

INCRED CAPITAL FINANCIAL SERVICES PRIVATE LIMITED

Corporate Identity No. (CIN): U67120MH1996PTC355036

Registered Office: Unit No. 1203, 12th Floor, B Wing, The Capital, Bandra Kurla Complex,

Mumbai – 400051, Maharashtra, India.

Tel. No.: 022-68446100

Email: incred.compliance@incred.com; Website: <https://www.incredcapital.com/>**MEETING OF THE EQUITY SHAREHOLDERS OF INCRED CAPITAL FINANCIAL SERVICES
PRIVATE LIMITED CONVENED BY THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI
BENCH****NOTICE TO EQUITY SHAREHOLDERS**

Day	Friday
Date	January 28, 2022
Time	02:00 p.m. (Indian Standard Time)
Mode of Meeting*	Through video conferencing / other audio-visual means.
Mode of Voting	Remote e-voting and e-voting at the Meeting
Cut-off Date	Friday, January 21, 2022
Remote e-voting start date and time	Monday, January 24, 2022 11:00 a.m. (Indian Standard Time)
Remote e-voting end date and time	Thursday, January 27, 2022 05:00 p.m. (Indian Standard Time)

*Please note that there shall be no meeting requiring physical presence at a common venue in view of the ongoing COVID-19 pandemic.

INDEX

Sr. No.	Contents	Page No.
1.	Notice of meeting of the equity shareholders of InCred Capital Financial Services Private Limited convened as per the directions of the Hon'ble National Company Law Tribunal, Mumbai Bench	4
2.	Explanatory statement under Sections 230(3) and 102 of the	17

Sr. No.	Contents	Page No.
	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	
3.	Composite Scheme of Arrangement between Clamant Tech Services Private Limited, InCred Wealth Private Limited, MAPE Advisory Group Private Limited, InCred Wealth and Investment Services Private Limited, InCred Capital Financial Services Private Limited, and their respective shareholders - Annexure A	47
4.	Valuation report dated September 27, 2021, prepared by M/s Sundae Capital Advisors Private Limited, registered valuer entity (IBBI Registration No.: IBBI/RV-E/03/2021/136), setting out the valuation of shares and recommendation of share exchange ratio for the merger and share entitlement ratio for the demerger - Annexure B	110
5.	Accounting treatment certificate issued by the statutory auditors of InCred Capital Financial Services Private Limited (i.e., M/s P N A M & Co. (formerly known as Soni Chatrath & Co.), Chartered Accountants) – Annexure C	119
6.	Accounting treatment certificate issued by the statutory auditors of InCred Wealth Private Limited (i.e., M/s P N A M & Co. (formerly known as Soni Chatrath & Co.), Chartered Accountants) – Annexure D	123
7.	Accounting treatment certificate issued by the statutory auditors of MAPE Advisory Group Private Limited (i.e., M/s. K.L.Acharya & Associates, Chartered Accountants) – Annexure E	126
8.	Accounting treatment certificate issued by the statutory auditors of InCred Wealth and Investment Services Private Limited (i.e., M/s P N A M & Co. (formerly known as Soni Chatrath & Co.), Chartered Accountants) – Annexure F	129
9.	Report adopted by the Board of Directors of InCred Capital Financial Services Private Limited in its Meeting held on September 27, 2021, pursuant to the provisions of Section 232(2)(c) of the Companies Act, 2013 – Annexure G	132
10.	Report adopted by the Board of Directors of Clamant Tech Services Private Limited in its Meeting held on September 27, 2021, pursuant to the provisions of Section 232(2)(c) of the Companies Act, 2013 – Annexure H	137
11.	Report adopted by the Board of Directors of InCred Wealth Private Limited in its Meeting held on September 27, 2021, pursuant to the provisions of Section 232(2)(c) of the Companies Act, 2013 – Annexure I	141
12.	Report adopted by the Board of Directors of MAPE Advisory Group Private Limited in its Meeting held on September 27, 2021, pursuant to the provisions of Section 232(2)(c) of the Companies Act, 2013 –	145

Sr. No.	Contents	Page No.
	Annexure J	
13.	Report adopted by the Board of Directors of InCred Wealth and Investment Services Private Limited in its Meeting held on September 27, 2021, pursuant to the provisions of Section 232(2)(c) of the Companies Act, 2013 – Annexure K	149
14.	Audited financial statement of InCred Capital Financial Services Private Limited as on March 31, 2021, including the Director's Report and the Auditor's Report - Annexure L	153
15.	Audited financial statement of Clamant Tech Services Private Limited as on March 31, 2021, including the Director's Report and the Auditor's Report - Annexure M	242
16.	Audited financial statement of InCred Wealth Private Limited as on March 31, 2021, including the Director's Report and the Auditor's Report - Annexure N	280
17.	Audited financial statement of MAPE Advisory Group Private Limited as on March 31, 2021, including the Director's Report and the Auditor's Report - Annexure O	348
18.	Audited financial statement of InCred Wealth and Investment Services Private Limited as on March 31, 2021, including the Director's Report and the Auditor's Report - Annexure P	399
19.	Latest unaudited financial statement of InCred Capital Financial Services Private Limited as on October 31, 2021 - Annexure Q	438
20.	Latest unaudited financial statement of Clamant Tech Services Private Limited as on October 31, 2021 - Annexure R	440
21.	Latest unaudited financial statement of InCred Wealth Private Limited as on October 31, 2021 - Annexure S	442
22.	Latest unaudited financial statement of MAPE Advisory Group Private Limited as on October 31, 2021 - Annexure T	444
23.	Latest unaudited financial statement of InCred Wealth and Investment Services Private Limited as on October 31, 2021 - Annexure U	446

Form CAA2
[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) / 221(MB) 2021**

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 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("**Company Scheme Application**");

And

In the matter of Composite Scheme of Arrangement between Clamant Tech Services Private Limited ("**Transferor Company**" or "**Applicant Company 1**"), InCred Wealth Private Limited ("**Demerged Company 1**" or "**Applicant Company 2**"), MAPE Advisory Group Private Limited ("**Demerged Company 2**" or "**Applicant Company 3**"), InCred Wealth and Investment Services Private Limited ("**Resulting Company 1**" or "**Applicant Company 4**"), InCred Capital Financial Services Private Limited ("**Resulting Company 2**" or "**Transferee Company**" or "**Applicant Company 5**") and their respective shareholders

InCred Capital Financial Services Private	)	
Limited , a company incorporated under the	)	
Companies Act, 1956 and having its	)	
registered office address at Unit No. 1203,	)	
12th Floor, B- Wing, The Capital, Bandra Kurla	)	...Resulting Company 2 /
Complex, Mumbai – 400051, Maharashtra	)	Transferee Company /
CIN: U67120MH1996PTC355036	)	Applicant Company 5

**NOTICE CONVENING MEETING OF THE EQUITY SHAREHOLDERS OF INCRED CAPITAL
FINANCIAL SERVICES PRIVATE LIMITED, THE RESULTING COMPANY 2 / TRANSFEREE
COMPANY / APPLICANT COMPANY 5**

To,

The Equity Shareholders of InCred Capital Financial Services Private Limited

NOTICE is hereby given that by an order dated November 23, 2021, 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 equity shareholders of InCred Capital Financial Services Private Limited ("**Company**", such equity shareholders "**Members**"), be convened and held to consider, and if thought fit, to approve the proposed 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**"), InCred Capital Financial Services Private Limited ("**Resulting Company 2**" or "**Transferee Company**") and their respective shareholders under Sections 230 to 232 of the Companies Act, 2013 ("**Scheme**").

In pursuance of the Order and as directed therein, further notice is hereby given that a meeting of the Members will be held on Friday, 28 January 2022 at 02:00 p.m. (Indian Standard Time) ("**Meeting**"), through Video Conferencing ("**VC**") / Other Audio-Visual Means ("**OAVM**"), following the operational procedures (with the relevant modifications as may be required) referred to in Circulars No.14/2020 dated April 8, 2020, No.17/2020 dated April 13, 2020, No.22/2020 dated June 15, 2020, No.33/2020 dated September 28, 2020, No.39/2020 dated December 31, 2020, No.10/2021 dated June 23, 2021 and No.20/2021 dated December 8, 2021 ("**MCA Circulars**"). Further, there shall be no meeting requiring physical presence at the common venue in view of the present circumstances on account of the Covid-19 pandemic. At such day, date, and time the Members 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 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. On account of threat posed by COVID-19 pandemic situation and as permitted under the various MCA Circulars, the Company is sending the notice in electronic form only via email addresses already registered with the Company.

TAKE FURTHER NOTICE that in compliance with the provisions of (i) Section 230 read with Section 108 of the Companies Act, 2013; (ii) Rule 6(3)(xi) of the Company Arrangement Rules; (iii) Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014; and (iv) applicable laws, the Company is providing the facility of casting votes through e-voting from any place other than voting at the Meeting ("**Remote E-voting**") so as to enable the Members, to consider and

approve the Scheme by voting on the below resolution. The Remote E-voting period commences from Monday, January 24, 2022, 11:00 a.m. (Indian Standard Time) and ends on Thursday, January 27, 2022, 05:00 p.m. (Indian Standard Time). The Company is also providing the facility of e-voting at the Meeting to the Members attending the Meeting. The facility of appointment of proxies by the Members will not be available for such Meeting. However, a body corporate is entitled to appoint a representative for the purposes of participating and or voting during the Meeting.

TAKE FURTHER NOTICE that each Member can opt for only one mode of voting i.e. either Remote E-voting or e-voting at the meeting. In case of Members exercising their right to vote via both modes, i.e. casting vote by Remote E-voting and also at the Meeting, then vote cast through Remote E-voting shall prevail over voting by the said Member at the Meeting and the vote cast at the Meeting by the concerned Member shall be treated as invalid.

TAKE FURTHER NOTICE that the Members may refer to the notes to this notice for the details of Remote E-voting or e-voting at the meeting. The voting rights of the Members shall be in proportion to their equity shareholding in the Company as on closure of business hours on Friday, January 21, 2022. ('Cut-off Date'). A person who is not a Member of the Company as on the Cut-off Date, should treat the notice for information purpose only.

TAKE FURTHER NOTICE that the Hon'ble Tribunal has appointed Mr. Varun Shah, Company Secretary of the Company, failing him, Mr. Deepak Dhingra, Chief Financial Officer of the Company, to be the Chairperson of the Meeting.

TAKE FURTHER NOTICE that the Hon'ble Tribunal has appointed M/s. Sharat Kumar Shetty & Associates, failing them, Ms. Deepti Joshi, a Practicing Company Secretary, to be the Scrutinizer of the Meeting.

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

TAKE FURTHER NOTICE that the Members 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 be 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 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**"), InCred Capital Financial Services Private Limited ("**Resulting Company 2**" or "**Transferee Company**") and their respective shareholders ("**Scheme**"), 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."*

Sd/-

Varun Shah

Chairperson appointed for the Meeting

Dated this 10th day of December, 2021

Place: Mumbai, Maharashtra

Registered Office:

InCred Capital Financial Services Private Limited

Unit No. 1203, 12th Floor, B Wing,

The Capital Bandra Kurla Complex,

Mumbai – 400051, Maharashtra, India.

Email: incred.compliance@incred.com

Website: <https://www.incredcapital.com/>

NOTES:

1. The notice, together with all the documents listed in the index, is being sent through electronic mode to the Members, whose email addresses are registered with the Company. Members may note that the notice will also be available on the Company's website, i.e., <https://www.incredcapital.com/> and on the website of NSDL, i.e. <https://www.evoting.nsdl.com/>.
2. If so desired, equity shareholders 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 shareholding in the Company, may be addressed to the Company Secretary at incred.compliance@incred.com.
3. The Meeting is organized through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM"), following the operating procedures (with requisite modifications as may be required), referred to in the MCA Circulars read with the provisions of the Companies Act, 2013. As such, physical attendance of equity shareholders has been dispensed with. The deemed venue for the Meeting shall be the registered office of the Company.
4. Since the meeting will be held through VC / OAVM in accordance with the Order and MCA Circulars, the route map, proxy form and attendance slip are not attached to this notice. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
5. In terms of the directions contained in the Order, the Members attending the Meeting through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date (specified above in the notice) only shall be entitled to exercise his / her / its voting rights on the resolution proposed in the notice and attend the Meeting. A person who is not an equity shareholder as on the cut-off date, should treat the notice for information purpose only.
7. Any Member, 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, 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 Member, to the scrutiniser at sksi.consultancy@gmail.com with a copy marked to evoting@nsdl.co.in and incred.compliance@incred.com, from the registered email address of the relevant Member, no later than 48 hours before the schedule time of the Meeting.

8. Members: (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 incred.compliance@incred.com.
9. 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 shareholders, agree to the Scheme.
10. 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.
11. Facility of joining the Meeting through VC / OAVM will open 15 minutes before the scheduled time for the Meeting and will remain open for 15 minutes after the scheduled time for the Meeting.
12. The proceedings of the Meeting will be recorded, and the transcript thereof will be maintained in the safe custody of the Company. This transcript will be uploaded on the website of the Company, i.e., <https://www.incredcapital.com/>
13. In terms of the directions contained in the Order, the notice convening the Meeting will be published by the Company through advertisement in The Free Press Journal in English Newspaper and Navshakti in Marathi language, having circulation in Mumbai. The same shall also be published in Financial Express having circulation in India.
14. **Voting**
 - 14.1 Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and the MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the Meeting. For this purpose, the Company has entered into an agreement with National Securities Depository Limited ("**NSDL**") for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue e-voting on the date of the Meeting will be provided by NSDL.
 - 14.2 As directed by the Hon'ble Tribunal, M/s. Sharat Kumar Shetty & Associates, failing them, Ms. Deepti Joshi, a Practicing Company Secretary, shall act as the scrutinizer to scrutinize votes casted through remote e-voting or e-voting 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.
 - 14.3 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. The results of the Meeting will be displayed on the Company's website, i.e., <https://www.incredcapital.com/>.

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, i.e., Friday, January 28, 2022.

- 14.4 All documents referred to in the notice and explanatory statement will be available for inspection by the Members from the date of circulation of this notice up to the date of the Meeting at the registered office of the Company.

Additionally, documents will also be available for electronic inspection by the members during business hours. Members 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.

15. **The instructions for members for remote e-voting and joining general meeting are as under:**

- 15.1 The remote e-voting period begins on Monday, January 24, 2022, 11:00 a.m. (Indian Standard Time) and ends on Thursday, January 27, 2022, 5:00 p.m. (Indian Standard Time). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the register of members / register of beneficial owners as on the cut-off date i.e. Friday, January 21, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, January 21, 2022.

- 15.2 **How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

- 15.2.1 **Step 1: Access to NSDL e-Voting system**

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IdeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “ Beneficial Owner ” icon under “ Login ” which is available under ‘ IdeAS ’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services.

Type of shareholders	Login Method
	Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - If you are not registered for IdeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IdeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp - Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder / Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password / OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on  App Store  Google Play  
Individual Shareholders holding securities in demat mode with CDSL	- Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. - After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.

Type of shareholders	Login Method
	3. If the user is not registered for Easi / Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL / CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder / Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password / OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.

- (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
 7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
 8. Now, you will have to click on “Login” button.
 9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC / OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. On the voting page, enter the number of shares as on the cut-off date under either “FOR” or “AGAINST” or alternatively, you may partially enter any number under “FOR” / “AGAINST”, but the total number under “FOR”/ “AGAINST” taken together should not exceed your total shareholding as on the cut-off date. Equity shareholders holding shares under multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts. You may then cast your vote by selecting an appropriate option and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution / Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the

Scrutinizer by e-mail to sksi.consultancy@gmail.com, with a copy marked to evoting@nsdl.co.in and incred.compliance@incred.com.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Anubhav Saxena, Assistant Manager at evoting@nsdl.co.in

Note: Any person, who acquires shares of the Company and becomes a member of the Company after sending of the notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” or “Physical User Reset Password” option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Friday, January 21, 2022 may follow steps mentioned in the Notice under “Access to NSDL e-Voting system”.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to incred.compliance@incred.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to incred.compliance@incred.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively, shareholder / members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE MEETING ARE AS UNDER:-

1. The procedure for e-Voting on the day of the Meeting is same as the instructions mentioned above for remote e-voting.
2. Only those Members / shareholders, who will be present in the Meeting through VC / OAVM facility and have not casted their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the Meeting.
3. Members who have voted through Remote e-Voting will be eligible to attend the Meeting. However, they will not be eligible to vote at the Meeting. Once the vote on the resolution is cast by a equity shareholder, whether partially or otherwise, the equity shareholder will not be allowed to change it subsequently or cast the vote again.
4. A equity shareholder can opt for only single mode of voting per EVEN, i.e., through remote e-voting or e-voting at the Meeting. If a equity shareholder casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the Meeting shall be treated as "INVALID".
5. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the Meeting shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE MEETING THROUGH VC / OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the Meeting through VC / OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC / OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC / OAVM link placed under Join General Meeting menu. The link for VC / OAVM will be available in Shareholder / Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at incred.compliance@incred.com. The same will be replied by the company suitably.
6. Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request atleast 3 days in advance from their registered e-mail address mentioning their names, DP ID and Client ID/folio number and mobile number at incred.compliance@incred.com. Only those Members who have pre-registered themselves as speakers will be allowed to express their views/ask questions during the Meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the Meeting.

Form CAA2
[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) / 221(MB) 2021**

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 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("**Company Scheme Application**");

And

In the matter of Composite Scheme of Arrangement between Clamant Tech Services Private Limited ("**Transferor Company**" or "**Applicant Company 1**"), InCred Wealth Private Limited ("**Demerged Company 1**" or "**Applicant Company 2**"), MAPE Advisory Group Private Limited ("**Demerged Company 2**" or "**Applicant Company 3**"), InCred Wealth and Investment Services Private Limited ("**Resulting Company 1**" or "**Applicant Company 4**"), InCred Capital Financial Services Private Limited ("**Resulting Company 2**" or "**Transferee Company**" or "**Applicant Company 5**") and their respective shareholders

InCred Capital Financial Services Private	)	
Limited , a company incorporated under the	)	
Companies Act, 1956 and having its	)	
registered office address at Unit No. 1203,	)	
12th Floor, B- Wing, The Capital, Bandra Kurla	)	...Resulting Company 2 /
Complex, Mumbai – 400051, Maharashtra.	)	Transferee Company /
CIN: U67120MH1996PTC355036	)	Applicant Company 5

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 EQUITY SHAREHOLDERS OF

INCRED CAPITAL FINANCIAL SERVICES PRIVATE 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 equity shareholders of the InCred Capital Financial Services Private Limited ("**Company**", and such equity shareholders, "**Members**"), pursuant to the order dated November 23, 2021 ("**Order**") passed by the Hon'ble National Company Law Tribunal, Mumbai Bench ("**Hon'ble Tribunal**" or "**NCLT**") in C.A (CAA) / 221(MB) 2021, referred to hereinabove, to be held on Friday, January 28, 2022 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 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**"), InCred Capital Financial Services Private Limited ("**Resulting Company 2**" or "**Transferee Company**") and their respective shareholders under Sections 230 to 232 of the Companies Act, 2013 ("**Scheme**").
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, 2022) but shall be made operative from the Effective Date (*as defined in the Scheme*).
3. Members would be entitled to attend the meeting through Video Conferencing ("**VC**") / Other Audio-Visual Means ("**OAVM**") and the quorum of the Meeting shall be as prescribed under Section 103 of the Companies Act, 2013.
4. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and the MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the Meeting. For this purpose, the Company has entered into an agreement with National Securities Depository Limited ("**NSDL**") for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue e-voting on the date of the Meeting will be provided by NSDL.
5. The Hon'ble Tribunal has appointed Mr. Varun Shah, Company Secretary of the Company, failing him, Mr. Deepak Dhingra, Chief Financial Officer of the Company, to be the Chairperson of the Meeting.
6. The Hon'ble Tribunal has appointed M/s. Sharat Kumar Shetty & Associates, failing them, Ms. Deepti Joshi, a Practicing Company Secretary, to be the Scrutinizer of the Meeting.
7. 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.

8. 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 Members attending the meeting, agree to the resolution proposed in the Notice.
9. The Hon'ble Tribunal, by its Order, has held that if the entries in the records / registers of the Company in relation to the number or value, as the case may be, of the equity shares are disputed, the Chairperson of the Meeting shall determine the number or value of the equity shares, as the case maybe, for the purposes of the Meeting.
10. 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.
11. **List of the companies / parties involved in the Scheme**
 - 11.1. Clamant Tech Services Private Limited
 - 11.2. InCred Wealth Private Limited
 - 11.3. MAPE Advisory Group Private Limited
 - 11.4. InCred Wealth and Investment Services Private Limited
 - 11.5. InCred Capital Financial Services Private Limited
12. **Background of Companies**

Company / Applicant Company 5 / Resulting Company 2 / Transferee Company

- 12.1. Company / Applicant Company 5 / Resulting Company 2 / Transferee Company is a private company. The Applicant Company 5 was incorporated as a private company in the name and style of Proud Securities and Credits Private Limited on March 27, 1996 in the National Capital Territory of Delhi under the provisions of the Companies Act, 1956 *vide* certificate of incorporation issued by Registrar of Companies, National Capital Territory of Delhi and Haryana. The name of the Applicant Company 5 was changed to InCred Capital Financial Services Private Limited in 2020. In this regard, a fresh certificate of incorporation dated January 11, 2020 was issued by Registrar of Companies, National Capital Territory of Delhi and Haryana. In or around January, 2021, the registered office of the Applicant Company 5 was shifted from National Capital Territory of Delhi to the State of Maharashtra. Consequent to the shifting of the registered office from National Capital Territory of Delhi to the State of Maharashtra, a certificate of registration of regional director order for change of state dated January 12, 2021 has been issued by the Registrar of Companies, Mumbai, Maharashtra. The Corporate Identification Number of the Applicant Company 5 is U67120MH1996PTC355036. The PAN of the Applicant Company 5 is AABCP3467A. Email address of the Applicant Company 5 is incred.compliance@incred.com.

12.2. Applicant Company 5 is an integrated provider of financing solutions providing various services, which inter alia, include advisory services to corporate and institutional clients through their capital market, asset management and investment banking platform(s) housed in the company and its subsidiaries / associate companies. The Applicant Company 5 holds a certificate of registration from the Reserve Bank of India to carry on the business of a non-banking financial company without accepting public deposits. Applicant Company 5 has its registered office at Unit No. 1203, 12th Floor, B- Wing, The Capital, Bandra Kurla Complex, Mumbai – 400051, Maharashtra, India.

