, c=IN, o=Personal, email=sarvesh.warty@srb.in
Date: 2024.05.17 23:36:28 +05'30'

**per Sarvesh Warty**
Partner
Membership No: 121411

**Place : Mumbai**
**Date : 17 May 2024**

For and on behalf of the Board of Directors of
**Incred Capital Wealth Portfolio Managers Private Limited**

KAMLESH RAJANINATH DANGI
Digitally signed by KAMLESH RAJANINATH DANGI
Date: 2024.05.17 23:04:25 +05'30'

**Kamlesh Dangi**
Director
DIN - 05152439
Place : Mumbai

NITIN SUBRAMANYA RAO
Digitally signed by NITIN SUBRAMANYA RAO
Date: 2024.05.17 23:07:24 +05'30'

**Nitin Subramanya Rao**
Director
DIN - 08108320
Place : Mumbai

RAKESH GORAKH POSTANDEL
Digitally signed by RAKESH GORAKH POSTANDEL
Date: 2024.05.17 23:02:03 +05'30'

**Rakesh Postandel**
Company Secretary
Mem No. - A64419

Place : Mumbai
Date : 17 May 2024

**Note 1 : General information**

**1.1. Corporate information**

Incred Capital Wealth Portfolio Managers Private Limited ('Company') was originally incorporated in India under the provision of Companies Act, 2013 (the Act) with the name and style as BSH Corporate Advisors and Consultants Private Limited vide Certificate of Incorporation dated 13 February 2018 issued by the Registrar of Companies, Mumbai. The name of the Company was changed to Incred Capital Wealth Portfolio Managers Private Limited vide fresh Certificate of Incorporation dated 22 April 2020.

The Company is principally engaged in the financial services space, offering financial services such as Stock Broking on both the stock exchanges i.e. National Stock Exchange ('NSE') & Bombay Stock Exchange ('BSE'), Debt broking on the whole sale debt segment of BSE & NSE, Depository Participant, Portfolio Management services and Investment Advisory services. The Company has received registration from SEBI as a Stock Broker on 30 April 2020 with Registration number: INZ000294632. The Company has also received registration from SEBI as a Investment Adviser on 31 July 2020 with Registration number: INA000014890. The Company has also received registration from SEBI as a Portfolio Manager on 13 January 2021 with Registration number: INP000007128. The Company has been admitted to the Equity Cash and Equity Derivative segments of BSE to operate as Self Clearing member of ICCL from 15 May 2020 with Clearing Number: 6739. It has been admitted to Wholesale Debt Market Segment of BSE and NSE. The company has received certificate of registration no. INM000012865 from SEBI for Merchant Banking on 01 November, 2021. The company has also received certificate of registration no. IN-DP-559-2021 from SEBI as a participant in the CDSL on 04 February, 2021.

The registered office of the Company is Unit No. 1203, 12th floor, B Wing The Capital, Plot No. C - 70, G Block, BKC Mumbai- 400051.

**1.2. Basis of preparation**

**A. Compliance with Ind AS**
Financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Companies Act, 2013.

**New standards and interpretations**
The Company has adopted all of the relevant new, revised, or amended Accounting Standards and interpretations issued by the AASB that are mandatory for the current reporting period.

These financial statements are approved for issue by the Board of Directors on 17 May 2024

**B. Functional and presentation currency**
The 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 stated.

**C. Basis of measurement**
The 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 (FVTPL & FVOCI) / 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 financial statements in conformity with Ind AS requires that management make estimates, judgments and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities as at the date of financial statements, reported amount of revenues and expenses for the reporting period. The actual results could differ from these estimates. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

The Company makes certain estimates and judgments for valuation and impairment of financial instruments, fair valuation of employee stock options, incentive plans, 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 financial statements are prudent and reasonable.

Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

**Significant Estimates**

**Determination of the estimated useful lives of tangible assets:**
Useful lives of property, plant and equipment are taken as prescribed in Schedule II of the Act. In cases, where the useful lives are different from that prescribed in Schedule II and in case of intangible assets, they are estimated by management based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

**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.

**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**
In determining whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease date if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in the arrangement.

**E. Presentation of financial statements**

The financial statements of the Company are presented as per Schedule III ('Division III') of the Companies Act, 2013 applicable to Non-banking finance companies ('NBFC') 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 Balance sheet and Statement of Profit and Loss, as prescribed in the Schedule III of the Companies Act, 2013 are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards to the extent applicable.

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

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 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:

**(i) 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. However the gains and losses resulting from fluctuations in fair value are not recognized for financials assets classified in this category.

**(ii) 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 statement of profit and loss.

**(iii) Debt investments at FVOCI:**

These assets are subsequently measured at fair value. Net gains or losses arising out of changes in fair value are recognized in OCI. Interest income under the EIR method, foreign gains and losses and impairment are recognised in statement of profit and loss. On derecognition, gains and losses accumulated in OCI are reclassified to statement of profit and loss as a reclassification adjustment. Other net gains and losses are recognised in OCI.

**(iv) Equity investments designated at FVOCI:**
In case of equity instruments irrevocably designated at FVOCI, gains / losses including relating to foreign exchange, are recognised through other comprehensive income. Further, cumulative gains or losses previously recognised in other comprehensive income remain permanently in equity and are not subsequently transferred to profit or loss on derecognition. Dividend are recognised as income in statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment.

**D. Classification of financial liabilities:**

Financial liabilities are classified and measured at amortised cost . A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as on initial recognition. For trade and other payable the carrying amount approximates the fair value due to short maturity of these instruments.

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. Derecognition of financial assets and financial liabilities**

**(i) Financial assets:**

The Company 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 to receive the contractual cash flows in a transaction in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the asset.

If the Company 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.

**(ii) 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 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. The company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. At each reporting date, the company assesses whether the loans have been impaired. The company is exposed to credit risk when the customer defaults on his contractual obligations. For the computation of ECL, the loan receivables are classified into three stages based on the default and the aging of the outstanding. If the amount of an impairment loss decreases in a subsequent period, and the decrease can be related objectively to an event occurring after the impairment was recognised, the excess is written back by reducing the loan impairment allowance account accordingly. The write-back is recognised in the statement of profit and loss. The company recognises life time expected credit loss for trade receivables and has adopted the simplified method of computation as per Ind AS 109. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

**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 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 in hand, balances with the banks and short-term deposits with an original maturity of three months or less, and accrued interest thereon, 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. 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.

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 cost**

Subsequent cost is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

**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 is provided on straight-line basis as per the useful life given under 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 estimated by the management and corresponding depreciation rates for the different category of assets recognised in the books are as under:

| Asset Group | Useful life estimated by the management (years) |
|---|---|
| Furniture and fittings | 10 |
| Office equipment's | 5 |
| Computers | 3 |
| Vehicle | 8 |
| Leasehold Improvements | Over the lease period |
| Right of Use Assets | Over the 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 prospectively. 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.

**2.6. 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.

**2.7. Investment in subsidiaries**
Investment in subsidiaries is carried at cost.

**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 an item recognised directly in equity or in other comprehensive income ('OCI'), in which case the tax effect is recognised in equity or OCI. Income tax payable on profits is based on the applicable tax laws in each tax jurisdiction and is recognised as an expense in the period in which profit arises.

**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 liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised, for all deductible temporary differences, to the extent it is probable that future taxable profits will be available against which deductible temporary differences can be utilised. 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 be applied in the year in which 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 tax effects of income tax losses, available for carry forward, are recognised as deferred tax asset, when it is probable that future taxable profits will be available against which these losses can be set-off.

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. 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.

**2.10. Leases**
Effective 1st April, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1st April, 2019 using the modified retrospective method. 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.

**2.11. Revenue from operations**
Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115, Revenue from contracts with customers, outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

**Step 1: Identify contract(s) with a customer:** A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
**Step 2: Identify performance obligations in the contract:** A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
**Step 3: Determine the transaction price:** The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
**Step 4: Allocate the transaction price to the performance obligations in the contract:** For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.
**Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.**

**The Company recognises revenue from the following sources:**
**(i) Brokerage** : Company recognizes Brokerage income as per contracted rates on the execution of transactions on behalf of the clients on trade date on the basis of the date of settlement of respective exchanges.
**(ii) Fees and Advisory Income :** Fees and Advisory Income is recognized when the services are rendered. Fees earned from contract with customer is recognised as and when performance obligation is satisfied. Fees or components of fees that are linked to certain performance are recognised after fulfilling the corresponding criteria.

**(iii)** Interest income or expense is recognised using the effective interest rate method.

**(iv)** Profit or loss on sale of investments is determined on the basis of first-in-first-out (FIFO) 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

**2.12. 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.

**2.13. 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.

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.

**C. Contingent liabilities**
A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. The Company assesses its obligations arising in the normal course of business, including pending litigations, proceedings pending with tax authorities and other contracts including derivative and long term contracts periodically and ensures that appropriate treatment has been made as required under Ind AS.

**D. Contingent assets**
Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.
Provisions, contingent assets, contingent liabilities and commitments are reviewed at each reporting date.

**2.14. Foreign Exchange Transactions**
The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional and the presentation 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 closing 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.

**2.15. 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.

**2.16. 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 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 financial statements.

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

**2.17. 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.

**2.18. 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**

**(i) Defined contribution plans- Provident Fund**
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.

**(ii) 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.

**2.21 Standards issued but not yet effective upto the date of issuance of the financial statements**
There are no standards that are issued but not effective.

**Note 3 : Cash and cash equivalents**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Cash on hand | - | - |
| Balances with banks | 301.66 | 2,917.38 |
| Fixed deposits (maturity less than 3 months) | - | - |
| **Total** | **301.66** | **2,917.38** |

**Note 4 : Bank balance other than cash and cash equivalents**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Fixed deposits* | 2,187.26 | 821.97 |
| **Total** | **2,187.26** | **821.97** |

**31 March 2024 :**

**Out of the total Fixed deposits of INR 2188.13 Lakhs, fixed deposits amounting to INR 819.93 Lakhs is lien marked with IDFC Bank, INR 1250.00 Lakhs is lien marked with HDFC Bank and fixed deposits amounting to INR 46.79 Lakhs is lien marked with BSE Limited for business purpose.*

**31 March 2023 :**

**Out of the total Fixed deposits of INR 821.97 Lakhs, fixed deposits amounting to INR 774.18 Lakhs is lien marked with IDFC Bank and fixed deposits amounting to INR 46.79 Lakhs is lien marked with BSE Limited for business purpose.*

**Note 5 : Trade receivables**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Secured, considered good | - | - |
| Unsecured, considered good * | 10,612.34 | 4,432.74 |
| | **10,612.34** | **4,432.74** |
| Less: Allowance for impairment loss | (14.07) | (25.97) |
| **Total** | **10,598.27** | **4,406.77** |

**INR.10,298.87 is receivable from Professional clearing member (PCM)*

**As at 31 March 24**

| Particulars | Outstanding for following periods from due date of payment | | | | | | Total |
|---|---|---|---|---|---|---|---|
| | Unbilled | Less than 6 Months | 6 months - 1 year | 1 - 2 years | 2 -3 years | More than 3 years | |
| i) Undisputed Trade Receivables - Consider good | 43.96 | 10,554.31 | - | - | - | - | **10,598.27** |
| ii) Undisputed Trade Receivables - which have significant increase in credit risk | - | 8.90 | 5.10 | 0.08 | - | - | **14.07** |
| 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** | **43.96** | **10,563.20** | **5.10** | **0.08** | **-** | **-** | **10,612.34** |

**As at 31 March 23**

| Particulars | Outstanding for following periods from due date of payment | | | | | | Total |
|---|---|---|---|---|---|---|---|
| | Unbilled | Less than 6 Months | 6 months - 1 year | 1 - 2 years | 2 -3 years | More than 3 years | |
| i) Undisputed Trade Receivables - Consider good | 467.97 | 3,961.13 | - | - | - | - | **4,429.10** |
| ii) Undisputed Trade Receivables - which have significant increase in credit risk | - | - | 1.34 | 2.30 | - | - | **3.64** |
| 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** | **467.97** | **3,961.13** | **1.34** | **2.30** | **-** | **-** | **4,432.74** |

**Note 6 : Loans**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **(A) At amortised cost -** | | |
| Margin Trading Facility to Clients* | 361.80 | 134.60 |
| Loan to Employee | 3.94 | 6.00 |
| Loans to subsidiary | 4,810.94 | - |
| **Total - Gross** | **5,176.68** | **140.60** |
| Less: Allowance for impairment loss | (19.24) | (0.03) |
| **Total - net of impairment loss allowance (A)** | **5,157.44** | **140.57** |
| **(B) Details of security -** | | |
| (i) Secured by tangible asset | - | - |
| (ii) Secured by intangible asset | 361.80 | 134.60 |
| (iii) Covered by bank / govt. guarantees | - | - |
| (iv) Unsecured | 4,814.88 | 6.00 |
| **Total - Gross** | **5,176.68** | **140.60** |
| Less: Allowance for impairment loss | (19.24) | (0.03) |
| **Total - net of impairment loss allowance (B)** | **5,157.44** | **140.57** |

| | | |
|---|---|---|
| **(C) (I) Loans in India** | | |
| (i) Public sector | | - |
| (ii) Others | 5,176.68 | 140.60 |
| **Total loans in India** | **5,176.68** | **140.60** |
| **(C) (II) Loans outside India** | | |
| (i) Public sector | - | - |
| (ii) Others | - | - |
| **Total loans outside India** | **-** | **-** |
| **Total - Gross** | **5,176.68** | **140.60** |
| Less: Allowance for impairment loss | (19.24) | (0.03) |
| **Total - net of impairment loss allowance (C)** | **5,157.44** | **140.57** |

**Margin trading facility balance has not exceeded on any given day during FY 23 24*

**31 March 2024**

| **Type of Borrower** | **Amount of Loan or Advance in the nature of Loan outstanding** | **% to the total Loans and Advances in the nature of Loans** |
|---|---|---|
| Promotor | - | - |
| Directors | - | - |
| KMPs | - | - |
| Related Parties | 4,810.94 | 93.28 |

**31 March 2023**

| **Type of Borrower** | **Amount of Loan or Advance in the nature of Loan outstanding** | **% to the total Loans and Advances in the nature of Loans** |
|---|---|---|
| Promotor | - | - |
| Directors | - | - |
| KMPs | - | - |
| Related Parties | - | - |

**Note 7 : Investments**

| **Particulars** | **As at 31 March 2024** | **As at 31 March 2023** |
|---|---|---|
| **Unquoted, carried at cost:** | | |
| **Investment in equity instrument of subsidiary:** | | |
| InCred Research Services Private Limited (formerly known as Earnest Innovation Partners Private Limited) (1,82,60,000 equity shares of INR 10 each, fully paid up) | 1,862.15 | 1,862.15 |
| **Quoted, carried at FVTPL:** | | |
| **Investment in Government Securities** | | |
| Investment in G-Sec | 2,540.99 | - |
| **Total** | **4,403.14** | **1,862.15** |
| Aggregate amount of unquoted investments | 1,862.15 | 1,862.15 |
| Aggregate amount of quoted investments | 2,540.99 | - |

**Note 8 : Other financial assets**

| **Particulars** | **As at 31 March 2024** | **As at 31 March 2023** |
|---|---|---|
| **Carried at amortised cost** | | |
| Security deposits | 44.29 | 29.21 |
| Deposits with stock exchanges | 354.17 | 793.75 |
| Deposits with Professional clearing member | 1,000.00 | 802.83 |
| **Total** | **1,398.46** | **1,625.79** |

**Note 9 : Current tax assets (Net)**

| **Particulars** | **As at 31 March 2024** | **As at 31 March 2023** |
|---|---|---|
| Income tax refundable (net of provision for Income Tax) | - | 1.91 |
| **Total** | **-** | **1.91** |

**Note 10 : Property, plant and equipment**

| Particulars | ROU assets (Premises) | Leasehold Improvements | Furniture | Vehicle | Office equipment | Computer & Printer | Total |
|---|---|---|---|---|---|---|---|
| **Gross carrying amount:** | | | | | | | |
| **As at 31 March 2022** | **321.61** | **64.13** | **20.86** | **169.48** | **34.18** | **83.61** | **693.87** |
| Additions during the year | - | 0.50 | - | 16.21 | 16.24 | 22.72 | **55.67** |
| Disposals during the year | - | - | - | - | - | - | - |
| Transfers | - | - | - | - | - | - | - |
| **As at 31 March 2023** | **321.61** | **64.63** | **20.86** | **185.69** | **50.42** | **106.33** | **749.54** |
| Additions during the year | 478.82 | 140.90 | 19.93 | 32.89 | 18.46 | 15.39 | **706.39** |
| Disposals during the year | 321.61 | - | - | 13.35 | - | 2.93 | **337.89** |
| Transfers | - | - | - | - | - | - | - |
| **As at 31 March 2024** | **478.82** | **205.53** | **40.79** | **205.23** | **68.88** | **118.79** | **1,118.04** |
| **Accumulated depreciation:** | | | | | | | |
| **As at 31 March 2022** | **101.62** | **14.41** | **2.63** | **18.86** | **9.52** | **32.27** | **179.31** |
| Depreciation charge for the year | 64.29 | 14.61 | 2.07 | 21.54 | 8.46 | 31.69 | **142.66** |
| Accumulated depreciation on disposals during the year | - | - | - | - | - | - | - |
| **As at 31 March 2023** | **165.91** | **29.02** | **4.70** | **40.40** | **17.98** | **63.96** | **321.97** |
| Depreciation charge for the year | 90.01 | 32.85 | 3.07 | 23.81 | 12.66 | 30.25 | **192.65** |
| Accumulated depreciation on disposals during the year | 166.25 | - | - | 2.97 | - | 2.48 | **171.71** |
| **As at 31 March 2024** | **89.67** | **61.87** | **7.77** | **61.24** | **30.64** | **91.73** | **342.91** |
| **Net carrying amount:** | | | | | | | |
| **As at 31 March 2024** | **389.15** | **143.66** | **33.02** | **143.99** | **38.24** | **27.06** | **775.13** |
| **As at 31 March 2023** | **155.71** | **35.61** | **16.16** | **145.29** | **32.44** | **42.37** | **427.57** |

**Note 11 : Capital work in progress**

| Particulars | CWIP |
|---|---|
| **Gross carrying amount:** | |
| **As at 31 March 2022** | **4.72** |
| Additions during the year | 5.23 |
| Capitalised during the year | 9.95 |
| **As at 31 March 2023** | **-** |
| Additions during the year | - |
| Capitalised during the year | - |
| **As at 31 March 2024** | **-** |

**As at 31 March 2024**

| Particulars | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less then 1 year | 1 - 2 years | 2 -3 years | More than 3 years | |
| Projects in progress | - | - | - | - | - |
| Projects temporarily suspended | - | - | - | - | - |
| **Total** | - | - | - | - | - |

**As at 31 March 2023**

| Particulars | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less then 1 year | 1 - 2 years | 2 -3 years | More than 3 years | |
| Projects in progress | - | - | - | - | - |
| Projects temporarily suspended | - | - | - | - | - |
| **Total** | - | - | - | - | - |

**Note 12 : Other intangible assets**

| Particulars | Software |
|---|---|
| **Gross carrying amount:** | |
| **As at 31 March 2022** | **10.28** |
| Additions during the year | 5.87 |
| Disposals during the year | - |
| Transfers | - |
| **As at 31 March 2023** | **16.15** |
| Additions during the year | 2.70 |
| Disposals during the year | - |
| Transfers | - |
| **As at 31 March 2024** | **18.85** |
| **Amortisation:** | |
| **As at 31 March 2022** | **3.69** |
| Amortisation during the year | 3.69 |
| Amortisation on disposals during the year | - |
| **As at 31 March 2023** | **7.38** |
| Amortisation during the year | 4.37 |
| Amortisation on disposals during the year | - |
| **As at 31 March 2024** | **11.75** |
| **Net carrying amount:** | |
| **As at 31 March 2024** | **7.10** |
| **As at 31 March 2023** | **8.77** |

**Note 13 : Other non-financial assets**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Busniess Transfer Receivable | 138.13 | - |
| Prepaid Expenses | 60.12 | 87.75 |
| Advance to vendors | 21.47 | 18.60 |
| Others | 1.09 | 2.93 |
| **Total** | **220.80** | **109.28** |

**Note 14 : Trade payables**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Total outstanding dues of micro enterprises and small enterprises | | |
| **[Refer Note No. 34 for details of dues to micro and small enterprises]** | | |
| - Principal amount due | - | - |
| - Interest amount due | - | - |
| | - | - |
| Total outstanding dues other than micro enterprises and small enterprises | | |
| - Clients | 10,864.61 | 2,480.11 |
| - Others | 14.60 | 860.91 |
| | 10,879.22 | 3,341.02 |
| **Total** | **10,879.22** | **3,341.02** |

As at 31 March 24

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|---|---|---|---|---|---|---|
| | Unbilled | Less than 1 year | 1 - 2 years | 2 -3 years | More than 3 years | |
| i) MSME | - | - | - | - | - | - |
| ii) Others | 148.11 | 10,731.11 | - | - | - | 10,879.22 |
| iii) Disputed dues – MSME | - | - | - | - | - | - |
| iv) Disputed dues - Others | - | - | - | - | - | - |
| **Total** | **148.11** | **10,731.11** | **-** | **-** | **-** | **10,879.22** |

As at 31 March 23

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|---|---|---|---|---|---|---|
| | Unbilled | Less than 1 year | 1 - 2 years | 2 -3 years | More than 3 years | |
| i) MSME | - | - | - | - | - | - |
| ii) Others | 825.36 | 2,515.54 | - | 0.11 | - | 3,341.02 |
| iii) Disputed dues – MSME | - | - | - | - | - | - |
| iv) Disputed dues - Others | - | - | - | - | - | - |
| **Total** | **825.36** | **2,515.54** | **-** | **0.11** | **-** | **3,341.02** |

**Note 15 : Borrowings**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Unsecured carried at amortized cost:** | | |
| Loans from Holding company **[Refer Note No. 39]** * | - | 1,046.53 |
| Loans from related party **[Refer Note No. 39]** * | 1,039.99 | 2,800.93 |
| **Secured carried at amortized cost:** | | |
| Bank Overdraft ** | 2,273.50 | - |
| **Total** | **3,313.49** | **3,847.46** |

*Loan is payable on demand bearing Interest Rate of 8.5% p.a.
**Bank Overdraft facility is availed against the pledge of government securities

**Note 16 : Deposits**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **At amortized cost:** | | |
| Security deposits | 46.53 | 40.90 |
| **Total** | **46.53** | **40.90** |

**Note 17 : Other financial liabilities**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Employee expenses payable | 522.42 | 146.09 |
| Provision for expenses | 137.59 | - |
| Lease liability **[Refer Note No. 38]** | 409.27 | 190.96 |
| **Total** | **1,069.29** | **337.05** |

**Note 18 : Provisions**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Provision for employee benefits [Refer Note No. 37]** | | |
| Provision for gratuity | 81.24 | 46.47 |
| Provision for Income Tax (Net of Advance tax) | 243.86 | - |
| **Total** | **325.10** | **46.47** |

**Note 19 : Other non-financial liabilities**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Statutory dues payable | 841.56 | 144.50 |
| **Total** | **841.56** | **144.50** |

**Note 20 : Equity share capital**

| Particulars | As at 31 March 2024 | | As at 31 March 2023 | |
|---|---|---|---|---|
| | Number | Amount | Number | Amount |
| **Authorized capital [Refer Note 'e' below]** | | | | |
| Equity shares of INR 10/- each | 5,00,00,000 | 5,000.00 | 5,00,00,000 | 5,000.00 |
| | **5,00,00,000** | **5,000.00** | **5,00,00,000** | **5,000.00** |
| **Issued, subscribed and paid up capital** | | | | |
| Equity shares of INR 10/- each, fully paid-up* | 4,85,00,000 | 4,850.00 | 4,85,00,000 | 4,850.00 |
| **Total issued, subscribed and paid-up share capital** | **4,85,00,000** | **4,850.00** | **4,85,00,000** | **4,850.00** |

**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 capital of the Company held by the 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 by the shareholders at the ensuing 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 compulsory convertible preference shares, after distribution of all preferential amounts. The distribution shall be according to the members right and interest in the company.

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

| Particulars | As at 31 March 2024 | | As at 31 March 2023 | |
|---|---|---|---|---|
| | Number | Amount | Number | Amount |
| **Equity shares** | | | | |
| **At the beginning of the period** | 4,85,00,000 | 4,850 | 2,85,00,000 | 2,850.00 |
| Add: Shares issued during the year | - | - | 2,00,00,000 | 2,000.00 |
| Less: Bought back during the year | - | - | - | - |
| **Outstanding at the end of the period** | **4,85,00,000** | **4,850.00** | **4,85,00,000** | **4,850.00** |

**c. Details of shares held by Holding Company.**

| Name of the shareholder | As at 31 March 2024 | | As at 31 March 2023 | |
|---|---|---|---|---|
| | No. of shares held | % Holding | No. of shares held | % Holding |
| **Equity shares of INR 10 each fully paid-up held by Holding Company** | | | | |
| InCred Wealth Private Limited | 4,84,99,999 | 100% | 4,84,99,999 | 100.00% |

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

| Name of the shareholder | As at 31 March 2024 | | As at 31 March 2023 | |
|---|---|---|---|---|
| | No. of shares held | % Holding | No. of shares held | % Holding |
| **Equity shares**[1 & 2] | | | | |
| InCred Wealth Private Limited | 4,84,99,999 | 100% | 4,84,99,999 | 100.00% |

**1.** 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 both legal and beneficial ownerships of shares.

**2.** 1 (One) share is being held by Mr. Nitin Rao as a nominee shareholder.

**e. Increase in Authorized capital of the Company**

The Company has increased its Authorized share capital from INR 3,000 Lakhs (3,00,00,000 Equity Shares of INR 10 each) to INR 5,000 Lakhs (5,00,00,000) Equity Shares of INR 10 each) vide shareholders' approval at the Extraordinary General Meeting (EGM) held on 15th March 2022.