12.3. The authorised, issued, subscribed and paid-up share capital of the Applicant Company 5 as on October 4, 2021 is as under:

Particulars	Amount in Rupees
Authorised Share Capital	
3,44,00,000 equity shares of Rs. 10/- each	34,40,00,000
6,00,000 optionally convertible redeemable preference shares of Rs.10/- each	60,00,000
Total	35,00,00,000
Issued, Subscribed and Paid-Up Share Capital	
98,99,804 equity shares of Rs. 10 each	9,89,98,040
Total	9,89,98,040

12.4. As on date, there has been no material change in the above-mentioned capital structure of the Applicant Company 5. The equity shares of the Applicant Company 5 are not listed on any stock exchange.

12.5. The details of the Promoters of the Applicant Company 5 along with their addresses are mentioned herein below:

Name of the Promoters	Address
Mr. Bhupinder Singh	Flat No.3602 and 3702, Tower A, Raheja Vivarea, Hindoostan Spinning and Weaving Mills Compound, Sane Guruji Marg, Jacob Circle, Mumbai-400011

12.6. The details of the Directors of the Applicant Company 5 along with their addresses are mentioned herein below:

Name of the Director	Designation	Address
Siddharth Parekh	Director	Flat 412, B-Wing, 14, Altamount Road, Grant Road, Olympus, Cumballa Hill, Mumbai 400026, Maharashtra

Name of the Director	Designation	Address
Bhupinder Singh	Director	Flat No. 3602/3702, Vivaria Tower A, Sane Guruji Marg, Mahalaxmi, Nr. Jacob Circle, Mumbai 400011, Maharashtra
Vivek Bansal	Director	C-23, Kalpataru Sparkle, MIG CHSL Group-II Ltd, MIG Colony, Dharmadhikari Road, Bandra East, Mumbai-400051
Saurabh Jhalaria	Director	Asha Towers, Flat 4B 34/1, Bondel Read, Ballygunge, Kolkata 700019, West Bengal
Venkatesh Vishwanathan	Director	24, Wolfe House, 389, Kensington High Street, London W14BQA, United Kingdom

12.7. As on September 27, 2021, the amount due to the unsecured creditors of the Applicant Company 5 is Rs. 1,03,698 (Rupees One Lakh Three Thousand Six Hundred and Ninety-Eight only). Further, as on September 27, 2021, the Applicant Company 5 has no secured creditors.

12.8. The main objects of the Company 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, obligation 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.

4. To advice or lend money machinery, lend, building , shed or other things to any person, corporation, firm, industry, body-corporate, institution or agriculturist either with or without security and upon terms and condition as the company may think fit and to give guarantee or become sureties for the performance of any agreement or contract entered into by any industrial enterprises, individual, firm or company with any financial institution banks or such other parties for obtaining finance loan or credit whether for its long term capital, working capital or for any differ payment finance.

Applicant Company 1 / Transferor Company

- 12.9. Applicant Company 1 is a private company. The Applicant Company 1 was incorporated in the name and style of Clamant Tech Services Private Limited on November 11, 2020, in Mumbai, Maharashtra under the Companies Act, 2013 vide certificate of incorporation issued by the Registrar of Companies, Mumbai. The Corporate Identification Number of Applicant Company 1 is U72900MH2020PTC349941. The PAN of the Applicant Company 1 is AAJCC1118M. Email address of the Applicant Company 1 is incred.compliance@incred.com.
- 12.10. Applicant Company 1 is engaged in the business of inter alia, software designing, development, customization, implementation, maintenance, testing and benchmarking, designing, developing and dealing in computer software and solutions. The registered office of Applicant Company 1 is at Unit No. 1203, 12th Floor, B Wing, The Capital, C-70 G Block, Bandra Kurla Complex, Mumbai- 400051, Maharashtra, India.
- 12.11. The authorised, issued, subscribed and paid-up share capital of the Applicant Company 1 as on October 4, 2021 is as under:

Particulars	Amount in INR
Authorised Share Capital	
5,10,000 equity shares of Rs. 10/- each	51,00,000
Total	51,00,000
Issued, Subscribed and Paid-Up Share Capital	
4,15,400 equity shares of Rs. 10/- each	41,54,000
Total	41,54,000

- 12.12. 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.
- 12.13. As on date, there are no Promoters in the Applicant Company 1.
- 12.14. The details of the Directors of the Applicant Company 1 along with their addresses are mentioned herein below:

Name of the Director	Designation	Address
Venkatesh Vishwanathan	Director	24, Wolfe House, 389, Kensington High Street, London W14BQA, United Kingdom
Nupur Anand	Director	10/901, Seawoods Estate, N.R.I. Complex Palm Beach Road, Near Delhi Public School, Sector-54/56/58 Nerul, Navi Mumbai 400615, Maharashtra

- 12.15. As on September 27, 2021, the Applicant Company 1 has no secured and/or unsecured

creditors.

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

“To carry on the business of Software designing, development, customization, implementation, maintenance, testing and benchmarking, designing, developing and dealing in computer software and solutions, and to import, export, sell, purchase, distribute, host in data centers or over the web or otherwise deal in own and third party computer software packages, programs and solutions and to provide internet / web based applications, services and solutions, provide or take up Information technology related assignments on sub-contracting basis, offering services on-site/offsite or through development centers using owned / hired or third party infrastructure and equipment, providing recruitment and HR related services, providing and taking personnel /consultants / human resources to / from other organizations, providing solutions / packages / services through applications services provider mode via internet or otherwise, to undertake IT enabled services like call centre management, medical and legal transcription, data processing, Back office processing, Accounting, HR and payroll processing, cheque processing, data warehousing and database management, to carry on the business of manufacturing, dealing and maintenance of computer hardware, computer systems and assemble data processors, program designs and to buy, sell or otherwise deal in such hardware and software packages and all types of tabulating machines, accounting machines, calculators, computerized telecommunication systems and network, their components, spare parts, equipment and devices and to carry on the business of establishing, running and managing institutions, school, and academics for imparting education in computer technology, offering equipment, solutions and services for networking and network management, data center management and in providing consultancy services in all above mentioned areas.

Applicant Company 2 / Demerged Company 1

- 12.17. Applicant Company 2 / Demerged Company 1 is a private company. The Applicant Company 2 was incorporated as a private company in the name and style of InCred Capital Inclusion Advisory Services Private Limited on May 20, 2019 in Mumbai under the provisions of the Companies Act, 2013 vide certificate of incorporation issued by Registrar of Companies, Mumbai. The name of the Applicant Company 2 was changed to InCred Wealth Private Limited in 2020. In this regard, a fresh certificate of incorporation dated December 5, 2020 was issued by Registrar of Companies, Mumbai. The Corporate Identification Number of Applicant Company 2 is U67190MH2019PTC325577. The PAN of the Applicant Company 2 is AAFCI2798R. Email address of the Applicant Company 2 is incred.compliance@incred.com.
- 12.18. Applicant Company 2 is primarily engaged in the business of (i) distribution of financial products and offering a broad range of execution services in relation to investment products and securities to various classes of investors, including high networth investors, and (ii) acting as a referral agent / facilitator / placement agent for corporates, investment managers and financial institutions. The Applicant Company 2 also provides investment advisory, stock broking and portfolio management services through its subsidiary, InCred Capital Wealth Portfolio

Managers Private Limited (formerly known as BSH Corporate Advisors and Consultants Private Limited). The registered office of Applicant Company 2 is at Unit No. 1203, 12th Floor, B Wing, The Capital, C-70 G Block, Bandra Kurla Complex, Mumbai- 400051, Maharashtra, India.

- 12.19. The authorised, issued, subscribed and paid-up share capital of the Applicant Company 2 as on October 4, 2021, is as under:

Particulars	Amount in INR
Authorised Share Capital	
10,000 equity shares 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

- 12.20. 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.

- 12.21. The details of the Promoters of the Applicant Company 2 along with their addresses are mentioned herein below:

Name of the Promoters	Address
Mr. Bhupinder Singh	Flat No.3602 and 3702, Tower A, Raheja Vivarea, Hindoostan Spinning and Weaving Mills Compound, Sane Guruji Marg, Jacob Circle, Mumbai-400011

- 12.22. The details of the Directors of the Applicant Company 2 along with their addresses are mentioned herein below:

Name of the Director	Designation	Address
Kamlesh Dangi	Director	101 Sunville, Plot No. 80, N.S. Road No.8, Behind Cooper Hospital, J.V.P.D. Scheme, Mumbai 400049, Maharashtra
Bhupinder Singh	Director	Flat No. 3602/3702, Vivaria Tower A, Sane Guruji Marg, Mahalaxmi, Nr. Jacob Circle, Mumbai 400011, Maharashtra

12.23. As on September 27, 2021, the Applicant Company 2 has no secured and/or unsecured creditors.

12.24. The main objects of the Applicant Company 2 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 3 / Demerged Company 2

12.25. Applicant Company 3 / Demerged Company 2 is a private company. The Applicant Company 3 was incorporated as a private company in the name and style MAPE Advisory Group Private Limited on December 18, 2001 in Bangalore under the provisions of the Companies Act, 1956 vide certificate of incorporation issued by Registrar of Companies, Bangalore. The registered office of the Applicant Company 3 was shifted from Bangalore, Karnataka to Mumbai, Maharashtra. Consequent to the shifting of the registered office from Bangalore, Karnataka to Mumbai, Maharashtra, a certificate of registration of regional director order for change of state dated April 8, 2021 has been issued by the Registrar of Companies, Mumbai, Maharashtra. The Corporate Identification Number of the Applicant Company 3 is U74140MH2001PTC358561. The PAN of the Applicant Company 3 is AACCM8193M. Email address of the Applicant Company 3 is vishwanath@mapegroup.com.

12.26. Applicant Company 3 holds a certificate of registration to act as a merchant banker under the SEBI (Merchant Bankers) Regulations, 1992, as amended from time to time and is engaged in the business of, inter alia, providing investment advisory, investment banking and merchant banking services. Applicant Company 3 has its registered office at Unit No. 1203, 12th Floor, B-Wing, The Capital, Bandra Kurla Complex, Mumbai 400051, Maharashtra, India.

12.27. The authorised, issued, subscribed and paid-up share capital of the Applicant Company 3 as on October 4, 2021 is as under:

Particulars	Amount in Rupees
Authorised Share Capital	
29,00,000 equity shares of Rs. 10/- each	2,90,00,000
41,00,000 12.5% Cumulative Optionally Convertible Redeemable Preference Shares of Rs 10 each	4,10,00,000
Total	7,00,00,000
Issued, Subscribed and Paid-Up Share Capital	
5,34,954 equity shares of Rs. 10/- each	53,49,540
Total	53,49,540

12.28. 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.

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

Name of the Promoters	Address
Mathrubutham Ramprasad and Sudha Ramprasad (jointly holding the shares on behalf of Bhagyalakshmi Enterprise)	New No. 7, Old No. 4, Karpagam Garden, 3rd Cross Street, Adyar, Chennai 600020, Tamil Nadu
Jacob Mathew	S1-Promenade-II, 76 Nandidurga Road, Jayamahall Extension, Bangalore 560046, Karnataka
Anu Jacob	S1-Promenade-II, 76 Nandidurga Road, Jayamahall Extension, Bangalore 560046, Karnataka

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

Name of the Director	Designation	Address
Ramprasad Mathrubutham	Wholetime Director	New No. 7, Old No. 4, Karpagam Garden, 3rd Cross Street, Adyar, Chennai 600020, Tamil Nadu
Rajeseekar Ramaraj	Director	1D Aum Apartments, No. 26 Kothari Road Nungambakkam, Chennai 600034, Tamil Nadu
Jacob Mathew	Wholetime Director	S1-Promenade-II, 76 Nandidurga Road, Jayamahall Extension, Bangalore 560046, Karnataka

12.31. As on September 27, 2021, the amount due to the unsecured creditors of the Applicant Company 3 is Rs 48,46,42,128 (Rupees Forty Eight Crore Forty Six Lakhs Forty Two Thousand

and One Hundred and Twenty Eight only). Further, as on September 27, 2021, the amount due to secured creditors of Applicant Company 3 Rs 40,38,853 (Rupees Forty Lakhs Thirty-Eight Thousand Eight Hundred and Fifty-Three Only).

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

“1. To provide advisory and consultancy services in the areas of Mergers and Acquisitions (M & A) and Private Equity in India and abroad;

2. To arrange corporate finance and provide management consultancy and investment / banking services for equity, debt, restructuring, takeovers, portfolio management services, trading on proprietary and client accounts, open offers, buy backs, market capitalization, issue of securities, convertibles and debt, public and private placements and other allied associated services for corporate and individual clients.”

Applicant Company 4 / Resulting Company 1

- 12.33. Applicant Company 4 is a private company. The Applicant Company 4 was incorporated in the name and style of InCred Wealth and Investment Services Private Limited on November 18, 2020, in Mumbai, Maharashtra under the Companies Act, 2013 vide certificate of incorporation issued by the Registrar of Companies, Mumbai. The Corporate Identification Number of Applicant Company 4 is U67190MH2020PTC350270. The PAN of the Applicant Company 4 is AAFCI9141L. Email address of the Applicant company 4 is incred.compliance@incred.com.
- 12.34. Applicant Company 4 is engaged in the business of providing financial, management advisory and consultancy services, and to act as advisors / consultants with respect to alternative investment funds, mutual fund schemes, unit trust schemes or any other funds. Applicant Company 4 has its registered office at Unit No. 1203, 12th Floor, B Wing, The Capital, Plot No.C-70, G Block, Bandra Kurla Complex, Mumbai 400051.
- 12.35. The authorised, issued, subscribed and paid-up share capital of the Applicant Company 4 as on October 4, 2021 is as under:

Particulars	Amount in Rupees
Authorised Share Capital	
60,00,000 equity shares of Rs. 10/- each	6,00,00,000
Total	6,00,00,000
Issued, Subscribed and Paid-Up Share Capital	
7,10,000 equity shares of Rs. 10/- each	71,00,000
Total	71,00,000

- 12.36. 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.

12.37. 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 Financial Services Private Limited	Unit No. 1203, 12 th Floor, B Wing, The Capital, Plot No. C-70, G Block, Bandra Kurla Complex, Bandra East, Mumbai-400051

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

Name of the Director	Designation	Address
Kamlesh Dangi	Director	101 Sunville, Plot No. 80, N.S. Road No.8, Behind Cooper Hospital, J.V.P.D. Scheme, Mumbai 400049, Maharashtra
Bhupinder Singh	Director	Flat No. 3602/3702, Vivaria Tower A, Sane Guruji Marg, Mahalaxmi, Nr. Jacob Circle, Mumbai 400011, Maharashtra

12.39. As on September 27, 2021, the Applicant Company 4 has no secured and/or unsecured creditors.

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

- 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 and portfolio management , and Investment Advisor 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.*
- To carry on the business of all types of capital, financial, managerial, public issue, advisors and managers, and investment consultancy, 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, Authorised Persons of any Stock Brokers, Portfolio Manager, Investment Advisor, Trustees, Custodians, Transfer Agents, and to provide all kinds of financial service, 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.

3. *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 and to solicit/procure Insurance Business as Corporate Agency (Composite) in respect of all classes of Insurance and to Undertake such other activities as are incidental or ancillary thereto as permitted by IRDAI under Corporate Agency Regulations 2015 as amended from time to time .*
4. *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, properties, bonds of any Government, local authority bonds and certificates, securities, debentures, whether perpetual or redeemable debenture stock.*
5. *To carry on in India or abroad the business of wealth management and investment advisory services including but not limited to portfolio management and portfolio rebalancing, investment management, trust and estate management, private banking and financing, securities investment advisor, research in various investment opportunities, financial consultancy in investment and capital markets, and all other related financial services pertaining to various assets classes including real estate, commodities and such other alternative investments and to carry out developing and distribution of wealth management products like stocks trading, equity linked investments, structured saving products, structured investment products and derivatives, Mutual Fund and other financial products.*

13. Relationship subsisting between the companies who are parties to the Scheme

- 13.1. The Applicant Company 2, Applicant Company 4 and the Applicant Company 5 are part of the same group company. The Applicant Company 4 is the wholly owned subsidiary of the Applicant Company 5. Mr. Bhupinder Singh is a common director in Applicant Company 2, Applicant Company 4 and the Applicant Company 5.
- 13.2. The Applicant Company 1 and Applicant Company 3 are unrelated companies.

14. Salient Features of the Scheme

14.1. This Scheme provides for:

- a) Amalgamation of Clamant Tech Services Private Limited with InCred Capital Financial Services Private Limited;
- b) Demerger of the Demerged Undertaking 1 of InCred Wealth Private Limited into InCred Wealth and Investment Services Private Limited and InCred Capital Financial Services Private Limited, being a parent of InCred Wealth and Investment Services Private Limited to issue equity shares to shareholders of InCred Wealth Private Limited as a consideration pursuant to the demerger; and

- c) Demerger of the Demerged Undertaking 2 of MAPE Advisory Group Private Limited into InCred Capital Financial Services Private Limited.

14.2. Rationale of the Scheme

The key objectives of the Scheme are:

Merger of Applicant Company 1 into Applicant Company 5

- (i) *To consolidate the business of developing and operating tech solution platform for retail wealth management, independent financial advisors and institutional wealth managers undertaken by the Transferor Company with the Transferee Company to achieve economies of scale, operational rationalization and organizational efficiency, wider market reach and customer base, and to reduce redundant costs.*

Demerger of Demerged Undertaking 1 of Applicant Company 2 into Applicant Company 4

- (ii) *Demerger of the Demerged Undertaking 1 from the Demerged Company 1 into the Resulting Company 1, which is a wholly owned subsidiary of the Transferee Company, will enable the management of the Transferee Company to consolidate the Demerged Undertaking 1 with its business of offering financing solutions to its clients, and to carry out the business more conveniently and advantageously with greater focus and attention. The same will facilitate the business considerations and factors applicable to the Demerged Undertaking 1 to be addressed more effectively and efficiently.*

Demerger of Demerged Undertaking 2 of Applicant Company 3 into Applicant Company 5

- (iii) *Demerger of the Demerged Undertaking 2 from the Demerged Company 2 into the Resulting Company 2 will enable consolidation of the Demerged Undertaking 2 with the business of the Resulting Company 2, and the same can be carried on more conveniently and advantageously with greater focus and attention. The demerger will facilitate the business considerations and factors applicable to the Demerged Undertaking 2 to be addressed more effectively and efficiently.*
- (iv) *Cost savings 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) *assist in rationalizing the corporate structure and streamlining the operating structure;*

- ii) *greater efficiencies in operations and utilization of common pool of resources, expansion of the market size and reach; and*
- iii) *exploitation of synergies resulting from consolidation leading to increase in cost*

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.

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

“Appointed Date” shall mean April 1, 2022 or such other date as the NCLT may direct;

“Effective Date” means the Appointed Date or the last of the dates on which all of the conditions and matters specified in Clause 41 of this Scheme have been fulfilled, whichever is later 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;

3 Date of taking effect and operative date

The Scheme as set out herein in its present form or with any modification(s) and amendments(s) made as per Clause 40 of the Scheme, approved or imposed or directed by the NCLT, as the case may be, shall become effective from the Appointed Date, but shall be operative from the Effective Date.

5.1 Transfer and vesting of assets and liabilities and entire business of the Transferor Company

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 the Transferor Company comprising of all the debts, liabilities, duties and obligations of the Transferor Company of every description and also including, without limitation, all movable and immovable properties, if any, and assets of the Transferor Company 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 the Transferee Company on a going concern basis so as to become the properties of the Transferee Company.

15.1 Consideration

Upon effectiveness of the Scheme and in consideration for the amalgamation of the Transferor Company with the Transferee Company, the Transferee Company shall, without any further act or deed, issue and allot fully paid-up equity shares of INR 10 each to all the shareholders of the Transferor Company whose names appear in the register of members of the Transferor Company as on the Record Date in the ratio of 1,939 (One Thousand Nine Hundred and Thirty Nine) fully paid-up equity shares of INR 10 each of the Transferee Company for every 1,000 (One Thousand) equity shares of the Transferor Company of INR 10 each fully paid-up:

18.1 *Transfer and vesting of Demerged Undertaking 1*

With the effect from the Appointed Date and upon this Scheme coming into effect, the Demerged Undertaking 1 (including all accretions and appurtenances) shall, without any further act, instrument or deed, be and stand demerged from the Demerged Company 1 and transferred to and vested in or be deemed to be transferred to and vested in the Resulting Company 1, as a going concern, so as to vest in the Resulting Company 1, all the rights, titles and interests pertaining to the Demerged Undertaking 1, 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.

26.1 *Consideration*

Upon the coming into effect of the Scheme, and in consideration for the transfer of and vesting of the properties, assets and liabilities of the Demerged Undertaking 1 of the Demerged Company 1 into the Resulting Company 1 in terms of this Scheme, the Transferee Company, being the parent company of the Resulting Company 1, shall, without any further act or deed, issue and allot fully paid-up equity shares of INR 10 (Rupees Ten only) each to all the shareholders (i.e. holders of common equity shares and holders of equity shares with differential voting rights) of the Demerged Company 1 whose names appear in the register of members of the Demerged Company 1 as on the Record Date in the ratio of 8,516 (Eight Thousand Five Hundred and Sixteen) fully paid-up equity shares of INR 10 each of the Transferee Company for every 1,000 (One Thousand) equity shares of the Demerged Company 1 of INR 10 each fully paid up.

29.1 *Transfer and vesting of Demerged Undertaking 2*

Upon this Scheme coming into effect and with effect from Appointed Date, the Demerged Undertaking 2 (including all accretions and appurtenances) shall, without any further act, instrument or deed, be and stand demerged from the Demerged Company 2 and transferred to and vested in or be deemed to be transferred to and vested in the Resulting Company 2 as a going concern, so as to vest in the Resulting Company 2, all the rights, titles and interests pertaining to the Demerged Undertaking 2, 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.

- 29.11** *On or before the Scheme becoming effective, the Resulting Company 2 shall surrender to the RBI its registration as a 'Non-Banking Finance Company' and shall obtain a registration from SEBI for carrying out merchant banking activities.*

37 Consideration

- 37.1** *Upon this Scheme becoming effective and in consideration for the demerger of the Demerged Undertaking 2 of the Demerged Company 2 into the Resulting Company 2, the Resulting Company 2 shall, without any further act or deed, issue and allot (i) (a) equity shares of Rs 10 (Rupees Ten only) each or (b) a combination of equity shares and Class B optionally convertible redeemable preference shares of Rs 10 (Rupees Ten only) each, as per the terms and subject to conditions as set out in Schedule I, as the relevant equity shareholder of Demerged Company 2 may elect; and Class A optionally convertible cumulative redeemable preference shares of Rs 10 (Rupees Ten only) each, as per the terms and subject to the conditions as set out in Schedule II, and in the ratio specified below, to the equity shareholders of the Demerged Company 2, whose names appear in the register of members of the Demerged Company 2 as on the Record Date:*

"8,147 (Eight Thousand One Hundred and Forty Seven) fully paid-up equity shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) equity shares of the Demerged Company 2 of INR 10 each fully paid-up"

Or

4,073 (Four Thousand and Seventy Three) fully paid-up equity shares of INR 10 each and 4,073 (Four Thousand and Seventy Three) fully paid-up Class B optionally convertible redeemable preference shares of the Resulting Company 2 for every 10,000 (Ten Thousand) equity shares of the Demerged Company 2 of INR 10 each fully paid-up and the conversion and other terms and conditions of the Class B optionally convertible redeemable preference shares shall be as specified in the Schedule I annexed to the Scheme"

And

"8,486 (Eight Thousand Four Hundred and Eighty Six) fully paid-up Class A optionally convertible cumulative redeemable preference shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) equity shares of the Demerged Company 2 of INR 10 each fully paid-up and the conversion and other terms and conditions of the Class A optionally convertible cumulative redeemable preference shares shall be as specified in the Schedule II annexed to the Scheme"

Any fractional entitlement arising in the course of the issue and allotment of equity shares, Class A optionally convertible cumulative redeemable preference shares and Class B optionally convertible redeemable preference shares by the Resulting

Company 2 shall be rounded-off to the nearest integer.

- 37.2 *The equity shares, Class A optionally convertible cumulative redeemable preference shares and Class B optionally convertible redeemable preference shares to be issued by the Resulting Company 2 to the shareholders of the Demerged Company 2 pursuant to Clause 0 above shall be subject to the memorandum and articles of association of the Resulting Company 2 and in compliance with the Applicable Laws.*
- 37.3 *The issuance and allotment of the equity shares, Class A optionally convertible cumulative redeemable preference shares and Class B optionally convertible redeemable preference shares by the Resulting Company 2 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 the Resulting Company 2 as if the procedure laid down under Sections 42, 55 and 62 of the Act and any other applicable provisions of the Act were duly complied with.*

41 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) Receipt of necessary approval by the Resulting Company 2 / Transferee Company from the RBI for surrendering the 'Non-Banking Finance Company' license, on the terms and conditions acceptable to Resulting Company 2 / Transferee Company;*
- (v) Receipt of AMFI Registration Number (ARN) by the Resulting Company 1 from Association of Mutual Funds of India (AMFI);*
- (vi) Receipt of registration by the Resulting Company 2 / Transferee Company from SEBI for carrying out merchant banking business, on the terms and conditions acceptable to Resulting Company 2 / Transferee Company;*
- (vii) all other relevant approvals, permits, sanctions, no-objections and consents, as may be required in respect of this Scheme, being obtained from the Appropriate Authority and / or person.*

14.4. The features set out above are only an extract of the Scheme. Members are advised to read

the entire text of the Scheme annexed hereto as **Annexure A**, to get fully acquainted with the provisions thereof.

15. Interest of Directors, Key Managerial Personnel, their relatives and Debenture Trustee

- 15.1. None of the Directors, Key Managerial Personnels of the Company / Applicant Company 5 and their respective relatives (as defined under the Companies Act, 2013 and rules framed thereunder) has any interest in the Scheme except to the extent of their shareholding in the Company, if any. Save as aforesaid, none of the said Directors or the Key Managerial Personnels or their respective relatives has any material interest in the Scheme. The Company has no outstanding debentures and hence, does not have debenture trustee.
- 15.2. None of the Directors of the Applicant Company 1 and their respective relatives (as defined under the Companies Act, 2013 and rules framed thereunder) has any interest in the Scheme except to the extent of their shareholding in the Applicant Company 1, if any. Save as aforesaid, none of the said Directors or their respective relatives has any material interest in the Scheme. The Applicant Company 1 has no outstanding debentures and hence, does not have debenture trustee.
- 15.3. None of the Directors of the Applicant Company 2 and their respective relatives (as defined under the Companies Act, 2013 and rules framed thereunder) has any interest in the Scheme except to the extent of their shareholding in the Applicant Company 2, if any. Save as aforesaid, none of the said Directors or their respective relatives has any material interest in the Scheme. The Applicant Company 2 has no outstanding debentures and hence, does not have debenture trustee.
- 15.4. None of the Directors of the Applicant Company 3 and their respective relatives (as defined under the Companies Act, 2013 and rules framed thereunder) has any interest in the Scheme except to the extent of their shareholding in the Applicant Company 3, if any. Save as aforesaid, none of the said Directors or their respective relatives has any material interest in the Scheme. The Applicant Company 3 has no outstanding debentures and hence, does not have debenture trustee.
- 15.5. None of the Directors of the Applicant Company 4 and their respective relatives (as defined under the Companies Act, 2013 and rules framed thereunder) has any interest in the Scheme except to the extent of their shareholding in the Applicant Company 4, if any. Save as aforesaid, none of the said Directors or their respective relatives has any material interest in the Scheme. The Applicant Company 4 has no outstanding debentures and hence, does not have debenture trustee.

16. Effect of the Scheme on various parties

- 16.1. For Company / Applicant Company 5 / Resulting Company 2 / Transferee Company

Sr No	Category of stakeholder	Effect of Scheme
1.	Key managerial personnel and employees	Under Clause 8 of the Scheme, on the Scheme coming into effect, all staff and employees of the Applicant Company 1 in service on the Effective Date, shall be deemed to have become staff and employees of the Applicant Company 5 without any break in their service and the terms and conditions of their employment with the Applicant Company 5 shall be no less favourable than those on which they are engaged by the Applicant Company 1 as on the Effective Date. Also, under Clause 30 of the Scheme, on the Scheme coming into effect, all permanent employees of the Demerged Undertaking 2 of the Applicant Company 3 in service on the Effective Date, shall be deemed to have become the employees of the Applicant Company 5 without any break in their service and terms and conditions of their employment with the Applicant Company 5 shall be no less favourable than those on which they are engaged by the Applicant Company 3 as on the Effective Date
2.	Directors	Whilst the Scheme does not contemplate any change in board of directors of Applicant Company 5, appropriate changes in directors will be made pursuant to business and statutory requirements.
3.	Promoters	No equity shares are proposed to be issued to the shareholders of the Applicant Company 5 pursuant to the Scheme
4.	Non promoter members	
5.	Depositors, Deposit trustee	Not applicable
6.	Creditors	Scheme does not envisage any compromise or arrangement with creditors. The liability of the creditors of Applicant Company 5, under the Scheme, is neither being reduced nor being extinguished. The creditors of Applicant Company 5 would in no way be affected by the Scheme.
7.	Debenture holders	Not applicable. As on date, Applicant Company 5 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	

16.2. For Applicant Company 1 / Transferor 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 Applicant Company 1 in service on the Effective Date, shall be deemed to have become staff and employees of the Applicant Company 5 without any break in their service and the terms and conditions of their employment with the Applicant Company 5 shall be no less favourable than those on which they are engaged by the Applicant Company 1 as on the Effective Date.
2.	Directors	Upon the effectiveness of the Scheme, the Applicant Company 1 shall stand dissolved and consequently the Board of Directors and any committees thereof of the Applicant Company 1 shall without any further act, instrument or deed shall stand dissolved.
3.	Promoters	Not applicable
4.	Non promoter members	Upon effectiveness of the Scheme and in consideration for the amalgamation of the Transferor Company with the Transferee Company, the Transferee Company shall, without any further act or deed, issue and allot fully paid-up equity shares of INR 10 each to all the shareholders of the Transferor Company whose names appear in the register of members of the Transferor Company as on the Record Date in the ratio of 1,939 (One Thousand Nine Hundred and Thirty Nine) fully paid-up equity shares of INR 10 each of the Transferee Company for every 1,000 (One Thousand) equity shares of the Transferor Company of INR 10 each fully paid-up.
5.	Depositors and Deposit trustee	Not applicable
6.	Creditors	Not applicable, as the Applicant Company 1 does not have any secured and/or unsecured creditors.
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	

16.3. For Applicant Company 2 / Demerged Company 1

Sr No	Category of stakeholder	Effect of Scheme
1.	Key managerial personnel and employees	Under Clause 19 of the Scheme, on the Scheme coming into effect, all permanent employees of the Demerged Undertaking 1 of the Applicant Company 2 in service on the Effective Date, shall be deemed to have become the employees of the Applicant Company 4 without any break in their service and terms and conditions of their employment with the Applicant Company 4 shall be no less favourable than those on which they are engaged by the Applicant Company 2 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 the coming into effect of the Scheme, and in consideration for the transfer of and vesting of the properties, assets and liabilities of the Demerged Undertaking 1 of the Demerged Company 1 into the Resulting Company 1 in terms of this Scheme, the Transferee Company, being the parent company of the Resulting Company 1, shall, without any further act or deed, issue and allot fully paid-up equity shares of INR 10 (Rupees Ten only) each to all the shareholders (i.e. holders of common equity shares and holders of equity shares with differential voting rights) of the Demerged Company 1 whose names appear in the register of members of the Demerged Company 1 as on the Record Date in the ratio of 8,516 (Eight Thousand Five Hundred and Sixteen) fully paid-up equity shares of INR 10 each of the Transferee Company for every 1,000 (One Thousand) equity shares of the Demerged Company 1 of INR 10 each fully paid up.
4.	Non promoter members	
5.	Depositors and Deposit trustee	Not applicable
6.	Creditors	Not applicable, as the Applicant Company 2 does not have any secured and/or unsecured creditors.
7.	Debenture holders	Not applicable. As on date, Applicant Company 2 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	

16.4. For Applicant Company 3 / Demerged Company 2

Sr No	Category of stakeholder	Effect of Scheme
1.	Key managerial personnel and employees	Under Clause 30 of the Scheme, on the Scheme coming into effect, all permanent employees of the Demerged Undertaking 2 of the Applicant Company 3 in service on the Effective Date, shall be deemed to have become the employees of the Applicant Company 5 without any break in their service and terms and conditions of their employment with the Applicant Company 5 shall be no less favourable than those on which they are engaged by the Applicant Company 3 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 this Scheme becoming effective and in consideration for the demerger of the Demerged Undertaking 2 of the Demerged Company 2 into the Resulting Company 2, the Resulting Company 2 shall, without any further act or deed, issue and allot (i) (a) equity shares of Rs 10 (Rupees Ten only) each or (b) a combination of equity shares and Class B optionally convertible redeemable preference shares of Rs 10 (Rupees Ten only) each, as per the terms and subject to conditions as set out in Schedule I, as the relevant equity shareholder of Demerged Company 2 may elect; and Class A optionally convertible cumulative redeemable preference shares of Rs 10 (Rupees Ten only) each, as per the terms and subject to the conditions as set out in Schedule II, and in the ratio specified below, to the equity shareholders of the Demerged Company 2, whose names appear in the register of members of the Demerged Company 2 as on the Record Date in the following proportion: “8,147 (Eight Thousand One Hundred and Forty-Seven) fully paid-up equity shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) equity shares of the Demerged Company 2 of INR 10 each fully paid-up” Or 4,073 (Four Thousand and Seventy Three) fully paid-up equity shares of INR 10 each and 4,073 (Four Thousand
4.	Non promoter members	

Sr No	Category of stakeholder	Effect of Scheme
		and Seventy Three) fully paid-up Class B optionally convertible redeemable preference shares of the Resulting Company 2 for every 10,000 (Ten Thousand) equity shares of the Demerged Company 2 of INR 10 each fully paid-up and the conversion and other terms and conditions of the Class B optionally convertible redeemable preference shares shall be as specified in the Schedule I annexed to the Scheme” And “8,486 (Eight Thousand Four Hundred and Eighty-Six) fully paid-up Class A optionally convertible cumulative redeemable preference shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) equity shares of the Demerged Company 2 of INR 10 each fully paid-up and the conversion and other terms and conditions of the Class A optionally convertible cumulative redeemable preference shares shall be as specified in the Schedule II annexed to the Scheme”
5.	Depositors and Deposit trustee	Not applicable
6.	Creditors	Scheme does not envisage any compromise or arrangement with creditors. The liability of the creditors of Applicant Company 3, under the Scheme, is neither being reduced 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	

16.5. For Applicant Company 4 / Resulting Company 1

Sr No	Category of stakeholder	Effect of Scheme
1.	Key managerial personnel and employees	Under Clause 19 of the Scheme, on the Scheme coming into effect, all permanent employees of the Demerged Undertaking 1 of the Applicant Company 2 in service on the Effective Date, shall be deemed to have become the employees of the Applicant Company 4 without any

Sr No	Category of stakeholder	Effect of Scheme
		break in their service and terms and conditions of their employment with the Applicant Company 4 shall be no less favourable than those on which they are engaged by the Applicant Company 2 as on the Effective Date.
2.	Directors	Whilst the Scheme does not contemplate any change in board of directors of Applicant Company 4, appropriate changes in directors will be made pursuant to business and statutory requirements.
3.	Promoters	No equity shares are proposed to be issued to the shareholders of the Applicant Company 4 pursuant to the Scheme
4.	Non promoter members	
5.	Depositors and Deposit trustee	Not applicable
6.	Creditors	Not applicable, as the Applicant Company 4 does not have any secured and/or unsecured creditors.
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	

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

Please refer to point no. 16 above for the effect of the Scheme on material interests of Directors, Key Managerial Personnel and Debenture Trustee.

18. Valuation Report, Accounting Certificate and Approvals:

- 18.1. A valuation report for the Scheme, dated September 27, 2021, which sets out the valuation of shares and recommendation of share exchange ratio for the merger and share entitlement ratio for the demerger has been issued by M/s Sundae Capital Advisors Private Limited, registered valuer entity (IBBI Registration No.: IBBI/RV-E/03/2021/136) to Applicant Companies, ("**Valuation Report**"). Copy of the Valuation Report is enclosed herewith as **Annexure B** and is also available for inspection at the registered office of the Company.

The valuation methodology, as may be applicable which have been used to arrive at the value attributable to the shareholders of Companies, is discussed hereunder:

Discounted Cash Flow ("DCF") Method:

The discounted cash flow method is a modern valuation method which relates the value of an asset to the present value of the expected future cash flows on those assets. Here the projected

cash flow is discounted with the weighted average cost of capital to arrive at the fair value.

- 18.2. A certificate has been issued by the statutory auditors of the Company/ Applicant Company 5 (i.e., M/s P N A M & Co. (formerly known as Soni Chatrath & Co.), 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**"). Copy of the Accounting Treatment Certificate 1 is enclosed herewith as **Annexure C** and is also available for inspection at the registered office of the Company/ Applicant Company 5.
- 18.3. A certificate has been issued by the statutory auditors of the Applicant Company 2 (i.e., M/s P N A M & Co. (formerly known as Soni Chatrath & Co.), 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**"). Copy of the Accounting Treatment Certificate 2 is enclosed herewith as **Annexure D** and is also available for inspection at the registered office of the Applicant Company 2.
- 18.4. A certificate has been issued by the statutory auditors of the Applicant Company 3 (i.e., M/s. K.L.Acharya & 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 3**"). Copy of the Accounting Treatment Certificate 3 is enclosed herewith as **Annexure E** and is also available for inspection at the registered office of the Applicant Company 3.
- 18.5. A certificate has been issued by the statutory auditors of the Applicant Company 4 (i.e., M/s P N A M & Co. (formerly known as Soni Chatrath & Co.), 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 4**"). Copy of the Accounting Treatment Certificate 4 is enclosed herewith as **Annexure F** and is also available for inspection at the registered office of the Applicant Company 4.
- 18.6. The Company, Applicant Company 1, Applicant Company 2, Applicant Company 3 and Applicant Company 4 have made a joint Application before Hon'ble National Company Law Tribunal, Mumbai Bench for the sanction of the Scheme under applicable provisions of the Companies Act, 2013.
- 18.7. A copy of the Scheme along with the necessary statement under Section 230 read with Rules 6 and 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, is also being forwarded to the Registrar of Companies and other regulatory authorities, in terms of the order dated November 23, 2021 of the Mumbai Bench of the Hon'ble National Company Law Tribunal.
- 18.8. The Scheme is pending for approval of the shareholders and regulatory authorities such as the Registrar of Companies, Regional Director and the Hon'ble National Company Law Tribunal, Mumbai Bench.

- 18.9. If the Scheme is approved by way of a resolution by persons representing three fourths in value of the respective shareholders 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.
- 18.10. The Scheme is conditional and subject to necessary sanctions and approvals as set out in the Scheme.

19. **Board Approvals:**

- 19.1. The board of directors of the Company / Applicant Company 5 at its board meeting held on September 27, 2021 *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, and laying out in particular, the share exchange ratio, specifying any special valuation difficulties etc., enclosed herewith as **Annexure G**. Details of Directors the Company who voted in favour / against / did not participate on resolution passed at the meeting of the board of directors of the Company are given below:

Name of the Director	Voted in favour / Against / Did not participate
Siddharth Parekh	Voted in favour
Bhupinder Singh	Voted in favour
Vivek Bansal	Voted in favour
Saurabh Jhalaria	Voted in favour
Venkatesh Vishwanathan	Voted in favour

- 19.2. The board of directors of the Applicant Company 1 at its board meeting held on September 27, 2021 *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, and laying out in particular, the share exchange ratio, specifying any special valuation difficulties etc., enclosed herewith as **Annexure H**. 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
Venkatesh Vishwanathan	Voted in favour
Nupur Anand	Voted in favour

- 19.3. The board of directors of the Applicant Company 2 at its board meeting held September 27, 2021 *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, and laying out in particular, the

share exchange ratio, specifying any special valuation difficulties etc., enclosed herewith as **Annexure I**. 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 Company are given below:

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

- 19.4. The board of directors of the Applicant Company 3 at its board meeting held September 27, 2021 *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, and laying out in particular, the share exchange ratio, specifying any special valuation difficulties etc., enclosed herewith as **Annexure J**. 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 Company are given below:

Name of the Director	Voted in favour / Against / Did not participate
Ramprasad Mathrubutham	Voted in favour
Rajesekar Ramraj	Voted in favour
Jacob Mathew	Voted in favour

- 19.5. The board of directors of the Applicant Company 4 at its board meeting held September 27, 2021 *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, and laying out in particular, the share exchange ratio, specifying any special valuation difficulties etc., enclosed herewith as **Annexure K**. 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 Company are given below:

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

20. Financial statements

- 20.1. Copy of the: (i) audited financial statement of the Company/ Applicant Company 5 as on March 31, 2021, including the director's report and the auditor's report, is enclosed herewith as **Annexure L** and (ii) unaudited financial statement of the Company as on October 31, 2021, is enclosed herewith as **Annexure Q**.
- 20.2. Copy of the: (i) audited financial statement of the Applicant Company 1 as on March 31, 2021,

including the director's report and the auditor's report, is enclosed herewith as **Annexure M** and (ii) unaudited financial statement of the Company as on October 31, 2021, is enclosed herewith as **Annexure R**.

20.3. Copy of the: (i) audited financial statement of the Applicant Company 2 as on March 31, 2021, including the director's report and the auditor's report, is enclosed herewith as **Annexure N** and (ii) unaudited financial statement of the Company as on October 31, 2021, is enclosed herewith as **Annexure S**.

20.4. Copy of the: (i) audited financial statement of the Applicant Company 3 as on March 31, 2021, including the director's report and the auditor's report, is enclosed herewith as **Annexure O** and (ii) unaudited financial statement of the Company as on October 31, 2021, is enclosed herewith as **Annexure T**.

20.5. Copy of the: (i) audited financial statement of the Applicant Company 4 as on March 31, 2021, including the director's report and the auditor's report, is enclosed herewith as **Annexure P** and (ii) unaudited financial statement of the Company as on October 31, 2021, is enclosed herewith as **Annexure U**.

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

21.1. There is no winding up proceedings admitted against the Company, Applicant Company 1, Applicant Company 2, Applicant Company 3 and Applicant Company 4 as of date. 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 Company, Applicant Company 1, Applicant Company 2, Applicant Company 3 and Applicant Company 4.

22. **Details of debt restructuring**

22.1. 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.

23. **Inspection:**

23.1. The following documents shall be available for obtaining extract from, or for making/ obtaining copies of, or for inspection by the Members at the registered office of the Company at InCred Capital Financial Services Private Limited, Unit No. 1203, 12th Floor, B- Wing, The Capital, Bandra Kurla Complex, 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.

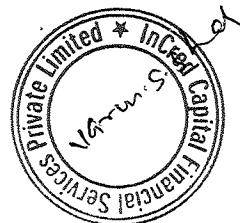
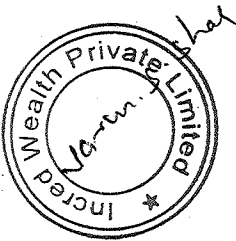
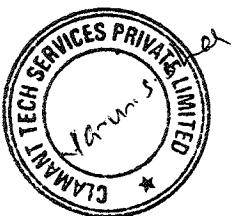
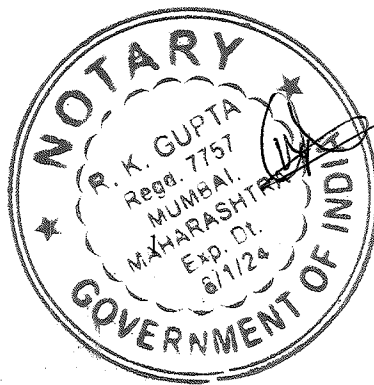
- (i) Copy of the Order of the Hon'ble Tribunal dated November 23, 2021 passed in C.A (CAA) / 221(MB) 2021 directing the Company to, *inter alia*, convene the Meeting of Company's equity shareholders.