**f. 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 31 March 2024 | | | As at 31 March 2023 | | |
|---|---|---|---|---|---|---|
| | No. of shares held | % of shares held | % Change during the year | No. of shares held | % of shares held | % Change during the year |
| InCred Wealth Private Limited | 4,84,99,999 | 100% | 0% | 4,84,99,999 | 100.00% | 70.18% |

**Note 21 : Other equity**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Retained earnings** | | |
| Opening balance | (16.54) | (1,065.18) |
| Profit / (loss) after tax for the year | 3,831.86 | 1,046.93 |
| Other comprehensive income for the year, net of income tax | (18.54) | 1.71 |
| **Closing Balance** | **3,796.77** | **(16.54)** |
| **Total** | **3,796.77** | **(16.54)** |

**Note 22 : Interest income**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| **On financial assets measured at amortised cost:** | | |
| - Interest on loans | 17.77 | 0.21 |
| - Interest on deposits with banks | 119.49 | 37.18 |
| - Interest on customer balances | 434.41 | 174.55 |
| - Interest on balances with PCM | 190.00 | 101.29 |
| - Interest on unwinding of security deposits | 5.15 | 3.28 |
| **On financial assets measured at FVTPL:** | | |
| - Interest on G-Sec | 75.65 | 49.05 |
| - Other interest income | - | - |
| **Total** | **842.47** | **365.56** |

**Note 23 : Fees and commission income**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Brokerage income **[Refer Note No. 39]** | 4,527.06 | 2,319.47 |
| Management fees from PMS **[Refer Note No. 39]** | 82.89 | 485.42 |
| Fees and Advisory income **[Refer Note No. 39]** | 5,528.95 | 2,753.22 |
| **Total** | **10,138.90** | **5,558.11** |
| **Geographical Markets** | | |
| Within India | 10,084.19 | 5,554.11 |
| Outside India | 54.71 | 4.00 |
| **Total** | **10,138.90** | **5,558.11** |
| **Timing of revenue recognition** | | |
| Services transferred at a point in time | 10,138.90 | 5,558.11 |
| Services transferred over time | - | - |
| **Total** | **10,138.90** | **5,558.11** |

**Note 24 : Net gain on fair value changes**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| **Net gain/loss on financial instruments at fair value through profit or loss** | | |
| - Investments in Mutual Funds | 20.43 | 19.89 |
| - Investments in non-convertible debentures | 10.08 | (0.02) |
| - Investments in Gsec | (27.28) | 10.71 |
| - Investments in Equity shares | - | 214.56 |
| **Total** | **3.23** | **245.14** |
| **Fair value changes :** | | |
| Realised | 3.23 | 245.14 |
| Unrealised | - | - |
| **Total** | **3.23** | **245.14** |

**Note 25 : Other income**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Reimbursement income **[Refer Note No. 39]** | 47.84 | 14.18 |
| Interest on income tax refund | 7.39 | 8.44 |
| Others | 0.03 | - |
| **Total** | **55.26** | **22.62** |

**Note 26 : Finance cost**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| **On financials liabilities measured at amortised cost:** | | |
| Interest expense on Lease Liability | (10.42) | 29.10 |
| Interest expense on borrowings | 251.14 | 292.31 |
| Interest expense on PCM balance | 349.57 | 165.62 |
| Bank Guarantee and commission charges | 51.94 | 21.26 |
| **Total** | **642.22** | **508.29** |

**Note 27 : Fees and commission expense**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Referral fee expense | 146.19 | 306.47 |
| Others | 116.16 | 184.78 |
| **Total** | **262.35** | **491.25** |

**Note 28 : Impairment on financial instruments**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| **On financial instruments measured at amortized cost:** | | |
| - Loans | 19.21 | 0.03 |
| - Trade receivables | (11.89) | 22.82 |
| **Total** | **7.32** | **22.85** |

**Note 29 : Employee benefit expenses**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Salaries, wages and bonus | 2,805.40 | 2,186.85 |
| Contribution to provident and other funds | 52.27 | 39.57 |
| Gratuity expenses | 27.51 | 21.19 |
| Staff welfare expenses | 22.98 | 19.18 |
| **Total** | **2,908.17** | **2,266.79** |

**Note 30 : Other expenses**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Rent | 16.93 | 11.64 |
| Communication cost | 23.77 | 13.85 |
| Travelling and conveyance | 12.88 | 10.59 |
| Lease line & connectivity | 16.90 | 19.99 |
| Stock exchange and PCM charges | 73.24 | 14.09 |
| Legal, professional and consultancy charges | 1,319.89 | 703.23 |
| Membership and Subscription | 9.50 | 19.10 |
| IT expenses | 480.40 | 452.48 |
| Manpower support services | 9.85 | 6.52 |
| Rates and taxes | 9.30 | 7.96 |
| Payment to auditors | 10.69 | 12.42 |
| Advertisement, publicity and sales promotion expenses | 6.89 | 0.22 |
| Office expenses | 31.73 | 17.86 |
| Interest on statutory dues | - | 0.29 |
| Recruitment fees | - | 9.57 |
| GST Reversal | 1.88 | 22.72 |
| Stamp duty & filing fees | 9.46 | 7.82 |
| Loss on Sale of Fixed Assets | 0.66 | - |
| Miscellaneous expenses | 29.73 | 35.01 |
| **Total** | **2,063.70** | **1,365.36** |

*** Payment to auditors:**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Auditor's remuneration | | |
| - Audit fees | 10.69 | 12.42 |
| **Total** | **10.69** | **12.42** |

**Note 31 : Income taxes**

**31.1 Income tax recognised in the Statement of Profit and Loss**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| **Current tax** | | |
| In respect of current year | 1,323.59 | 216.01 |
| In respect of previous year | (139.12) | - |
| | 1,184.47 | 216.01 |
| **Deferred tax expense/(income)** | 192.32 | 127.60 |
| **Total Income tax expense recognized in the current year** | 1,376.80 | 343.60 |

**31.2 Reconciliation of income tax expense applicable to accounting profits / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| **Profit / (loss) before tax as per Statement of profit and loss (A)** | 5,208.65 | 1,390.54 |
| **Statutory income tax rate applicable to the Company (B)** | 25.17% | 27.82% |
| **Income tax expense using the statutory income tax rate (C = A * B)** | 1,311.02 | 386.85 |
| **Tax effect of:** | | |
| MAT credit not available | | |
| Amounts which are not deductible in calculating taxable income | 1.47 | 0.41 |
| Rate change impact (from 27.82% to 25.17%) | 4.64 | (48.30) |
| Other adjustments | (20.64) | (1.05) |
| Adjustments recognized in the current year in relation to previous year | 80.30 | 5.69 |
| **Effective tax expense** | 1,376.79 | 343.60 |

**31.3 Income tax recognized in other comprehensive income**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Items that will not be reclassified to profit or loss (A) | (14.86) | 2.22 |
| Statutory income tax rate applicable to the Company (B) | 25.17% | 27.82% |
| **Income tax expense using the statutory income tax rate (C = A * B)** | (3.74) | 0.62 |
| **Tax effect of:** | | |
| Rate change impact | 0.06 | (0.11) |
| **Effective tax expense** | (3.68) | 0.51 |

**31.4 Deferred tax**

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

| Particulars | As at 31 March 2023 | Recognized in Profit & Loss | Recognized in OCI | As at 31 March 2024 |
|---|---|---|---|---|
| **Deferred tax assets:** | | | | |
| Carry forward of losses | - | - | - | - |
| Temporary Disallowance | 15.49 | 21.79 | - | 37.28 |
| Expected Credit Loss | 7.23 | 1.15 | - | 8.39 |
| Employee Benefits Expenses | 12.93 | 13.11 | (3.68) | 22.36 |
| Leases | 9.81 | (14.87) | - | (5.06) |
| MAT | 219.42 | (219.42) | - | - |
| Difference between written down value of fixed assets as per the books of accounts and income tax | 3.82 | 5.92 | | 9.74 |
| **Total deferred tax assets (A)** | 268.70 | (192.32) | (3.68) | 72.70 |
| Difference between written down value of fixed assets as per the books of accounts and income tax | | | - | |
| **Deferred tax liabilities (B)** | - | - | - | - |
| **Net deferred tax assets (A - B)** | 268.70 | (192.32) | (3.68) | 72.70 |

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

| Particulars | As at 31 March 2022 | Recognized in Profit & Loss | Recognized in OCI | As at 31 March 2023 |
|---|---|---|---|---|
| **Deferred tax assets:** | | | | |
| Carry forward of losses | 339.12 | -339.12 | - | - |
| Expected Credit Loss | 0.82 | 15.49 | - | 16.31 |
| Employee Benefits Expenses | 7.12 | 6.41 | (0.51) | 13.02 |
| Leases | 6.28 | 6.32 | - | 12.59 |
| MAT | 44.90 | 3.53 | - | 48.43 |
| | | 174.52 | | 174.52 |
| **Total deferred tax assets (A)** | 398.23 | (132.84) | (0.51) | 264.88 |
| Difference between written down value of fixed assets as per the books of accounts and income tax | 1.43 | (5.25) | - | (3.82) |
| **Deferred tax liabilities (B)** | 1.43 | (5.25) | - | (3.82) |
| **Net deferred tax assets (A - B)** | 396.81 | (127.60) | (0.51) | 268.70 |

**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 Equity shareholders**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Profit attributable to equity holders of the Company used in calculating basic & dilutive earnings per share | 3,831.86 | 1,046.93 |

**ii. Weighted average number of ordinary shares**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Weighted average number of equity shares used as the denominator in calculating basic & diluted earnings per share* | 485.00 | 485.00 |

** There are no potential dilutive shares in the Company.*

| | | |
|---|---|---|
| **Basic earnings per share** | **7.90** | **2.16** |
| **Diluted earnings per share** | **7.90** | **2.16** |

**Note 33 : Contingent liabilities and commitments**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Contingent liabilities and commitments | NIL | NIL |

**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 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 35 : Interest In Other Entities**

**Subsidiary**
The Company has the following subsidiary held directly by the Company which operates 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 31 March 2024 |
|---|---|---|---|
| InCred Research Services Private Limited | Research & Consultancy Services | India | 100% |

**Note 36 : Disclosure relating to earnings and expenditure in foreign currency**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| **A. Expenditure in foreign currency** | | |
| IT Expenses | 33.82 | 17.83 |
| **Total** | **33.82** | **17.83** |
| **B. Earnings in foreign currency** | | |
| Fees and Advisory Income | 54.71 | 4.00 |
| **Total** | **54.71** | **4.00** |

**Note 37 : Employee Benefits**

**37.1 Defined contribution plan - Provident Fund**
The Company has recognised the following amounts in the Profit & Loss Account towards contributions to provident fund:

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Provident fund | 46.14 | 37.55 |
| **Total** | **46.14** | **37.55** |

**37.2 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 | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| **Change in benefit obligations** | | |
| Present value of benefit obligation at the beginning of the period | 46.47 | 27.49 |
| Interest cost | 3.40 | 1.67 |
| Current Service cost | 24.12 | 19.52 |
| Liability Transferred In/ Acquisitions | 1.01 | - |
| Liability Transferred Out/ Divestments | (8.60) | - |
| Actuarial (Gains) on obligations - due to change in demographic assumptions | 9.56 | - |
| Actuarial (Gains) on obligations - due to change in financial assumptions | 0.67 | (3.37) |
| Actuarial Losses on obligations - due to experience | 4.62 | 1.15 |
| **Liability at the end of the period** | **81.25** | **46.47** |

**Amount recognized in the Balance Sheet:**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Present value of benefit obligation | (81.25) | (46.47) |
| Fair value of plan assets at the end of the period | - | - |
| Funded Status (Deficit) | (81.25) | (46.47) |
| **Net (Liability) Recognized in the Balance Sheet** | **(81.25)** | **(46.47)** |

**Expenses recognized in the Statement of Profit and Loss:**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Current service cost | 24.12 | 19.52 |
| Net interest cost | 3.40 | 1.67 |
| **Expenses recognised** | **27.51** | **21.19** |

**Expenses recognized in the Other comprehensive income (OCI)**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Actuarial (Gains) on obligation for the period | 14.86 | (2.22) |
| Return on plan assets, excluding interest income | - | - |
| **Net (Income) for the period recognized in OCI** | **14.86** | **-2.22** |

**The actuarial assumptions used to determine benefit obligations as at 31 March 2022 are as follows:**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Discount Rate | 7.17% | 7.31% |
| Salary escalation rate | 10.00% | 10.00% |
| Expected Rate of return on Plan Assets | NA | NA |
| Rate of Employee Turnover | 15.00% | 20.00% |
| Retirement Age | 60 years | 60 years |
| 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.

**Balance sheet reconciliation**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| **Opening net liability** | **46.47** | **27.49** |
| Expenses recognized in Statement of Profit and Loss | 27.51 | 21.19 |
| Expenses recognized in OCI | 14.86 | (2.22) |
| Net (Asset) Transfer In | 1.01 | - |
| Net (Liability)/Asset Transfer Out | (8.60) | - |
| **Net liability recognized in the Balance Sheet** | **81.25** | **46.47** |

**Other details:**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Number of active members | 80 | 75 |
| Per month salary for active members | 70.72 | 76.89 |
| Weighted average duration of the Projected Benefit Obligation | 5.00 | 7.00 |
| Average expected future service | 4.00 | 4.00 |
| Projected Benefit Obligation (PBO) | 81.25 | 46.47 |
| DBO Non Vested Employees | 81.25 | 46.47 |
| DBO Vested Employees | - | - |
| Prescribed Contribution For Next Year (12 Months) | - | - |

**Cash Flow Projection:**
**Maturity analysis of the benefit payments: from the employer**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| **Projected benefits payable in future years from the date of reporting** | | |
| 1st following year | 0.34 | 0.24 |
| 2nd following year | 6.36 | 0.23 |
| 3rd following year | 9.46 | 6.38 |
| 4th following year | 10.53 | 8.46 |
| 5th following year | 11.64 | 8.43 |
| Sum of years 6 To 10 | 53.52 | 32.90 |
| Sum of years 11 and above | 41.31 | 17.20 |

**Sensitivity analysis:**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| **Projected benefit obligation on current assumptions** | 81.25 | 46.47 |
| Delta effect of +1% change in rate of discounting | (4.62) | (2.51) |
| Delta effect of -1% change in rate of discounting | 5.08 | 2.73 |
| Delta effect of +1% change in rate of salary increase | 4.24 | 2.50 |
| Delta effect of -1% change in rate of salary increase | (4.14) | (2.44) |
| Delta effect of +1% change in rate of employee turnover | (2.08) | (1.59) |
| Delta effect of -1% change in rate of employee turnover | 2.16 | 1.64 |

**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.

**37.3 Compensated Absences**
As per the revised policy of the company , the accumulated unavailed leave lapses as at 31 March 2024. Thus no liability has been determined for the current year in respect of compensated absences.

**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 coveys 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 with a similar end date.

**ii.** Applied the exemption not to recognize ROU asset and liabilities for leases with less than 12 months of lease term on the date of initial application.

**iii.** Excluded the initial direct costs from the measurement of the ROU asset at the date of initial application.

**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 31 March 2024 are as follows:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Balance at the beginning of the year | 155.71 | 220.00 |
| Addition during the year | 479.16 | - |
| Deletion during the year | 155.71 | - |
| Depreciation for the year | 90.01 | 64.29 |
| **Balance as at the end of the year** | **389.15** | **155.71** |

The aggregate depreciation expense on ROU asset is included under depreciation and amortization expense in the 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 31 March 2023 are as follows:

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Balance as at the beginning of the year | 190.96 | 244.13 |
| Addition during the year | 459.73 | - |
| Finance cost accrued during the year | (10.42) | 29.10 |
| Deletions | (145.90) | - |
| Payment of lease liabilities during the year | (85.10) | (82.27) |
| **Balance as at the end of the year** | **409.27** | **190.96** |

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

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Current lease liabilities | 80.23 | 68.36 |
| Non-current lease liabilities | 329.05 | 122.60 |
| **Total** | **409.27** | **190.96** |

The details of the contractual maturities of lease liabilities as at 31 March 2023 on an undiscounted basis are as follows:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Less than one year | 111.00 | 89.47 |
| One to five years | 373.70 | 134.03 |
| More than five years | - | - |
| **Total** | **484.70** | **223.51** |

Expenses recognized in the Statement of Profit & Loss:

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Depreciation expense on RoU asset **[Refer Note No. 10]** | 90.01 | 64.29 |
| Interest expense on lease liability **[Refer Note No. 26]** | (10.42) | 29.10 |
| Expense relating to short-term leases **[Refer Note No. 30]** | 16.93 | 11.64 |
| **Total** | **96.52** | **105.03** |

The Company does not face a significant liquidity risk with regard to its lease liability 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 Rs. 16.93 Lakhs for the year ended 31 March 2024 and Rs. 11.64 Lakhs for the year ended 31 March 2023.

**Note 39 : Related Parties Transactions**
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 party |
|---|---|
| Key managerial personnel ('KMP') | Nitin Rao, Director<br>Venkatesh Vishwanathan, Director ( upto 5 Januaray 2024)<br>Kamlesh Dangi, Director<br>Prateek Indwar, Director<br>Rakesh Gorakh Postandel, Company Secretary |
| Relatives of KMP | Minal Kamlesh Dangi |
| Holding Company | Incred Wealth Private Limited |
| Subsidiary Company | InCred Research Services Private Limited |
| Enterprise over which KMP is able to exercise significant influence | InCred Financial Services Limited<br>InCred Capital Financial Services Private Limited<br>InCred Wealth and Investment Services Private Limited<br>InCred Asset Management Private Limited<br>Oro Financial Consultants Private Limited |

**b. Transactions during the year with related parties :**

| Particulars | KMP & Relatives of KMP | | Enterprise over which KMP exercise significant influence | | Holding Co. | | Subsidiary | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| **Remunerations to KMP** | 78.66 | 5.50 | - | - | - | - | - | - | 78.66 | 5.50 |
| | **78.66** | **5.50** | **-** | **-** | **-** | **-** | **-** | **-** | **78.66** | **5.50** |
| **Borrowings taken:** | | | | | | | | | | |
| Incred Wealth Private Limited | - | - | - | - | 81.00 | 1,160.00 | - | - | **81.00** | **1,160.00** |
| InCred Wealth and Investment Services Private Limited | - | - | 42,682.39 | 12,207.68 | - | - | - | - | **42,682.39** | **12,207.68** |
| InCred Capital Financial Services Private Limited | - | - | - | 12,838.03 | - | - | - | - | **-** | **12,838.03** |
| | **-** | **-** | **42,682.39** | **25,045.71** | **81.00** | **1,160.00** | **-** | **-** | **42,763.39** | **26,205.71** |
| **Borrowings repaid:** | | | | | | | | | | |
| Incred Wealth Private Limited | - | - | - | - | 1,121.00 | 120.00 | - | - | **1,121.00** | **120.00** |
| InCred Wealth and Investment Services Private Limited | - | - | 44,450.00 | 12,717.36 | - | - | - | - | **44,450.00** | **12,717.36** |
| InCred Capital Financial Services Private Limited | - | - | - | 12,838.03 | - | - | - | - | **-** | **12,838.03** |
| | **-** | **-** | **44,450.00** | **25,555.39** | **1,121.00** | **120.00** | **-** | **-** | **45,571.00** | **25,675.39** |
| **Interest on Loan:** | | | | | | | | | | |
| Incred Wealth Private Limited | - | - | - | - | 48.43 | 8.76 | - | - | **48.43** | **8.76** |
| InCred Wealth and Investment Services Private Limited | - | - | 138.90 | 76.50 | - | - | - | - | **138.90** | **76.50** |
| InCred Capital Financial Services Private Limited | - | - | - | 207.05 | - | - | - | - | **-** | **207.05** |
| | **-** | **-** | **138.90** | **283.55** | **48.43** | **8.76** | **-** | **-** | **187.33** | **292.31** |
| **Advance Given** | | | | | | | | | | |
| Incred Wealth Private Limited | - | - | - | - | 705.06 | - | - | - | **705.06** | **-** |
| InCred Research Services Private Limited | - | - | - | - | - | - | 4,800.00 | - | **4,800.00** | **-** |
| | **-** | **-** | **-** | **-** | **705.06** | **-** | **4,800.00** | **-** | **5,505.06** | **-** |
| **Advance Repaid** | | | | | | | | | | |
| Incred Wealth Private Limited | | | | | 705.06 | | | | **705.06** | **-** |
| InCred Research Services Private Limited | - | - | - | - | - | - | - | - | **-** | **-** |
| | **-** | **-** | **-** | **-** | **705.06** | **-** | **-** | **-** | **705.06** | **-** |
| **Interest on Advance given** | | | | | | | | | | |
| Incred Wealth Private Limited | - | - | - | - | 5.11 | - | - | - | **5.11** | **-** |
| InCred Research Services Private Limited | - | - | - | - | - | - | 12.52 | - | **12.52** | **-** |
| | **-** | **-** | **-** | **-** | **5.11** | **-** | **12.52** | **-** | **17.63** | **-** |
| **Gross Broking and DP Income** | | | | | | | | | | |
| Nitin Subramanya Rao | 0.07 | - | - | - | - | - | - | - | **0.07** | **-** |
| Kamlesh Dangi | 0.01 | - | - | - | - | - | - | - | **0.01** | **-** |
| Minal Kamlesh Dangi | 0.01 | 0.79 | - | - | - | - | - | - | **0.01** | **0.79** |
| Incred Wealth Private Limited | - | - | - | - | 10.15 | 8.43 | - | - | **10.15** | **8.43** |
| InCred Research Services Private Limited | - | - | - | - | - | - | 0.01 | 0.02 | **0.01** | **0.02** |
| InCred Financial Services Limited | - | - | 2.77 | 0.50 | - | - | - | - | **2.77** | **0.50** |
| InCred Wealth and Investment Services Private Limited | - | - | 77.28 | 5.90 | - | - | - | - | **77.28** | **5.90** |
| InCred Capital Financial Services Private Limited | - | - | 3.33 | 1.41 | - | - | - | - | **3.33** | **1.41** |
| InCred Valueplus Private Limited | | | 0.10 | - | - | - | - | - | **0.10** | **-** |
| | **0.09** | **0.79** | **83.48** | **7.82** | **10.15** | **8.43** | **0.01** | **0.02** | **93.74** | **17.05** |

| Particulars | KMP & Relatives of KMP | | Enterprise over which KMP exercise significant influence | | Holding Co. | | Subsidiary | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| **Sale of Corporate Bonds** | | | | | | | | | | |
| InCred Capital Financial Services Private Limited | - | - | 3,031.16 | - | - | - | - | - | 3,031.16 | - |
| | - | - | 3,031.16 | - | - | - | - | - | 3,031.16 | - |
| **Fee Income** | | | | | | | | | | |
| InCred Wealth and Investment Services Private Limited | - | - | 151.98 | 151.98 | - | - | - | - | 151.98 | 151.98 |
| InCred Capital Financial Services Private Limited | - | - | 293.65 | 293.65 | - | - | - | - | 293.65 | 293.65 |
| InCred Financial Services Limited | - | - | 72.37 | 122.63 | - | - | - | - | 72.37 | 122.63 |
| | - | - | 517.99 | 568.26 | - | - | - | - | 517.99 | 568.26 |
| **Reimbursement Income** | | | | | | | | | | |
| InCred Research Services Private Limited | - | - | - | - | - | - | 27.57 | 10.69 | 27.57 | 10.69 |
| InCred Wealth and Investment Services Private Limited | - | - | - | 1.57 | - | - | - | - | - | 1.57 |
| InCred Capital Financial Services Private Limited | - | - | 20.27 | 0.63 | - | - | - | - | 20.27 | 0.63 |
| InCred Asset Management Private Limited | - | - | 1.01 | 0.19 | - | - | - | - | 1.01 | 0.19 |
| | - | - | 21.28 | 2.39 | - | - | 27.57 | 10.69 | 48.85 | 13.08 |
| **Distributor Commission Expense** | | | | | | | | | | |
| Incred Wealth Private Limited | - | - | - | - | - | - | - | - | - | - |
| InCred Wealth and Investment Services Private Limited | - | - | 28.16 | 129.22 | - | - | - | - | 28.16 | 129.22 |
| | - | - | 28.16 | 129.22 | - | - | - | - | 28.16 | 129.22 |
| **Referral expenses** | | | | | | | | | | |
| Oro Financial Consultants Private Limited | - | - | 12.58 | - | - | - | - | - | 12.58 | - |
| | - | - | 12.58 | - | - | - | - | - | 12.58 | - |
| **Research cost** | | | | | | | | | | |
| InCred Research Services Private Limited | - | - | - | - | - | - | 1,247.85 | 576.00 | 1,247.85 | 576.00 |
| | - | - | - | - | - | - | 1,247.85 | 576.00 | 1,247.85 | 576.00 |
| **Reimbursement of Expense** | | | | | | | | | | |
| InCred Research Services Private Limited | - | - | - | - | - | - | - | - | - | - |
| InCred Wealth and Investment Services Private Limited | | | - | 0.51 | - | - | - | - | - | 0.51 |
| InCred Capital Financial Services Private Limited | - | - | - | 5.01 | - | - | - | - | - | 5.01 |
| InCred Financial Services Limited | - | - | 15.61 | 1.57 | - | - | - | - | 15.61 | 1.57 |
| InCred Asset Management Private Limited | - | - | 1.41 | - | - | - | - | - | 1.41 | - |
| | - | - | 17.02 | 7.09 | - | - | - | - | 17.02 | 7.09 |
| **Slump Sale - Consideration** | | | | | | | | | | |
| InCred Asset Management Private Limited | - | - | 340.00 | - | - | - | - | - | 340.00 | - |
| | - | - | 340.00 | - | - | - | - | - | 340.00 | - |