- (ii) Copy of the memorandum of association and articles of association of the Company, Applicant Company 1, Applicant Company 2, Applicant Company 3 and Applicant Company 4.
- (iii) Copy of the audited financial statement of the Company as on March 31, 2021 (including the directors' report and the auditors' report).
- (iv) Copy of the audited financial statement of the Applicant Company 1 as on March 31, 2021 (including the directors' report and the auditors' report).
- (v) Copy of the audited financial statement of the Applicant Company 2 as on March 31, 2021 (including the directors' report and the auditors' report).
- (vi) Copy of the audited financial statement of the Applicant Company 3 as on March 31, 2021 (including the directors' report and the auditors' report).
- (vii) Copy of the audited financial statement of the Applicant Company 4 as on March 31, 2021 (including the directors' report and the auditors' report).
- (viii) Copy of Accounting Treatment Certificate 1.
- (ix) Copy of Accounting Treatment Certificate 2.
- (x) Copy of Accounting Treatment Certificate 3.
- (xi) Copy of Accounting Treatment Certificate 4.
- (xii) Contracts or agreements material to the Scheme, if any.
- (xiii) Copy of the Scheme.

24. 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 Companies (Compromise, Arrangements and Amalgamations) Rules, 2016. 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/-
Varun Shah
Chairperson appointed for the Meeting

Dated this 10th day of December, 2021
Place: Mumbai, Maharashtra

COMPOSITE SCHEME OF ARRANGEMENT**BETWEEN****CLAMANT TECH SERVICES PRIVATE LIMITED****AND****INCRED WEALTH PRIVATE LIMITED****AND****MAPE ADVISORY GROUP PRIVATE LIMITED****AND****INCRED WEALTH AND INVESTMENT SERVICES
PRIVATE LIMITED****AND****INCRED CAPITAL FINANCIAL SERVICES PRIVATE LIMITED****AND****THEIR RESPECTIVE SHAREHOLDERS****UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE
PROVISIONS OF THE COMPANIES ACT, 2013**

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:

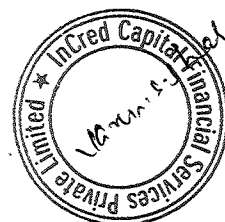
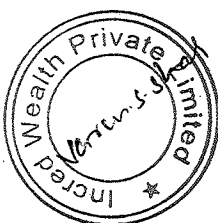
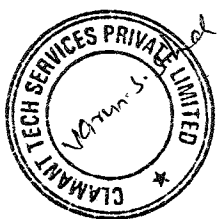
- a) Amalgamation of Clamant Tech Services Private Limited with Incred Capital Financial Services Private Limited;
- b) Demerger of the Demerged Undertaking 1 (*defined hereinafter*) of Incred Wealth Private Limited into InCred Wealth and Investment Services Private Limited and InCred Capital Financial Services Private Limited, being a parent of InCred Wealth and Investment Services Private Limited to issue equity shares to shareholders of InCred Wealth Private Limited as a consideration pursuant to the demerger; and
- c) Demerger of the Demerged Undertaking 2 (*defined hereinafter*) of MAPE Advisory Group Private Limited into InCred Capital Financial Services Private Limited.

B. DESCRIPTION OF COMPANIES

1. **Clamant Tech Services Private Limited** is a private company incorporated on November 11, 2020 and having its registered office at Unit No. 1203, 12th Floor, Wing B, The Capital, C-70, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400051 (“**Transferor Company**”). The Transferor Company is engaged in the business of *inter alia*, software designing, development, customization, implementation, maintenance, testing and benchmarking, designing, developing and dealing in computer software and solutions.
2. **Incred Wealth Private Limited** (formerly known as InCred Capital Inclusion Advisory Services 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,

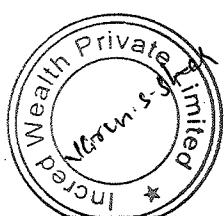


2



Bandra Kurla Complex, Bandra East, Mumbai- 400051 ("**Demerged Company 1**"). The Demerged Company 1 is primarily engaged in the business of (i) distribution of financial products and offering a broad range of execution services in relation to investment products and securities to various classes of investors, including high networth investors, and (ii) acting as a referral agent / facilitator / placement agent for corporates, investment managers and financial institutions. The Demerged Company 1 also provides investment advisory, stock broking and portfolio management services through its subsidiary, InCred Capital Wealth Portfolio Managers Private Limited (formerly known as [BSH Corporate Advisors and Consultants Private Limited]).

3. **MAPE Advisory Group Private Limited**, is a private company incorporated on December 18, 2001 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 2**" or "**MAPE**"). The Demerged Company 2 holds a certificate of registration to act as a merchant banker under the SEBI (Merchant Bankers) Regulations, 1992, as amended from time to time and is engaged in the business of, *inter alia*, providing investment advisory, investment banking and merchant banking services.
4. **InCred Wealth and Investment Services Private Limited** is a private company incorporated on November 18, 2020 having its registered office at Unit No. 1203, 12th Floor, Wing B, The Capital, C-70, G Block, Bandra Kurla Complex, Bandra East, Mumbai-400051 ("**Resulting Company 1**"). The Resulting Company 1 is a wholly owned subsidiary of the Transferee Company (*defined below*). The Resulting Company 1 is engaged in the business of providing financial, management advisory and consultancy services, and to act as advisors / consultants with respect to alternative investment funds, mutual fund schemes, unit trust schemes or any other funds.
5. **Incred Capital Financial Services Private Limited** (formerly known as Proud Securities and Credits Private Limited) is a private 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**" or "**Resulting Company 2**"). The Transferee Company is an integrated

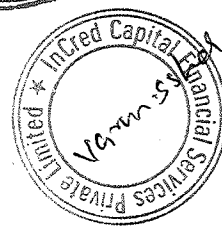
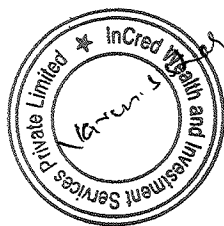
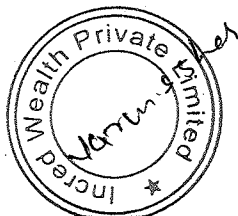
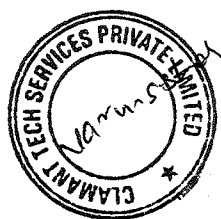
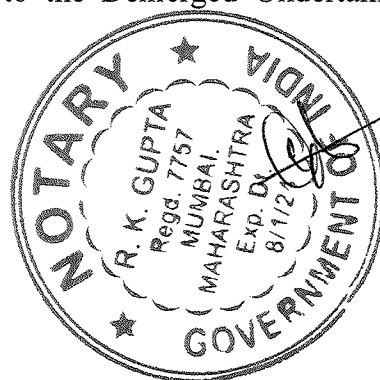


provider of financing solutions providing various services, which *inter alia*, include advisory services to corporate and institutional clients through their capital market, asset management and investment banking platform(s) housed in the company and its subsidiaries / associate companies. The Transferee Company holds a certificate of registration from the RBI (*defined below*) to carry on the business of a non-banking financial company without accepting public deposits.

C. RATIONALE OF THE SCHEME

The key objectives of the Scheme are:

1. To consolidate the business of developing and operating tech solution platform for retail wealth management, independent financial advisors and institutional wealth managers undertaken by the Transferor Company with the Transferee Company to achieve economies of scale, operational rationalization and organizational efficiency, wider market reach and customer base, and to reduce redundant costs.
2. Demerger of the Demerged Undertaking 1 from the Demerged Company 1 into the Resulting Company 1, which is a wholly owned subsidiary of the Transferee Company, will enable the management of the Transferee Company to consolidate the Demerged Undertaking 1 with its business of offering financing solutions to its clients, and to carry out the business more conveniently and advantageously with greater focus and attention. The same will facilitate the business considerations and factors applicable to the Demerged Undertaking 1 to be addressed more effectively and efficiently.
3. Demerger of the Demerged Undertaking 2 from the Demerged Company 2 into the Resulting Company 2 will enable consolidation of the Demerged Undertaking 2 with the business of the Resulting Company 2, and the same can be carried on more conveniently and advantageously with greater focus and attention. The demerger will facilitate the business considerations and factors applicable to the Demerged Undertaking 2 to be addressed more effectively and efficiently.

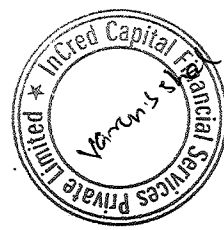
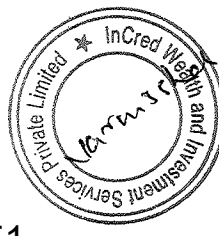
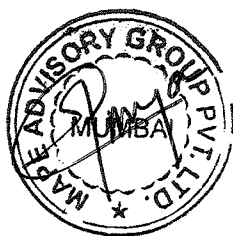
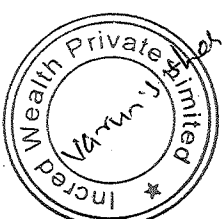
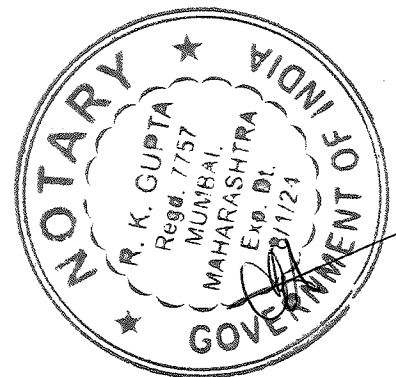


4. Cost savings are expected to flow from enhanced operational efforts, rationalization, standardization and simplification of business processes, productivity improvements, improved procurement, usage of common resource pool like human resource, administration, finance, accounts, legal, technology and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

This Scheme is expected to achieve the following advantages:

- i) assist in rationalizing the corporate structure and streamlining the operating structure;
- ii) greater efficiencies in operations and utilization of common pool of resources, expansion of the market size and reach; and
- iii) exploitation of synergies resulting from consolidation leading to increase in cost savings.

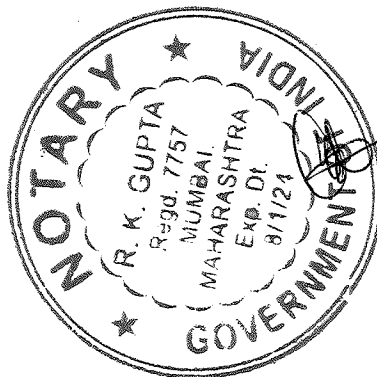
The Scheme is in the interest of all the shareholders, creditors and other stakeholders of all Companies (*as defined hereafter*) and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.



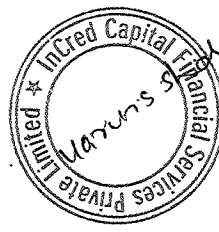
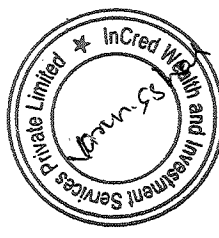
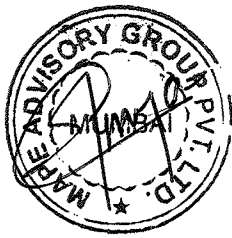
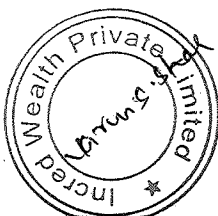
D. PARTS OF THE SCHEME:

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 the Transferor Company with the Transferee Company
- PART C** - Deals with the demerger of the Demerged Undertaking 1 of the Demerged Company 1 into the Resulting Company 1
- PART D** - Deals with the demerger of the Demerged Undertaking 2 of the Demerged Company 2 into the Resulting Company 2
- PART E** - Deals with general terms and conditions applicable to the Scheme and other matters consequential, incidental, or integrally connected therewith.



6



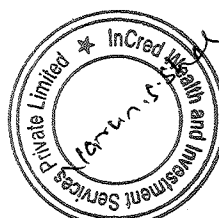
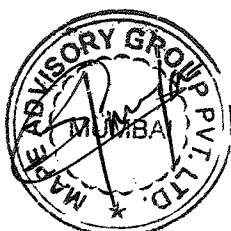
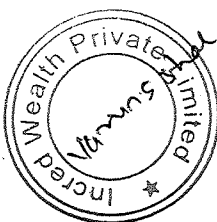
PART A

DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

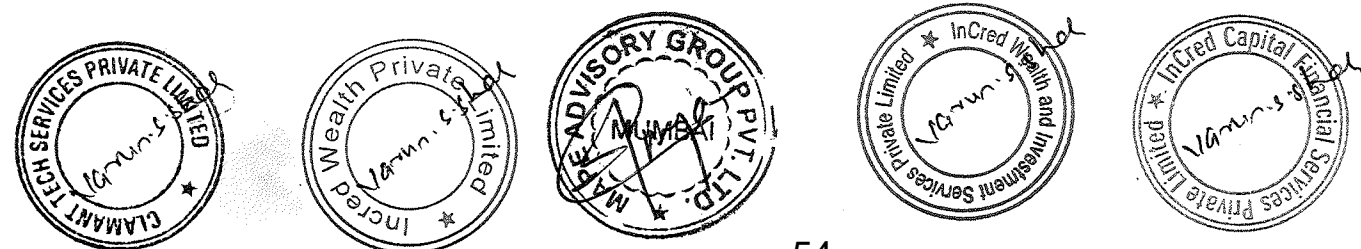
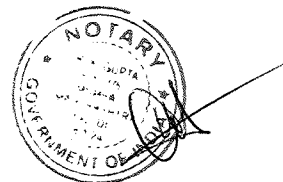
In this Scheme, unless inconsistent with the subject or context thereof, the following expressions wherever used (including in Para B (Description of Companies) and Para C (Rationale for the Scheme), above) shall have the meanings ascribed hereunder:

- 1.1. **“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.
- 1.2. **“Appointed Date”** shall mean April 1, 2022 or such other date as the NCLT may direct;
- 1.3. **“Applicable 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. **“Appropriate Authority”** means any governmental, statutory, regulatory, departmental or public body or authority, including (without limitation) the Registrar of Companies, the Regional Director, the Ministry of Corporate Affairs, RBI, SEBI, the NCLT and other regulatory authorities.
- 1.5. **“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.
- 1.6. **“Companies”** shall mean collectively each of the Transferor Company, Demerged Company 1, Demerged Company 2, Resulting Company 1 and Transferee Company /



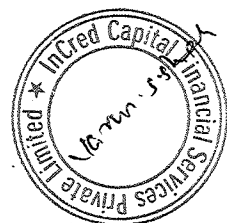
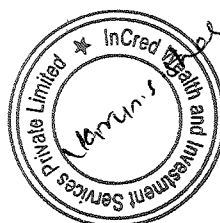
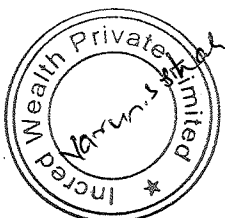
Resulting Company 2 and “Company” shall mean each of them, individually.

- 1.7. “**Demerged Company 1**” means InCred Wealth Private Limited, a private company incorporated on May 25, 2019 under the provisions of the Companies Act, 2013 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.
- 1.8. “**Demerged Company 2**” means MAPE Advisory Group Private Limited, a private company incorporated on December 18, 2001 under the provisions of the Companies Act, 1956, 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.
- 1.9. “**Demerged Undertaking 1**” means business of Demerged Company 1 in relation to distribution of financial products and offering of broad range of execution services in relation to investment products and securities to various classes of investors, including high networth investors, together with all the related assets, liabilities and employees on a going concern basis (“**Demerged Business 1**”). Without prejudice and limitation to the generality of the above, the Demerged Undertaking 1 shall mean and include:
- i) all the property and assets of the Demerged Business 1, 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 1;
 - ii) all rights and licenses, including the mutual fund distribution license, 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 1, 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 1, 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 1;

- 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 1;
- iv) any and all earnest monies and / or security deposits, or other entitlements in connection with or relating to the Demerged Business 1;
- v) all employees of Demerged Company 1 that are determined by the Board of Directors of Demerged Company 1 and the Resulting Company 1, to be substantially engaged in or in relation to the Demerged Business 1, on the Effective Date;



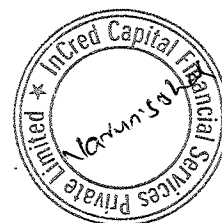
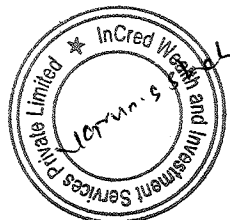
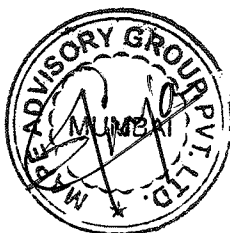
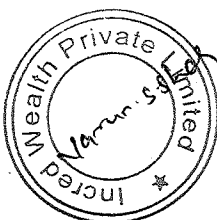
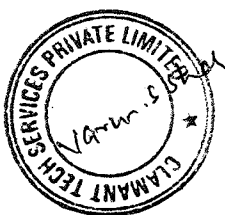
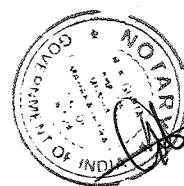
- vi) all debts, obligations and liabilities of the Demerged Company 1 which arise out of the activities or operations of the Demerged Company 1 appertaining to or relatable to the Demerged Business 1; and
- vii) all legal proceedings other than tax proceedings, unless stated otherwise elsewhere in the Scheme, by or against the Demerged Company 1 pending and relating to the Demerged Business 1.

It is hereby clarified that the balance sheet of the Demerged Undertaking 1 as on the Appointed Date shall be jointly drawn up by the Board of Directors of the Demerged Company 1 and the Resulting Company 1. Any question that may arise as to whether a particular asset or liability pertains or does not pertain to the Demerged Undertaking 1 or whether it arises out of the activities or operations of the Demerged Undertaking 1 shall be decided mutually by the Board of Directors of the Demerged Company 1 and the Resulting Company 1.

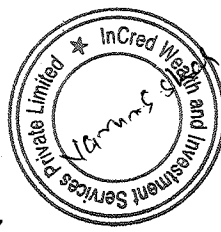
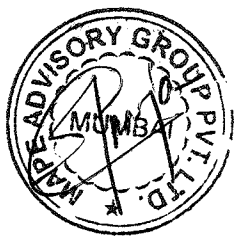
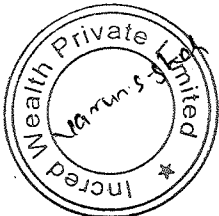
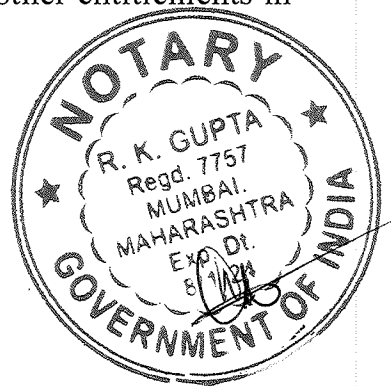
- 1.10. **“Demerged Undertaking 2”** means the whole of the undertaking of the advisory business of the Demerged Company 2 including all the movable assets and immovable properties, liabilities or provisions, employees, contracts of such business and registrations and memberships of the Demerged Company 2 in relation to and pertaining to the investment banking business (**“Demerged Business 2”**).

Without prejudice and limitation to the generality of the above, the Demerged Undertaking 2 shall include:

- i) all the property and assets of the Demerged Business 2, 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 investments, pertaining to or relatable to the Demerged Business 2;



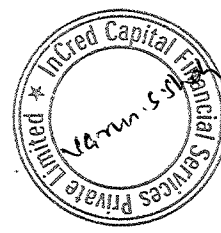
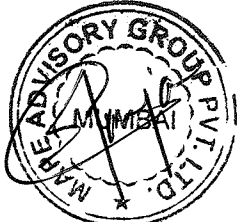
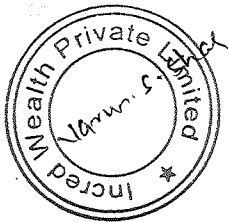
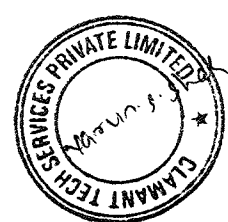
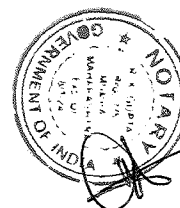
- ii) all rights and licenses including the merchant banking license issued by SEBI, all assignments and grants thereof, all permits, clearances and registrations whether under central, state or other laws, rights (including rights / obligations under agreement(s) entered into with various persons including 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 2, 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 2, 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 2;
- 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 2;
- iv) any and all earnest monies and / or security deposits, or other entitlements in connection with or relating to the Demerged Business 2;



- v) all employees of Demerged Company 2 that are determined by the Board of Directors of Demerged Company 2 and the Resulting Company 2, to be substantially engaged in or in relation to the Demerged Business 2, on the Effective Date;
- vi) all debts, obligations and liabilities of the Demerged Company 2 which arise out of the activities or operations of the Demerged Company 2 appertaining to or relatable to the Demerged Business 2 including: (i) all liabilities which arise out of the activities or operations of the Demerged Business 2; (ii) the specific loans or borrowings raised, incurred and utilised solely for the activities or operations of the Demerged Business 2; in cases, other than those referred to in (i) or (ii) above, so much of the amounts of general or multipurpose borrowings, if any, of the Demerged Company 2 as stand in the same proportion which the value of the assets forming part of the Demerged Business 2 bears to the total value of the assets of the Demerged Company 2 immediately before the demerger; and
- vii) all legal proceedings other than tax proceedings, unless stated otherwise elsewhere in the Scheme, by or against the Demerged Company 2 pending and relating to the Demerged Business 2.

It is hereby clarified that the balance sheet of the Demerged Undertaking 2 as on the Appointed Date shall be jointly drawn up by the Board of Directors of the Demerged Company 2 and the Resulting Company 2. Any question that may arise as to whether a particular asset or liability pertains or does not pertain to the Demerged Undertaking 2 or whether it arises out of the activities or operations of the Demerged Undertaking 2 shall be decided mutually by the Board of Directors of the Demerged Company 2 and the Resulting Company 2.

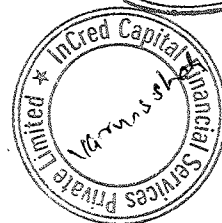
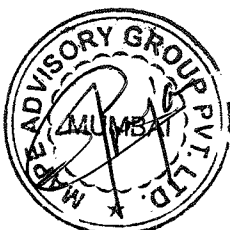
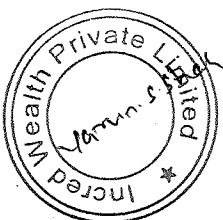
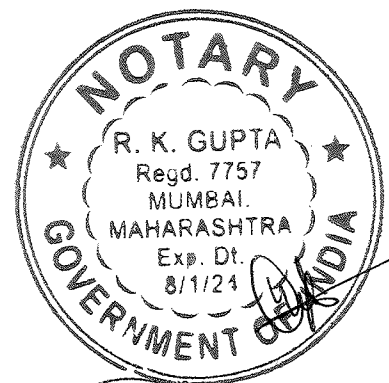
1.11. **“Effective Date”** means the Appointed Date or the last of the dates on which all of the conditions and matters specified in Clause 41 of this Scheme have been



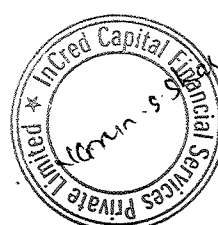
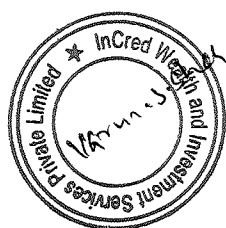
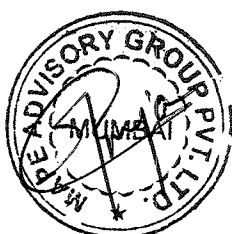
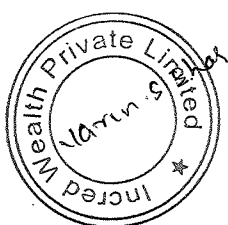
fulfilled, whichever is later or such other date as may be fixed or approved by the NCLT or other Appropriate Authority.

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

- 1.12. **"National Company Law Tribunal"** or **"NCLT"** means the National Company Law Tribunal, Mumbai Bench, having jurisdiction over the Companies.
- 1.13. **"Order"** means an order passed by the NCLT sanctioning the Scheme.
- 1.14. **"Record Date"** means the date fixed by the Transferee Company and Resulting Company 1 in consultation with Transferor Company, Demerged Company 1 and Demerged Company 2, as the case may be, for the purpose of determining names of shareholders of the Transferor Company, Demerged Company 1 and Demerged Company 2, as the case may be, who shall be entitled to receive equity shares and / or Class A optionally convertible cumulative redeemable preference shares and / or Class B optionally convertible cumulative redeemable preference shares of the Transferee Company upon this Scheme coming into effect;
- 1.15. **"Remaining Business 1"** means all the businesses, including, the business of acting as a referral agent, facilitator, and placement agent for corporates, investment managers, financial institutions, businesses of investment advisory, stock broking and portfolio management services carried out through its subsidiary, InCred Capital Wealth Portfolio Managers Private Limited, and assets, liabilities and employees of the Demerged Company 1, not forming part of the Demerged Undertaking 1;
- 1.16. **"Remaining Business 2"** means all divisions, undertakings, businesses, activities and operations, including the identified excluded advisory contracts of Demerged Company 2 excluding those comprised in its Demerged Undertaking 2;
- 1.17. **"RBI"** shall mean the Reserve Bank of India.



- 1.18. **“Resulting Company 1”** means InCred Wealth and Investment Services Private Limited, a private limited company incorporated on November 18, 2020 under the provisions of the Companies Act, 2013.
- 1.19. **“Resulting Company 2” or “Transferee Company”** means Incred Capital Financial Services Private Limited, a private limited company incorporated on March 27, 1996 under the provisions of the Companies Act, 1956.
- 1.20. **“Scheme” or “the Scheme” or “this Scheme”** means this Composite Scheme of Arrangement between Clamant Tech Services Private Limited, Incred Wealth Private Limited, MAPE Advisory Group Private Limited, InCred Wealth and Investment Services Private Limited, InCred Capital Financial 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 40 of the Scheme or as approved or directed by the NCLT.
- 1.21. **“SEBI”** shall mean the Securities and Exchange Board of India.
- 1.22. **“Tax” or “Taxes”** 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.
- 1.23. **“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;

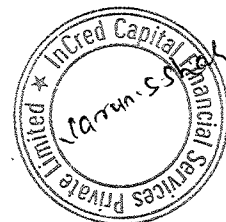
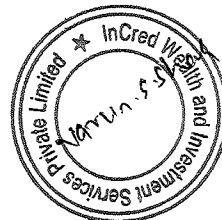
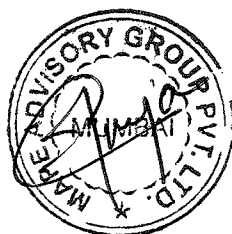
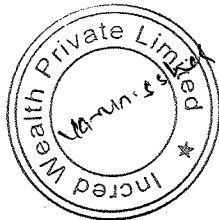
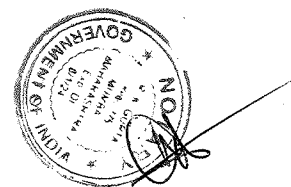
- 1.24. **“Transferor Company”** means Clamant Tech Services Private Limited, a private company incorporated on November 11, 2020 under the provisions of the Companies Act, 2013.

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;
- 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;

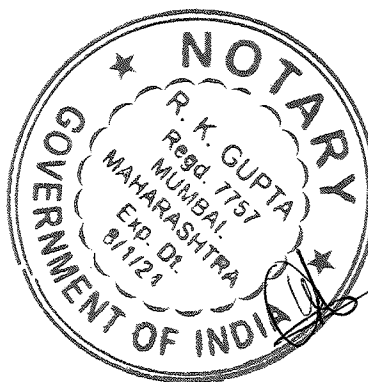


- 2.7 word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed to them;
- 2.8 reference to any law or to any provision thereof shall include references to any such law or to any provision thereof as it may, after the date hereof, from time to time, be amended, 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".

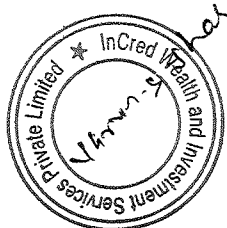
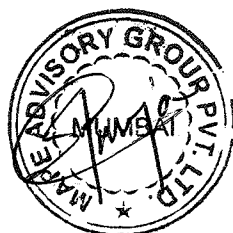
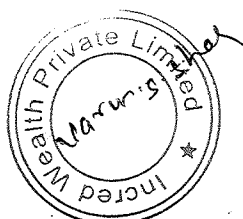
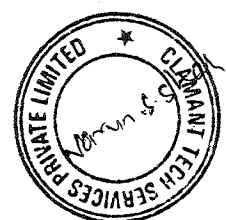
3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme as set out herein in its present form or with any modification(s) and amendments(s) made as per Clause 40 of the Scheme, approved or imposed or directed by the NCLT, as the case may be, shall become effective from the Appointed Date, but shall be operative from the Effective Date.

Part B, Part C and Part D of the Scheme shall take effect simultaneously.



16



62

4. SHARE CAPITAL OF THE COMPANIES

- i) The authorised, issued, subscribed and paid-up share capital of the Transferor Company as on October 4, 2021 is as under:

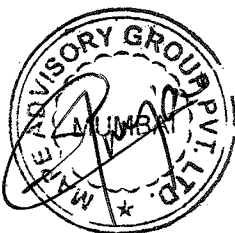
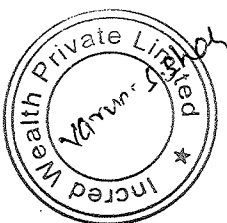
Particulars	Amount (Rs.)
Authorised share capital	
5,10,000 equity shares of Rs. 10/- each	51,00,000
Issued, subscribed and paid-up share capital	
4,15,400 equity shares of Rs. 10/- each	41,54,000

There has been no change in the share capital of the Transferor Company post October 4, 2021.

- ii) The authorised, issued, subscribed and paid-up share capital of the Demerged Company 1 as on October 4, 2021 is as under:

Particulars	Amount (Rs.)
Authorised share capital	
10,000 equity shares of Rs. 10/- each	1,00,000
50,000 equity shares with differential voting rights of Rs.10/- each	5,00,000
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

There has been no change in the share capital of the Demerged Company 1 post October 4, 2021.



- iii) The authorised, issued, subscribed and paid-up share capital of the Demerged Company 2 as on October 4, 2021 is as under:

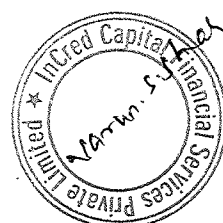
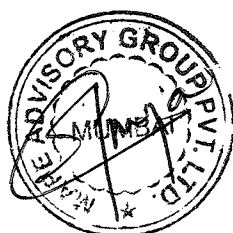
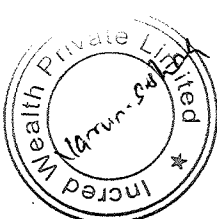
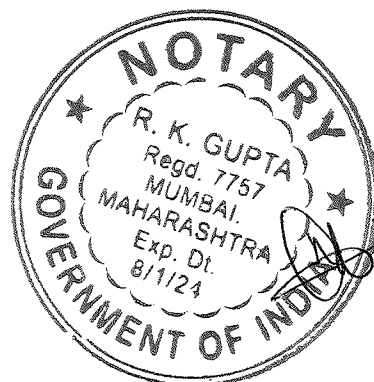
Particulars	Amount (Rs.)
Authorised share capital	
29,00,000 equity shares of Rs. 10/- each	2,90,00,000
41,00,000 12.5% Cumulative Optionally Convertible Redeemable Preference Shares of Rs 10 each	4,10,00,000
Total	7,00,00,000
Issued, subscribed and paid-up share capital	
5,34,954 equity shares of Rs. 10/- each	53.49,540

There has been no change in the share capital of the Demerged Company 2 post October 4, 2021.

- iv) The authorised, issued, subscribed and paid-up share capital of the Resulting Company 1 on October 4, 2021 is as under:

Particulars	Amount (Rs.)
Authorised share capital	
60,00,000 equity shares of Rs. 10/- each	6,00,00,000
Issued, subscribed and paid-up share capital	
7,10,000 equity shares of Rs. 10/- each	71, 00,000

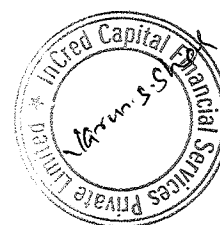
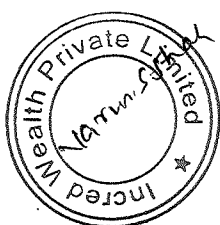
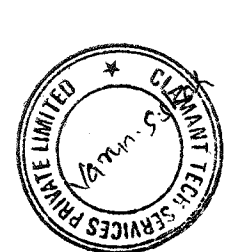
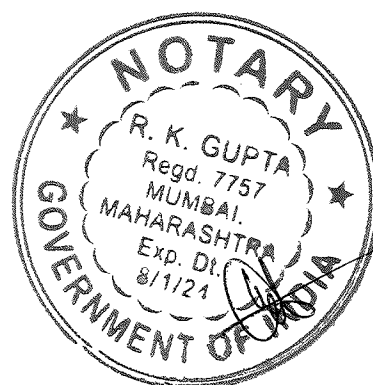
There has been no change in the share capital of the Resulting Company 1 post October 4, 2021.



- v) The authorised, issued, subscribed and paid-up share capital of the Transferee Company / Resulting Company 2 as on October 4, 2021 is as under:

Particulars	Amount (Rs.)
Authorised share capital	
3,44,00,000 equity shares of Rs. 10/- each	34,40,00,000
6,00,000 optionally convertible redeemable preference shares of Rs.10/- each	60, 00,000
Total	35,00,00,000
Issued, subscribed and paid-up share capital	
98,99,804 equity shares of Rs. 10 each	9,89,98,040
Total	9,89,98,040

There has been no change in the share capital of the Transferee Company / Resulting Company 2 post October 4, 2021.



PART B

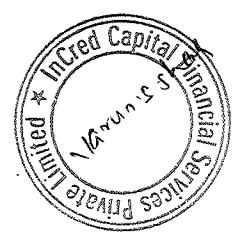
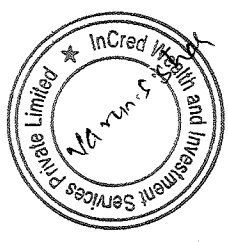
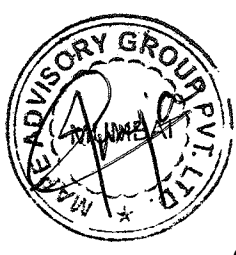
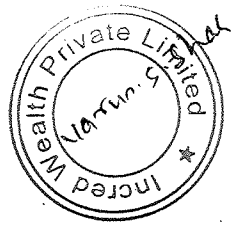
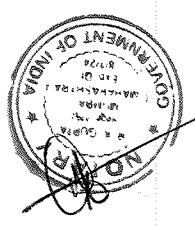
AMALGAMATION OF TRANSFEROR COMPANY WITH THE
TRANSFeree COMPANY

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

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 the Transferor Company comprising of all the debts, liabilities, duties and obligations of the Transferor Company of every description and also including, without limitation, all movable and immovable properties, if any, and assets of the Transferor Company 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 the Transferee Company on a going concern basis so as to become the properties of the Transferee Company.

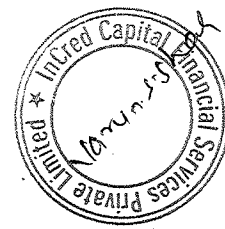
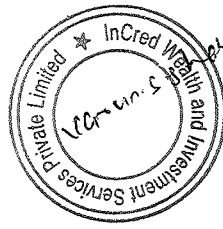
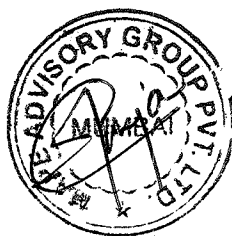
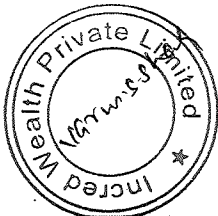
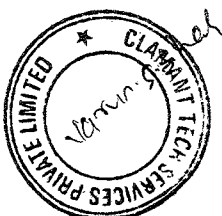
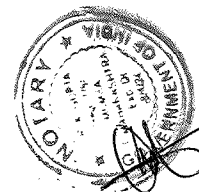
5.2 Without prejudice to the above, in respect of such movable assets and properties (tangible or intangible), including cash in hand, of the Transferor Company, capable of passing by delivery or by endorsement, shall be so delivered or endorsed, as the case may be, and, upon such delivery or endorsement,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

The Transferor Company and the Transferee 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.



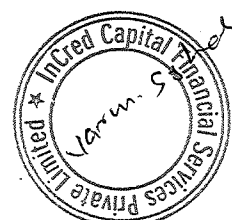
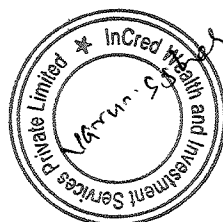
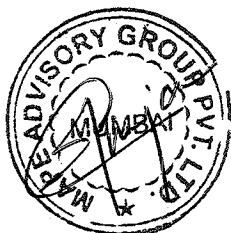
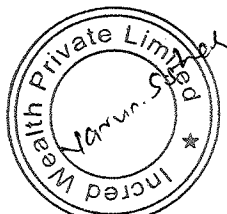
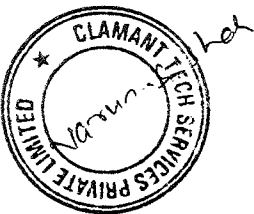
- 5.3 Any benefit, exemption or credit under the income tax, sales tax, excise duty, customs duty, service tax, value added tax, goods and services tax, etc., which the Transferor Company is entitled to in terms of the Applicable Laws shall be available to and vest in the Transferee Company.
- 5.4 All 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 the Transferor Company 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 Transferee Company, so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee 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.
- 5.5 The Transferee Company, 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 or in favor of any other party to the contract or arrangement to which the Transferor Company is a party, in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of Transferor Company 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 the Transferor Company 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 the Transferor Company.

Provided always that this Scheme shall not operate to enlarge the security or charge for any loan, deposit or facility created by Transferor Company which shall vest in the Transferee Company by virtue of the amalgamation of Transferor Company with the Transferee



Company and the Transferee Company 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 the Transferor Company have been replaced with that of the Transferee Company, the Transferee Company shall be entitled to maintain and operate the bank accounts of the Transferor Company in the name of the Transferor Company. All cheques and other negotiable instruments which are in the name of the Transferor Company and received after the Effective Date shall be accepted by the bankers of the Transferee Company on presentation by the Transferee Company.
- 5.8 On the Scheme becoming effective, benefits of all corporate approvals as may have already been taken by the Transferor Company, whether being in the nature of compliances or otherwise, under Applicable Laws, shall be deemed to have been taken / complied with by the Transferee Company 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 the Transferor Company, shall without any further act, instrument or deed, be transferred to, or be deemed to have been transferred to, and be available to the Transferee Company, so as to become as and from the Appointed Date, the Part B Licenses of the Transferee Company, and such Part B Licenses shall remain valid, effective and enforceable on the same terms and conditions to enable the Transferee Company to carry on the operations of the Transferor Company without any interruption and, wherever so required, the Part B Licenses shall be appropriately mutated / recorded by the concerned Appropriate Authority in favour of the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company.
- 5.10 The Transferee 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.



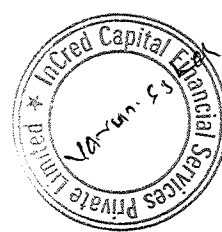
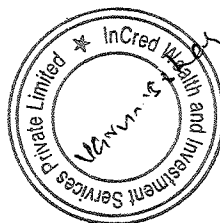
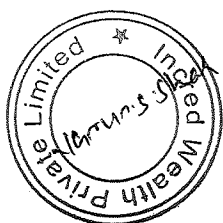
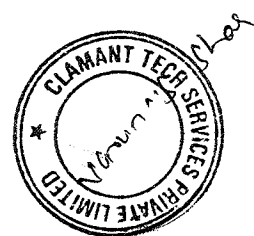
- 5.11 This amalgamation has been drawn up to comply with the conditions relating to 'Amalgamation' as defined in section 2(1B) of the Income-tax, 1961. If any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the section 2(1B) of the Income-tax, 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

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

- i) The Transferor Company 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 the Transferee Company and shall account for the same to the Transferee Company.
- ii) Any income or profit accruing or arising to Transferor Company 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 shall, for all purposes be treated as the income, profits, costs, charges, expenses and losses or taxes, as the case may be, of the Transferee Company and shall be available to the Transferee Company 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 as on the close of business on the date preceding the Appointed Date, whether or not provided in the books of Transferor Company 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 the Transferee Company.



7. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

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

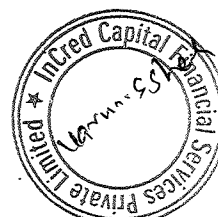
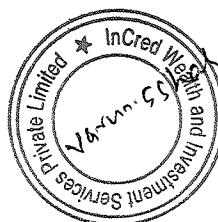
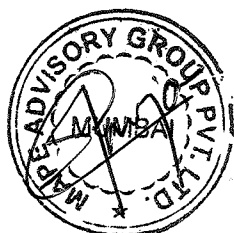
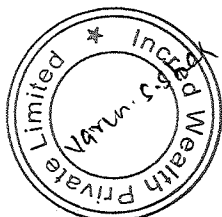
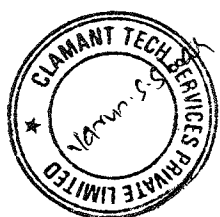
- i) The Transferor Company shall carry on its business with reasonable diligence and in the same manner as it had been doing *hitherto* before and the Transferor Company shall not alter or expand its business except with the written concurrence of the Transferee Company.
- ii) The Transferor Company shall not, without the written concurrence of the Transferee Company, 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, the Transferee Company shall commence and carry on and shall be authorized to carry on the businesses carried on by Transferor Company.

7.2 The Transferee Company 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 the Transferee Company may require to own and carry on the business of Transferor Company and the Transferor Company shall provide all such co-operation and assistance as may be required by the Transferee Company for making such applications.

8. STAFF AND EMPLOYEES

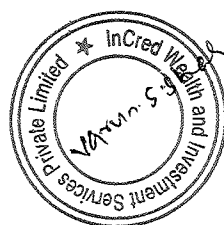
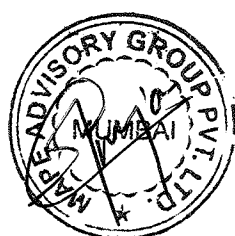
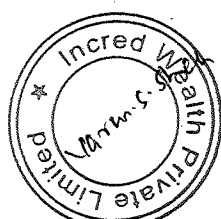
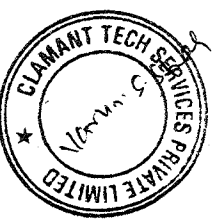
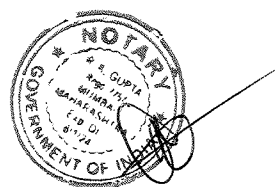
8.1 On the Scheme coming into effect, all staff and employees of the Transferor Company in service on the Effective Date, shall be deemed to have become staff and employees of the Transferee Company without any break in their service and the terms and conditions of their employment with the Transferee Company shall be no less favorable than those on which they are engaged by the Transferor Company 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 the Transferor Company is concerned, upon the Scheme coming into effect, the Transferee Company shall stand substituted for the Transferor Company 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 the Transferor Company in relation to such fund(s) shall become those of the Transferee Company and all the rights, duties and benefits of the employees of the Transferor Company 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 the Transferor Company 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 the Transferor Company is concerned, upon the coming into effect of this Scheme, the balances lying in the accounts of the employees of the Transferor Company in the said funds as on the Effective Date shall stand transferred from the respective trusts / funds of the Transferor Company to the corresponding trusts / funds set up by the Transferee Company.

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 the Transferor 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 Transferee Company, as the case may be, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of Transferor Company, the Transferee Company had been a party thereto. The Transferee Company may enter into and / or issue and / or execute deeds, writings, addendums or confirmations or enter into any tripartite arrangements, confirmations or



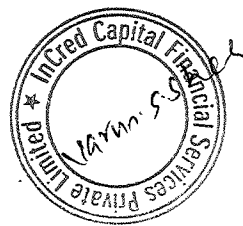
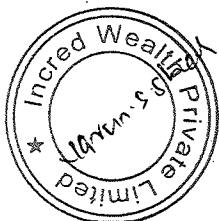
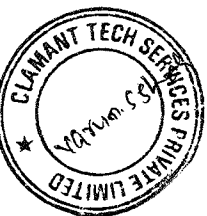
novations, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or if so considered necessary. The Transferee Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company, 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 the Transferor Company, as are considered necessary by the Board of the Transferee Company, 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 the Transferee Company, 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 the Transferee Company shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the new aggregate limits for each of the subject matters covered under such resolutions / power of attorneys for the purpose of the Transferee Company.

11. LEGAL PROCEEDINGS

- 11.1 All suits, actions or legal proceedings of whatsoever nature by or against the Transferor Company 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 the Transferee Company. As and from the Effective Date, the legal proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company.
- 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 the Transferor Company with the Transferee Company or pursuant to anything contained in the Scheme.