**c. Closing balances with Related parties as at 31 March 2024:**

| Particulars | KMP | | Enterprise over which KMP exercise significant influence | | Holding Co. | | Subsidiary | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| **Investment** | | | | | | | | | | |
| InCred Research Services Private Limited | | - | - | - | - | - | 1,862.15 | 1,862.15 | 1,862.15 | 1,862.15 |
| | - | - | - | - | - | - | 1,862.15 | 1,862.15 | 1,862.15 | 1,862.15 |
| **Borrowings (Including Interest):** | | | | | | | | | | |
| Incred Wealth Private Limited | - | - | - | - | - | 1,046.53 | - | - | - | 1,046.53 |
| InCred Wealth and Investment Services Private Limited | - | - | 1,039.99 | 2,800.93 | - | - | - | - | 1,039.99 | 2,800.93 |
| | - | - | 1,039.99 | 2,800.93 | - | 1,046.53 | - | - | 1,039.99 | 3,847.46 |
| **Advances (Including Interest):** | | | | | | | | | | |
| InCred Research Services Private Limited | - | - | - | - | - | - | 4,810.94 | - | 4,810.94 | - |
| | - | - | - | - | - | - | 4,810.94 | - | 4,810.94 | - |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Trade Receivables** | | | | | | | | | | |
| Minal Kamlesh Dangi | - | 1.04 | - | - | - | - | - | - | - | 1.04 |
| InCred Research Services Private Limited | - | - | - | - | - | - | - | 0.62 | - | 0.62 |
| InCred Wealth and Investment Services Private Limited | - | - | - | 151.98 | - | - | - | - | - | 151.98 |
| InCred Capital Financial Services Private Limited | - | - | 9.99 | 294.28 | - | - | - | - | 9.99 | 294.28 |
| InCred Financial Services Limited | - | - | 5.13 | - | - | - | - | - | 5.13 | - |
| | - | 1.04 | 15.12 | 446.26 | - | - | - | 0.62 | 15.12 | 447.91 |
| **Trade Payables** | | | | | | | | | | |
| Incred Wealth Private Limited | - | - | - | - | - | 111.06 | - | - | - | 111.06 |
| InCred Research Services Private Limited | - | - | - | - | - | - | 0.70 | 576.00 | 0.70 | 576.00 |
| InCred Wealth and Investment Services Private Limited | - | - | - | 42.25 | - | - | - | - | - | 42.25 |
| InCred Capital Financial Services Private Limited | - | - | - | 1.51 | - | - | - | - | - | 1.51 |
| Oro Financial Consultants Private Limited | - | - | 12.58 | - | - | - | - | - | 12.58 | - |
| InCred Asset Management Private Limited | - | - | - | - | - | - | - | - | - | - |
| | - | - | 12.58 | 43.76 | - | 111.06 | 0.70 | 576.00 | 13.27 | 730.81 |
| **Other non financial assets** | | | | | | | | | | |
| InCred Asset Management Private Limited | - | - | 138.13 | - | - | - | - | - | 138.13 | - |
| | - | - | 138.13 | - | - | - | - | - | 138.13 | - |

**d.** During the year, InCred Capital Financial Services Private Limited (part of the Group) has given a Corporate Guarantee amounting to Rs. 13,500 lakhs (previous year Rs. 10,000 lakhs) on behalf of the Company for various funding and non-funding facilities availed from banks by the Company. Zero percent commission has been charged as per the terms and conditions of the Corporate Guarantee.

**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, short term debt 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.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2024 and for the year ended 31 March 2023.

**Note 41 : Financial instruments**

**41.1 Fair values**
Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments of the Company, other than those with carrying amounts that are reasonable approximation of fair values:

| Particulars | As at 31 March 2024 | | As at 31 March 2023 | |
|---|---|---|---|---|
| | Carrying Value | Amortized cost | Carrying Value | Amortized cost |
| **Financial assets:** | | | | |
| Cash and cash equivalents | 301.66 | 301.66 | 2,917.38 | 2,917.38 |
| Bank balance other than cash and cash equivalents | 2,187.26 | 2,187.26 | 821.97 | 821.97 |
| Trade receivables | 10,598.27 | 10,598.27 | 4,406.77 | 4,406.77 |
| Loans | 5,157.44 | 5,157.44 | 140.57 | 140.57 |
| Investments | 4,403.14 | 4,403.14 | 1,862.15 | 1,862.15 |
| Other financial assets | 1,398.46 | 1,398.46 | 1,625.79 | 1,625.79 |
| **Total financial assets** | **24,046.23** | **24,046.23** | **11,774.63** | **11,774.63** |
| **Financial liabilities:** | | | | |
| Trade payables | 10,879.22 | 10,879.22 | 3,341.02 | 3,341.02 |
| Borrowings | 3,313.49 | 3,313.49 | 3,847.46 | 3,847.46 |
| Deposits | 46.53 | 46.53 | 40.90 | 40.90 |
| Other financial liabilities | 1,069.29 | 1,069.29 | 337.05 | 337.05 |
| **Total financial liabilities** | **15,308.53** | **15,308.53** | **7,566.43** | **7,566.43** |

The management of the Company assessed that the fair values of cash and cash equivalents, bank balance other than cash equivalents, trade receivables, loans, investments, other financial assets, trade payables, borrowings, deposits and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments and accordingly no disclosures in respected of fair values are not applicable.

**Note 42 : 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, comprise 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 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 and other Interest bearing instruments. 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 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Bank balance other than cash & cash equivalents | 2,187.26 | 821.97 |
| Loans given | 5,157.44 | 140.57 |
| **Total** | **7,344.70** | **962.54** |
| **Borrowings:** | | |
| Fixed rate borrowings | 3,313.49 | 3,847.46 |
| **Total** | **3,313.49** | **3,847.46** |

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 given. 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.

Based on management estimation and calculation ECL provision has been kept as 100% for all the trade receivable outstanding more than 90days and 0.5% on loan outstanding as at reporting date.

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 historical 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. These parameters are derived from the Company's internally developed statistical models and other historical data. In addition, the Company uses reasonable and supportable information on future economic conditions including macroeconomic factors such as interest rates, gross domestic product, inflation and expected direction of the economic cycle. Since incorporating these forward looking information increases the judgment as to how the changes in these macroeconomic factor will affect ECL, the methodology and assumptions are reviewed at regular intervals.

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

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Trade receivables (net of ECL) | 10,598.27 | 4,406.77 |
| Loans (net of ECL) | 5,157.44 | 140.57 |
| **Total** | **15,755.70** | **4,547.34** |

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

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Loss allowance - stage 1** | | |
| Gross carrying amount of financial assets | 5,176.68 | 140.60 |
| Expected credit Loss | (19.24) | -0.03 |
| **Carrying amount net of impairment provision** | **5,157.43** | **140.57** |

Following table provides exposure to credit risk for trade receivable-

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Loss allowance measured at 12 month ECL - Trade receivable** | | |
| Gross carrying amount of financial assets | 10,612.34 | 4,432.74 |
| Expected credit Loss | (14.07) | (25.97) |
| **Carrying amount net of impairment provision** | **10,598.27** | **4,406.77** |

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

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Opening balance | **26.00** | **3.15** |
| Additional Provision | 7.32 | 22.85 |
| Closing balance | **33.32** | **26.00** |

**Margin Trading Facility**

In accordance with Ind AS 109, the Company applies expected credit loss model (ECL) for measurement and recognition of impairment loss. The expected credit loss is a product of exposure at default (EAD), probability of default (PD) and Loss given default (LGD). The financial assets have been segmented into three stages based on the risk profiles, primarily based on past due.

Company has large number of customer base with shared credit risk characteristics. Margin trading facilities are secured by collaterals. As per policy of the Company, margin trading facilities to the extent covered by collateral and servicing interest on a regular basis is not considered as due/default. Accounts becoming due/default are fully written off as bad debt against respective receivables and the amount of loss is recognised in the Statement of Profit and Loss. Subsequent recoveries of amounts previously written off are credited to the Statement of Profit and Loss as bad debts recovered.

As per Ind AS 109, the maximum period to consider when measuring expected credit losses is the maximum contractual period (including extension options) over which the entity is exposed to credit risk and not a longer period, even if that longer period is consistent with business practice. Therefore, the maximum period to consider when measuring expected credit losses for these targin trading facilities is the maximum contractual period (i.e. on demand/one day).

For the computation of ECL, the against margin trading facilities are classified into three stages as follows:

Following table provides information about exposure to credit risk and ECL on Margin trading facility

| Staging as per Ind AS 109 | Receivable including interest |
|---|---|
| Stage 1 | 0 to 30 days past due |
| Stage 2 | 31 to 90 days past due |
| Stage 3 | More than 90 days past due |

The Company does not have any margin trading facilities which may fall under stage 2 or stage 3.

ECL is computed as follow, assuming that these receivables are fully recalled by the Company at each reporting period:

EAD is considered as receivable including interest (net of write off).

PD is considered at 100% for all receivables being the likelihood that the borrower would not be able to repay in the very short payment period.

LGD is determined based on fair value of collateral held as at the reporting period. Unsecured portion is considered as LGD.

**Collaterals**
The Company holds collateral and other credit enhancements against certain of its credit exposures. The following table sets out the principal types of collateral held against different types of financial assets.

| Instrument type | Percentage of exposure that is subject to collateral | | |
|---|---|---|---|
| | As at 31 March 2024 | As at 31 March 2023 | Principal type of collateral held |
| Margin trading facility | 100% | 100% | Shares and securities |

Margin Trading Facility to clients are fully secured by the collateral and therefore Expected Credit Loss is not required to be created on the same.

**(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.

**As at 31 March 2024:-**

| Particulars | Note No. | Contractual cash flows | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | Carrying Amount | Gross outflow | On Demand | Less than 1 year | 1 - 3 years | 3 - 5 years | After 5 years |
| **Maturities of financial liabilities:** | | | | | | | | |
| Trade payables | 14 | 10,879.22 | (10,879.22) | - | 10,879.22 | - | - | - |
| Borrowings | 15 | 3,313.49 | (3,313.49) | 3,313.49 | - | - | - | - |
| Deposits | 16 | 46.53 | (46.53) | - | - | - | 46.53 | - |
| Other financial liabilities | 17 | 1,069.29 | (1,144.72) | - | 771.02 | 365.19 | 8.51 | - |
| **Total** | | **15,308.53** | **(15,383.96)** | **3,313.49** | **11,650.23** | **365.19** | **55.04** | **-** |

**As at 31 March 2023:-**

| Particulars | Note No. | Contractual cash flows | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | Carrying Amount | Gross outflow | On Demand | Less than 1 year | 1 - 3 years | 3 - 5 years | After 5 years |
| **Maturities of financial liabilities:** | | | | | | | | |
| Trade payables | 14 | 3,341.02 | (3,341.02) | - | 3,341.02 | - | - | - |
| Borrowings | 15 | 3,847.46 | (3,847.46) | 3,847.46 | - | - | - | - |
| Deposits | 16 | 40.90 | (40.90) | - | - | - | 40.90 | - |
| Other financial liabilities | 17 | 337.05 | (369.59) | - | 235.56 | 134.03 | | - |
| **Total** | | **7,566.43** | **(7,598.97)** | **3,847.46** | **3,576.58** | **134.03** | **40.90** | **-** |

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 including interest that will be earned on those assets. The inclusion of information on nonderivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis. Hence, maturities of the relevant assets have been considered below.



**As at 31 March 2024:-**

| Particulars | Note No. | Contractual cash flows | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | Carrying Amount | Gross inflow | On Demand | Less than 1 year | 1 - 3 years | 3 - 5 years | After 5 years |
| **Maturities of financial assets:** | | | | | | | | |
| Cash and cash equivalents | 3 | 301.66 | 301.66 | 301.66 | - | - | - | - |
| Bank balance other than cash and cash equivalents | 4 | 2,187.26 | 2,187.26 | - | 2,187.26 | - | - | - |
| Trade receivables | 5 | 10,598.27 | 10,598.27 | 10,298.87 | 299.40 | - | - | - |
| Loans | 6 | 5,157.44 | 5,176.68 | 5,176.68 | - | - | - | - |
| Investments | 7 | 4,403.14 | 4,403.14 | - | 2,540.99 | - | - | 1,862.15 |
| Other financial assets | 8 | 1,398.46 | 1,413.84 | - | 1,000.00 | 59.67 | - | 354.17 |
| **Total** | | **24,046.23** | **24,080.84** | **15,777.21** | **6,027.65** | **59.67** | **-** | **2,216.32** |

**As at 31 March 2023:-**

| Particulars | Note No. | Contractual cash flows | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | Carrying Amount | Gross inflow | On Demand | Less than 1 year | 1 - 3 years | 3 - 5 years | After 5 years |
| **Maturities of financial assets:** | | | | | | | | |
| Cash and cash equivalents | 3 | 2,917.38 | 2,917.38 | 2,917.38 | - | - | - | - |
| Bank balance other than cash and cash equivalents | 4 | 821.97 | 821.97 | - | 775.19 | 46.79 | - | - |
| Trade receivables | 5 | 4,406.77 | 4,406.77 | 3,217.56 | 1,189.20 | - | - | - |
| Loans | 6 | 140.57 | 140.60 | - | - | 140.60 | - | - |
| Investments | 7 | 1,862.15 | 1,862.15 | - | - | - | - | 1,862.15 |
| Other financial assets | 8 | 1,625.79 | 1,637.76 | - | 802.83 | 41.19 | - | 793.75 |
| **Total** | | **11,774.63** | **11,786.65** | **6,134.95** | **2,767.22** | **228.57** | **-** | **2,655.90** |

**Note 43 : Current and Non-current classification**

| Particulars | Note No. | As at 31 March 2024 | | | As at 31 March 2023 | | |
|---|---|---|---|---|---|---|---|
| | | Within 12 months | After 12 months | Total | Within 12 months | After 12 months | Total |
| **ASSETS** | | | | | | | |
| **(A) Financial assets:** | | | | | | | |
| Cash and cash equivalents | 3 | 301.66 | - | 301.66 | 2,917.38 | - | 2,917.38 |
| Bank balance other than cash and cash equivalents | 4 | 2,187.26 | - | 2,187.26 | 775.19 | 46.79 | 821.97 |
| Trade receivables | 5 | 10,598.27 | - | 10,598.27 | 4,406.77 | - | 4,406.77 |
| Loans | 6 | 5,157.44 | - | 5,157.44 | - | 140.57 | 140.57 |
| Investments | 7 | 2,540.99 | 1,862.15 | 4,403.14 | - | 1,862.15 | 1,862.15 |
| Other financial assets | 8 | 1,000.00 | 398.46 | 1,398.46 | 802.83 | 822.96 | 1,625.79 |
| **Sub-total (A)** | | **21,785.62** | **2,260.61** | **24,046.23** | **8,902.17** | **2872.46** | **11,774.63** |
| **(B) Non-financial assets:** | | | | | | | |
| Current tax assets (Net) | 9 | - | - | - | 1.91 | - | 1.91 |
| Deferred tax assets (Net) | 31 | - | 72.70 | 72.70 | - | 268.70 | 268.70 |
| Property, plant and equipment | 10 | - | 775.13 | 775.13 | - | 427.57 | 427.57 |
| Capital work in Progress | 11 | - | - | - | - | - | - |
| Other intangible assets | 12 | - | 7.10 | 7.10 | - | 8.77 | 8.77 |
| Other non-financial assets | 13 | 210.77 | 10.03 | 220.80 | 97.50 | 11.78 | 109.28 |
| **Sub-total (B)** | | **210.77** | **864.96** | **1,075.73** | **99.41** | **716.82** | **816.23** |
| **Total Assets (A + B)** | | **21,996.39** | **3,125.57** | **25,121.96** | **9,001.58** | **3,589.29** | **12,590.86** |

| Particulars | Note No. | As at 31 March 2024 | | | As at 31 March 2023 | | |
|---|---|---|---|---|---|---|---|
| | | Within 12 months | After 12 months | Total | Within 12 months | After 12 months | Total |
| **LIABILITIES & EQUITY** | | | | | | | |
| **(A) Financial liabilities:** | | | | | | | |
| Trade payable | 14 | | | | | | |
| (i) total outstanding dues of micro and small enterprises | | - | - | - | | | - |
| (ii) total outstanding dues of creditors other than MSME | | 10,879.22 | - | 10,879.22 | 3,341.02 | - | 3,341.02 |
| Borrowings | 15 | 3,313.49 | - | 3,313.49 | 3,847.46 | - | 3,847.46 |
| Deposits | 16 | - | 46.53 | 46.53 | - | 40.90 | 40.90 |
| Other financial liabilities | 17 | 740.24 | 329.05 | 1,069.29 | 214.45 | 122.60 | 337.05 |
| **Sub-total (A)** | | **14,932.95** | **375.58** | **15,308.53** | **7402.93** | **163.50** | **7,566.43** |
| **Non-Financial liabilities** | | | | | | | |
| Provisions | 18 | 244.20 | 80.91 | 325.10 | 0.24 | 46.23 | 46.47 |
| Other non-financial liabilities | 19 | 841.56 | - | 841.56 | 144.50 | - | 144.50 |
| | | | | | | | - |
| **Sub-total (B)** | | **1,085.76** | **80.91** | **1,166.66** | **144.74** | **46.23** | **190.97** |
| **Total Liabilities (A + B)** | | **16,018.71** | **456.49** | **16,475.19** | **7547.67** | **209.73** | **7,757.40** |

**Note 44 : Ratio Analysis and its elements**

Additional regulatory information required under (WB) (xvi) of Division III of Schedule III amendment, disclosure of ratios, is not applicable to the Company.

**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) 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:

(a) 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

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(viii) The Company does not have 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 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 : Business Combinations**

**Transfer of Discretionary Portfolio Management Scheme (DPMS) business on Slump sale basis (Discontinued operation)**

The Board of Directors of InCred Capital Wealth Portfolio Managers Private Limited (ICWPMPL, Company) in its meeting held on 31 October 2022, has approved the transfer of Discretionary Portfolio Management Scheme (DPMS) business of InCred Asset Management Private Limited. The details of this transaction are as under:

As per Business Transfer Agreement (BTA) dated 15 November 2022 and amendment thereto, the Company has sold its entire business on closing date, on going concern basis, at an agreed consideration of Rs. 340.00 lakhs.

The accounting impact of the aforesaid Slump Sale in the books of the Company has been summarily presented as follows:

| Particulars | Amount in lakhs |
|---|---|
| (A) Purchase consideration | 340.00 |
| (B) Net Assets and liabilities recorded pursuant to Slump Sale | 90.43 |
| Profit an sale of Slump Sale (A-B)* | **249.57** |

**Note 47 : Other notes to accounts**

**a. Segment reporting**

The Company is principally engaged in the financial services space, offering financial services such as Stock Broking on both the stock exchanges i.e. National Stock Exchange ('NSE') & Bombay Stock Exchange ('BSE'), Debt broking on the whole sale debt segment of BSE & NSE, Depository Participant, Portfolio Management services, Merchant Banking Services and Investment Advisory services.

For the financial year ended 31 March 2023, the Company has three operating segments:- **Broking, Fees and Advisory** and **Portfolio Management Services** as per Ind As - 108 Operating Segments. Pursuant to the provisions of IND AS 108-Operating Segments, Disclosures pertaining to Segment Reporting will be provided in the consolidated financial statements prepared by InCred Wealth Private Limited ( holding company).

**b. Note on consolidated financial statements**

The Company has decided not to present consolidated financial statements with its subsidiary Incred Research Services Private Limited (formerly known as Earnest Innovation Partners Private Limited) by applying the exemption available to the Company under Rule 6 of the Companies (Accounts) Rules, 2014 as the Company is a wholly-owned subsidiary of Incred Wealth Private Limited (formerly known as Incred Captial Inclusion Advisory Services Private Limited) and the holding company is required to file its consolidated financial statements to the Registrar of Companies.

**c. Corporate social responsibility**

The Ministry of Corporate Affairs notified section 135 of the Companies Act 2013 along with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The provisions related to Corporate Social Responsibility are not applicable to the Company.

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

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

**Note 48 : Back up of Books and Audit trail**

a. As per MCA notification dated August 05,2022 Government has notified the Companies (Accounts) Fourth Amendement Rules, 2022. As per the amended rules back-up of the books 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 and backup is done on daily basis. Thus the Company is compliant with the requirements of the above notification.

b. The Company has uses two separate accounting applications to maintain its books of accounts relating to general ledgers and recording transactions relevant to the broking business.
The accounting software used for maintaining books of account in relation to general ledgers has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in this software. Further, there are no instance of audit trail feature being tampered with respect to this accounting software.
For the application used for transactions related to the broking business, the Company has not evaluated the enablement of audit trail feature in respect of such system. The Company is in discussion with the vendor of the application to enable such feature as per the requirements of regulation. The Company currently relies on alternate manual controls in place around reports produced.

As per our report of even date.

**For S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

SARVESH VISHWESH WARTY
Digitally signed by SARVESH VISHWESH WARTY
DN: cn=SARVESH VISHWESH WARTY, c=IN, o=Personal, email=sarvesh.warty@srb.in
Date: 2024.05.17 23:36:51 +05'30'

**per Sarvesh Warty**
Partner
Membership No: 121411

**Place : Mumbai**
**Date : 17 May 2024**

For and on behalf of the Board of Directors of
**Incred Capital Wealth Portfolio Managers Private Limited**

KAMLESH RAJANINATH DANGI
Digitally signed by KAMLESH RAJANINATH DANGI
Date: 2024.05.17 23:03:16 +05'30'

**Kamlesh Dangi**
Director
DIN - 05152439
Place : Mumbai

NITIN SUBRAMANYA RAO
Digitally signed by NITIN SUBRAMANYA RAO
Date: 2024.05.17 23:08:16 +05'30'

**Nitin Subramanya Rao**
Director
DIN - 08108320
Place : Mumbai

RAKESH GORAKH POSTANDEL
Digitally signed by RAKESH GORAKH POSTANDEL
Date: 2024.05.17 23:02:37 +05'30'

**Rakesh Postandel**
Company Secretary
Mem No. - A64419

Place : Mumbai
Date : 17 May 2024

**ANNUAL REPORT FOR THE FINANCIAL YEAR 2023-24**

**CORPORATE INFORMATION: -**

**COMPANY IDENTIFICATION NUMBER**

U74999MH2018PTC305048

**BOARD OF DIRECTORS**

Mr. Kamlesh Rajaninath Dangi
Mr. Nitin Subramanya Rao
Mr. Prateek Indwar (From January 05, 2024)
Mr. Venkatesh Vishwanathan (upto January 05, 2024)

**COMPANY SECRETARY**

Mr. Rakesh Postandel

**STATUTORY AUDITORS**

M/s. S.R. Batliboi & Associates LLP,
Chartered Accountants,
ICAI Firm Registration Number: 101049W/E300004

**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

# DIRECTOR'S REPORT

**TO**
**THE MEMBERS OF**
**INCRED CAPITAL WEALTH PORTFOLIO MANAGERS PRIVATE LIMITED**

The Directors have pleasure in presenting the Sixth Annual Report on the business and operations and the Audited Financial Statements of the Company for the Financial Year ("FY") ended March 31, 2024.

## 1. FINANCIAL HIGHLIGHTS OF THE COMPANY

The highlights of the financial statements of the Company for the financial year ended March 31, 2024 as compared to the previous financial year ended March 31, 2023 are as under:

| | Amount in Lakhs | |
|---|---|---|
| **Particulars** | **For the Financial Year ended 2023-24** | **For the Financial Year ended 2022-23** |
| Profit/(Loss) before Depreciation & Tax | 5405.67 | 1536.89 |
| Depreciation | (197.02) | (146.35) |
| Profit/(Loss) before Tax | 5,208.65 | 1,390.54 |
| Tax Provision/MAT | 1,323.59 | 216.01 |
| Deferred Tax Provision for the year | 192.32 | 127.60 |
| Tax Expenses for previous years | (139.12) | - |
| Profit/(Loss) after Tax | 3,831.86 | 1,046.93 |
| Other Comprehensive Income | (18.54) | 1.71 |
| Total Comprehensive Income | 3,813.32 | 1 ,048.64 |
| Appropriation for earlier years | - | - |
| Profit/(Loss) transferred to Balance Sheet | 3 ,831.86 | 1,046.93 |

### OVERVIEW OF THE F.Y. 2023-24

During the year under review, the Company's revenue from operations stood at INR 10,984.60 lakhs as compared to INR 6,168.81 lakhs in previous year. The profit after tax stood at INR 3,831.86 lakhs as compared to INR 1,046.93 lakhs in previous year.

## 2. CHANGE IN THE NATURE OF BUSINESS

There was no change in nature of the business of the Company during the year under review.

The Company is principally engaged in the financial services space, offering financial services such as Stock Broking on both the stock exchanges i.e. National Stock Exchange ('NSE') & Bombay Stock Exchange ('BSE'), Debt broking on the whole sale debt segment of BSE & NSE, Depository Participant, Portfolio Management services and Investment Advisory services. The Company has received registration from SEBI as a Stock Broker on 30 April 2020 with Registration number: INZ000294632. The Company has also received registration from SEBI as a Investment Adviser on 31 July 2020 with Registration number: INA000014890. The Company has also received registration from SEBI as a Portfolio Manager on 13 January 2021 with Registration number: INP000007128. The Company has been admitted to the Equity Cash and Equity Derivative segments of BSE to operate as Self Clearing member of ICCL from 15 May 2020 with Clearing Number: 6739. It has been admitted to Wholesale Debt Market Segment of BSE and NSE. The company has received certificate of registration no. INM000012865 from SEBI for Merchant Banking on 01 November, 2021. The company has also received certificate of registration no. IN-DP-559-2021 from SEBI as a participant in the CDSL on 04 February, 2021.

**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 provision 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 year.

**5. CHANGES IN SHARE CAPITAL**

There was no change in the authorized and paid-up share capital during the financial year 2023 2024.

**6. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

During the year under review, there were no material changes and commitments that took place during and after the financial year till the date of signing of this board report, affecting the financial position of the company.

**7. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES ALONG WITH THE PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT**

During the year under review, the company has only 1 subsidiary i.e. InCred Research Services 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 I.**

However, the Company has claimed exemption from preparation of consolidated Financial Statements with its subsidiary under Rule 6 of the Companies (Accounts) Rules, 2014.

During the year under review, the Company has no joint venture / associate companies within the meaning of section 2(6) of the Companies Act, 2013

**8. 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.

**9. STATUTORY AUDITORS AND THEIR REPORT**

M/s. S.R. Batliboi & Associates LLP., Chartered Accountants (Firm Registration No. 101049W/E300004), were appointed as the Statutory Auditors of the Company at 05th Annual General Meeting of the Company Statutory Auditors of the Company for a term of 5 (Five) year until the conclusion of the Annual General Meeting of the Financial Year 2026-2027 at such remuneration as was mutually agreed between the Board of Directors of the Company and the said Auditors. However, due to significant reduction in Audit fees proposed by the Management for the audit of year ended March 31st, 2025 as compared to the fees for the previous year March 31st,2024, M/s S.R. Batliboi & Associates LLP., Chartered Accountants, have resigned as the Statutory Auditor of the Company, causing the casual vacancy in the position of the statutory auditors of the Company.

The Board of Directors, at its meeting held on September 24, 2024 noted and accepted the resignation of M/s S.R. Batliboi & Associates LLP., Chartered Accountants. 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 Act, 2013, the Board of Directors of the Company at their meeting held on September 04, 2024 appointed M/s. M S K A & Associates, Chartered Accountants, (Firm Registration No.: 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. S.R. Batliboi & Associates LLP., Chartered Accountants.

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 06th AGM till the conclusion of the 11th 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. An 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. S.R. Batliboi & Associates LLP., Chartered Accountants (Firm Registration No. 101049W/E300004) 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.

## 10. 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.

## 11. RISK MANAGEMENT POLICY

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.

## 12. EXTRACT OF THE ANNUAL RETURN

Pursuant to sub-section (3)(a) of Section 134 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 states that the Company shall require to provide the web address, if any, where annual return referred to in sub- section (3) of section 92 of the Companies Act, 2013 has been placed.

The Company have website but is used for commercial purpose only. Further, as per provisions of the Companies Act, 2013 it's not mandatory to maintain the website for a Private Limited Company.

The Annual Return under Section 92 of the Companies Act, 2013 for the financial year ended 31st March, 2024 shall be filed within the time prescribed under the Companies Act, 2013 and Rules made thereunder.

## 13. 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 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 foreign exchange earnings were INR 54.71 Lakhs as compared to INR 4 lakhs in the previous year and foreign expenditure were INR 33.82 Lakhs as compared to INR 17.83 Lakhs in the previous year.

## 14. DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP)

As on March 31, 2024, Mr. Kamlesh Dangi, Mr. Nitin Rao and Prateek Indwar continue to act as Directors and Mr. Rakesh Postandel continue to act as Company Secretary of the Company.

On January 05, 2024, Mr. Venkatesh Vishwanathan resigned as Director of the Company and Mr. Prateek Indwar was appointed as an Additional Director of the Company.

The Board places on record its appreciation for the invaluable contributions and guidance provided by Mr. Venkatesh Vishwanathan, during his 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 continue as Directors.

## 15. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

There were six Board Meetings held during the financial year 2023-2024 viz. on April 20, 2023, May 31,2023, June 27, 2023, July 14, 2023, August 08,2024, September 11, 2023 and December 29, 2023, January 05, 2024, January 31,2024 and March 01, 2024. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the Secretarial Standards.

## 16. 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.

## 17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Pursuant to the provisions of Section 186 (4) of the Act the details of loans and guarantee given 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.

## 18. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, the contracts or arrangements attracting the provisions of Section 188 (1) of the Companies Act, 2013 with related parties have been on arms' length and in ordinary course of business. The Company has disclosed the particulars of the transactions as prescribed in **Form AOC - 2** annexed herewith as **Annexure II** in terms of the provisions of Section 134(3)(h) read with rule 8(2) of the Companies (Accounts) Rules, 2014.

## 19. 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.

## 20. 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.

## 21. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that —

(a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
(b) The directors had 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 financial year ending on March 31, 2024 and of the profit of the company for that period;
(c) The directors 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) The directors had prepared the annual accounts on a going concern basis; and
(e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 22. 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. No significant or material orders which impact the going concern status and Company's operations in future were passed by Regulators/Courts/Tribunals.
d. There was no issue of equity shares with differential rights as to dividend, voting or otherwise during the period.
e. The Company has not issued any shares (including sweat equity shares) to its employees under any scheme during the period.
f. The provisions of Section 149, 177, 178 and 197 of the Companies Act, 2013 are not applicable to the Company.
g. The Company has complied with applicable Secretarial Standards issued by the Institute of the Company Secretaries of India.

h. No petition/application has been admitted under Insolvency & Bankruptcy Code, 2016 by National Company Law Tribunal.

**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 trust reposed by them in the Company.

**For and on behalf of board**

**Incred Capital Wealth Portfolio Managers Private Limited**

**Place: Mumbai**
**Date: 24.09.2024**

**Kamlesh Dangi**
**Director**
**DIN: 05152439**

**Nitin Rao**
**Director**
**DIN: 08108320**

**Annexure I**
**Form AOC-1**

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

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

**Part "A": Subsidiaries**
**Part: B: Associates and Joint Ventures: Not Applicable**

| | | |
|---|---|---|
| 1 | Sr. No. | 1 |
| 2 | Name of the Subsidiary | INCRED RESEARCH SERVICES PRIVATE LIMITED |
| 3 | Registered Office | Unit No. 1203, 12th floor, B Wing The Capital, Plot No. C - 70, G Block, B, KC, Mumbai City, Mumbai, Maharashtra, India, 400051 |
| 4 | Nature of Business | The Company is engaged in the business of research, consultancy and to act as advisors relating to personnel, industrial business management, distribution, marketing and selling and to collect, prepare and distribute information and statistics, relating to any type of business or industry and generally to act as market business research consultants and to act as a research analyst. |
| 5 | No. of Branches | 1 |
| 6 | Reporting period | 01st April, 2023 – 31st March, 2024 |
| 7 | Reporting currency | INR |
| 8 | Exchange rate on the last day of the financial year | NA |
| 9 | Share Capital | INR 1826.00 lakhs |
| 10 | Reserves and Surplus | INR 250.04 lakhs |
| 11 | Total assets (Fixed assets + Investments + Other assets) | INR 7185.88 lakhs |
| 12 | Total liabilities (Deposits + Borrowings + Other liabilities + Provisions) | INR 5109.84 lakhs |
| 13 | Investments | INR 812.90 lakhs |
| 14 | Turnover | INR 1255.91 lakhs |
| 15 | Profit/ (Loss) Before Tax | INR 783.02 lakhs |
| 16 | Provision for tax | INR 194.74 lakhs |
| 17 | Profit/ (Loss)After Tax | INR 588.28 lakhs |

**1. Names of subsidiaries which are yet to commence operations: NA**
**2. Names of subsidiaries which have been liquidated or sold during the year: NA**

**Part "B": Associates**

**As on March 31,2024, the Company does not have any associates and joint ventures**

**1. Names of associates or joint ventures which are yet to commence operations: NA**
**2. Names of associates or joint ventures which have been liquidated or sold during the year: NA**

**For and on behalf of board**
**Incred Capital Wealth Portfolio Managers private Limited**

**Place: Mumbai**
**Date: 24.09.2024**

**Kamlesh Dangi**
**Director**
**DIN: 05152439**

**Nitin Rao**
**Director**
**DIN: 08108320**

**Annexure-II**

**Form No. AOC-2**

**Form for disclosure 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 arms-length transactions under third proviso thereto** ***(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)***

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 |
|---|---|---|---|---|---|---|
| NA | | | | | | |

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

**(Rs. In Lakhs)**

| 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. Date of approval by the board of directors | 6. Amount paid as advance, if any |
|---|---|---|---|---|---|
| InCred Capital Financial Services Private Limited | Sale of Corporate Bonds | FY 23-24 | 3,031.16 | | |
| InCred Research Services Private Limited | Research cost | FY 23-24 | 1,247.85 | | |

**For and on behalf the Board**
**InCred Capital Wealth Portfolio Managers Private Limited**

**Place: Mumbai**
**Date: 24.09.2024**

**Kamlesh Dangi**
**Director**
**DIN: 05152439**

**Nitin Rao**
**Director**
**DIN: 08108320**

**Incred Capital Wealth Portfolio Managers Private Limited**
CIN: U74999MH2018PTC305048
**Balance Sheet as at 28 February 2025**
(All amounts in INR Lakhs, unless otherwise stated)

| Particulars | Note No. | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|---|
| **A. ASSETS** | | | |
| **1. Financial Assets** | | | |
| **(a)** Cash and cash equivalents | 1 | 1,373.00 | 301.66 |
| **(b)** Bank balance other than cash and cash equivalents | 2 | 4,665.67 | 2,187.26 |
| **(c)** Trade receivables | 3 | 9,114.68 | 10,598.27 |
| **(d)** Loans | 4 | 1,069.82 | 5,157.44 |
| **(e)** Investments | 5 | 3,868.78 | 4,403.14 |
| **(f)** Other financial assets | 6 | 1,393.70 | 1,398.46 |
| **Total financial assets** | | **21,485.66** | **24,046.23** |
| **2. Non-financial assets** | | | |
| **(a)** Deferred tax assets (Net) | 7 | 154.92 | 72.70 |
| **(b)** Property, plant and equipment | 8 | 639.29 | 775.13 |
| **(c)** Capital work in progress | 9 | 9.65 | - |
| **(d)** Other intangible assets | 10 | 18.01 | 7.10 |
| **(e)** Other non-financial assets | 11 | 139.22 | 220.80 |
| **Total non-financial assets** | | **961.08** | **1,075.73** |
| **Total Assets** | | **22,446.74** | **25,121.96** |
| **B. LIABILITIES AND EQUITY** | | | |
| **1. Liabilities** | | | |
| **1.1 Financial liabilities** | | | |
| **(a)** Trade payables | 12 | | |
| (i) total outstanding dues of micro and small enterprises | | - | - |
| (ii) total outstanding dues of creditors other than micro and small enterprises | | 4,569.96 | 10,879.22 |
| **(b)** Borrowings | 13 | 2,142.95 | 3,313.49 |
| **(c)** Deposits | 14 | 53.59 | 46.53 |
| **(d)** Other financial liabilities | 15 | 1,477.69 | 1,069.29 |
| **Total financial liabilities** | | **8,244.20** | **15,308.53** |
| **1.2 Non-financial liabilities** | | | |
| **(a)** Current tax liabilities (net) | 16 | 411.68 | 243.86 |
| **(b)** Provisions | 17 | 81.25 | 81.24 |
| **(c)** Other non-financial liabilities | 18 | 37.98 | 841.56 |
| **Total non-financial liabilities** | | **530.91** | **1,166.66** |
| **Total Liabilities** | | **8,775.11** | **16,475.19** |
| **2. Equity** | | | |
| **(a)** Equity share capital | 19 | 4,850.00 | 4,850.00 |
| **(b)** Other equity | 20 | 8,821.63 | 3,796.77 |
| **Total Equity** | | **13,671.63** | **8,646.77** |
| **Total Equity and Liabilities** | | **22,446.74** | **25,121.96** |

For and on behalf of the Board of Directors of
**Incred Capital Wealth Portfolio Managers Private Limited**

NITIN SUBRAMANYA RAO
Digitally signed by NITIN SUBRAMANYA RAO
Date: 2025.03.27 04:02:50 +05'30'

**Nitin Subramanya Rao**
Director
DIN - 08108320
Place : Mumbai
27 March 2025

PRATEEK INDWAR
Digitally signed by PRATEEK INDWAR
Date: 2025.03.27 04:02:06 +05'30'

**Prateek Indwar**
Director
DIN - 08548077
Place : Mumbai
27 March 2025

**Incred Capital Wealth Portfolio Managers Private Limited**
CIN: U74999MH2018PTC305048
**Statement of Profit and Loss for the period ended 28 February 2025**
(All amounts in INR Lakhs, unless otherwise stated)

| Particulars | | Note No | Period ended 28 February 2025 | Year ended 31 March 2024 |
|---|---|---|---|---|
| **(I)** | **REVENUE FROM OPERATIONS** | | | |
| | **(i)** Interest income | **21** | 1,324.79 | 842.47 |
| | **(ii)** Fees and commission income | **22** | 11,992.92 | 10,138.90 |
| | **(iii)** Net gain on fair value changes | **23** | 214.81 | 3.23 |
| | **Total revenue from operations (I = i + ii + iii)** | | **13,532.51** | **10,984.60** |
| **(II)** | Other income | **24** | 107.49 | 55.26 |
| **(III)** | **Total income (III = I + II)** | | **13,640.01** | **11,039.86** |
| **(IV)** | **EXPENSES** | | | |
| | **(i)** Finance cost | **25** | 745.82 | 642.22 |
| | **(ii)** Fees and commission expense | **26** | 161.55 | 262.35 |
| | **(iii)** Employee benefit expenses | **27** | 3,168.34 | 2,908.17 |
| | **(iv)** Depreciation, amortization and impairment | | 194.57 | 197.02 |
| | **(v)** Other expenses | **28** | 2,650.27 | 2,071.01 |
| | **Total expenses (IV = i + ii + iii + iv + v)** | | **6,920.54** | **6,080.78** |
| **(V)** | **Profit before exceptional item and tax (V = III - IV)** | | **6,719.46** | **4,959.08** |
| | Exceptional item | | - | 249.57 |
| **(VI)** | **Profit before tax** | | **6,719.46** | **5,208.65** |
| **(VII)** | **Tax expense:** | | | |
| | **(i)** Current Tax | | 1,795.29 | 1,323.59 |
| | **(ii)** Previous year tax adjustment | | 45.15 | (139.12) |
| | **(iii)** Deferred tax expense / (income) | | (145.86) | 192.32 |
| | **Total Tax expense (VII = i + ii + iii )** | | **1,694.59** | **1,376.79** |
| **(VIII)** | **Profit / (Loss) for the year (VIII = VI - VII)** | | **5,024.87** | **3,831.86** |
| **(IX)** | **Other comprehensive income** | | | |
| | **(A)** Items that will not be reclassified to profit or loss | | - | (14.86) |
| | Income tax relating to items that will not be reclassified to profit or loss | | - | (3.68) |
| | **Total other comprehensive income (IX = A)** | | - | **(18.54)** |
| **(X)** | **Total comprehensive income for the year / period (X = VIII + IX)** | | **5,024.87** | **3,813.32** |

For and on behalf of the Board of Directors of
**Incred Capital Wealth Portfolio Managers Private Limited**

NITIN SUBRAMANYA RAO
Digitally signed by NITIN SUBRAMANYA RAO
Date: 2025.03.27 04:03:16 +05'30'

**Nitin Subramanya Rao**
Director
DIN - 08108320
Place : Mumbai
27 March 2025

PRATEEK INDWAR
Digitally signed by PRATEEK INDWAR
Date: 2025.03.27 04:02:24 +05'30'

**Prateek Indwar**
Director
DIN - 08548077
Place : Mumbai
27 March 2025

**Note 1 : Cash and cash equivalents**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| Cash on hand | - | - |
| Balances with banks | 1,366.66 | 301.66 |
| Fixed deposits (maturity less than 3 months) | 6.35 | - |
| **Total** | **1,373.00** | **301.66** |

**Note 2 : Bank balance other than cash and cash equivalents**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| Fixed deposits* | 4,665.67 | 2,187.26 |
| **Total** | **4,665.67** | **2,187.26** |

**Note 3 : Trade receivables**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| Secured, considered good | - | - |
| Unsecured, considered good * | 9,128.75 | 10,612.34 |
| | **9,128.75** | **10,612.34** |
| Less: Allowance for impairment loss | (14.07) | (14.07) |
| **Total** | **9,114.68** | **10,598.27** |

**Note 4 : Loans**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| **(A) At amortised cost -** | | |
| Margin Trading Facility to Clients* | 1,067.97 | 361.80 |
| Loan to Employee | 1.85 | 3.94 |
| Loans to subsidiary | - | 4,810.94 |
| **Total - Gross** | **1,069.82** | **5,176.68** |
| Less: Allowance for impairment loss | - | (19.24) |
| **Total - net of impairment loss allowance (A)** | **1,069.82** | **5,157.44** |

**Note 5 : Investments**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| **Unquoted, carried at cost:** | | |
| **Investment in equity instrument of subsidiary:** | | |
| InCred Research Services Private Limited (formerly known as Earnest Innovation Partners Private Limited) (1,82,60,000 equity shares of INR 10 each, fully paid up) | 1,862.15 | 1,862.15 |
| **Quoted, carried at FVTPL:** | | |
| **Investment in Government Securities** | | |
| Investment in G-Sec | - | 2,540.99 |
| Investment in Mutual Funds | 1,309.70 | - |
| Investment in Non Convertible Debentures | 696.93 | - |
| **Total** | **3,868.78** | **4,403.14** |

**Note 6 : Other financial assets**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| **Carried at amortised cost** | | |
| Security deposits | 66.11 | 44.29 |
| Deposits with stock exchanges | 225.00 | 354.17 |
| Deposits with Professional clearing member | 1,000.00 | 1,000.00 |
| Other Financial assets | 102.59 | - |
| **Total** | **1,393.70** | **1,398.46** |

**Note 7 : Deferred tax assets (net)**

| Particulars | - | - |
|---|---|---|
| Deferred Tax Asset | 154.92 | 72.70 |
| Deferred Tax Liability | - | - |
| **Net Deferred Tax Asset** | 154.92 | **72.70** |
| **Total** | **154.92** | **72.70** |

**Note 8 : Property, Plant and Equipment**

| Particulars | - | - |
|---|---|---|
| Gross block | 1,118.04 | 749.54 |
| Add:Net addition during the year | 52.01 | 368.50 |
| Less: Accumulated Depreciation | 530.76 | 342.91 |
| **Net Block** | **639.29** | **775.13** |
| **Total** | **639.29** | **775.13** |

**Note 9 : Capital work in progress**

| Particulars | - | - |
|---|---|---|
| Gross carrying value | - | - |
| Add:Net addition during the year | 9.65 | - |
| Less: Capitalised | | |
| **Net carrying value** | **9.65** | - |
| **Total** | **9.65** | - |

**Note 10 : Other Intangible assets**

| Particulars | - | - |
|---|---|---|
| Gross block | 18.85 | 16.15 |
| Add:Net addition during the year | 17.62 | 2.70 |
| Less: Amortisation | 18.47 | 11.75 |
| **Net Block** | **18.01** | **7.10** |
| **Total** | **18.01** | **7.10** |

**Note 11 : Other non-financial assets**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| Busniess Transfer Receivable | - | 138.13 |
| Prepaid Expenses | 92.82 | 60.12 |
| Advance to vendors | 46.37 | 21.47 |
| Others | 0.02 | 1.09 |
| **Total** | **139.22** | **220.80** |

**Note 12 : Trade payables**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| Total outstanding dues other than micro enterprises and small enterprises | | |
| - Clients | 4,381.81 | 10,864.62 |
| - Others | 188.15 | 14.60 |
| | **4,569.96** | **10,879.22** |
| **Total** | **4,569.96** | **10,879.22** |

**Note 13 : Borrowings**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| **Unsecured carried at amortized cost:** | | |
| Loans from Holding company | 2,137.89 | - |
| Loans from related party | 5.06 | 1,039.99 |
| **Secured carried at amortized cost:** | | |
| Bank Overdraft | - | 2,273.50 |
| **Total** | **2,142.95** | **3,313.49** |

**Note 14 : Deposits**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| **At amortized cost:** | | |
| Security deposits | 53.59 | 46.53 |
| **Total** | **53.59** | **46.53** |

**Note 15 : Other financial liabilities**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| Employee expenses payable | 646.43 | 522.42 |
| Provision for expenses | 495.32 | 137.59 |
| Lease liability | 335.95 | 409.27 |
| **Total** | **1,477.69** | **1,069.29** |

**Note 16 : Current tax liabilities (net)**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| Provision for Income tax (net) | 411.68 | 243.86 |
| **Total** | **411.68** | **243.86** |

**Note 17 : Provisions**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| **Provision for employee benefits** | | |
| Provision for gratuity | 81.25 | 81.24 |
| **Total** | **81.25** | **81.24** |

**Note 18 : Other non-financial liabilities**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| Statutory dues payable | 37.98 | 841.56 |
| **Total** | **37.98** | **841.56** |

**Note 19 : Equity share capital**

| Particulars | As at 28 February 2025 | | As at 31 March 2024 | |
|---|---|---|---|---|
| | Number | Amount | Number | Amount |
| **Authorized capital [Refer Note 'e' below]** | | | | |
| Equity shares of INR 10/- each | 5,00,00,000 | 5,000.00 | 5,00,00,000 | 5,000.00 |
| | **5,00,00,000** | **5,000.00** | **5,00,00,000** | **5,000.00** |
| **Issued, subscribed and paid up capital** | | | | |
| Equity shares of INR 10/- each, fully paid-up* | 4,85,00,000 | 4,850.00 | 4,85,00,000 | 4,850.00 |
| **Total issued, subscribed and paid-up share capital** | **4,85,00,000** | **4,850.00** | **4,85,00,000** | **4,850.00** |

**Note 20 : Other equity**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| **Retained earnings** | | |
| Opening balance | 3,796.77 | (16.54) |
| Profit / (loss) after tax for the year | 5,024.87 | 3,831.86 |
| Other comprehensive income for the year, net of income tax | - | (18.54) |
| **Closing Balance** | **8,821.63** | **3,796.77** |
| **Total** | **8,821.63** | **3,796.77** |

**Note 21 : Interest income**

| Particulars | For the period ended 28 February 2025 | Year ended 31 March 2024 |
|---|---|---|
| **On financial assets measured at amortised cost:** | | |
| - Interest on loans | 76.52 | 17.77 |
| - Interest on deposits with banks | 184.81 | 119.49 |
| - Interest on customer balances | 780.52 | 434.41 |
| - Interest on balances with PCM | 211.86 | 190.00 |
| - Interest on unwinding of security deposits | 3.17 | 5.15 |
| **On financial assets measured at FVTPL:** | | |
| - Interest on G-Sec | 50.80 | 75.65 |
| - Interest on non-convertible debentures | 17.11 | - |
| **Total** | **1,324.79** | **842.47** |

**Note 22 : Fees and commission income**

| Particulars | For the period ended 28 February 2025 | Year ended 31 March 2024 |
|---|---|---|
| Brokerage income | 6,603.71 | 4,527.06 |
| Management fees from PMS | 197.60 | 82.89 |
| Fees and Advisory income | 5,191.61 | 5,528.95 |
| **Total** | **11,992.92** | **10,138.90** |

**Note 23 : Net gain on fair value changes**

| Particulars | For the period ended 28 February 2025 | Year ended 31 March 2024 |
|---|---|---|
| **Net gain/loss on financial instruments at fair value through profit or loss** | | |
| - Investments in Mutual Funds | 69.66 | 20.43 |
| - Investments in non-convertible debentures | 19.68 | 10.08 |
| - Investments in Gsec | 125.46 | (27.28) |
| **Total** | **214.81** | **3.23** |

**Note 24 : Other income**

| Particulars | For the period ended 28 February 2025 | Year ended 31 March 2024 |
|---|---|---|
| Reimbursement income | 64.00 | 47.84 |
| Interest on income tax refund | - | 7.39 |
| Others | 43.49 | 0.03 |
| **Total** | **107.49** | **55.26** |

**Note 25 : Finance cost**

| Particulars | For the period ended 28 February 2025 | Year ended 31 March 2024 |
|---|---|---|
| **On financials liabilities measured at amortised cost:** | | |
| Interest expense on Lease Liability | 28.43 | (10.42) |
| Interest expense on borrowings | 155.47 | 251.14 |
| Interest expense on PCM balance | 487.79 | 349.57 |
| Bank Guarantee and commission charges | 74.14 | 51.94 |
| **Total** | **745.82** | **642.22** |

**Note 26 : Fees and commission expense**

| Particulars | For the period ended 28 February 2025 | Year ended 31 March 2024 |
|---|---|---|
| Referral fee expense | 161.55 | 146.19 |
| Others | - | 116.16 |
| **Total** | **161.55** | **262.35** |

**Note 27 : Employee benefit expenses**

| Particulars | For the period ended 28 February 2025 | Year ended 31 March 2024 |
|---|---|---|
| Salaries, wages and bonus | 3,077.17 | 2,805.40 |
| Contribution to provident and other funds | 52.03 | 52.27 |
| Gratuity expenses | - | 27.51 |
| Staff welfare expenses | 39.14 | 22.98 |
| **Total** | **3,168.34** | **2,908.17** |

**Note 28 : Other expenses**

| Particulars | For the period ended 28 February 2025 | Year ended 31 March 2024 |
|---|---|---|
| Rent | 10.45 | 16.93 |
| Communication cost | 22.44 | 23.77 |
| CSR donation | 39.00 | - |
| Travelling and conveyance | 11.31 | 12.88 |
| Impairment on financial Instrument | - | 7.32 |
| Lease line & connectivity | 10.93 | 16.90 |
| Stock exchange and PCM charges | 19.68 | 73.24 |
| Legal, professional and consultancy charges | 1,849.43 | 1,319.89 |
| Membership and Subscription | 12.70 | 9.50 |
| IT expenses | 562.86 | 480.40 |
| Manpower support services | 18.20 | 9.85 |
| Rates and taxes | 10.38 | 9.30 |
| Payment to auditors | 10.35 | 10.69 |
| Advertisement, publicity and sales promotion expenses | 1.03 | 6.89 |
| Office expenses | 19.60 | 31.73 |
| Recruitment fees | 3.11 | - |
| GST Reversal | 35.55 | 1.88 |
| Stamp duty & filing fees | 3.63 | 9.46 |
| Loss on Sale of Fixed Assets | - | 0.66 |
| Miscellaneous expenses | 9.62 | 29.73 |
| **Total** | **2,650.27** | **2,071.01** |

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel : +91 22 6819 8000

## INDEPENDENT AUDITOR'S REPORT

To the Members of InCred Research Services Private Limited

### Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of InCred Research Services Private Limited ("the Company"), which comprise the Balance sheet as at March 31 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("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 March 31, 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 of the financial statements in accordance with the Standards on Auditing (SAs), as 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 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 financial statements under the provisions of the Act 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 audit opinion on the financial statements.

### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report but does not include the financial statements and our auditor's report thereon. The Director's Report is expected to be made available to us after the date of this audit report.

Our opinion on the financial statements does not cover the Director's Report 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 identified when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the Directors Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### Responsibility of Management and Those Charged with Governance for the 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 of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, 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

S

Companies (Indian Accounting Standards) Rules, 2015, as amended, specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company 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 the 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.

In preparing the 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.

Those Charged with Governance are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the 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 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 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

5

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 them 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 of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" 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, to the extent applicable, 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 Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended, specified under section 133 of the Act;

   (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) This report does not include Report on the internal financial controls under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Report on internal financial controls'), since in our opinion and according to the information and explanation given to us, the said report on internal financial controls is not applicable to the Company basis the exemption available to the Company under MCA notification no. G.S.R. 583(E) dated June 13, 2017, read with corrigendum dated July 13, 2017 on reporting on internal financial controls with reference to financial statements;

   (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 Company does not have any pending litigations which would impact its financial position;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 36 (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 36 (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 such audit procedures performed that have been 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 (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

vi. Based on our examination which included test checks, 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 (refer Note 39 to the financial statements). Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

**For S.R. Batliboi & Associates LLP**
Chartered Accountants
**ICAI Firm Registration Number: 101049W/E300004**

Sarvesh Warty

**per Sarvesh Warty**
Partner
Membership Number: 121411
UDIN: 24121411BKFRRH1640

Place: Mumbai
Date: July 08, 2024

**ANNEXURE '1' REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF INCRED RESEARCH SERVICES PRIVATE LIMITED**

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

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

(B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) All Property, Plant and Equipment were physically verified by the management in the previous year in accordance with a planned program of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets.

(c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 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) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

iii. (a) During the year the Company has provided loans, advances in the nature of loans to companies or any other parties as follows:

| Particulars | Advance in nature of loans |
|---|---|
| Aggregate amount granted/ provided during the year | Rs. 6,497.50 lakhs |
| - Subsidiaries<br>- Joint Ventures<br>- Associates<br>- Others | Nil<br>Nil<br>Nil<br>Rs. 6,497.50 lakhs |
| Balance outstanding as at balance sheet date in respect of above cases<br>- Subsidiaries<br>- Joint Ventures<br>- Associates<br>- Others | <br>Nil<br>Nil<br>Nil<br>Rs. 6,000.00 lakhs |

5

(b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirements to report on clause 3(iii)(b) of the Order is not applicable to the Company.

(c) The Company has granted advance in the nature of loans during the year to companies where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.

(d) There are no amounts of loans and advances in the nature of loans granted to companies or any other parties which are overdue for more than ninety days.

(e) There were no loans or advance in the nature of loan granted to companies, or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) As disclosed in note 9 to the financial statements, the Company has granted loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies or any other parties. Of these following are the details of the aggregate amount of loans or advances in the nature of loans granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013:

| Particulars | Related Party |
|---|---|
| Aggregate amount of loans / advances in nature of loans<br>- Repayable on demand | Rs. 6,000.00 lakhs |
| Percentage of loans / advances in nature of loans to the total loans | 100% |

iv. There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

v. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

vi. The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the services of the Company.

vii. (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, service tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, service tax, cess, and other statutory dues which have not been deposited on account of any dispute.

viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

S

ix. a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

x. (a) The Company has not raised any money during the year by way of initial public offer/further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) No material fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

xii. The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order is not applicable to the Company.

xiii. Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.

xiv. (a) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(a) of the Order is not applicable to the Company.

(b) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(b) of the Order is not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred cash losses in the current financial year. The Company has not incurred cash losses in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

xix. On the basis of the financial ratios disclosed in note 35 to the 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 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. (a) There are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section (5) of section 135 of the Act. This matter has been disclosed in note 40 (b) to the financial statements.

(b) There are no unspent amounts that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 40 (b) to the financial statements.

**For S.R. Batliboi & Associates LLP**
Chartered Accountants
**ICAI Firm Registration Number: 101049W/E300004**

Sarvesh Warty

**per Sarvesh Warty**
Partner
Membership Number: 121411
UDIN: 24121411BKFRRH1640

Place: Mumbai
Date: July 08, 2024

SRBO/C

**InCred Research Services Private Limited**
CIN: U74999MH2016PTC287535
**Balance Sheet as at 31 March 2024**
(All amounts in INR Lakhs, unless otherwise stated)

| Particulars | Note No. | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|---|
| **A. ASSETS** | | | |
| **1. Non-current assets** | | | |
| (a) Property, plant and equipment | 3 | 7.95 | 3.90 |
| (b) Intangible assets | 4 | 28.58 | 43.79 |
| (c) Deferred tax assets (net) | 25 | - | 113.42 |
| (d) Other Non Current Assets | 5 | 3.25 | - |
| **Total Non-Current Assets** | | 39.78 | 161.11 |
| **2. Current assets** | | | |
| (a) Financial assets | | | |
| Investments | 6 | 812.90 | 403.63 |
| Trade receivables | 7 | 11.85 | 574.59 |
| Cash and cash equivalents | 8 | 174.81 | 12.16 |
| Loans | 9 | 5,986.67 | 402.51 |
| (b) Current tax assets (net) | 10 | 105.56 | 45.06 |
| (c) Other current assets | 11 | 54.31 | 132.01 |
| **Total Current Assets** | | 7,146.10 | 1,569.96 |
| **Total Assets** | | 7,185.88 | 1,731.07 |
| **B. EQUITY AND LIABILITIES** | | | |
| **1. Equity** | | | |
| (a) Equity share capital | 12 | 1,826.00 | 1,826.00 |
| (b) Other equity | 13 | 250.04 | (339.54) |
| **Total Equity** | | 2,076.04 | 1,486.46 |
| **2. Liabilities** | | | |
| **2.1 Non-current liabilities** | | | |
| (a) Provisions | 14 | 14.40 | 9.42 |
| (b) Deferred Tax Liability (Net) | 25 | 57.50 | - |
| **Total non-current liabilities** | | 71.90 | 9.42 |
| **2.2 Current liabilities** | | | |
| (a) Financial liabilities | | | |
| Borrowings | 15 | 4,810.94 | 25.01 |
| Trade payables | 16 | | |
| (i) total outstanding dues of micro and small enterprises | | - | - |
| (ii) total outstanding dues other than micro and small enterprises | | 27.47 | 96.36 |
| Other current financial liabilities | 17 | 102.30 | 48.91 |
| (b) Other current liabilities | 18 | 97.14 | 64.85 |
| (c) Provisions | 19 | 0.09 | 0.06 |
| **Total current liabilities** | | 5,037.94 | 235.19 |
| **Total Liabilities** | | 5,109.84 | 244.61 |
| **Total Equity and Liabilities** | | 7,185.88 | 1,731.07 |

The accompanying notes are an integral part of the financial statements Note 1 & 2

As per our report of even date.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Sarvesh Warty

**per Sarvesh Warty**
Partner
Membership No: 121411

**Place :** Mumbai
**Date : 08 July 2024**

S.R. BATLIBOI & ASSOCIATES LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

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

**Nitin Subramanya Rao**
Director
DIN - 08108320

**Place :** Mumbai
**Date : 08 July 2024**

**Prateek Indwar**
Director
DIN - 08548077

**Place :** Mumbai
**Date : 08 July 2024**

**Rakesh Postandel**
Company Secretary
Mem No. - A64419
**Place :** Mumbai
**Date : 08 July 2024**

INCRED RESEARCH SERVICES PRIVATE LIMITED

SR

InCred Research Services Private Limited
CIN: U74999MH2016PTC287535
Statement of Profit and Loss for the year ended 31 March 2024
(All amounts in INR Lakhs, unless otherwise stated)

| Particulars | Note No. | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|---|
| **(I) INCOME** | | | |
| (i) Revenue from operations | 20 | 1,255.91 | 584.23 |
| (ii) Other income | 21 | 956.86 | 2,054.60 |
| **Total income (I = i + ii)** | | 2,212.77 | 2,638.83 |
| **(II) EXPENSES** | | | |
| (i) Employee benefits expenses | 22 | 1,127.65 | 838.75 |
| (ii) Finance cost | 23 | 64.02 | 53.78 |
| (iii) Depreciation, amortization and impairment | 3 & 4 | 17.96 | 15.93 |
| (iv) Other expenses | 24 | 220.12 | 458.77 |
| **Total expenses (II = i + ii + iii + iv)** | | 1,429.75 | 1,367.23 |
| **(III) Profit/(loss) before tax ( III= I - II)** | | 783.02 | 1,271.60 |
| **(IV) Tax expense:** | 25 | | |
| (i) Current Tax | | 24.25 | - |
| (ii) Previous year tax adjustment | | 0.00 | - |
| (iii) Deferred tax expense / (Income) | | 170.49 | 317.35 |
| **Total tax expense (IV = i + ii + iii)** | | 194.74 | 317.35 |
| **(V) Profit / (loss) for the year (V = III - IV)** | | 588.28 | 954.25 |
| **(VI) Other comprehensive income** | | | |
| (i) Items that will not be reclassified to profit or loss | | 1.73 | (1.19) |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | 25 | (0.43) | 0.30 |
| **Total other comprehensive income (VI = i + ii)** | | 1.30 | (0.89) |
| **(VII) Total comprehensive income for the year (VII = V + VI)** | | 589.58 | 953.36 |
| **(VIII Earnings per equity share (EPS)** | 26 | | |
| **(Face value of Rs. 10 each)** | | | |
| Basic (INR) | | 3.22 | 5.23 |
| Diluted (INR) | | 3.22 | 5.23 |

The accompanying notes are an integral part of the financial statements

Note 1 & 2

As per our report of even date.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Sarvesh Warty

**per Sarvesh Warty**
Partner
Membership No: 121411

Place : Mumbai
**Date : 08 July 2024**

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

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

N t Rao

**Nitin Subramanya Rao**
Director
DIN - 08108320

Place : Mumbai
**Date : 08 July 2024**

**Prateek Indwar**
Director
DIN - 08548077

Place : Mumbai
**Date : 08 July 2024**

**Rakesh Postandel**
Company Secretary
Mem No. - A64419
Place : Mumbai
**Date : 08 July 2024**

INCRED RESEARCH SERVICES PRIVATE LIMITED

SR

**InCred Research Services Private Limited**
CIN: U74999MH2016PTC287535
**Cash Flow Statement for the year ended 31 March 2024**
(All amounts in INR Lakhs, unless otherwise stated)

| Particulars | | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|---|
| **A. Cash flow from operating activities** | | | |
| **Profit / (loss) before tax** | | 783.02 | 1,271.60 |
| **Adjustments for non-cash/non-operating items:** | | | |
| Depreciation and amortisation | | 17.96 | 15.93 |
| Interest Income on Loans | | (41.14) | (5.75) |
| Gains on Investments | | (910.29) | (2,043.57) |
| Allowance for impairment | | 37.46 | 3.88 |
| Interest on borrowings | | 64.02 | 53.78 |
| **Operating cash flow before working capital changes** | | (48.97) | (704.13) |
| **Changes in working capital:** | | | |
| **Adjustments for decrease / (increase) in operating assets:** | | | |
| Decrease / (Increase) in trade receivables | | 565.04 | (468.08) |
| Decrease / (Increase) in other current assets | | 57.12 | (55.76) |
| **Adjustments for increase / (decrease) in operating liabilities:** | | | |
| Increase / (Decrease) in non-current provisions | | 6.71 | 4.16 |
| Increase / (Decrease) in trade payables | | (68.89) | (77.14) |
| Increase / (Decrease) in other financial liabilities | | 53.39 | 43.76 |
| Increase / (Decrease) in other current liabilities | | 32.28 | 35.35 |
| Increase / (Decrease) in current provisions | | 0.04 | 0.03 |
| **Cash generated from (used in) operations** | | 596.72 | (1,221.81) |
| Income taxes paid | | (84.75) | 4.15 |
| **Net cash generated from / (used in) operating activities** | (A) | 511.97 | (1,217.66) |
| **B. Cash flow from investing activities** | | | |
| Purchase of property, plant and equipment | | (6.80) | (2.64) |
| Purchase of intangible assets | | - | (2.30) |
| Intangible assets under development | | - | 1.15 |
| Decrease / (Increase) in Loans | | (5,606.58) | (402.51) |
| Interest Income on Loans | | 41.14 | 5.75 |
| Purchase of Investments | | (15,273.37) | (14,146.37) |
| Sale Proceeds of Investments | | 15,774.38 | 15,786.31 |
| Fixed deposits | | - | 1.60 |
| **Net cash generated from (used in) investing activities** | (B) | (5,071.23) | 1,240.99 |
| **C. Cash Flow from financing activities** | | | |
| Borrowings taken | | 8,743.49 | 4,336.00 |
| Borrowings repaid | | (3,968.49) | (4,323.16) |
| Interest expense | | (53.09) | (53.77) |
| **Net cash generated from / (used in) financing activities** | (C) | 4,721.91 | (40.93) |
| **Net increase / (decrease) in cash and cash equivalents** | (A + B + C) | 162.65 | (17.60) |
| Cash and cash equivalents at the beginning of the year | | 12.16 | 29.76 |
| **Cash and cash equivalents at the end of the year [Note 1 below]** | | 174.81 | 12.16 |
| **Net Increase / (decrease) in cash and cash equivalents during the year** | | 162.65 | (17.60) |
| **Notes to Cash flow statement:** | | | |
| **1.** Components of cash and cash equivalents: **[Refer Note No. 8]** | | | |
| Cash on hand | | - | - |
| Balances with bank | | | |
| - in current accounts | | 174.81 | 12.16 |
| | | 174.81 | 12.16 |

**2.** The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow

The accompanying notes are an integral part of the financial statements

Note 1 & 2

As per our report of even date.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Sarvesh Warty.

**per Sarvesh Warty**
Partner
Membership No: 121411

Place : Mumbai
**Date : 08 July 2024**

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

**Nitin Subramanya Rao**
Director
DIN - 08108320

Place : Mumbai
**Date : 08 July 2024**

**Prateek Indwar**
Director
DIN - 08548077

Place : Mumbai
**Date : 08 July 2024**

**Rakesh Postandel**
Company Secretary
Mem No. - A64419
Place : Mumbai
**Date : 08 July 2024**

S.R. BATLIBOI & ASSOCIATES LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

INCRED RESEARCH SERVICES PRIVATE LIMITED

SR

**InCred Research Services Private Limited**
CIN: U74999MH2016PTC287535
**Statement of Changes in Equity for the year ended 31 March 2024**
(All amounts in INR Lakhs, unless otherwise stated)

**A. Equity share capital [Refer Note No. 12]**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Equity shares of INR 10 each issued, subscribed and fully paid-up** | | |
| **Balance as at the beginning of the year** | 1,826.00 | 1,826.00 |
| Changes in equity share capital during the year | - | - |
| **Balance as at the end of the year** | 1,826.00 | 1,826.00 |

**B. Other equity**

| Particulars | Reserves and Surplus: Retained earnings [Refer Note No 13] | Total other equity |
|---|---|---|
| **Balance at 31 March 2022** | (1,292.90) | (1,292.90) |
| Profit / (loss) for the year | 954.25 | 954.25 |
| Other comprehensive income for the year, net of income tax | (0.89) | (0.89) |
| **Total comprehensive income for the year, net of income tax** | 953.36 | 953.36 |
| **Balance at 31 March 2023** | (339.54) | (339.54) |
| Profit / (loss) for the year | 588.28 | 588.28 |
| Other comprehensive income for the year, net of income tax | 1.30 | 1.30 |
| **Total comprehensive income for the year, net of income tax** | 589.58 | 589.58 |
| **Balance at 31 March 2024** | 250.04 | 250.04 |

The accompanying notes are an integral part of the financial statements — Note 1 & 2

As per our report of even date.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Sarvesh Warty.

**per Sarvesh Warty**
Partner
Membership No: 121411

Place : Mumbai
**Date : 08 July 2024**

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

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

**Nitin Subramanya Rao**
Director
DIN - 08108320

Place : Mumbai
**Date : 08 July 2024**

**Prateek Indwar**
Director
DIN - 08548077

Place : Mumbai
**Date : 08 July 2024**

**Rakesh Postandel**
Company Secretary
Mem No. - A64419
Place : Mumbai
**Date : 08 July 2024**

INCRED RESEARCH SERVICES PRIVATE LIMITED

SR

Note 1 : General information

1.1. Corporate information

InCred Research Services Private Limited ('Company') was incorporated in India under the provision of Companies Act, 2013 vide Certificate of Incorporation dated 09 November 2016 issued by the Registrar of Companies, Mumbai.

The Company is engaged in the business of research, consultancy and to act as advisors relating to personnel, industrial business management, distribution, marketing and selling and to collect, prepare and distribute information and statistics, relating to any type of business or industry and generally to act as market business research consultants and to act as a research analyst. The company is also engaged in Investing and disinvesting of securities for efficient management of treasury.

The Company is registered as a Research Analyst bearing SEBI Registration number: INH000011024.

The registered office of the Company is 1203-A,12th Floor, B Wing, The Capital, Plot No.C-70 G Block, Bandra Kurla Complex, Bandra (E) Mumbai - 400051.

1.2. Basis of preparation

A. Compliance with Ind AS

The financial statements of the Company comply in all material aspects with the Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 (the Act) Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Act.

These financial statements are approved for issue by the Board of Directors on 08 July 2024

B. Functional and presentation currency
The 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 stated.

C. Basis of measurement

The 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 (FVTPL & FVOCI)/amortised cost
(ii) Net defined benefit asset / liability - plan assets are measured at fair value less present value of defined benefit obligation

D. Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires that management make estimates, judgments and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities as at the date of financial statements, reported amount of revenues and expenses for the reporting period. The actual results could differ from these estimates. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

The Company makes certain estimates and judgments 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 financial statements are prudent and reasonable.

Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Significant estimates:-

Determination of the estimated useful lives of tangible assets

Useful lives of property, plant and equipment are taken as prescribed in Schedule II of the Act. In cases, where the useful lives are different from that prescribed in Schedule II and in case of intangible assets, they are estimated by management based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

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.

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.

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS



INCRED RESEARCH SERVICES PRIVATE LIMITED

E. Current / Non-current classification of assets and liabilities
All assets and liabilities are classified into current and non-current basis the residual maturity/liquidity.

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.

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.

F. Presentation of financial statements

The financial statements of the Company are presented as per Schedule III ('Division II') of the Companies Act, 2013 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 Balance sheet and Statement of Profit and Loss, as prescribed in the Schedule III of the Companies Act, 2013 are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards to the extent applicable.

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.

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

INCRED RESEARCH SERVICES PRIVATE LIMITED

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 are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets. The Company classifies its financial assets in the following measurement categories:

**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:

**(i) 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. However the gains and losses resulting from fluctuations in fair value are not recognized for financials assets classified in this category.

**(ii) 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 Statement of Profit and Loss.

D. Classification of financial liabilities:
Financial liabilities are classified and measured at amortised cost. For trade and other payable the carrying amount approximates the fair value due to short maturity of these instruments.

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. Derecognition of financial assets and financial liabilities

**(i) Financial assets:**

The Company 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 to receive the contractual cash flows in a transaction in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the asset.

If the Company 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.

**(ii) 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.

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

INCRED RESEARCH SERVICES PRIVATE LIMITED

H. 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. The company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. At each reporting date, the company assesses whether the loans have been impaired. The company is exposed to credit risk when the customer defaults on his contractual obligations. For the computation of ECL, the loan receivables are classified into three stages based on the default and the aging of the outstanding. If the amount of an impairment loss decreases in a subsequent period, and the decrease can be related objectively to an event occurring after the impairment was recognised, the excess is written back by reducing the loan impairment allowance account accordingly. The write-back is recognised in the statement of profit and loss. The company recognises life time expected credit loss for trade receivables and has adopted the simplified method of computation as per Ind AS 109. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

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.

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 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. 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.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other financial 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 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 cost is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

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 is provided on straight-line basis as per the useful life given under 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 estimated by the management and corresponding depreciation rates for the different category of assets recognised in the books are as under:

| Asset Group | Useful life estimated by the management (years) |
|---|---|
| Computers | 3 |

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 prospectively. 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.

**2.5. 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.

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

INCRED RESEARCH SERVICES PRIVATE LIMITED

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.

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

**2.6. 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 an item recognised directly in equity or in other comprehensive income ('OCI'), in which case the tax effect is recognised in equity or OCI. Income tax payable on profits is based on the applicable tax laws in each tax jurisdiction and is recognised as an expense in the period in which profit arises.

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 liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised, for all deductible temporary differences, to the extent it is probable that future taxable profits will be available against which deductible temporary differences can be utilised. 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 be applied in the year in which 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 tax effects of income tax losses, available for carry forward, are recognised as deferred tax asset, when it is probable that future taxable profits will be available against which these losses can be set-off.

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.

**2.7. Revenue from operations**

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115, Revenue from contracts with customers, outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognised revenue from various activities as follows:

**Step 1: Identify contract(s) with a customer:** A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
**Step 2: Identify performance obligations in the contract:** A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
**Step 3: Determine the transaction price:** The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
**Step 4: Allocate the transaction price to the performance obligations in the contract:** For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.
**Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.**

**The Company recognises revenue from the Research services as follows:**

- Operational revenue represents income earned from the activities related to research business and is recognized when the right to receive the income is established as per the terms of the contract.

**2.8. Earnings 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.

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

SR

INCRED RESEARCH SERVICES PRIVATE LIMITED

**2.9. 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.

C. Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. The Company assesses its obligations arising in the normal course of business, including pending litigations, proceedings pending with tax authorities and other contracts including derivative and long term contracts periodically and ensures that appropriate treatment has been made as required under Ind AS.

D. Contingent assets

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.

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

**2.10. Foreign Exchange Transactions**

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional and the presentation 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 closing 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 on monetary items are recognised in Statement of Profit and Loss.

**2.11. 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.

**2.12. 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 financial statements are approved for issue.

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

**2.13. 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 financial statements

**2.14. 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 - Provident Fund

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.