12. SAVING OF CONCLUDED TRANSACTIONS

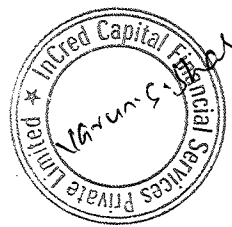
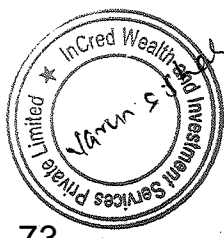
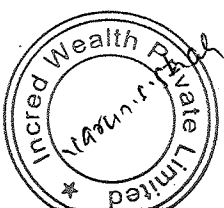
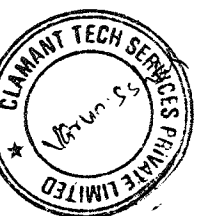
The transfer of properties and liabilities to, and the effectiveness of contracts, deeds and other instruments and continuance of proceedings by or against, the Transferee Company as envisaged in Clause 5, Clause 9 and Clause 11 above shall not affect any transaction or proceedings already concluded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

13. MERGER OF AUTHORISED CAPITAL

- 13.1 As an integral part of Scheme and upon coming into effect of the Scheme, the authorised share capital of the Transferor Company shall stand carried forward and merged with the the authorised share capital of the Transferee Company. The authorised share capital of the Transferee Company shall accordingly stand increased by Rs. 51,00,000 and the existing Clause V of the Memorandum of Association of the Transferee Company 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. 35,51,00,000/- (Rupees Thirty Five Crore Fifty-One Lacs) divided into 3,49,10,000 (Three Crore Forty Nine Lacs Ten Thousand) equity shares of Rs. 10/- (Rupees Ten) each, and 6,00,000 (Six lacs) Optionally convertible preference shares of Rs. 10/- (Rupees Ten) each."

- 13.2 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 the Transferor Company shall be utilized and applied to the increased authorised share capital of the Transferee Company 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, the



Transferee Company 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, the Transferee Company 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.

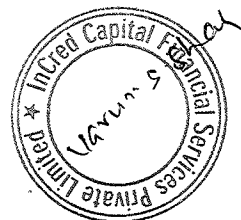
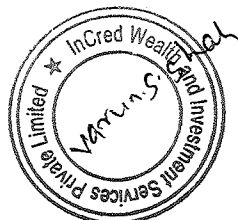
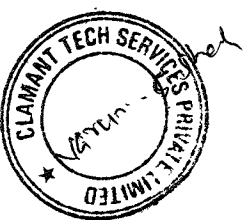
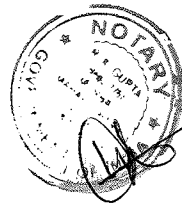
- 13.3 It is hereby clarified that the consent of the shareholders of the Transferor Company and the Transferee Company to the Scheme shall be sufficient for purposes of effecting the changes described in Clauses 13.1 and 13.2 above and that no further resolution under Sections 13, 14, 61 or any other 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 the Transferor Company, 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 the Transferee Company.
- 14.2 Upon the Scheme becoming effective, Transferee Company 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.

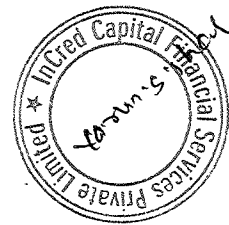
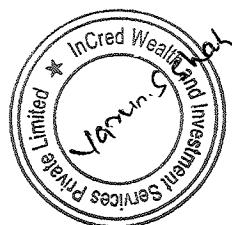
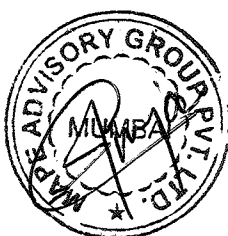
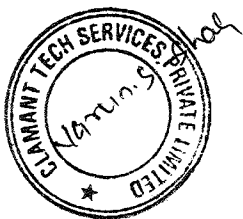
15. CONSIDERATION

- 15.1 Upon effectiveness of the Scheme and in consideration for the amalgamation of the Transferor Company with the Transferee Company, the Transferee Company shall, without any further act or deed, issue and allot fully paid-up equity shares of INR 10 each to all the shareholders of the Transferor Company whose names appear in the register of members of



the Transferor Company as on the Record Date in the ratio of 1,939 (One Thousand Nine Hundred and Thirty Nine) fully paid-up equity shares of INR 10 each of the Transferee Company for every 1,000 (One Thousand) equity shares of the Transferor Company of INR 10 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 the Transferee Company.
- 15.3 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.
- 15.4 The equity shares in Transferee Company to be issued to the equity shareholders of Transferor Company shall be subject to the Memorandum and Articles of Association of the Transferee Company and shall rank *pari passu* with the existing equity shares of the Transferee Company 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 equity shares by the Transferee Company 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 the Transferee Company 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 The Transferee Company shall, if necessary and to the extent required, increase or decrease or reclassify its authorised share capital to facilitate issue of shares under this Scheme.

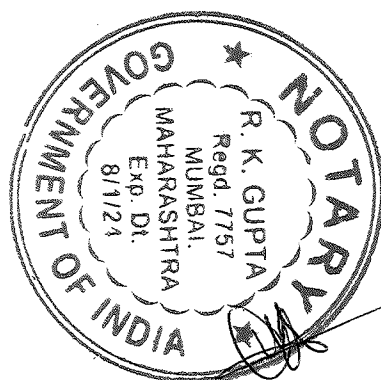


16. ACCOUNTING TREATMENT

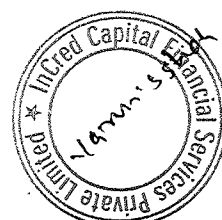
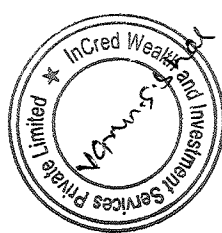
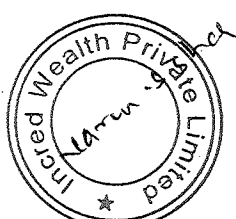
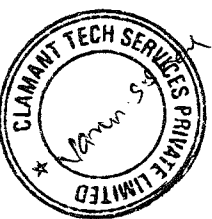
Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferee Company shall account for the scheme in accordance with Indian Accounting Standards 103 or other Indian Accounting Standards notified under Section 133 of the Act, under the Companies (Indian Accounting Standard) 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 THE TRANSFEROR COMPANY

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



30



76

PART C

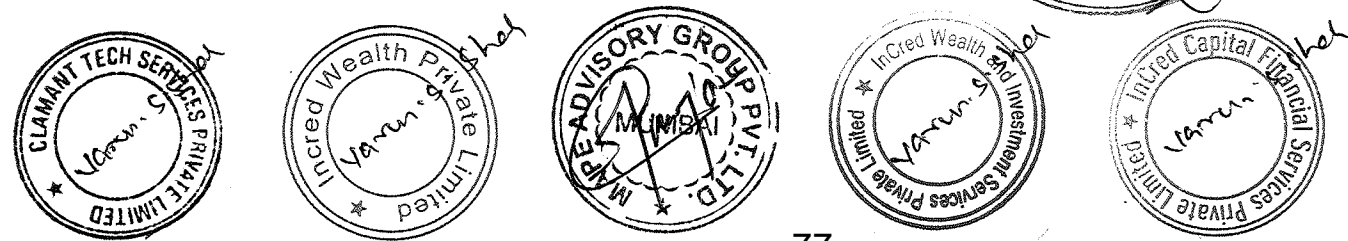
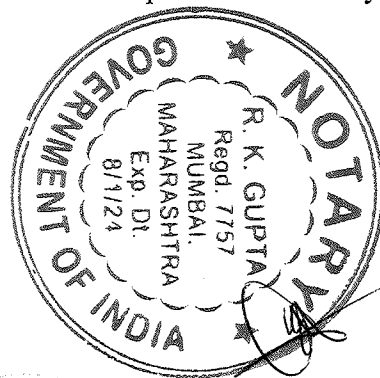
DEMERGER OF DEMERGED UNDERTAKING 1 FROM THE DEMERGED COMPANY 1 INTO THE RESULTING COMPANY 1

18. TRANSFER AND VESTING OF DEMERGED UNDERTAKING 1

- 18.1 With the effect from the Appointed Date and upon this Scheme coming into effect, the Demerged Undertaking 1 (including all accretions and appurtenances) shall, without any further act, instrument or deed, be and stand demerged from the Demerged Company 1 and transferred to and vested in or be deemed to be transferred to and vested in the Resulting Company 1, as a going concern, so as to vest in the Resulting Company 1, all the rights, titles and interests pertaining to the Demerged Undertaking 1, 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 1, 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 1 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, 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 1 under the provisions of any Applicable Law.

31



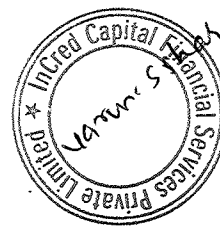
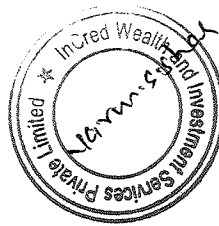
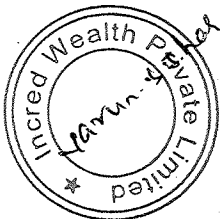
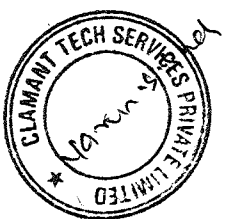
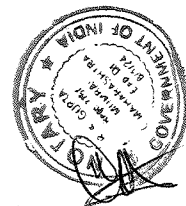
The Demerged Company 1 and the Resulting Company 1 will execute the necessary documents, if so required or otherwise considered desirable, to enable any third party, including any Appropriate Authority, to give formal effect to the above provisions. Any benefit, exemption or credit under the income tax, sales tax, excise duty, customs duty, service tax, value added tax, goods and service tax, etc., which the Demerged Company 1 is entitled to in terms of the Applicable Laws in connection with the Demerged Undertaking 1, shall be available to and vest in the Resulting Company 1.

- 18.3 All debts, liabilities, duties and obligations of every kind, nature, description of the Demerged Undertaking 1, 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 1 so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of the Resulting 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.

The Resulting Company 1, 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 1 or in favor of any other party to the contract or arrangement to which the Demerged Company 1 is a party, in order to give formal effect to the above provisions. The Resulting Company 1 shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Demerged Company 1 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 1 in relation to the Demerged Undertaking 1 into the Resulting Company 1 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



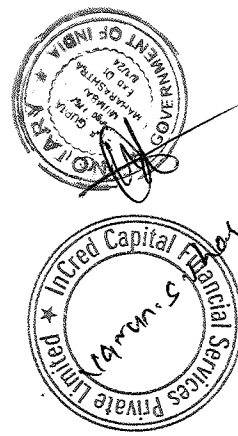
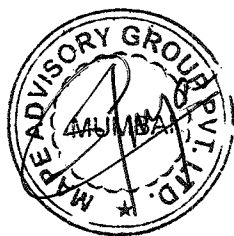
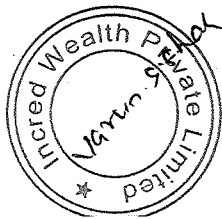
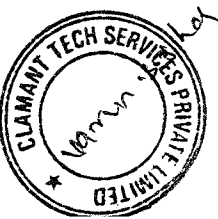
“Encumbrances”), existing prior to the Effective Date over the assets and properties of the Demerged Undertaking 1 or any part thereof and which relate to the liabilities and obligations of the Demerged Company 1 which are transferred as part of the Demerged Undertaking 1 shall continue to relate only to such assets and properties which belong to the Demerged Undertaking 1 and shall not extend or attach to any of the assets and properties of the Remaining Business 1.

The Demerged Company 1 shall not create any Encumbrances over the assets or properties of the Demerged Undertaking 1 after the date of approval of the Scheme by the Board of Directors of the Resulting Company 1 without the prior written consent of the Board of Directors of Resulting Company 1.

- 18.6 Encumbrances existing prior to the Effective Date over the assets and properties of the Remaining Business 1 or any part thereof and which relate to the liabilities and obligations of the Remaining Business 1 shall continue to relate only to such assets and properties which belong to the Remaining Business 1 and shall not extend or attach to any of the assets and properties of the Demerged Undertaking 1.

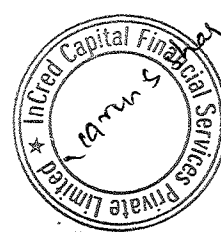
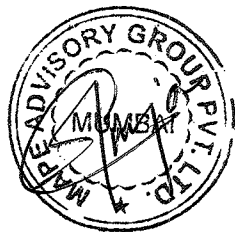
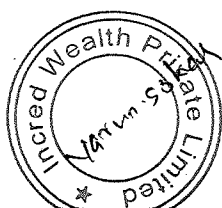
Any reference in any security documents or arrangements (to which the Demerged Company 1 is a party) to the assets and properties pertaining to the Demerged Undertaking 1 shall be construed as a reference to the Resulting Company 1 and the same shall stand transferred to / substituted in the name of the Resulting Company 1 by virtue of this Scheme. Without prejudice to the foregoing, the Demerged Company 1 and Resulting Company 1 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 1 which are being transferred as part of the Demerged Undertaking 1 have been replaced with that of the Resulting Company 1, the Resulting Company 1 shall be entitled to maintain and operate such bank accounts of the Demerged



Company 1. All cheques and other negotiable instruments, which are in the name of the Demerged Company 1 and received after the Effective Date shall, on presentation by the Resulting Company 1, be accepted by the bankers of the Resulting Company 1 and credited to the account of the Resulting Company 1.

- 18.8 On the Scheme becoming effective, benefits of all corporate approvals as may have already been taken by the Demerged Company 1 in relation to the Demerged Undertaking 1 or which are applicable to the Demerged Company 1, 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 1 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 1 in relation to the Demerged Undertaking 1, 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 1 so as to become as and from the Appointed Date, the Licenses of the Resulting Company 1 and shall remain valid, effective and enforceable on the same terms and conditions to enable the Resulting Company 1 to carry on the operations of the Demerged Undertaking 1 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 1 as if the same were originally given by, issued to or executed in favour of the Resulting Company 1.
- 18.10 The Resulting Company 1 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.
- 18.11 The demerger of the Demerged Undertaking 1 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

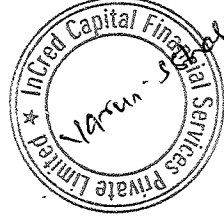
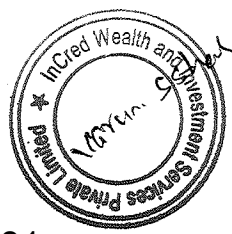
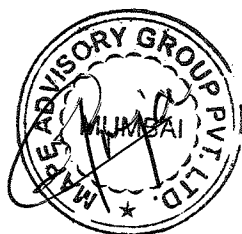
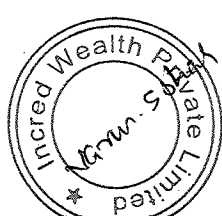
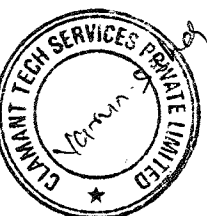


inconsistent with the provisions of the section 2(19AA) of the Income-tax, 1961 at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the Income-tax, 1961 shall prevail and the Scheme shall stand modified to the extent determined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

- 18.12 Upon this Scheme coming into effect, the Resulting Company 1 alone shall be liable to perform all obligations in respect of the liabilities in relation to the Demerged Undertaking 1, which have been transferred to it in terms of the Scheme. Similarly, the Remaining Business 1 alone shall be liable to perform all obligations in respect of the liabilities in relation to the Demerged Company 1, which have not been transferred to the Resulting Company 1 in terms of the Scheme.
- 18.13 It is expressly provided that no term or condition of the liabilities transferred to the Resulting Company 1 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 1

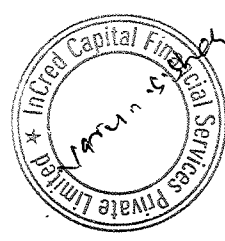
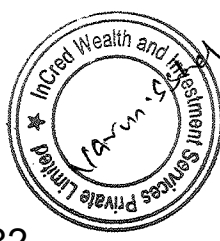
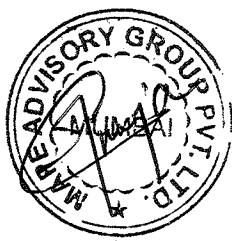
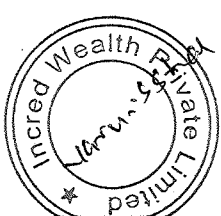
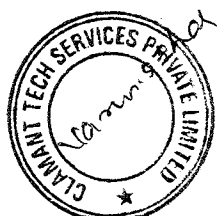
- 19.1 On the Scheme coming into effect, all permanent employees of the Demerged Undertaking 1 of the Demerged Company 1 in service on the Effective Date, shall be deemed to have become the employees of the Resulting Company 1 without any break in their service and terms and conditions of their employment with the Resulting Company 1 shall be no less favourable than those on which they are engaged by the Demerged Company 1 as on the Effective Date.
- 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 1 shall be continued for the benefit of such employees including employees who may hereafter join the Resulting Company 1 on the same terms and conditions and with effect from such date, and the



Resulting Company 1 shall make the necessary contribution for such employees taken over by the Resulting Company 1 until the Resulting Company 1 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 1 shall stand substituted for the Demerged Company 1 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 1 undertakes to discharge all the duties and obligations and assumes all the rights and powers of the Demerged Company 1, upon the Scheme being effective, in relation to aforesaid trusts or funds of the Demerged Company 1 in relation to the Demerged Undertaking 1. The services of the staff, workmen and other employees of the Demerged Undertaking 1 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 1 shall be appropriately adjusted by the Demerged Company 1 and transferred to the Resulting Company 1.

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 1 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 1 ("**Demerged Undertaking 1 Proceedings**") shall be continued and enforced by or against the Resulting Company 1 after the Effective Date, to the extent legally permissible.
- 20.2 If any of the Demerged Undertaking 1 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 1 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 1, as if this



Scheme had not been made.

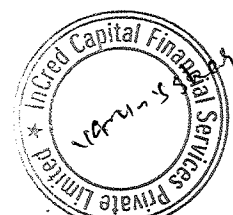
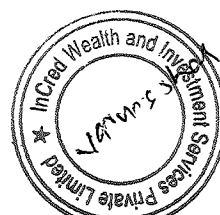
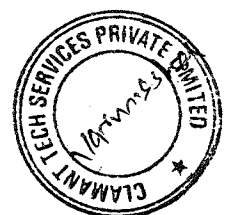
- 20.3 If the Demerged Undertaking 1 Proceedings are taken against the Demerged Company 1 in respect of the matters referred to in Clause 20.1 above, it shall defend the same at the cost of the Resulting Company 1, and the latter shall reimburse and indemnify and hold harmless the Demerged Company 1 against all liabilities and obligations incurred by the Demerged Company 1 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 1, and to which the Demerged 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 the Resulting Company 1, as the case may be, and may be enforced by or against the Resulting Company 1 as fully and effectually as if, instead of Demerged Company 1, the Resulting Company 1 had been a party thereto. The Resulting 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 Demerged 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. The Resulting Company 1 shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Demerged Company 1 and to implement or carry out all formalities required on the part of the Demerged Company 1, to give effect to the provisions of this Scheme.

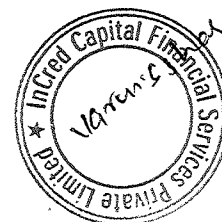
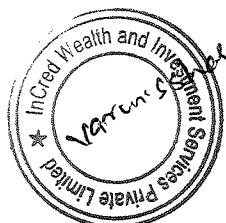
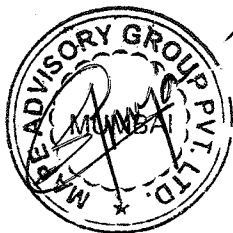
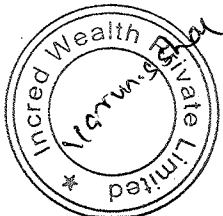
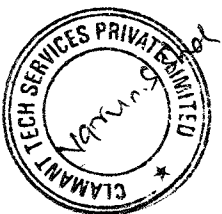
22. TREATMENT OF TAXES

- 22.1 Upon this Scheme coming into effect, the Demerged Company 1 and the Resulting Company 1 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 1 or otherwise, shall be continued and / or enforced only against the Demerged Company 1 and in no event will such proceeding, or appeal devolve on the Resulting Company 1. In the event any such proceeding, or appeal is enforced against the Resulting Company 1 at any point of time and the Resulting Company 1 is required to bear any such Taxes or is required to defend itself against any proceeding or appeal, then the Demerged Company 1 shall reimburse the Resulting Company 1 all such Taxes and / or the associated costs incurred by the Resulting Company 1 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 1, shall be continued and / or enforced by or against the Resulting Company 1. In the event any such proceeding, or appeal is enforced against the Demerged Company 1 at any point of time and the Demerged Company 1 is required to bear any such Taxes or is required to defend itself against any proceeding or appeal, then the Resulting Company 1 shall reimburse the Demerged Company 1 all such Taxes and / or the associated costs incurred by the Resulting Company 1 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 1, shall be continued and / or enforced by or against the Demerged Company 1.
- 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 1 to which Demerged Company 1 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 1, without any further act or deed.

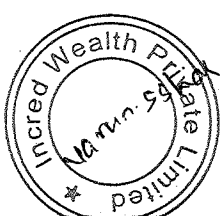
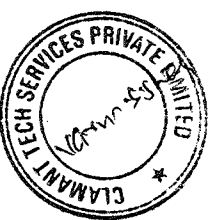
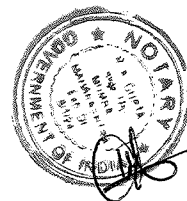
- 22.5 In an event that any of the tax credits and other statutory benefits (described in Clause 22.4 above) is not made available to or vest in the Resulting Company 1 for any reason whatsoever, the same should be made available to the Remaining Business 1 and the Resulting Company 1 shall have the right to receive the same from the Demerged Company 1 in a manner mutually decided by the Board of Directors of both, the Resulting Company 1 and the Demerged Company 1.
- 22.6 Any amount due / demand raised under the Tax laws against Demerged Company 1 (including but not limited to the Demerged Undertaking 1 of Demerged Company 1) whether or not provided for in accounts of Demerged Company 1 as on the date immediately preceding the Appointed Date shall belong to and be borne and settled / paid by Demerged Company 1.
- 22.7 Any refund under the tax laws due to Demerged Company 1 (including but not limited to the Demerged Undertaking 1 of Demerged Company 1) whether or not for which credit is taken in accounts of Demerged Company 1 as on the date immediately preceding the Appointed Date shall belong to and be received by Demerged Company 1.