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

SR

INCRED RESEARCH SERVICES PRIVATE LIMITED

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.

**2.15 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.

**2.16. Borrowing costs**

Borrowing costs include interest expense 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.

S.R. BATLIBOI & ASSOCIATES LLP
MUMBAI
CHARTERED ACCOUNTANTS

SR

INCRED RESEARCH SERVICES PRIVATE LIMITED

**Note 3 : Property, plant and equipment**

| Particulars | Computers |
|---|---|
| **Gross carrying amount:** | |
| **As at 31 March 2022** | 3.39 |
| Additions during the year | 2.64 |
| Deletion / Disposals during the year | - |
| **As at 31 March 2023** | 6.03 |
| Additions during the year | 6.80 |
| Deletion / Disposals during the year | (0.47) |
| Transfers | 0.47 |
| **As at 31 March 2024** | 12.83 |
| **Accumulated depreciation:** | |
| **As at 31 March 2022** | 0.76 |
| Depreciation charge for the year | 1.37 |
| Accumulated depreciation on disposals during the year | - |
| **As at 31 March 2023** | 2.13 |
| Depreciation charge for the year | 2.75 |
| Accumulated depreciation on disposals during the year | (0.47) |
| Transfers | 0.47 |
| **As at 31 March 2024** | 4.88 |
| **Net carrying amount:** | |
| **As at 31 March 2023** | 3.90 |
| **As at 31 March 2024** | 7.95 |

**Note 4 : Intangible assets**

| Particulars | Software | Website | Total |
|---|---|---|---|
| **Gross carrying amount:** | | | |
| **As at 31 March 2022** | 72.00 | - | 72.00 |
| Additions during the year | - | 2.30 | 2.30 |
| Deletion / Disposals during the year | - | - | - |
| **As at 31 March 2023** | 72.00 | 2.30 | 74.30 |
| Additions during the year | - | - | - |
| Deletion / Disposals during the year | - | - | - |
| **As at 31 March 2024** | 72.00 | 2.30 | 74.30 |
| **Accumulated depreciation:** | | | |
| **As at 31 March 2022** | 15.95 | - | 15.95 |
| Depreciation charge for the year | 14.40 | 0.16 | 14.56 |
| Accumulated depreciation on disposals during the year | - | - | - |
| **As at 31 March 2023** | 30.35 | 0.16 | 30.51 |
| Depreciation charge for the year | 14.44 | 0.77 | 15.21 |
| Accumulated depreciation on disposals during the year | - | - | - |
| **As at 31 March 2024** | 44.79 | 0.93 | 45.72 |
| **Net carrying amount:** | | | |
| **As at 31 March 2023** | 41.65 | 2.14 | 43.79 |
| **As at 31 March 2024** | 27.21 | 1.37 | 28.58 |

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

SR

INCRED RESEARCH SERVICES PRIVATE LIMITED

**Note 5 : Other Non Current Assets**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Prepaid expenses | 3.25 | - |
| Total | 3.25 | - |

**Note 6 : Investments**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Unquoted | | |
| Equity shares | 812.90 | 403.63 |
| Total | 812.90 | 403.63 |
| Aggregate amount of unquoted investments | 812.90 | 403.63 |
| Aggregate amount of quoted investments | - | - |

**Note 7 : Trade receivables**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Unsecured, considered good** | | |
| from others | 11.85 | 0.90 |
| from related parties [Refer Note No. 31] | - | 576.00 |
| | 11.85 | 576.90 |
| Less: Allowance for impairment loss | - | (2.31) |
| Total | 11.85 | 574.59 |

As at 31 March 2024 :

| Particulars | Outstanding for following periods from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Unbilled | Less than 6 Months | 6 months - 1 year | 1 - 2 years | 2 -3 years | More than 3 years | Total |
| i) Undisputed Trade Receivabes - Consider good | 11.85 | - | - | - | - | - | 11.85 |
| ii) Undisputed Trade Receivabes - which have significant increase in credit risk | - | - | - | - | - | - | - |
| iii) Undisputed Trade Receivables - Credit impaired | - | - | - | - | - | - | - |
| iv) Disputed Trade Receivalbes - Considered goods | - | - | - | - | - | - | - |
| v) Disputed Trade Receivalbes - which have significant increase in credit risk | - | - | - | - | - | - | - |
| vi) Disputed Trade Receivalbes - Credit Impaired | - | - | - | - | - | - | - |
| Total | 11.85 | - | - | - | - | - | 11.85 |

As at 31 March 2023 :

| Particulars | Outstanding for following periods from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Unbilled | Less than 6 Months | 6 months - 1 year | 1 - 2 years | 2 -3 years | More than 3 years | Total |
| i) Undisputed Trade Receivabes - Consider good | 576.00 | 0.90 | - | - | - | - | 576.90 |
| ii) Undisputed Trade Receivabes - which have significant increase in credit risk | - | - | - | - | - | - | - |
| iii) Undisputed Trade Receivables - Credit impaired | - | - | - | - | - | - | - |
| iv) Disputed Trade Receivalbes - Considered goods | - | - | - | - | - | - | - |
| v) Disputed Trade Receivalbes - which have significant increase in credit risk | - | - | - | - | - | - | - |
| vi) Disputed Trade Receivalbes - Credit Impaired | - | - | - | - | - | - | - |
| Total | 576.00 | 0.90 | - | - | - | - | 576.90 |

S.R. BATLIBOI & ASSOCIATES LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

SR

INCRED RESEARCH SERVICES PRIVATE LIMITED ★

**Note 8 : Cash and cash equivalents**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Balances with banks: | | |
| - In current accounts | 174.81 | 12.16 |
| Total | 174.81 | 12.16 |

**Note 9 : Loans**

| Particulars | As at 31 March 2024 Amortized Cost | As at 31 March 2023 Amortized Cost |
|---|---|---|
| **(A) At amortised cost** | | |
| Loan to Related parties [Refer Note No. 31] | 6,010.71 | 404.13 |
| Loan to Others | - | - |
| | 6,010.71 | 404.13 |
| Less: Allowance for impairment loss | (24.04) | (1.62) |
| **Total - Net of impairment loss allowance (A)** | 5,986.67 | 402.51 |
| **(B) Details of security** | | |
| (i) Secured by tangible assets | - | - |
| (ii) Secured by intangible assets | - | - |
| (iii) Covered by bank/Govt Guarantee | - | - |
| (iv) Unsecured | 6,010.71 | 404.13 |
| **Total - Gross** | 6,010.71 | 404.13 |
| Less: Impairment loss allowance | (24.04) | (1.62) |
| **Total - Net of impairment loss allowance (B)** | 5,986.67 | 402.51 |
| **(C) (I) Loans in India** | | |
| (i) Public Sector | - | - |
| (ii) Others | 6,010.71 | 404.13 |
| **Total loans in India** | 6,010.71 | 404.13 |
| **(C) (II) Loans outside India** | | |
| (i) Public Sector | - | - |
| (ii) Others | - | - |
| **Total loans outside India** | - | - |
| **Total - Gross** | 6,010.71 | 404.13 |
| Less: Impairment loss allowance | (24.04) | (1.62) |
| **Total - Net of impairment loss allowance (C)** | 5,986.67 | 402.51 |

**Note 10 : Current tax assets (net)**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Income tax refundable (net of provision for income tax) | 105.56 | 45.06 |
| Total | 105.56 | 45.06 |

**Note 11 : Other current assets**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Unsecured, considered good** | | |
| **Advances other than capital advances:** | | |
| Advance to vendors | 35.19 | 24.32 |
| Less: Allowance for impairment loss | (17.34) | - |
| | 17.85 | 24.32 |
| **Others:** | | |
| Balance with government authorities (GST Receivable) | 5.26 | 90.86 |
| Prepaid expenses | 27.42 | 16.28 |
| Deposits | 3.00 | 0.55 |
| Others | 0.78 | - |
| Total | 54.31 | 132.01 |

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

SR

INCRED RESEARCH SERVICES PRIVATE LIMITED

**Note 12 : Equity share capital**

| Particulars | As at 31 March 2024 | | As at 31 March 2023 | |
|---|---|---|---|---|
| | Number | Amount | Number | Amount |
| **Authorized capital** | | | | |
| Equity shares of INR 10/- each | 1,90,00,000 | 1,900.00 | 1,90,00,000 | 1,900.00 |
| | 1,90,00,000 | 1,900.00 | 1,90,00,000 | 1,900.00 |
| **Issued, subscribed and paid up capital** | | | | |
| Equity shares of INR 10/- each, fully paid-up | 1,82,60,000 | 1,826.00 | 1,82,60,000 | 1,826.00 |
| **Total issued, subscribed and paid-up share capital** | 1,82,60,000 | 1,826.00 | 1,82,60,000 | 1,826.00 |

**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 capital of the Company held by the 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 by the shareholders at the ensuing 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 compulsory convertible preference shares, after distribution of all preferential amounts. The distribution shall be according to the members right and interest in the company.

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

| Particulars | As at 31 March 2024 | | As at 31 March 2023 | |
|---|---|---|---|---|
| | Number | Amount | Number | Amount |
| **Equity shares** | | | | |
| **At the beginning of the year** | 1,82,60,000 | 1,826.00 | 1,82,60,000 | 1,826.00 |
| Add: Shares issued during the year | - | - | - | - |
| Less: Bought back during the year | - | - | - | - |
| **Outstanding at the end of the year** | 1,82,60,000 | 1,826.00 | 1,82,60,000 | 1,826.00 |

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

| Name of the shareholder | As at 31 March 2024 | | As at 31 March 2023 | |
|---|---|---|---|---|
| | No. of shares held | % Holding | No. of shares held | % Holding |
| **Equity shares**[1 & 2] | | | | |
| InCred Capital Wealth Portfolio Managers Private Limited | 1,82,60,000 | 100% | 1,82,60,000 | 100.00% |

1. 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 both legal and beneficial ownerships of shares.

2. * 1 equity share is held by Kamlesh Dangi as nominee shareholder on behalf of InCred Capital Wealth Portfolio Managers Private Limited.

**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 31 March 2024 | | | As at 31 March 2023 | | |
|---|---|---|---|---|---|---|
| | No. of shares held | % of shares held | % Change during the year | No. of shares held | % of shares held | % Change during the year |
| InCred Capital Wealth Portfolio Managers Private Limited | 1,82,60,000 | 100% | 0% | 1,82,60,000 | 100% | 0% |



S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

INCRED RESEARCH SERVICES PRIVATE LIMITED

**Note 13 : Other equity**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Retained earnings** | | |
| Opening balance | (339.54) | (1,292.90) |
| Profit / (loss) after tax for the year | 588.28 | 954.25 |
| Other comprehensive income for the year, net of income tax | 1.30 | (0.89) |
| **Closing Balance** | 250.04 | (339.54) |
| **Total** | **250.04** | **(339.54)** |

**Note 14 : Provisions**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Provision for employee benefits** | | |
| Provision for gratuity | 14.40 | 9.42 |
| **Total** | **14.40** | **9.42** |

**Note 15 : Borrowings**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Unsecured carried at amortized cost:** | | |
| Loans from related parties * | 4,810.94 | 25.01 |
| **Total** | **4,810.94** | **25.01** |

***Loan is payable on demand bearing Interest Rate of 8.5% p.a**

**Note 16 : Trade payables**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Total outstanding dues of micro enterprises and small enterprises | | |
| **[Refer Note No. 28 for details of dues to micro and small enterprises]** | | |
| - Principal amount due | - | - |
| - Interest amount due | - | - |
| | - | - |
| Total outstanding dues other than micro enterprises and small enterprises | | |
| - from others | 27.47 | 95.74 |
| - from related parties **[Refer Note No. 31]** | - | 0.62 |
| | 27.47 | 96.36 |
| **Total** | **27.47** | **96.36** |

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

INCRED RESEARCH SERVICES PRIVATE LIMITED

SR

As at 31 March 2024

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|---|---|---|---|---|---|---|
| | Unbilled | Less than 1 year | 1 - 2 years | 2 -3 years | More than 3 years | Total |
| i) MSME | - | - | - | - | - | - |
| ii) Others | 27.44 | 0.03 | - | - | - | 27.47 |
| iii) Disputed dues – MSME | - | - | - | - | - | - |
| iv) Disputed dues - Others | - | - | - | - | - | - |
| Total | 27.44 | 0.03 | - | - | - | 27.47 |

As at 31 March 2023

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|---|---|---|---|---|---|---|
| | Unbilled | Less than 1 year | 1 - 2 years | 2 -3 years | More than 3 years | Total |
| i) MSME | - | - | - | - | - | - |
| ii) Others | 95.75 | 0.61 | - | - | - | 96.36 |
| iii) Disputed dues – MSME | - | - | - | - | - | - |
| iv) Disputed dues - Others | - | - | - | - | - | - |
| Total | 95.75 | 0.61 | - | - | - | 96.36 |

**Note 17 : Other current financial liabilities**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Employee Expenses payable (Provision for Bonus) | 102.30 | 48.91 |
| Total | 102.30 | 48.91 |

**Note 18 : Other current liabilities**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Statutory dues payable | 97.14 | 64.85 |
| Total | 97.14 | 64.85 |

**Note 19 : Provisions**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Provision for employee benefits | | |
| Provision for gratuity | 0.09 | 0.06 |
| Total | 0.09 | 0.06 |

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

INCRED RESEARCH SERVICES PRIVATE LIMITED

## Note 20 : Revenue from operations

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Research Income | 1,255.91 | 583.82 |
| Fee Income | - | 0.41 |
| **Total** | **1,255.91** | **584.23** |
| **Geographical Markets** | | |
| Within India | 1,248.81 | 576.51 |
| Outside India | 7.10 | 7.72 |
| **Total** | **1,255.91** | **584.23** |
| **Timing of revenue recognition** | | |
| Services transferred at a point in time | 1,255.91 | 584.23 |
| Services transferred over time | - | - |
| **Total** | **1,255.91** | **584.23** |

## Note 21 : Other income

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Profit on sale of investment (Unquoted) | 910.29 | 2,043.57 |
| **On financial assets measured at amortized cost:** | | |
| Interest on deposits with bank | - | 0.02 |
| Interest on loans | 41.14 | 5.75 |
| Interest on Income Tax Refund | 5.27 | 1.40 |
| Other income | 0.16 | 3.86 |
| **Total** | **956.86** | **2,054.60** |

## Note 22 : Employee benefits expenses

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Salaries, wages and bonus | 1,093.42 | 807.71 |
| Contribution to provident and other funds **[Refer Note No. 30]** | 17.49 | 18.28 |
| Gratuity expenses **[Refer Note No. 30]** | 6.00 | 4.18 |
| Staff welfare expenses | 10.74 | 8.58 |
| **Total** | **1,127.65** | **838.75** |

## Note 23 : Finance cost

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| **On financial liabilities measured at amortized cost:** | | |
| Interest expense on loans | 64.02 | 53.78 |
| **Total** | **64.02** | **53.78** |

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

SR

INCRED RESEARCH SERVICES PRIVATE LIMITED

Note 24 : Other expenses

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Rent | 34.64 | 12.72 |
| Allowance for impairment | 37.46 | 3.88 |
| Travelling and conveyance | 26.31 | 14.59 |
| Legal, professional and consultancy charges | 61.13 | 147.65 |
| Advertising and Business Promotion | 4.34 | 3.81 |
| Membership and subscription | 17.15 | 62.04 |
| Information technology expenses | 51.54 | 57.40 |
| Rates and taxes | 0.03 | 0.05 |
| Printing and stationery | 0.01 | 7.69 |
| Payment to auditors* | 5.24 | 6.21 |
| Office expenses | 1.90 | 0.63 |
| Interest on statutory dues | 0.08 | 0.82 |
| Recruitment fees | 1.50 | 6.20 |
| GST Reversal | 2.55 | 18.90 |
| Stamp duty & filing fees | 0.67 | 0.67 |
| Write Off Expense | 0.49 | - |
| Exchange differences | 0.70 | 0.59 |
| Miscelleanous Expenses | 0.18 | 0.67 |
| Referral Fees | (25.80) | 114.25 |
| Total | 220.12 | 458.77 |

* Payment to auditors:

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Auditor's remuneration | | |
| - Audit fees | 5.24 | 6.21 |
| Total | 5.24 | 6.21 |

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

INCRED RESEARCH SERVICES PRIVATE LIMITED

## Note 25 : Income Taxes

### 25.1 Income tax recognised in the Statement of Profit and Loss

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| **Current tax** | | |
| In respect of current period | 24.25 | - |
| Pertaining to earlier year | 0.00 | |
| | 24.25 | - |
| **Deferred tax expense/(income)** | 170.49 | 317.35 |
| **Total Income tax expense recognized in the current period** | 194.74 | 317.35 |

### 25.2 Reconciliation of income tax expense applicable to accounting profits / (loss) before tax at the statutory income tax rate to recognised income tax expense for the period indicated are as follows:

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| **Profit / (loss) before tax as per statement of profit and loss (A)** | 783.02 | 1,271.60 |
| **Statutory income tax rate applicable to the Company (B)** | 25.17% | 25.17% |
| **Income tax expense using the statutory income tax rate (C = A * B)** | 197.07 | 320.04 |
| **Tax effect of:** | | |
| Deferred tax - On opening balance of carry forward of loss | - | (3.57) |
| Amounts which are not deductible in calculating taxable income | (0.02) | 0.37 |
| Others | (2.31) | 0.51 |
| **Effective tax expense** | 194.74 | 317.35 |

### 25.3 Income tax recognized in other comprehensive income

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Items that will not be reclassified to profit or loss (A) | (1.73) | 1.19 |
| 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 (C = A * B)** | (0.43) | 0.30 |

### 25.4 Deferred tax

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

| Particulars | As at 31 March 2023 | Recognized in Profit & Loss | Recognized in OCI | As at 31 March 2024 |
|---|---|---|---|---|
| **Deferred tax assets:** | | | | |
| Carry forward of losses | 102.32 | (102.32) | - | - |
| Provision for gratuity | 2.38 | 1.70 | (0.43) | 3.65 |
| MTM on equity shares | - | (78.87) | - | (78.87) |
| Expected credit loss | 0.99 | 9.43 | - | 10.42 |
| Temporary disallowance | 8.53 | (1.62) | - | 6.91 |
| **Total deferred tax assets (A)** | 114.22 | (171.68) | (0.43) | (57.89) |
| **Deferred tax liabilities (B)** | | | | |
| Difference in WDV of property, plant & equipment as per Companies Act, 2013 and Income Tax Act, 1961 | (0.80) | 1.19 | - | 0.39 |
| **Net deferred tax assets (A - B)** | 113.42 | (170.49) | (0.43) | (57.50) |

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

| Particulars | As at 31 March 2022 | Recognized in Profit & Loss | Recognized in OCI | As at 31 March 2023 |
|---|---|---|---|---|
| **Deferred tax assets:** | | | | |
| Carry forward of losses | 429.83 | (327.51) | - | 102.32 |
| Provision for gratuity | 1.03 | 1.05 | 0.30 | 2.38 |
| Expected credit loss | 0.01 | 0.98 | - | 0.99 |
| Temporary disallowance | - | 8.53 | - | 8.53 |
| **Total deferred tax assets (A)** | 430.87 | (316.95) | 0.30 | 114.22 |
| **Deferred tax liabilities (B)** | | | | |
| Difference in WDV of property, plant & equipment as per Companies Act, 2013 and Income Tax Act, 1961 | (0.40) | (0.40) | - | (0.80) |
| **Net deferred tax assets (A - B)** | 430.47 | (317.35) | 0.30 | 113.42 |

25.5 Based on future business projections as assessed by the Company, deferred tax assets (net) on all timing differences (including accumulated tax losses) are recorded in the books of accounts.

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

SR

INCRED RESEARCH SERVICES PRIVATE LIMITED

**Note 26 : Earning per share (EPS)**

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

**i. Profit attributable to Equity shareholders**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Profit attributable to equity holders of the Company used in calculating basic & dilutive earnings per share | 588.28 | 954.25 |

**ii. Weighted average number of ordinary shares**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Weighted average number of equity shares used as the denominator in calculating basic & diluted earnings per share* | 1,82,60,000.00 | 1,82,60,000.00 |

** There are no potential dilutive shares in the Company.*

| | | |
|---|---|---|
| **Basic earnings per share** | 3.22 | 5.23 |
| **Diluted earnings per share** | 3.22 | 5.23 |

**Note 27 : Contingent liabilities and commitments**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Contingent Liability and Commitments | NIL | NIL |

**Note 28 : 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 29 : Disclosure relating to earnings and expenditure in foreign currency**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| **A. Expenditure in foreign currency** | | |
| Membership and Subscription Charges | - | 22.22 |
| | - | 22.22 |
| **B. Earnings in foreign currency** | | |
| Research Income | 7.10 | 7.72 |
| | 7.10 | 7.72 |

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

INCRED RESEARCH SERVICES PRIVATE LIMITED

## Note 30 : Employee benefits

### 30.1 Defined contribution plan

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

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Provident fund* | 17.49 | 18.28 |
| Total | 17.49 | 18.28 |

* Includes LWF

### 30.2 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 | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| **Change in benefit obligations** | | |
| Present value of benefit obligation at the beginning of the year | 9.47 | 4.10 |
| Interest cost | 0.68 | 0.21 |
| Current Service cost | 5.32 | 3.97 |
| Liability Transferred In/ Acquisitions | 0.75 | - |
| Actuarial (Gains) on obligations - due to change in demographic assumptions | (4.97) | - |
| Actuarial (Gains) on obligations - due to change in financial assumptions | 0.48 | (0.99) |
| Actuarial Losses on obligations - due to experience | 2.76 | 2.18 |
| Liability at the end of the year | 14.49 | 9.47 |

Amount recognized in the Balance Sheet:

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Present value of benefit obligation | (14.49) | (9.47) |
| Fair value of plan assets at the end of the period | - | - |
| Funded Status (Deficit) | (14.49) | (9.47) |
| Net (Liability) Recognized in the Balance Sheet | (14.49) | (9.47) |

Expenses recognized in the Statement of Profit and Loss:

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Current service cost | 5.32 | 3.97 |
| Net interest cost | 0.68 | 0.21 |
| Past service cost | - | - |
| Expected Contributions by the Employees | - | - |
| (Gains)/Losses on curtailments and settlements | - | - |
| Net effect of changes in foreign exchange rates | - | - |
| Expenses recognised | 6.00 | 4.18 |

Expenses recognized in the Other comprehensive income (OCI)

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Actuarial (Gains) on obligation for the period | (1.73) | 1.19 |
| Return on plan assets, excluding interest income | - | - |
| Net (Income) for the period recognized in OCI | (1.73) | 1.19 |

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

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Discount Rate | 7.11% | 7.20% |
| Salary escalation rate | 9.00% | 8.00% |
| Expected Rate of return on Plan Assets | NA | NA |
| Rate of Employee Turnover | 40.00% | 30.00% |
| Retirement Age | 60 years | 60 years |
| 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.

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

INCRED RESEARCH SERVICES PRIVATE LIMITED

**Balance sheet reconciliation**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Opening net liability | 9.47 | 4.10 |
| Expenses recognized in Statement of Profit and Loss | 6.00 | 4.18 |
| Expenses recognized in OCI | (1.73) | 1.19 |
| Net (Asset) Transfer In | 0.75 | - |
| Net (Liability)/Asset Transfer Out | - | - |
| Benefit Paid Directly by the Employer | - | - |
| Employer's Contribution | - | - |
| Net liability recognized in the Balance Sheet | 14.49 | 9.47 |

**Other details:**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Number of active members | 29.00 | 27.00 |
| Per month salary for active members | 30.88 | 29.88 |
| Average expected future service | 1.00 | 2.00 |
| Weighted average duration of the Projected Benefit Obligation | 4.00 | 5.00 |
| Defined Benefit Obligation (DBO) | 14.49 | 9.47 |
| DBO Non Vested Employees | 14.49 | 9.47 |
| DBO Vested Employees | - | - |
| Expected Contribution For Next Year (12 Months) | - | - |

**Cash Flow Projection:**
**Maturity analysis of the benefit payments: from the employer**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Projected benefits payable in future years from the date of reporting | | |
| 1st following year | 0.09 | 0.06 |
| 2nd following year | 1.57 | 0.05 |
| 3rd following year | 5.15 | 0.79 |
| 4th following year | 3.72 | 2.99 |
| 5th following year | 2.80 | 2.46 |
| Sum of years 6 To 10 | 4.67 | 5.73 |
| Sum of years 11 and above | 0.51 | 1.68 |

**Sensitivity analysis:**

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|---|---|
| Projected benefit obligation on current assumptions | 14.49 | 9.47 |
| Delta effect of +1% change in rate of discounting | (0.45) | (0.43) |
| Delta effect of -1% change in rate of discounting | 0.47 | 0.46 |
| Delta effect of +1% change in rate of salary increase | 0.46 | 0.46 |
| Delta effect of -1% change in rate of salary increase | (0.45) | (0.43) |
| Delta effect of +1% change in rate of employee turnover | (0.47) | (0.38) |
| Delta effect of -1% change in rate of employee turnover | 0.48 | 0.39 |

**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.

**30.3 Compensated Absences**
As per the revised policy of the company , the accumulated unavailed leave lapses as at 31 March 2024. Thus no liability has been determined for the current year in respect of compensated absences.

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

SR

INCRED RESEARCH SERVICES PRIVATE LIMITED

**Note 31 : 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 party |
|---|---|
| Key managerial personnel ('KMP') | Devesh Kumar (upto 04 May 2022)<br>Venkatesh Vishwanathan, Director (upto 28 December 2023)<br>Prateek Indwar (wef 28 December 2023)<br>Nitin Rao, Director<br>Kamlesh Dangi, Director of Holding Company<br>Rakesh Postandel, Company Secretary |
| Enterprise over which KMP is able to exercise significant influence | InCred Financial Services Limited<br>InCred Capital Financial Services Private Limited<br>InCred Wealth and Investment Services Private Limited<br>mValu Technology Services Private Limited<br>Alpha Fintech Private Limited |
| Holding Company | InCred Capital Wealth Portfolio Managers Private Limited |
| Ultimate Holding Company | InCred Wealth Private Limited |

**b. Transactions during the period with related parties :**

| Particulars | Holding Company & Ultimate Holding | | KMP | | Enterprise over which KMP is able to exercise significant influence | | Total | |
|---|---|---|---|---|---|---|---|---|
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| **Remuneration to KMP** | - | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | - | - |
| **Borrowings taken:** | | | | | | | | |
| InCred Capital Wealth Portfolio Managers Private Limited | 4,800.00 | - | - | - | - | - | 4,800.00 | - |
| InCred Wealth and Investment Services Private Limited | - | - | - | - | 2,981.49 | 3,088.00 | 2,981.49 | 3,088.00 |
| mValu Technology Services Private Limited | - | - | - | - | 962.00 | - | 962.00 | - |
| | 4,800.00 | - | - | - | 2,981.49 | 3,088.00 | 8,743.49 | 3,088.00 |
| **Borrowings repaid:** | | | | | | | | |
| InCred Wealth and Investment Services Private Limited | - | - | - | - | 3,006.49 | 3,063.00 | 3,006.49 | 3,063.00 |
| mValu Technology Services Private Limited | - | - | - | - | 962.00 | - | 962.00 | - |
| Devesh Kumar | - | - | - | 10.87 | - | - | - | 10.87 |
| | - | - | - | 10.87 | 3,968.49 | 3,063.00 | 3,968.49 | 3,073.87 |
| **Reimbursement of expenses:** | | | | | | | | |
| InCred Capital Wealth Portfolio Managers Private Limited | 27.57 | 10.69 | - | - | - | - | 27.57 | 10.69 |
| InCred Wealth and Investment Services Private Limited | - | - | - | - | - | 0.51 | - | 0.51 |
| InCred Capital Financial Services Private Limited | - | - | - | - | - | 6.38 | - | 6.38 |
| InCred Financial Services Limited | - | - | - | - | 7.07 | - | 7.07 | - |
| | 27.57 | 10.69 | - | - | 7.07 | 6.90 | 34.64 | 17.58 |



S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

INCRED RESEARCH SERVICES PRIVATE LIMITED

| Particulars | Holding Company & Ultimate Holding | | KMP | | Enterprise over which KMP is able to exercise significant influence | | Total | |
|---|---|---|---|---|---|---|---|---|
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| **Purchase of Investments :** | | | | | | | | |
| InCred Wealth Private Limited | - | 654.20 | - | - | - | - | - | 654.20 |
| InCred Wealth and Investment Services Private Limited | - | - | - | - | - | 8.65 | - | 8.65 |
| Kamlesh Dangi | - | - | 290.00 | - | - | - | 290.00 | - |
| | - | 654.20 | 290.00 | - | - | 8.65 | 290.00 | 662.85 |
| **Advances Given:** | | | | | | | | |
| InCred Wealth Private Limited | - | 1,000.00 | - | - | - | - | - | 1,000.00 |
| InCred Capital Financial Services Private Limited | - | - | - | - | 6,000.00 | - | 6,000.00 | - |
| | - | 1,000.00 | - | - | 6,000.00 | - | 6,000.00 | 1,000.00 |
| **Advances Repayment received:** | | | | | | | | |
| InCred Wealth Private Limited | 400.00 | 600.00 | - | - | - | - | 400.00 | 600.00 |
| | 400.00 | 600.00 | - | - | - | - | 400.00 | 600.00 |
| **DP & AMC Charges Expenses :** | | | | | | | | |
| InCred Capital Wealth Portfolio Managers Private Limited | - | 0.02 | - | - | - | - | - | 0.02 |
| | - | 0.02 | - | - | - | - | - | 0.02 |
| **Research Income:** | | | | | | | | |
| InCred Capital Wealth Portfolio Managers Private Limited | 1,247.85 | 576.00 | - | - | - | - | 1,247.85 | 576.00 |
| | 1,247.85 | 576.00 | - | - | - | - | 1,247.85 | 576.00 |
| **Interest on borrowings:** | | | | | | | | |
| InCred Capital Wealth Portfolio Managers Private Limited | 12.16 | - | - | - | - | - | 12.16 | - |
| InCred Wealth and Investment Services Private Limited | - | - | - | - | 42.68 | 53.78 | 42.68 | 53.78 |
| mValu Technology Services Private Limited | - | - | - | - | 9.18 | - | 9.18 | - |
| | 12.16 | - | - | - | 51.86 | 53.78 | 64.02 | 53.78 |
| **Interest on Advances :** | | | | | | | | |
| InCred Wealth Private Limited | 24.50 | 5.75 | - | - | - | - | 24.50 | 5.75 |
| InCred Capital Financial Services Private Limited | - | - | - | - | 11.90 | - | 11.90 | - |
| | 24.50 | 5.75 | - | - | 11.90 | - | 36.40 | 5.75 |

**c. Closing balances with Related parties as at 31 March 2024:**

| Particulars | Holding Company | | KMP | | Enterprise over which KMP is able to exercise significant influence | | Total | |
|---|---|---|---|---|---|---|---|---|
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| **Borrowings:** | | | | | | | | |
| InCred Capital Wealth Portfolio Managers Private Limited | 4,810.94 | - | - | - | - | - | 4,810.94 | - |
| InCred Wealth and Investment Services Private Limited | - | - | - | - | - | 25.01 | - | 25.01 |
| | 4,810.94 | - | - | - | - | 25.01 | 4,810.94 | 25.01 |
| **Advances (Including Accrued Interest) :** | | | | | | | | |
| InCred Wealth Private Limited | - | 404.13 | - | - | - | - | - | 404.13 |
| InCred Capital Financial Services Private Limited | - | - | - | - | 5,986.67 | - | 5,986.67 | - |
| | - | 404.13 | - | - | 5,986.67 | - | 5,986.67 | 404.13 |
| **Receivable :** | | | | | | | | |
| InCred Capital Wealth Portfolio Managers Private Limited | 12.55 | 576.00 | - | - | - | - | 12.55 | 576.00 |
| InCred Capital Financial Services Private Limited | - | - | - | - | 0.05 | - | 0.05 | - |
| | 12.55 | 576.00 | - | - | 0.05 | - | 12.60 | 576.00 |
| **Payable** | | | | | | | | |
| InCred Capital Wealth Portfolio Managers Private Limited | 0.03 | 0.62 | - | - | - | - | 0.03 | 0.62 |
| | 0.03 | 0.62 | - | - | - | - | 0.03 | 0.62 |
| **Investment in Equity Shares** | | | | | | | | |
| InCred Capital Financial Services Private Limited | - | - | - | - | 110.20 | - | 110.20 | - |
| Alpha Fintech Private Limited | - | - | - | - | 11.38 | 6.41 | 11.38 | 6.41 |
| | - | - | - | - | 121.58 | 6.41 | 121.58 | 6.41 |



S.R. BATLIBOI & ASSOCIATES LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

INCRED RESEARCH SERVICES PRIVATE LIMITED

**Note 32 : 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, short term ICDs 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.

As per Securities and Exchange Board of India (Research Analysts) Regulations, 2014 [Last amended on 03 August 2021] Regulation 8(2) the Company is required to maintain and has maintained a networth of twenty five lakh rupees at all times.

No changes were made in the objectives, policies or processes for managing capital during the period ended 31 March 2024 & 31 March 2023.

**Note 33 : Financial instruments**

**33.1 Fair values**

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments of the Company, other than those with carrying amounts that are reasonable approximation of fair values:

| Particulars | As at 31 March 2024 | | | |
|---|---|---|---|---|
| | Carrying Value | Amortized cost | FVTPL | FVTOCI |
| **Financial assets:** | | | | |
| Investments | 812.90 | - | 812.90 | - |
| Trade receivables | 11.85 | 11.85 | - | - |
| Cash and cash equivalents | 174.81 | 174.81 | - | - |
| Loans* | 5,986.67 | 5,986.67 | | |
| **Total financial assets** | 6,986.23 | 6,173.33 | 812.90 | - |
| **Financial liabilities:** | | | | |
| Borrowings* | 4,810.94 | 4,810.94 | - | - |
| Trade payables | 27.47 | 27.47 | - | - |
| Others | 102.30 | 102.30 | - | - |
| **Total financial liabilities** | 4,940.71 | 4,940.71 | - | - |

| Particulars | As at 31 March 2023 | | | |
|---|---|---|---|---|
| | Carrying Value | Amortized cost | FVTPL | FVTOCI |
| **Financial assets:** | | | | |
| Investments | 403.63 | - | 403.63 | - |
| Trade receivables | 574.59 | 574.59 | - | - |
| Cash and cash equivalents | 12.16 | 12.16 | - | - |
| Loans* | 402.51 | 402.51 | - | - |
| **Total financial assets** | 1,392.89 | 989.26 | 403.63 | - |
| **Financial liabilities:** | | | | |
| Borrowings* | 25.01 | 25.01 | - | - |
| Trade payables | 96.36 | 96.36 | - | - |
| Others | 48.91 | 48.91 | - | - |
| **Total financial liabilities** | 170.28 | 170.28 | - | - |

* Including Interest

The management of the Company assessed that the fair values of cash and cash equivalents, balances with banks other than cash equivalents, trade receivables, loans, investments, other financial assets, trade payables, borrowings, deposits and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments and accordingly disclosures in respected of fair values are not applicable.

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

INCRED RESEARCH SERVICES PRIVATE LIMITED

**Note 34 : 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, comprise long-term borrowings, 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 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.

**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 | 31 March 2024 | 31 March 2023 |
|---|---|---|
| **Borrowings:** | | |
| Fixed rate borrowings (Including Interest) | 4,810.94 | 25.01 |
| **Total** | 4,810.94 | 25.01 |

All instruments are fixed rate instruments and repayable on demand

**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. 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 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 Simplied Approach for measurement of ECL.

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

INCRED RESEARCH SERVICES PRIVATE LIMITED

Based on management estimation and calculation ECL provision has been kept at 0.4%

| Particulars | 31 March 2024 | 31 March 2023 |
|---|---|---|
| **(a) Loss allowance measured at 12 month ECL- Trade receivable** | | |
| Gross carrying amount of financial assets | 11.85 | 576.90 |
| Expected credit Loss | - | (2.31) |
| **Carrying amount net of impairment provision** | 11.85 | 574.59 |

**Movement in the allowance for Impairment in respect of trade receivables is as follows :**

| Particulars | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Opening balance | (2.31) | (0.04) |
| Additional Provision / Reversal | 2.31 | (2.27) |
| **Closing balance** | - | (2.31) |

| Particulars | 31 March 2024 | 31 March 2023 |
|---|---|---|
| **(b) Loss allowance measured at 12 month ECL- Loans** | | |
| Gross carrying amount of financial assets (Stage 1) | 6,010.71 | 404.13 |
| Expected credit Loss | (24.04) | (1.62) |
| **Carrying amount net of impairment provision** | 5,986.67 | 402.51 |

**Movement in the allowance for Impairment in respect of loans is as follows :**

| Particulars | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Opening balance | (1.62) | - |
| Additional Provision | (22.42) | (1.62) |
| Changes in loss allowances due to Assets used or released | - | - |
| Write - offs | - | - |
| **Closing balance** | (24.04) | (1.62) |

| Particulars | 31 March 2024 | 31 March 2023 |
|---|---|---|
| **(c) Loss allowance measured at 12 month ECL- Advance to Vendor** | | |
| Gross carrying amount of financial assets | 35.19 | 24.32 |
| Expected credit Loss | (17.34) | - |
| **Carrying amount net of impairment provision** | 17.85 | 24.32 |

**Movement in the allowance for Impairment in respect of Advance to Vendor is as follows :**

| Particulars | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Opening balance | - | - |
| Additional Provision | (17.34) | - |
| Changes in loss allowances due to Assets used or released | - | - |
| Write - offs | - | - |
| **Closing balance** | (17.34) | - |

**(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.

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

INCRED RESEARCH SERVICES PRIVATE LIMITED

As at 31 March 2024:-

| Particulars | Note No. | Carrying Amount | Contractual cash flows: Gross outflow | On Demand | Less than 1 year | 1 - 3 years | 3 - 5 years | After 5 years |
|---|---|---|---|---|---|---|---|---|
| **Maturities of financial liabilities:** | | | | | | | | |
| Borrowings (Including Interest) | 15 | 4,810.94 | (4,810.94) | 4,810.94 | - | - | - | - |
| Trade payables | 16 | 27.47 | (27.47) | - | 27.47 | - | - | - |
| Others liabilities | 17 | 102.30 | (102.30) | - | 102.30 | - | - | - |
| Total | | 4,940.71 | (4,940.71) | 4,810.94 | 129.77 | - | - | - |

As at 31 March 2023:-

| Particulars | Note No. | Carrying Amount | Contractual cash flows: Gross outflow | On Demand | Less than 1 year | 1 - 3 years | 3 - 5 years | After 5 years |
|---|---|---|---|---|---|---|---|---|
| **Maturities of financial liabilities:** | | | | | | | | |
| Borrowings (Including Interest) | 15 | 25.01 | (25.01) | 25.01 | - | - | - | - |
| Trade payables | 16 | 96.36 | (96.36) | - | 96.36 | - | - | - |
| Others liabilities | 17 | 48.91 | (48.91) | - | 48.91 | - | - | - |
| Total | | 170.28 | (170.28) | 25.01 | 145.27 | - | - | - |

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 including interest that will be earned on those assets. The inclusion of information on nonderivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis. Hence, maturities of the relevant assets have been considered below.

As at 31 March 2024:-

| Particulars | Note No. | Carrying Amount | Contractual cash flows: Gross inflow | On Demand | Less than 1 year | 1 - 3 years | 3 - 5 years | After 5 years |
|---|---|---|---|---|---|---|---|---|
| **Maturities of financial assets:** | | | | | | | | |
| Investments | 6 | 812.90 | 812.90 | - | 812.90 | - | - | - |
| Trade receivables | 7 | 11.85 | 11.85 | - | 11.85 | - | - | - |
| Cash and cash equivalents | 8 | 174.81 | 174.81 | 174.81 | - | - | - | - |
| Loans (Including Interest) | 9 | 5,986.67 | - | 6,010.71 | - | - | - | - |
| Total | | 6,986.23 | 999.56 | 6,185.52 | 824.75 | - | - | - |

As at 31 March 2023:-

| Particulars | Note No. | Carrying Amount | Contractual cash flows: Gross inflow | On Demand | Less than 1 year | 1 - 3 years | 3 - 5 years | After 5 years |
|---|---|---|---|---|---|---|---|---|
| **Maturities of financial assets:** | | | | | | | | |
| Investments | 6 | 403.63 | 403.63 | - | 403.63 | - | - | - |
| Trade receivables | 7 | 574.59 | 574.59 | - | 574.59 | - | - | - |
| Cash and cash equivalents | 8 | 12.16 | 12.16 | 12.16 | - | - | - | - |
| Loans (Including Imterest) | 9 | 402.51 | - | 404.13 | - | - | - | - |
| Total | | 1,392.89 | 990.38 | 416.29 | 978.22 | - | - | - |



S.R. BATLIBOI & ASSOCIATES LLP ★ CHARTERED ACCOUNTANTS ★ MUMBAI

SR

INCRED RESEARCH SERVICES PRIVATE LIMITED ★

**Note 35 : Ratio Analysis and its elements**

| Ratio | Numerator | Denominator | Year ended 31 March 2024 | Year ended 31 March 2023 | % change during the year | Remarks |
|---|---|---|---|---|---|---|
| Current ratio | Current Assets | Current Liabilities | 1.42 | 6.68 | -78.75% | Increase in Borrowings during FY 24 |
| Debt- Equity Ratio | Borrowings | Shareholders Equity | 2.32 | 0.02 | 13672.32% | Increase in Borrowings during FY 24 |
| Debt Service Coverage ratio | Net Operating Income | Debt Service | 0.01 | (17.20) | -100.06% | Increase in borrowings taken during the year |
| Return on Equity ratio | Net Profits after taxes | Shareholder's Equity | 0.33 | 0.95 | -65.05% | Decrease in profits during FY 24 |
| Inventory Turnover ratio | NA | NA | NA | NA | NA | NA |
| Trade Receivable Turnover Ratio | Net credit sales | Average Trade Receivable | 4.28 | 1.71 | 151.09% | Increase in Revenue during FY 24 |
| Trade Payable Turnover Ratio | Net credit purchases | Average Trade Payables | 3.55 | 3.40 | 4.56% | Decrease in payables as on 31 March 2024 |
| Net Capital Turnover Ratio | Total sales | Working capital = Current assets - Current liabilities | 1.05 | 1.98 | -46.91% | Decrease in Revenue during FY 24 |
| Net Profit ratio | Net Profit | Total sales | 0.27 | 0.36 | -26.48% | Decrease in profits during FY 24 |
| Return on Capital Employed | Earnings before interest and taxes | Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability | 0.12 | 0.90 | -86.32% | Decrease in profits during FY 24 |
| Return on Investment | Gain on Investment/Interest (Finance Income) | Investment | 1.12 | 5.06 | -77.88% | Decrease in Investments income during FY 24 |

**Note 36 : Other Statutory Information**

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
(ii) The Company does not have any transactions with companies struck off.
(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
(iv) The Company has 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 has 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) (i) (a) On 07 November 2023, the Company had borrowed Rs. 497.50 lakhs from InCred Wealth and Investment Services Private Limited and the amount was used to further give as advance of Rs. 497.50 lakhs to an employee of InCred Financial Services Limited for Investment purposes. Full details of the transaction are disclosed in Annexure A attached to the financial statements.

(b) On 13 March 2024 and 18 March 2024, the Company had borrowed Rs. 2000 lakhs and Rs. 300 lakhs respectively from InCred Capital Wealth Portfolio Managers Private Limited (Holding Company) and the amount was used to further give as advance of Rs. 2400 lakhs to InCred Capital Financial Services Private Limited (Group Company).

(c) On 28 March 2024, the Company had borrowed Rs. 2500 lakhs from InCred Capital Wealth Portfolio Managers Private Limited (Holding Company) and the amount was used to further given as advance of Rs. 2600 lakhs to InCred Capital Financial Services Private Limited.

(ii) Except as disclosed above, 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: :

(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
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 does not have 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 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.
(xiii) The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
(xiv) The Company does not have any pending litigations as on 31 March 2024



S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

SR

INCRED RESEARCH SERVICES PRIVATE LIMITED

**Note 37 : Going Concern**

During the year the Company has incurred a profit (including other comprehensive income) of INR 589.58 lakhs which resulted into decrease in accumulated losses of the Company. As on 31 March 2024, there are no accumulated losses (Previous Year: INR 339.54 lakhs) . The Company has been able to meet its obligations in the ordinary course of business and based on assesment made by the Company reagrding the viability of future business plan, these financial statements have been prepared on going concern assumption.

**Note 38 : Revenue Recognition**

Revenue from research services is recognised based on contractual terms which is cost (directly linked to research services) plus mark up entered with the customer for the services rendered during the year. Board of Directors have assessed and approved the markup rate to be at arm's length.

**Note 39 : Back up of Books and Audit trail**

a. As per MCA notification dated 05 August 2022 Government has notified the Companies (Accounts) Fourth Amendement Rules, 2022. As per the amended rules back-up of the books 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 and backup is done on 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 software. Further, there are no instance of audit trail feature being tampered with.

**Note 40 : Other notes to accounts**

**a. Segment reporting**
The Company operates in a single reportable segment, for the purpose of Ind AS-108 on 'Operating Segment'. The Company operates in a single geographical segment i.e. domestic.

**b. Corporate social responsibility**
The Ministry of Corporate Affairs notified section 135 of the Companies Act 2013 along with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The provisions related to Corporate Social Responsibility are applicable to the Company.

However, based on the calculations of Net Profit under section 198 of the Companies Act 2013, CSR payment is not applicable.

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

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

As per our report of even date.

**For S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Sarvesh Warty

**per Sarvesh Warty**
Partner
Membership No: 121411

Place : Mumbai
Date : 08 July 2024

S.R. BATLIBOI & ASSOCIATES LLP ★ CHARTERED ACCOUNTANTS ★ MUMBAI

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

**Nitin Subramanya Rao**
Director
DIN - 08108320

Place : Mumbai
Date : 08 July 2024

**Prateek Indwar**
Director
DIN - 08548077

Place : Mumbai
Date : 08 July 2024

**Rakesh Postandel**
Company Secretary
Mem No. - A64419
Place : Mumbai
Date : 08 July 2024

INCRED RESEARCH SERVICES PRIVATE LIMITED ★

BR

ANNUAL REPORT FOR THE FINANCIAL YEAR 2023-24

***CORPORATE INFORMATION:-***

**COMPANY IDENTIFICATION NUMBER**

U74999MH2016PTC287535

**BOARD OF DIRECTORS**

Mr. Nitin Subramanya Rao
Mr. Prateek Indwar (from December 28, 2023)
Mr. Venkatesh Vishwanathan (upto December 28, 2023)

**COMPANY SECRETARY**

Mr. Rakesh Postandel

**STATUTORY AUDITORS**

M/s. S.R. Batliboi & Associates LLP,
Chartered Accountants,
ICAI Firm Registration Number: 101049W/E300004

**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

# DIRECTOR'S REPORT

**To**
**The Members of**
**InCred Research Services Private Limited**

The Directors have pleasure in presenting the Eighth Annual Report on the business and operations and the Audited Financial Statements of the Company for the Financial Year ("FY") ended March 31, 2024.

## 1. FINANCIAL HIGHLIGHTS OF THE COMPANY

The highlights of the financial statements of the Company for the financial year ended March 31,2024 as compared to the previous financial year ended March 31, 2023 are as under:

| | Amount in Rs. In Lakhs | |
|---|---|---|
| **Particulars** | **For the year ended 31.03.2024** | **For the year ended 31.03.2023** |
| Profit/(Loss) before Depreciation & Tax | 800.98 | 1287.53 |
| Depreciation | (17.96) | (15.93) |
| Profit/(Loss) before Tax | 783.02 | 1271.60 |
| Tax Provision/MAT | 24.25 | - |
| Deferred Tax Provision for the year | 170.49 | 317.35 |
| Tax Expenses for previous years | - | - |
| Profit/(Loss) after Tax | 588.28 | 954.25 |
| Other Comprehensive Income | (1.30) | 0.89 |
| Total Comprehensive Income | 589.58 | 953.36 |
| Appropriation for earlier years | - | - |
| Profit/(Loss) transferred to Balance Sheet | 588.58 | 953.36 |

### OVERVIEW OF THE F.Y. 2023-24

During the year under review, the Company's revenue from operations stood at INR 1255.91 lakhs as compared to INR 584.23 lakhs in previous year. The standalone profit after tax stood at INR 588.28 lakhs as compared to INR 954.25 lakhs in previous year.

## 2. CHANGE IN THE NATURE OF BUSINESS

The Company continues to engage in the business of research, consultancy and to act as advisors relating to personnel, industrial business management, distribution, marketing and selling and to collect, prepare and distribute information and statistics, relating to any type of business or industry and generally to act as market business research consultants and to act as a research analyst. The Company is also engaged in Investing and Disinvesting of securities for efficient management of treasury.

## 3. DIVIDEND & TRANSFER OF GENERAL RESERVES

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. CHANGES IN SHARE CAPITAL

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

## 5. 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.

## 6. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

During the year under review, there were no material changes and commitments that took place during and after the financial year till the date of signing of this board report, affecting the financial position of the company.

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

The adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls were not applicable on the Company during the year under review.

## 8. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES ALONG WITH THE PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT

The Company is a wholly owned subsidiary of Incred Capital Wealth Portfolio Private Limited and InCred Wealth Private Limited is ultimate holding company of the Company. During the year under review, the Company has no subsidiary /joint venture/ associate companies.

## 9. 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.

## 10. STATUTORY AUDITORS AND THEIR REPORT

M/s. S.R. Batliboi & Associates LLP., Chartered Accountants (Firm Registration No. 101049W/E300004), were appointed as the Statutory Auditors of the Company at 05th Annual General Meeting of the Company Statutory Auditors of the Company for a term of 5 (Five) year until the conclusion of the Annual General Meeting of the Financial Year 2025-2026 at such remuneration as was mutually agreed between the Board of Directors of the Company and the said Auditors. However, due to significant reduction in Audit fees proposed by the Management for the audit of year ended March 31st, 2025 as compared to the fees for the previous year March 31st,2024, M/s S.R. Batliboi & Associates LLP., Chartered Accountants, have resigned as the Statutory Auditor of the Company, causing the casual vacancy in the position of the statutory auditors of the Company.