23. SAVING OF CONCLUDED TRANSACTIONS

The transfer of properties and liabilities to, and the continuance of proceedings by or against the Resulting Company 1 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 1 on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Resulting Company 1 accepts and adopts all acts, deeds and things done and executed by the Demerged Company 1 in respect thereto as done and executed on behalf of itself.

24. REMAINING BUSINESS OF THE DEMERGED COMPANY 1

- 24.1 It is clarified that the Remaining Business 1 and all the assets, liabilities and obligations of



the Demerged Company 1, other than those transferred pursuant to this Scheme, shall continue to belong to and be managed by the Demerged Company 1.

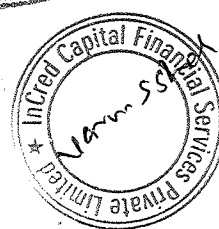
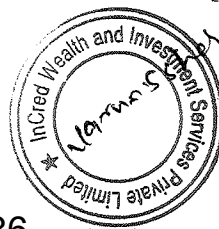
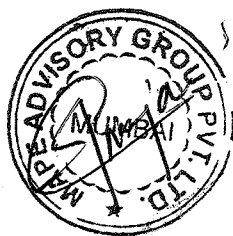
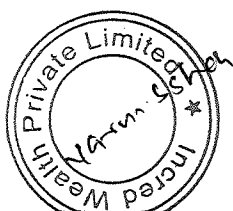
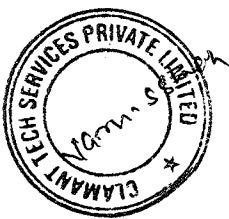
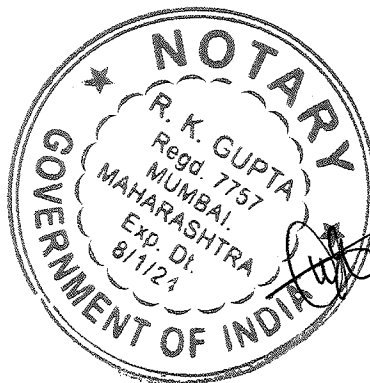
- 24.2 All legal and other proceedings by or against the Demerged Company 1 under any statute including any refund entitlement in relation to the proceedings, pending on the Appointed Date or which may be initiated in future, whether or not in respect of any matter arising before the Effective Date, relating to the Remaining Business 1 of the Demerged Company 1 (including those relating to any property, right, power, liability, obligation or duty of the Demerged Company 1 in respect of the Remaining Business 1 of the Demerged Company 1) shall be continued and enforced by or against the Demerged Company 1. 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 1. Similarly, any direct or indirect tax refunds in relation to the above-mentioned tax proceedings shall belong to the Demerged Company 1. Further, with effect from the period from the Appointed Date, direct or indirect tax proceedings (including any refund entitlement) relating to the Remaining Business 1 of the Demerged Company 1 shall continue against the Demerged Company 1.

25. CONDUCT OF BUSINESS

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

- i) the Demerged Company 1 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 1, for and on account of and in trust for the Resulting Company 1.
- ii) all profits accruing to the Demerged Company 1 and all taxes thereon, or losses arising or incurred by it, with respect to the Demerged Undertaking 1 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 1.

40



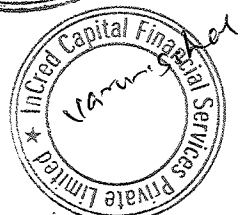
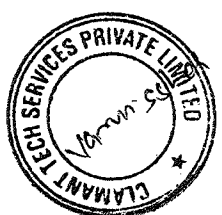
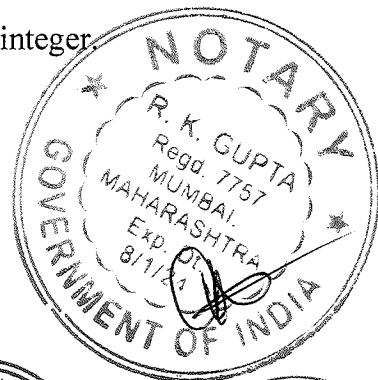
25.2 With effect from the date of approval to the Scheme by the Board of Directors of the Demerged Company 1 and the Resulting Company 1, and upto and including the Effective Date:

- i) the Demerged Company 1 shall carry on the business of the Demerged Undertaking 1 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 1 and the Resulting Company 1 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, reduction, reclassification, sub-division or consolidation, re-organization, or in any other manner effect the re-organization of share capital.

26. CONSIDERATION

26.1 Upon the coming into effect of the Scheme, and in consideration for the transfer of and vesting of the properties, assets and liabilities of the Demerged Undertaking 1 of the Demerged Company 1 into the Resulting Company 1 in terms of this Scheme, the Transferee Company, being the parent company of the Resulting Company 1, shall, without any further act or deed, issue and allot fully paid-up equity shares of INR 10 (Rupees Ten only) each to all the shareholders (i.e. holders of common equity shares and holders of equity shares with differential voting rights) of the Demerged Company 1 whose names appear in the register of members of the Demerged Company 1 as on the Record Date in the ratio of 8,516 (Eight Thousand Five Hundred and Sixteen) fully paid-up equity shares of INR 10 each of the Transferee Company for every 1,000 (One Thousand) equity shares of the Demerged Company 1 of INR 10 each fully paid-up.

Any fractional entitlement arising in the course of the issue and allotment of shares by the Transferee Company shall be rounded-off to the nearest integer.

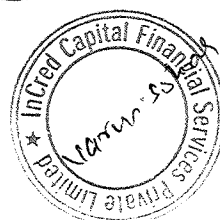
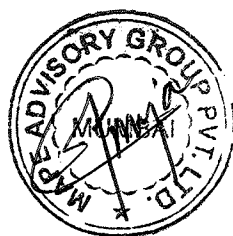
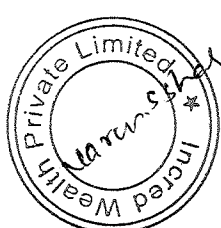
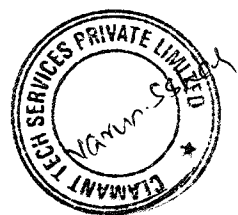
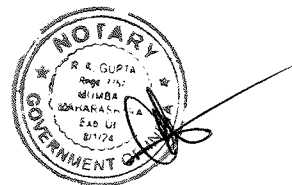


- 26.2 The equity shares to be issued by the Transferee Company to the shareholders of the Demerged Company 1 shall rank *pari passu* in all respects to the existing equity shares of the Transferee Company.
- 26.3 The equity shares to be issued by the Transferee Company to the shareholders of the Demerged Company 1 pursuant to Clause 26.1 above shall be subject to the Memorandum and Articles of Association of the Transferee Company and in compliance with the Applicable Laws.
- 26.4 The issuance and allotment of the equity shares by the Transferee Company 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 the Transferee Company 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.
- 26.5 The Transferee Company shall, if necessary and to the extent required, increase or decrease or reclassify its authorised share capital to facilitate issue of shares under this Scheme.

27. ACCOUNTING TREATMENT

ACCOUNTING TREATMENT IN THE BOOKS OF DEMERGED COMPANY 1 / RESULTING COMPANY 1

- 27.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the Demerged Company 1 shall account for transfer / demerger of the Demerged Undertaking 1 of the Demerged Company 1 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 1 shall account for transfer / demerger of the Demerged Undertaking 1 of the Demerged Company 1 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.

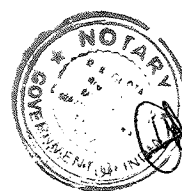
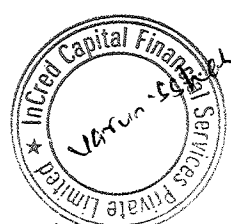
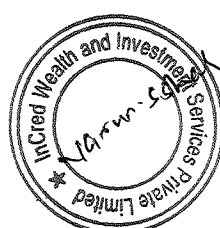
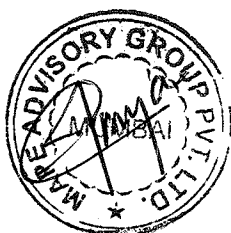
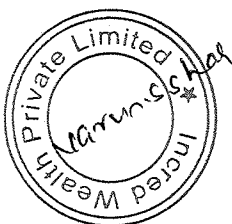
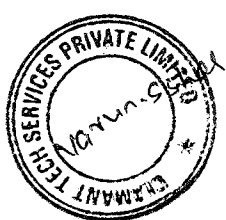
ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEREE COMPANY

- 27.3 Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferee Company shall account for transfer / demerger of the Demerged Undertaking 1 of the Demerged Company 1 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

28. CONVERSION OF LOAN INTO EQUITY

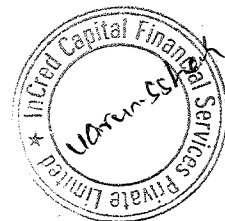
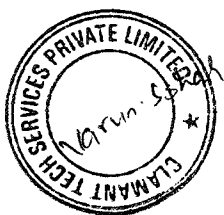
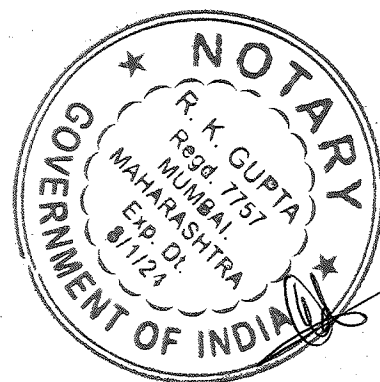
- 28.1 Within a period of 7 (seven) days of the Scheme becoming effective, loan obtained by the Demerger Company 1 from the Transferee Company and transferred to the Resulting Company 1 as part of the Demerged Undertaking 1 shall be converted into equity shares of the face value of Rs 10 (Rupees Ten only) each of the Resulting Company 1.
- 28.2 Equity shares shall be issued to the Transferee Company based on the price determined by the Board of Directors of the Resulting Company 1, which shall not be less than the higher of the following:
- Face value of INR 10 each (Rupees Ten only); or
 - Fair market value of equity shares of the Resulting Company 1 determined in accordance with the Income-tax Rules, 1962.

Any fractional entitlement arising in the course of the issue and allotment of shares by the



Resulting Company 1 shall be rounded-off to the nearest integer.

- 28.3 The equity shares to be issued by the Resulting Company 1 to the Transferee Company shall rank *pari passu* in all respects to the existing equity shares of the Resulting Company 1.
- 28.4 The issuance and allotment of the equity shares by the Resulting Company 1 as provided in the Clause 28.1 above is an integral part the Scheme and shall be deemed to have been carried out without any further act or deed by the Resulting Company 1 as if the procedure laid down under Sections 42, 55 and 62 of the Act and any other applicable provisions of the Act were duly complied with.



PART D

DEMERGER OF DEMERGED UNDERTAKING 2 FROM THE DEMERGED COMPANY 2 INTO THE RESULTING COMPANY 2

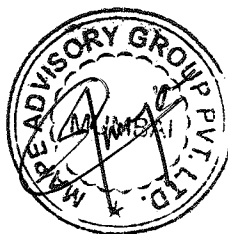
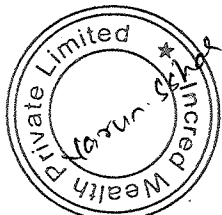
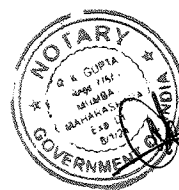
29. TRANSFER AND VESTING OF THE DEMERGED UNDERTAKING 2

29.1 Upon this Scheme coming into effect and with effect from Appointed Date, the Demerged Undertaking 2 (including all accretions and appurtenances) shall, without any further act, instrument or deed, be and stand demerged from the Demerged Company 2 and transferred to and vested in or be deemed to be transferred to and vested in the Resulting Company 2 as a going concern, so as to vest in the Resulting Company 2, all the rights, titles and interests pertaining to the Demerged Undertaking 2, 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.

29.2 Without prejudice to the provisions of Clause 29.1 above, in respect of such movable assets and properties (tangible or intangible) of the Demerged Undertaking 2, 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 2 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, investments in shares, 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 2 under the provisions of any Applicable Law.

The Demerged Company 2 and the Resulting Company 2 will execute the necessary

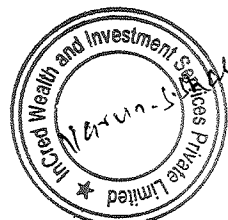
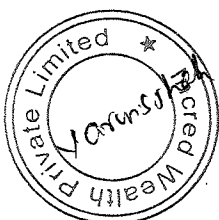
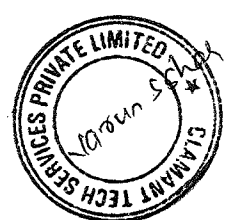


documents, if so required or otherwise considered desirable, to enable any third party, including any Appropriate Authority, to give formal effect to the above provisions.

- 29.3 Any benefit, exemption or credit under the income tax, sales tax, excise duty, custom duty, service tax, value added tax, goods and services tax, etc. of the Demerged Undertaking 2, which the Demerged Company 2 is entitled to in terms of the Applicable Laws, shall be available to and vest in the Resulting Company 2.
- 29.4 All debts, liabilities, duties and obligations of every kind, nature, description of the Demerged Undertaking 2, 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 2 so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of the Resulting 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.

The Resulting Company 2, 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 2 or in favor of any other party to the contract or arrangement to which the Demerged Company 2 is a party, in order to give formal effect to the above provisions. The Resulting Company 2 shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Demerged Company 2 as well as to implement and carry out all such formalities and compliances referred to above.

- 29.5 The transfer and vesting of the properties, assets, liabilities of the Demerged Company 2 in relation to the Demerged Undertaking 2 into the Resulting Company 2 under Clause 29 of this Scheme shall be subject to the mortgages and charges, if any, affecting the same, as and to the extent hereinafter provided.
- 29.6 All the existing securities, mortgages, charges, encumbrances or liens (the



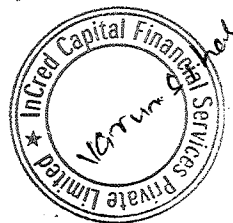
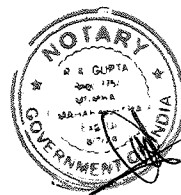
“Encumbrances”), existing prior to the Effective Date over the assets and properties of the Demerged Undertaking 2 or any part thereof and which relate to the liabilities and obligations of the Demerged Company 2 which are transferred as part of the Demerged Undertaking 2 shall continue to relate only to such assets and properties which belong to the Demerged Undertaking 2 and shall not extend or attach to any of the assets and properties of the Remaining Business 2.

The Demerged Company 2 shall not create any Encumbrances over the assets or properties of the Demerged Undertaking 2 after the date of approval of the Scheme by the Board of Directors of the Resulting Company 2 without the prior written consent of the Board of Directors of Resulting Company 2.

- 29.7 Encumbrances existing prior to the Effective Date over the assets and properties of the Remaining Business 2 or any part thereof and which relate to the liabilities and obligations of the Remaining Business 2 shall continue to relate only to such assets and properties which belong to the Remaining Business 2 and shall not extend or attach to any of the assets and properties of the Demerged Undertaking 2.

Any reference in any security documents or arrangements (to which the Demerged Company 2 is a party) to the assets and properties pertaining to the Demerged Undertaking 2 shall be construed as a reference to the Resulting Company 2 and the same shall stand transferred to / substituted in the name of the Resulting Company 2 by virtue of this Scheme. Without prejudice to the foregoing, the Demerged Company 2 and Resulting Company 2 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.

- 29.8 On and from the Effective Date and till such time that the name(s) of the bank accounts of the Demerged Company 2 which are being transferred as part of the Demerged Undertaking 2 have been replaced with that of the Resulting Company 2, the Resulting Company 2 shall be entitled to maintain and operate such bank accounts of the Demerged



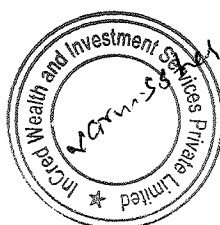
Company 2. All cheques and other negotiable instruments, which are in the name of the Demerged Company 2 and received after the Effective Date shall, on presentation by the Resulting Company 2, be accepted by the bankers of the Resulting Company 2 and credited to the account of the Resulting Company 2.

29.9 On the Scheme becoming effective, benefits of all corporate approvals as may have already been taken by the Demerged Company 2 in relation to the Demerged Undertaking 2 or which are applicable to the Demerged Company 2, whether being in the nature of compliances or otherwise, under Applicable Laws, shall be deemed to have been taken / complied with by the Resulting Company 2 with effect from the Appointed Date.

29.10 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 (in short, "**Part D Licenses**"), held or availed of by the Demerged Company 2 in relation to the Demerged Undertaking 2, 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 2 so as to become as and from the Appointed Date, the Part D Licenses of the Resulting Company 2 and shall remain valid, effective and enforceable on the same terms and conditions to enable the Resulting Company 2 to carry on the operations of the Demerged Undertaking 2 without any interruption and, wherever so required, the Part D Licenses shall be appropriately mutated by the concerned Appropriate Authority in favour of the Resulting Company 2 as if the same were originally given by, issued to or executed in favour of the Resulting Company 2.

The Resulting Company 2 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.

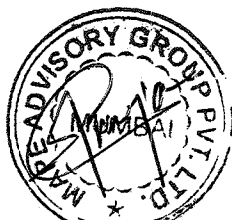
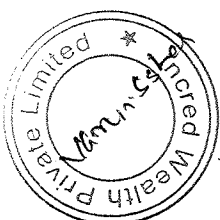
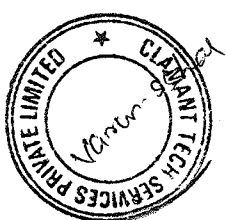
29.11 On or before the Scheme becoming effective, the Resulting Company 2 shall surrender to the RBI its registration as a 'Non-Banking Finance Company' and shall obtain a registration from SEBI for carrying out merchant banking activities.



- 29.12 The demerger of the Demerged Undertaking 2 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.
- 29.13 Upon this Scheme coming into effect, the Resulting Company 2 alone shall be liable to perform all obligations in respect of the liabilities in relation to the Demerged Undertaking 2, which have been transferred to it in terms of the Scheme. Similarly, the Remaining Business 2 alone shall be liable to perform all obligations in respect of the liabilities in relation to the Demerged Company 2, which have not been transferred to the Resulting Company 2 in terms of the Scheme.
- 29.14 It is expressly provided that no term or condition of the liabilities transferred to the Resulting Company 2 is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.

30. EMPLOYEES OF THE DEMERGED UNDERTAKING 2

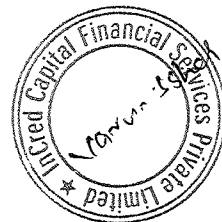
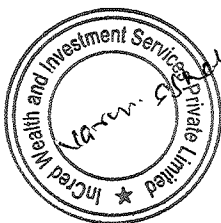
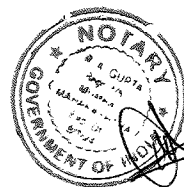
- 30.1 On the Scheme coming into effect, all permanent employees of the Demerged Undertaking 2 of the Demerged Company 2 in service on the Effective Date, shall be deemed to have become the employees of the Resulting Company 2 without any break in their service and terms and conditions of their employment with the Resulting Company 2 shall be no less favourable than those on which they are engaged by the Demerged Company 2 as on the Effective Date.
- 30.2 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 2 shall be continued for



the benefit of such employees including employees who may hereafter join the Resulting Company 2 on the same terms and conditions and with effect from such date, and the Resulting Company 2 shall make the necessary contribution for such employees taken over by the Resulting Company 2 until the Resulting Company 2 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 2 shall stand substituted for the Demerged Company 2 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 2 undertakes to discharge all the duties and obligations and assumes all the rights and powers of the Demerged Company 2, upon the Scheme being effective, in relation to aforesaid trusts or funds of the Demerged Company 2 in relation to the Demerged Undertaking 2. The services of the staff, workmen and other employees of the Demerged Undertaking 2 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 2 shall be appropriately adjusted by the Demerged Company 2 and transferred to the Resulting Company 2.

31. LEGAL PROCEEDINGS

- 31.1 All legal or other proceedings other than tax proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company 2 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 2 ("**Demerged Undertaking 2 Proceedings**") shall be continued and enforced by or against the Resulting Company 2 after the Effective Date, to the extent legally permissible.
- 31.2 If any of the Demerged Undertaking 2 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 2 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 2, as if this Scheme had not been made.

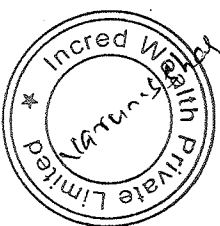
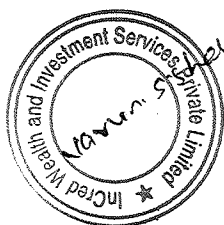
- 31.3 If the Demerged Undertaking 2 Proceedings are taken against the Demerged Company 2 in respect of the matters referred to in Clause 31.1 above, it shall defend the same at the cost of the Resulting Company 2, and the latter shall reimburse and indemnify and hold harmless the Demerged Company 2 against all liabilities and obligations incurred by the Demerged Company 2 in respect thereof.

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, relating or pertaining to the Demerged Undertaking 2, and to which the Demerged 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 the Resulting Company 2, as the case may be, and may be enforced by or against the Resulting Company 2 as fully and effectually as if, instead of Demerged Company 2, the Resulting Company 2 had been a party thereto. The Resulting 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 the Demerged 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. The Resulting Company 2 shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Demerged Company 2 and to implement or carry out all formalities required on the part of the Demerged Company 2, to give effect to the provisions of this Scheme.

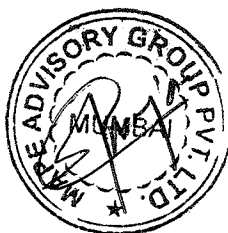
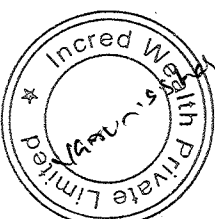
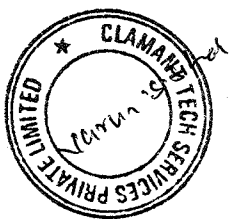
33. TREATMENT OF TAXES

- 33.1 Upon this Scheme coming into effect, the Demerged Company 2 and the Resulting



Company 2 are expressly permitted to revise their financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act, 1961, 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.