The Board of Directors, at its meeting held on September 24, 2024 noted and accepted the resignation of M/s S.R. Batliboi & Associates LLP., Chartered Accountants. 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 04, 2024 appointed M/s. M S K A & Associates, Chartered Accountants, (Firm Registration No. 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. S.R. Batliboi & Associates LLP., Chartered Accountants.

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 08th AGM till the conclusion of the 13th 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. S.R. Batliboi & Associates LLP., Chartered Accountants (Firm Registration No. 101049W/E300004) 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.

## 11. 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.

## 12. RISK MANAGEMENT POLICY

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.

## 13. EXTRACT OF THE ANNUAL RETURN

Pursuant to sub-section (3)(a) of Section 134 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 states that the Company shall require to provide the web address, if any, where annual return referred to in sub- section (3) of section 92 of the Companies Act, 2013 has been placed.

The Company has website but is used only for commercial purpose. Further, as per provisions of the Companies Act, 2013 it's not mandatory to maintain the website for a Private Limited Company.

The Annual Return under Section 92 of the Companies Act, 2013 for the financial year ended March, 31st 2024 shall be filed within the time prescribed under the Companies Act, 2013 and Rules made thereunder.

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

### (A) Conservation of energy:

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.

### (B) Foreign exchange earnings and Outgo:

During the year under review, the foreign exchange earnings were INR 7.10 Lakhs as compared to foreign earnings of INR 7.72 Lakhs, however there were no foreign exchange expenses as

compared to INR 22.22 lakhs.

## 15. DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP)

As on March 31, 2024, Mr. Prateek Indwar and Mr. Nitin Rao continue to act as Directors and Mr. Rakesh Postandel continue to act as Company Secretary of the Company.

On December 28, 2023, Mr. Venkatesh Vishwanathan resigned as Director of the Company and Mr. Prateek Indwar was appointed as an Additional Director of the Company.

The Board places on record its appreciation for the invaluable contributions and guidance provided by Mr. Venkatesh Vishwanathan, during his 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 continue as Directors.

## 16. 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 not 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")

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.

## 17. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

There were six Board Meetings held during the financial year 2023-2024 viz. on April 12, 2023, June 02, 2023, July 03, 2023, September 01, 2023 and December 28, 2023 and January 15, 2024 The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the Secretarial Standards.

## 18. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Pursuant to the provisions of Section 186 (4) of the Act the details of loans given 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.No guarantees were given by the Company during the year.

## 19. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, the contracts or arrangements attracting the provisions of Section 188 (1) of the Companies Act, 2013 with related parties have been on arms' length and in ordinary course of business. The Company has disclosed the particulars of the transactions as prescribed in **Form AOC - 2** annexed herewith as **Annexure I** in terms of the provisions of Section 134(3)(h) read with rule 8(2) of the Companies (Accounts) Rules, 2014.

## 20. 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.

## 21. 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.

## 22. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that —

(a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
(b) The directors had 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 financial year ending on March 31, 2024 and of the profit of the company for that period;
(c) The directors 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) The directors had prepared the annual accounts on a going concern basis; and
(e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 23. 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. No significant or material orders which impact the going concern status and Company's operations in future were passed by Regulators/Courts/Tribunals.

d. There was no issue of equity shares with differential rights as to dividend, voting or otherwise during the period.

e. The Company has not issued any shares (including sweat equity shares) to its employees under any scheme during the period.

f. The provisions of Section 149, 177, 178 and 197 of the Companies Act, 2013 are not applicable to the Company.

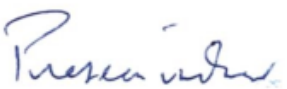
g. The Company has complied with applicable Secretarial Standards issued by the Institute of the Company Secretaries of India.

h. No petition/application has been admitted under Insolvency & Bankruptcy Code, 2016 by National Company Law Tribunal.

**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 board**
**InCred Research Services Private Limited**



**Place: Mumbai**
**Date: September 24, 2024**

**Prateek Indwar**
**Director**
**DIN: 08548077**

**Nitin Rao**
**Director**
**DIN: 08108320**

## ANNEXURE-I

### Form No. AOC-2

Form for disclosure 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 arms-length transactions under third proviso thereto

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

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

| 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 | | | | | | |

**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 (In Rs. Lakhs) | 5. Date of approval by the board of directors | 6. Amount paid as advance, if any |
|---|---|---|---|---|---|
| Kamlesh Dangi | Purchase of Investments | FY 23 24 | 290 | N.A. | N.A. |
| InCred Capital Wealth Portfolio Managers Private Limited | Research income | FY 23 24 | 1236 | N.A. | N.A. |

**For and on behalf of Board**
**InCred Research Services Private Limited**

**Place: Mumbai**
**Date: September 24, 2024**

**Prateek Indwar**
**Director**
**DIN: 08548077**

**Nitin Rao**
**Director**
**DIN: 08108320**

**InCred Research Services Private Limited**
CIN: U74999MH2016PTC287535
**Balance Sheet as at 28 February 2025**
(All amounts in INR Lakhs, unless otherwise stated)

| Particulars | Note No. | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|---|
| **A. ASSETS** | | | |
| **1. Non-current assets** | | | |
| **(a)** Property, plant and equipment | 3 | 30.67 | 7.95 |
| **(b)** Intangible assets | 4 | 14.71 | 28.58 |
| **(c)** Deferred tax assets (net) | 25 | 24.14 | - |
| **(d)** Other Non Current Assets | 5 | - | 3.25 |
| **Total Non-Current Assets** | | **69.52** | **39.78** |
| **2. Current assets** | | | |
| **(a)** Financial assets | | | |
| Investments | 6 | 702.70 | 812.90 |
| Trade receivables | 7 | 334.21 | 11.85 |
| Cash and cash equivalents | 8 | 24.00 | 174.81 |
| Loans | 9 | 1,526.25 | 5,986.67 |
| **(b)** Current tax assets (net) | 10 | 17.17 | 105.56 |
| **(c)** Other current assets | 11 | 55.25 | 54.31 |
| **Total Current Assets** | | **2,659.60** | **7,146.09** |
| **Total Assets** | | **2,729.13** | **7,185.88** |
| **B. EQUITY AND LIABILITIES** | | | |
| **1. Equity** | | | |
| **(a)** Equity share capital | 12 | 1,826.00 | 1,826.00 |
| **(b)** Other equity | 13 | 741.90 | 250.04 |
| **Total Equity** | | **2,567.90** | **2,076.04** |
| **2. Liabilities** | | | |
| **2.1 Non-current liabilities** | | | |
| **(a)** Provisions | 14 | 14.40 | 14.40 |
| **(b)** Deferred Tax Liability (Net) | 25 | - | 57.50 |
| **Total non-current liabilities** | | **14.40** | **71.91** |
| **2.2 Current liabilities** | | | |
| **(a)** Financial liabilities | | | |
| Borrowings | 15 | - | 4,810.94 |
| Trade payables | 16 | | |
| **(i)** total outstanding dues of micro and small enterprises | | - | - |
| **(ii)** total outstanding dues other than micro and small enterprises | | 5.49 | 27.47 |
| Other current financial liabilities | 17 | 119.18 | 102.30 |
| **(b)** Other current liabilities | 18 | 22.06 | 97.14 |
| **(c)** Provisions | 19 | 0.09 | 0.09 |
| **Total current liabilities** | | **146.83** | **5,037.94** |
| **Total Liabilities** | | **161.23** | **5,109.85** |
| **Total Equity and Liabilities** | | **2,729.13** | **7,185.88** |

The accompanying notes are an integral part of the financial statements

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

NITIN SUBRAMANYA RAO — Digitally signed by NITIN SUBRAMANYA RAO Date: 2025.03.27 16:10:33 +05'30'

**Nitin Subramanya Rao**
Director
DIN - 08108320

**Place :** Mumbai
**Date:** 27 March 2025

PRATEEK INDWAR — Digitally signed by PRATEEK INDWAR Date: 2025.03.27 16:11:27 +05'30'

**Prateek Indwar**
Director
DIN - 08548077

**Place :** Mumbai
**Date:** 27 March 2025

**InCred Research Services Private Limited**
CIN: U74999MH2016PTC287535
**Statement of Profit and Loss for the year ended 28 February 2025**

| Particulars | | Note No. | For the Period ended 28 February 2025 | For the year ended 31 March 2024 |
|---|---|---|---|---|
| **(I)** | **INCOME** | | | |
| | **(i)** Revenue from operations | **20** | 1,665.20 | 1,255.91 |
| | **(ii)** Other income | **21** | 227.14 | 956.86 |
| | **Total income (I = i + ii)** | | **1,892.33** | **2,212.77** |
| **(II)** | **EXPENSES** | | | |
| | **(i)** Employee benefits expenses | **22** | 1,028.85 | 1,127.65 |
| | **(ii)** Finance cost | **23** | 74.10 | 64.02 |
| | **(iii)** Depreciation, amortization and impairment | **3 & 4** | 18.16 | 17.96 |
| | **(iv)** Other expenses | **24** | 217.44 | 220.12 |
| | **Total expenses (II = i + ii + iii + iv)** | | **1,338.55** | **1,429.75** |
| **(III)** | **Profit/(loss) before tax ( III= I - II)** | | **553.79** | **783.02** |
| **(IV)** | **Tax expense:** | **25** | | |
| | **(i)** Current Tax | | 143.60 | 24.25 |
| | **(ii)** Previous year tax adjustment | | 0.00 | 0.00 |
| | **(iii)** Deferred tax expense / (income) | | (81.66) | 170.49 |
| | **Total tax expense (IV = i + ii + iii)** | | **61.94** | **194.75** |
| **(V)** | **Profit / (loss) for the year (V = III - IV)** | | **491.85** | **588.27** |
| **(VI)** | **Other comprehensive income** | | | |
| | **(i)** Items that will not be reclassified to profit or loss | | - | 1.73 |
| | **(ii)** Income tax relating to items that will not be reclassified to profit or loss | | - | (0.43) |
| | **Total other comprehensive income (VI = i + ii)** | | **0.01** | **1.30** |
| **(VII)** | **Total comprehensive income for the year (VII = V + VI)** | | **491.86** | **589.58** |
| **(VIII)** | **Earnings per equity share (EPS)** | | | |
| | **(Face value of Rs. 10 each)** | | | |
| | Basic (INR) | | 2.69 | 3.22 |
| | Diluted (INR) | | 2.69 | 3.22 |

The accompanying notes are an integral part of the financial statements

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

NITIN SUBRAMANYA RAO
Digitally signed by NITIN SUBRAMANYA RAO
Date: 2025.03.27 16:12:13 +05'30'

**Nitin Subramanya Rao**
Director
DIN - 08108320

Place : Mumbai
**Date: 27 March 2025**

PRATEEK INDWAR
Digitally signed by PRATEEK INDWAR
Date: 2025.03.27 16:12:54 +05'30'

**Prateek Indwar**
Director
DIN - 08548077

Place : Mumbai
**Date: 27 March 2025**

**InCred Research Services Private Limited**
CIN: U74999MH2016PTC287535
**Notes forming part of the financial statements for the year ended 28 February 2025**
(All amounts in I Statement of Profit and Loss for the year ended 28 February 2025

**Note 3 : Property, plant and equipment**

| Particulars | Computers | CAR | CWIP | Total |
|---|---|---|---|---|
| **Gross carrying amount:** | | | | |
| **As at 28 Feb 2025** | 18.53 | 14.66 | 6.65 | **39.83** |
| **Accumulated depreciation:** | | | | |
| **As at 28 Feb 2025** | 8.80 | 0.36 | - | **9.16** |
| **Net carrying amount:** | | | | |
| **As at 28 Feb 2025** | 9.72 | 14.30 | 6.65 | **30.67** |
| **Depreciation charge for the year** | 3.92 | 0.36 | - | **4.28** |

**Note 4 : Intangible assets**

| Particulars | Software | Website | Total |
|---|---|---|---|
| **Gross carrying amount:** | | | |
| **As at 28 Feb 2025** | 72.00 | 2.30 | **74.30** |
| **Accumulated depreciation:** | | | |
| **As at 28 Feb 2025** | 57.96 | 1.63 | **59.59** |
| **Net carrying amount:** | | | |
| **As at 28 Feb 2025** | 14.04 | 0.67 | **14.71** |
| **Depreciation charge for the year** | 13.18 | 0.70 | **13.88** |

**Note 5 : Other Non Current Assets**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| Prepaid expenses | - | 3.25 |
| **Total** | **-** | **3.25** |

**Note 6 : Investments**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| **Unquoted** | | |
| Equity shares | 702.70 | 812.90 |
| **Total** | **702.70** | **812.90** |
| Aggregate amount of unquoted investments | 702.70 | 812.90 |
| Aggregate amount of quoted investments | - | - |

**Note 7 : Trade receivables**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| **Unsecured, considered good** | | |
| from others | 334.21 | 11.85 |
| from related parties **[Refer Note No. 31]** | - | - |
| | **334.21** | **11.85** |
| Less: Allowance for impairment loss | - | - |
| **Total** | **334.21** | **11.85** |

**Note 8 : Cash and cash equivalents**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| Balances with banks: | | |
| - In current accounts | 24.00 | 174.81 |
| **Total** | **24.00** | **174.81** |

**Note 9 : Loans**

| Particulars | As at 28 February 2025 Amortized Cost | As at 31 March 2024 Amortized Cost |
|---|---|---|
| **(A) At amortised cost** | | |
| Loan to Related parties [Refer Note No. 31] | 1,550.29 | 6,010.71 |
| Loan to Others | - | - |
| | **1,550.29** | **6,010.71** |
| Less: Allowance for impairment loss | (24.04) | (24.04) |
| **Total - Net of impairment loss allowance (A)** | **1,526.25** | **5,986.67** |
| **(B) Details of security** | | |
| (i) Secured by tangible assets | - | - |
| (ii) Secured by intangible assets | - | - |
| (iii) Covered by bank/Govt Guarantee | - | - |
| (iv) Unsecured | 1,550.29 | 6,010.71 |
| **Total - Gross** | **1,550.29** | **6,010.71** |
| Less: Impairment loss allowance | (24.04) | (24.04) |
| **Total - Net of impairment loss allowance (B)** | **1,526.25** | **5,986.67** |

**Note 10 : Current tax assets (net)**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| Income tax refundable (net of provision for income tax) | 17.17 | 105.56 |
| **Total** | **17.17** | **105.56** |

**Note 11 : Other current assets**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| **Unsecured, considered good** | | |
| **Advances other than capital advances:** | | |
| Advance to vendors | 41.98 | 35.19 |
| Less: Allowance for impairment loss | (17.34) | (17.34) |
| | 24.64 | 17.85 |
| **Others:** | | |
| Balance with government authorities (GST Receivable) | - | 5.26 |
| Prepaid expenses | 30.45 | 27.42 |
| Deposits | 0.12 | 3.01 |
| Others | 0.04 | 0.78 |
| **Total** | **55.25** | **54.31** |

**Note 13 : Other equity**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| **Retained earnings** | | |
| Opening balance | 250.04 | (339.54) |
| Profit / (loss) after tax for the year | 491.85 | 588.28 |
| Other comprehensive income for the year, net of income tax | 0.01 | 1.30 |
| **Closing Balance** | 741.90 | **250.04** |
| **Total** | **741.90** | **250.04** |

**Note 14 : Provisions**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| **Provision for employee benefits** | | |
| Provision for gratuity | 14.40 | 14.40 |
| **Total** | **14.40** | **14.40** |

**Note 15 : Borrowings**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| **Unsecured carried at amortized cost:** | | |
| Loans from related parties * | - | 4,810.94 |
| **Total** | - | **4,810.94** |

**Note 16 : Trade payables**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| Total outstanding dues of micro enterprises and small enterprises | | |
| **[Refer Note No. 28 for details of dues to micro and small enterprises]** | | |
| - Principal amount due | - | - |
| - Interest amount due | - | - |
| | - | - |
| Total outstanding dues other than micro enterprises and small enterprises | | |
| - from others | 2.18 | 27.47 |
| - from related parties **[Refer Note No. 31]** | 3.31 | - |
| | **5.49** | **27.47** |
| **Total** | **5.49** | **27.47** |

**Note 17 : Other current financial liabilities**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| Employee Expenses payable (Provision for Bonus) | 119.18 | 102.30 |
| **Total** | **119.18** | **102.30** |

**Note 18 : Other current liabilities**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| Statutory dues payable | 22.06 | 69.72 |
| **Total** | 22.06 | **69.72** |

**Note 19 : Provisions**

| Particulars | As at 28 February 2025 | As at 31 March 2024 |
|---|---|---|
| **Provision for employee benefits** | | |
| Provision for gratuity | 0.09 | 0.09 |
| **Total** | **0.09** | **0.09** |

**InCred Research Services Private Limited**
CIN: U74999MH2016PTC287535
**Statement of Profit and Loss for the period ended 28 February 2025**

**Note 20 : Revenue from operations**

| Particulars | Period ended 28 February 2025 | Year ended 31 March 2024 |
|---|---|---|
| Research Income | 1,665.20 | 1,255.91 |
| Fee Income | - | - |
| **Total** | **1,665.20** | **1,255.91** |

**Note 21 : Other income**

| Particulars | Period ended 28 February 2025 | Year ended 31 March 2024 |
|---|---|---|
| Profit on sale of investment (Unquoted) | 48.58 | 910.29 |
| **On financial assets measured at amortized cost:** | | |
| Interest on deposits with bank | - | - |
| Interest on loans | 174.95 | 41.14 |
| Interest on Income Tax Refund | 3.61 | 5.27 |
| Other income | 0.00 | 0.16 |
| **Total** | **227.14** | **956.86** |

**Note 22 : Employee benefits expenses**

| Particulars | Period ended 28 February 2025 | Year ended 31 March 2024 |
|---|---|---|
| Salaries, wages and bonus | 968.21 | 1,093.42 |
| Contribution to provident and other funds **[Refer Note No. 30]** | 15.11 | 17.49 |
| Gratuity expenses **[Refer Note No. 30]** | - | 6.00 |
| Staff welfare expenses | 45.52 | 10.74 |
| **Total** | **1,028.85** | **1,127.65** |

**Note 23 : Finance cost**

| Particulars | Period ended 28 February 2025 | Year ended 31 March 2024 |
|---|---|---|
| **On financial liabilities measured at amortized cost:** | | |
| Interest expense on loans | 74.10 | 64.02 |
| **Total** | **74.10** | **64.02** |

**Note 24 : Other expenses**

| Particulars | Period ended 28 February 2025 | Year ended 31 March 2024 |
|---|---|---|
| Rent | 34.92 | 34.64 |
| Allowance for impairment | - | 37.46 |
| Travelling and conveyance | 0.31 | 26.31 |
| Legal, professional and consultancy charges | 73.06 | 61.13 |
| Advertising and Business Promotion | - | 4.34 |
| Membership and subscription | 51.74 | 17.15 |
| Information technology expenses | 52.61 | 51.54 |
| Rates and taxes | 0.03 | 0.03 |
| Printing and stationery | 0.01 | 0.01 |
| Payment to auditors* | - | 5.24 |
| Office expenses | 0.56 | 1.90 |
| Interest on statutory dues | - | 0.08 |
| Recruitment fees | - | 1.50 |
| GST Reversal | - | - |
| Stamp duty & filing fees | 0.36 | 0.67 |
| Write Off Expense | - | 0.49 |
| Exchange differences | 0.27 | 0.70 |
| Miscelleanous Expenses | 3.56 | 2.73 |
| Referral Fees | - | (25.80) |
| **Total** | **217.44** | **220.12** |

*** Payment to auditors:**

| Particulars | Period ended 28 February 2025 | Year ended 31 March 2024 |
|---|---|---|
| Auditor's remuneration | | |
| - Audit fees | - | 6.21 |
| **Total** | **-** | **6.21** |

**FORM NO.MGT-11**
**PROXY FORM**

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

| | |
|---|---|
| CIN: | U67120MH1996PLC355036 |
| Name of the Company: | InCred Capital Financial Services Limited |
| Registered Office: | Unit No. 1203, 12th Floor, B Wing, The Capital, C-70, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400051, Maharashtra, India |

| **Name of the Secured Creditor(s):** | | |
|---|---|---|
| **Registered address:** | | |
| | | |
| | | |
| **Email ID:** | **Folio No/ Client ID:** | **DP ID:** |

I / we, being the Secured Creditors, of InCred Capital Financial Services Limited, do hereby appoint:

a) Name:
Address:
E-mail Id:
Signature: _____, or failing him/ her

b) Name:
Address:
E-mail Id:
Signature: _____,

to attend and vote for me / us and on my / our behalf at the meeting of the Secured Creditors of the Company to be held on Thursday, 25th day of September, 2025 at 02.00 p.m. (IST) at Unit No. 1203, 12th Floor, B Wing, The Capital, C-70, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400051, Maharashtra, India, and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below:

**Resolution No.1** Approval for the composite scheme of arrangement between InCred Wealth Private Limited ('**Transferor Company 1**' or '**Applicant Company 1**') and InCred Capital Financial Services Limited ('**Transferee Company 1**' or '**Resulting Company**' or '**Applicant Company 2**') and InCred Capital Wealth Portfolio Managers Private Limited ('**Transferee Company 2**' or '**Demerged Company**' or '**Applicant Company 3**') and InCred Research Services Private Limited ('**Transferor Company 2**' or '**Applicant Company 4**') and their respective shareholders.

Signed this ……...day of ……, 2025

**Signature of creditor(s)**

**Signature of proxy**

Revenue Stamp

## ATTENDANCE SLIP

In the matter of composite scheme of arrangement between InCred Wealth Private Limited ('**Transferor Company 1**' or '**Applicant Company 1**') and InCred Capital Financial Services Limited ('**Transferee Company 1**' or '**Resulting Company**' or '**Applicant Company 2**') and InCred Capital Wealth Portfolio Managers Private Limited ('**Transferee Company 2**' or '**Demerged Company**' or '**Applicant Company 3**') and InCred Research Services Private Limited ('**Transferor Company 2**' or '**Applicant Company 4**') and their respective shareholders.

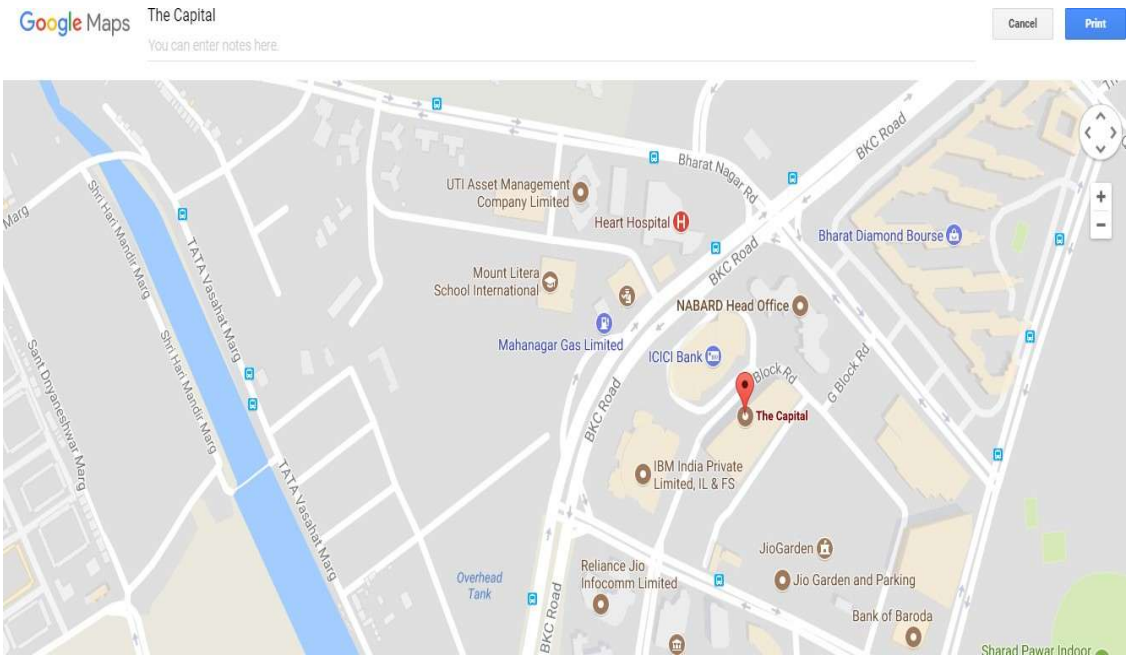
I / we hereby record my / our presence at the meeting of the Secured Creditors of the Applicant Company 2, held at Unit No. 1203, 12th Floor, B Wing, The Capital, C-70, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400051, Maharashtra, India on Thursday, 25th day of September, 2025 at 02.00 p.m. (IST).

| | |
|---|---|
| **Name(s) of the Secured Creditor(s) / authorized representative (IN BLOCK LETTERS)** | |
| **Signature of the Secured Creditor(s) / authorised representative** | |

_____

Name and Signature of the
**Secured Creditor / Proxy / Authorized Representative**

**Route Map for Meeting Venue**:




**InCred Capital Financial Services Limited**

Address: Unit No 1203, 12th floor, B Wing, The Capital, Plot No C - 70, G Block, BKC Mumbai – 400051, Maharashtra, India