- 33.2 All Tax assessment proceedings / appeals pertaining to the period prior to Appointed Date, whether in relation to the Demerged Undertaking 2 or otherwise, shall be continued and / or enforced only against the Demerged Company 2 and in no event will such proceeding, or appeal devolve on the Resulting Company 2. In the event any such proceeding, or appeal is enforced against the Resulting Company 2 at any point of time and the Resulting Company 2 is required to bear any such Taxes or is required to defend itself against any proceeding or appeal, then the Demerged Company 2 shall reimburse the Resulting Company 2 all such Taxes and / or the associated costs incurred by the Resulting Company 2 on account of the aforesaid proceedings and appeals.
- 33.3 All Tax assessment proceedings / appeals pertaining to the period after Appointed Date, of whatsoever nature, in relation to the Demerged Undertaking 2, shall be continued and / or enforced by or against the Resulting Company 2. In the event any such proceeding, or appeal is enforced against the Demerged Company 2 at any point of time and the Demerged Company 2 is required to bear any such Taxes or is required to defend itself against any proceeding or appeal, then the Resulting Company 2 shall reimburse the Demerged Company 2 all such Taxes and / or the associated costs incurred by the Resulting Company 2 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 2, shall be continued and / or enforced by or against the Demerged Company 2.
- 33.4 Upon the Scheme becoming effective, all unavailed credits as on the Appointed Date, including MAT credit and exemptions, benefit of carried forward losses, unabsorbed depreciation and other statutory benefits, including in respect of income tax, Cenvat,

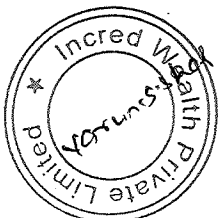
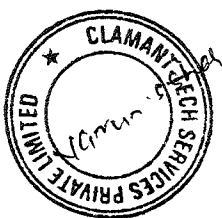


customs, goods and service tax, etc. and arising during the period between the Appointed Date and the Effective Date of the Demerged Undertaking 2 to which the Demerged Company 2 is entitled to shall be available and vest in the Resulting Company 2, without any further act or deed.

- 33.5 In an event that any of the tax credits and other statutory benefits (described in Clause 33.4 above) is not made available to or vest in the Resulting Company 2 for any reason whatsoever, the same should be made available to the Demerged Company 2 and the Resulting Company 2 shall have the right to receive the same from the Demerged Company 2 in a manner mutually decided by the Board of Directors of both, the Resulting Company 2 and the Demerged Company 2.
- 33.6 Any amount due / demand raised under the Tax laws against Demerged Company 2 (including but not limited to the Demerged Undertaking 2 of Demerged Company 2) whether or not provided for in accounts of Demerged Company 2 as on the date immediately preceding the Appointed Date shall belong to and be borne and settled / paid by Demerged Company 2.
- 33.7 Any refund under the tax laws due to Demerged Company 2 (including but not limited to the Demerged Undertaking 2 of Demerged Company 2) whether or not for which credit is taken in accounts of Demerged Company 2 as on the date immediately preceding the Appointed Date shall belong to and be received by Demerged Company 2.

34. SAVING OF CONCLUDED TRANSACTIONS

The transfer of properties and liabilities to, and the continuance of proceedings by or against the Resulting Company 2 and the effectiveness of contracts, deeds and other instruments as envisaged in Clause 29, Clause 31 and Clause 32 above shall not affect any transaction or proceedings already concluded by the Demerged Company 2 on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Resulting Company 2 accepts and adopts all acts, deeds and things done and executed by the Demerged Company 2 in respect thereto as done and executed on behalf of itself.

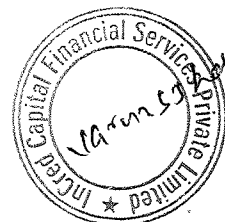
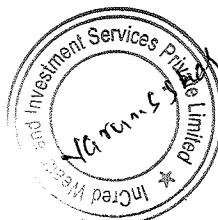


35. REMAINING BUSINESS OF THE DEMERGED COMPANY 2

- 35.1 It is clarified that the Remaining Business 2 and all the assets, liabilities and obligations of the Demerged Company 2, other than those transferred pursuant to this Scheme, shall continue to belong to and be managed by the Demerged Company 2.
- 35.2 All legal and other proceedings by or against the Demerged Company 2 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 2 of the Demerged Company 2 (including those relating to any property, right, power, liability, obligation or duty of the Demerged Company 2 in respect of the Remaining Business 2 of the Demerged Company 2) shall be continued and enforced by or against the Demerged Company 2. 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 2. Similarly, any direct or indirect tax refunds in relation to the above-mentioned tax proceedings shall belong to the Demerged Company 2. Further, with effect from the period from the Appointed Date, direct or indirect tax proceedings (including any refund entitlement) relating to the Remaining Business 2 of the Demerged Company 2 shall be continued and enforced by or against the Demerged Company 2 only.
- 35.3 If the proceedings mentioned in clause 35.2 above are or are proposed to be undertaken against the Resulting Company 2, the Resulting Company 2 shall defend the same at the cost of the Demerged Company 2 and the latter shall reimburse and indemnify and hold harmless the Resulting Company 2 against all liabilities and obligations incurred thereof.

36. CONDUCT OF BUSINESS

- 36.1 With effect from the Appointed Date and up to and including the Effective Date:
- i) the Demerged Company 2 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 2, for and on account of and in trust for the Resulting Company 2.

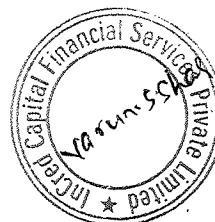
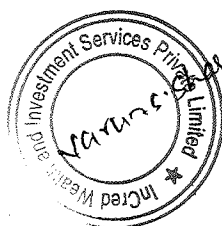
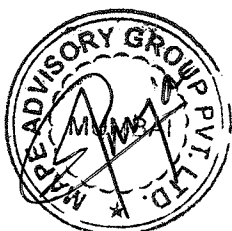
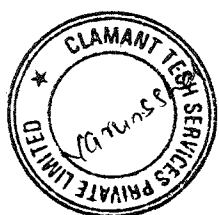
- ii) all profits accruing to the Demerged Company 2 and all taxes thereon, or losses arising or incurred by it, with respect to the Demerged Undertaking 2 shall, for all purposes, be treated as and deemed to be the profits, taxes or losses, as the case may be, of the Resulting Company 2.

36.2 With effect from the date of approval to the Scheme by the Board of Directors of the Demerged Company 2 and the Resulting Company 2, and upto and including the Effective Date:

- i) the Demerged Company 2 shall carry on the business of the Demerged Undertaking 2 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 2 and the Resulting Company 2 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, reduction, reclassification, sub-division or consolidation, re-organization, or in any other manner effect the re-organization of share capital.

37. CONSIDERATION

37.1 Upon this Scheme becoming effective and in consideration for the demerger of the Demerged Undertaking 2 of the Demerged Company 2 into the Resulting Company 2, the Resulting Company 2 shall, without any further act or deed, issue and allot (i) (a) equity shares of Rs 10 (Rupees Ten only) each or (b) a combination of equity shares and Class B optionally convertible redeemable preference shares of Rs 10 (Rupees Ten only) each, as per the terms and subject to conditions as set out in Schedule I, as the relevant equity



shareholder of Demerged Company 2 may elect; and Class A optionally convertible cumulative redeemable preference shares of Rs 10 (Rupees Ten only) each, as per the terms and subject to the conditions as set out in Schedule II, and in the ratio specified below, to the equity shareholders of the Demerged Company 2, whose names appear in the register of members of the Demerged Company 2 as on the Record Date:

“8,147 (Eight Thousand One Hundred and Forty Seven) fully paid-up equity shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) equity shares of the Demerged Company 2 of INR 10 each fully paid-up”

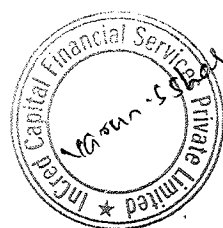
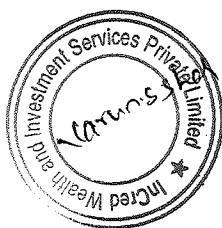
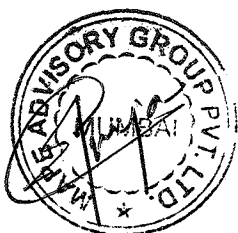
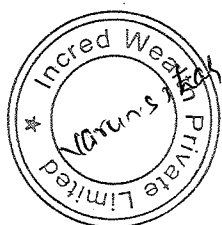
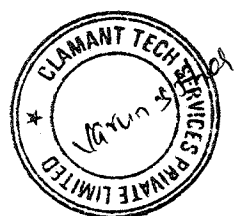
Or

4,073 (Four Thousand and Seventy Three) fully paid-up equity shares of INR 10 each and 4,073 (Four Thousand and Seventy Three) fully paid-up Class B optionally convertible redeemable preference shares of the Resulting Company 2 for every 10,000 (Ten Thousand) equity shares of the Demerged Company 2 of INR 10 each fully paid-up and the conversion and other terms and conditions of the Class B optionally convertible redeemable preference shares shall be as specified in the Schedule I annexed to the Scheme”

And

“8,486 (Eight Thousand Four Hundred and Eighty Six) fully paid-up Class A optionally convertible cumulative redeemable preference shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) equity shares of the Demerged Company 2 of INR 10 each fully paid-up and the conversion and other terms and conditions of the Class A optionally convertible cumulative redeemable preference shares shall be as specified in the Schedule II annexed to the Scheme”

Any fractional entitlement arising in the course of the issue and allotment of equity shares, Class A optionally convertible cumulative redeemable preference shares and Class B optionally convertible redeemable preference shares by the Resulting Company 2 shall be rounded-off to the nearest integer.

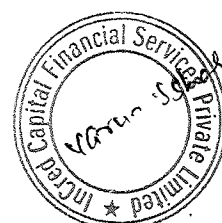
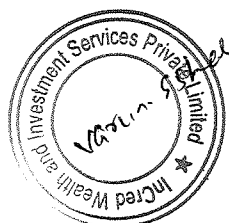
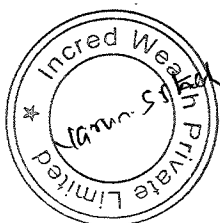
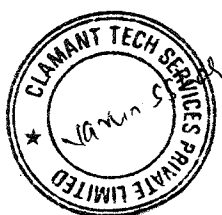


- 37.2 The equity shares, Class A optionally convertible cumulative redeemable preference shares and Class B optionally convertible redeemable preference shares to be issued by the Resulting Company 2 to the shareholders of the Demerged Company 2 pursuant to Clause 37.1 above shall be subject to the memorandum and articles of association of the Resulting Company 2 and in compliance with the Applicable Laws.
- 37.3 The issuance and allotment of the equity shares, Class A optionally convertible cumulative redeemable preference shares and Class B optionally convertible redeemable preference shares by the Resulting Company 2 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 the Resulting Company 2 as if the procedure laid down under Sections 42, 55 and 62 of the Act and any other applicable provisions of the Act were duly complied with.
- 37.4 The Resulting Company shall, if necessary and to the extent required, increase or decrease or reclassify its authorised share capital to facilitate issue of shares under this Scheme.

38. ACCOUNTING TREATMENT

ACCOUNTING TREATMENT IN THE BOOKS OF DEMERGED COMPANY 2

- 38.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the book value of the assets and liabilities of the Demerged Undertaking 2 of Demerged Company 2 transferred to Resulting Company 2 shall stand reduced from the book value of the assets and liabilities of Demerged Company 2.
- 38.2 The difference between the book values of the assets and liabilities of the Demerged Undertaking 2 of Demerged Company 2 vested in Resulting Company 2, shall be first adjusted against its securities premium and, the balance, if any, against its profit and loss account balance.
- 38.3 If the value of the net asset value of the Demerged Undertaking 2 of Demerged Company 2



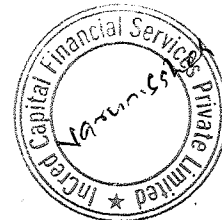
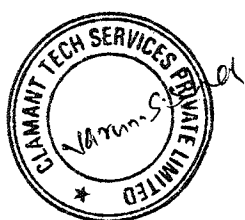
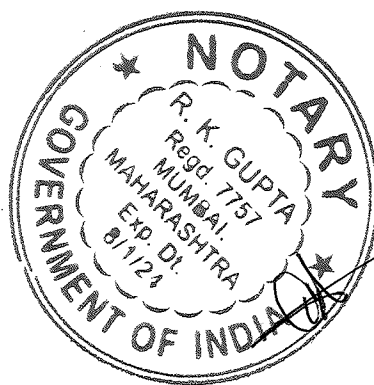
vested in Resulting Company 2 is a surplus, then the same shall be credited to Capital Reserve.

- 38.4 The utilization of the securities premium account as aforesaid shall be effected as a part of the Scheme itself and not under a separate procedure in terms of Section 52 and Section 66 of the Act and the order of the Tribunal sanctioning the Scheme shall be deemed to be an order under Section 66 of the Act confirming the utilization of securities premium account.
- 38.5 The utilization of Securities Premium Account as aforesaid in Clause 38.2 does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid-up share capital.

ACCOUNTING TREATMENT IN THE BOOKS OF RESULTING COMPANY 2

- 38.6 Upon the Scheme becoming effective and with effect from the Appointed Date, the Resulting Company 2 shall account for transfer / demerger of the Demerged Undertaking 2 of the Demerged Company 2 in accordance with Indian Accounting Standards 103 or other Indian Accounting Standards as may be 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.

58



PART E

GENERAL TERMS & CONDITIONS

39. 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 the Transferor Company without being wound up.

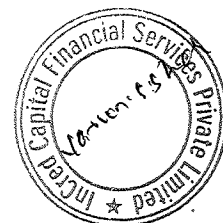
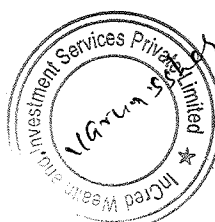
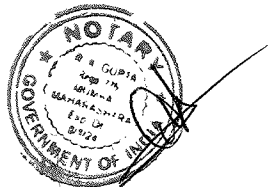
40. MODIFICATION OR AMENDMENTS TO THE SCHEME

- 40.1 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).
- 40.2 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.

41. 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

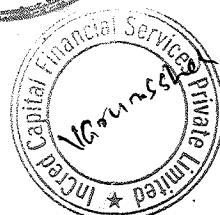
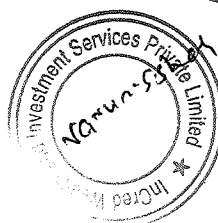
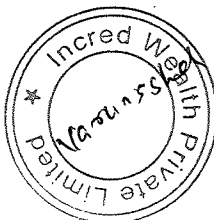
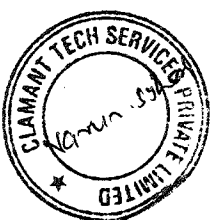
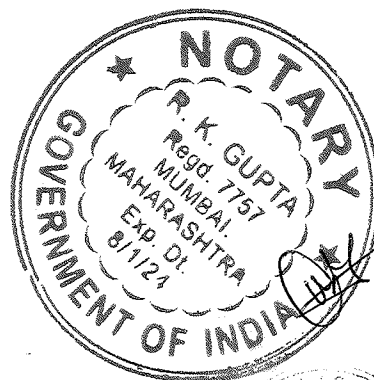


applicable provisions, if any, of the Act;

- iii) Certified copies of the orders of the NCLT sanctioning the Scheme being filed with the concerned Registrar of Companies by the Companies;
- iv) Receipt of necessary approval by the Resulting Company 2 / Transferee Company from the RBI for surrendering the 'Non-Banking Finance Company' license, on the terms and conditions acceptable to Resulting Company 2 / Transferee Company;
- v) Receipt of AMFI Registration Number (ARN) by the Resulting Company 1 from Association of Mutual Funds of India (AMFI);
- vi) Receipt of registration by the Resulting Company 2 / Transferee Company from SEBI for carrying out merchant banking business, on the terms and conditions acceptable to Resulting Company 2 / Transferee Company;
- vii) all other relevant approvals, permits, sanctions, no-objections and consents, as may be required in respect of this Scheme, being obtained from the Appropriate Authority and / or person.

42. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in the Clause 41 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.

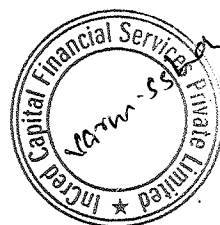
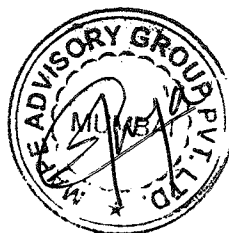
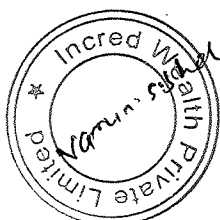


43. SEVERABILITY

If any part or section of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the 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 or declare the entire Scheme to be null and void 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 the Transferee Company.

44. 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 the Transferee Company.

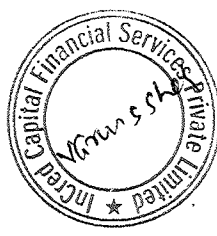
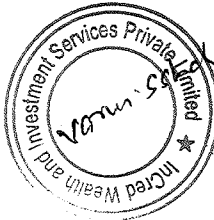
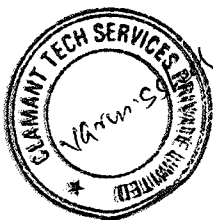
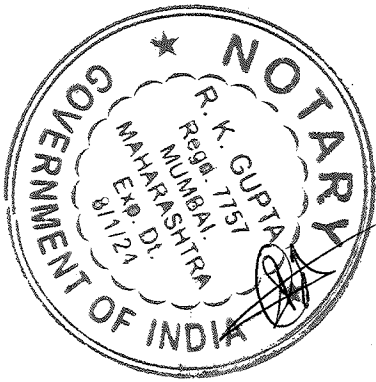


Schedule I

TERMS OF CLASS B OPTIONALLY CONVERTIBLE REDEEMABLE PREFERENCE SHARES

Instrument	Class B Optionally Convertible Redeemable Preference Shares
Nominal value	INR 10/- (Rupees Ten only)
Rate of Dividend	0.01% (zero point zero one percent) per annum on cumulative basis
Tenure	5 (Five) years from Appointed Date
Conversion Terms	As may be agreed in writing between Resulting Company 2 and Demerged Company 2.
Voting Rights	Class B Optionally Convertible Redeemable Preference Shares to not carry any voting rights, otherwise than on liquidation

Other terms of the Class B Optionally Convertible Redeemable Preference Shares may be agreed in writing between Resulting Company 2 and Demerged Company 2.

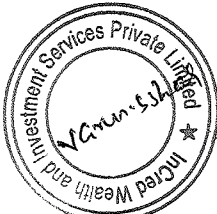
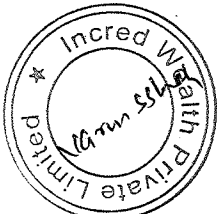
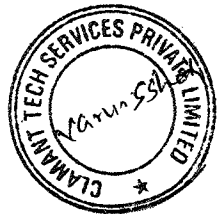
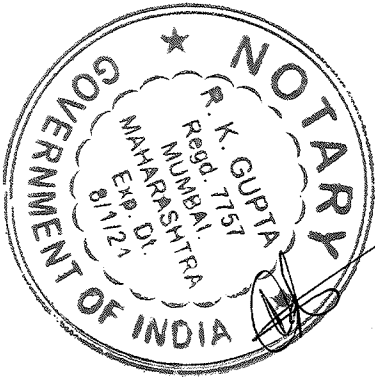


Schedule II

TERMS OF CLASS A OPTIONALLY CONVERTIBLE CUMULATIVE REDEEMABLE PREFERENCE SHARES

Instrument	Class A Optionally Convertible Cumulative Redeemable Preference Shares
Nominal value	INR 10/- (Rupees Ten only)
Rate of Dividend	0.01% (zero point zero one percent) per annum on a cumulative basis
Tenure	5 (Five) years from Appointed Date
Conversion Terms	As may be agreed in writing between Resulting Company 2 and Demerged Company 2.
Voting Rights	Class A Optionally Convertible Cumulative Redeemable Preference Shares to not carry any voting rights, otherwise than on liquidation

Other terms of the Class A Optionally Convertible Cumulative Redeemable Preference Shares may be agreed in writing between Resulting Company 2 and Demerged Company 2.



September 27, 2021

To

The Board of Directors
Clamant Tech Services Private Limited
Unit No. 1203, 12th floor, B Wing, The Capital
C-70, G Block, Bandra Kurla Complex
Bandra East, Mumbai, 400 051

The Board of Directors
MAPE Advisory Group Private Limited
Unit No. 1203, 12th floor, B Wing, The Capital
C-70, G Block, Bandra Kurla Complex
Bandra East, Mumbai, 400 051

The Board of Directors
InCred Capital Financial Services Private Limited
Unit No. 1203, 12th floor, B Wing, The Capital
C-70, G Block, Bandra Kurla Complex
Bandra East, Mumbai, 400 051

The Board of Directors
InCred Wealth Private Limited
Unit No. 1203, 12th floor, B Wing, The Capital
C-70, G Block, Bandra Kurla Complex
Bandra East, Mumbai, 400 051

The Board of Directors
InCred Wealth and Investment Services Pvt. Ltd.
Unit No. 1203, 12th floor, B Wing, The Capital
C-70, G Block, Bandra Kurla Complex
Bandra East, Mumbai, 400 051

Subject: Share Entitlement and Share Swap Ratio Recommendation for the proposed Composite Scheme of Arrangement between Clamant Tech Services Private Limited, InCred Wealth Private Limited, MAPE Advisory Group Private Limited, InCred Wealth Investment Services Private Limited and InCred Capital Financial Services Private Limited and their respective shareholders and creditors.

Dear Sirs,

Sundae Capital Advisors Private Limited (referred to as “Sundae” or “We” or “Valuer”) have been requested to provide a report for reckoning the Share Entitlement and Share Swap Ratio for allotment of shares of InCred Capital Financial Services Private Limited (“Transferee Company” or “Resulting Company 2”) to the shareholders of Clamant Tech Services Private Limited (“Transferor Company”), InCred Wealth Private Limited (“Demerged Company 1”) and MAPE Advisory Group Private Limited (“Demerged Company 2” or “MAPE”) in respect to the proposed Composite Scheme of Arrangement (the “Scheme”).

SCOPE AND PURPOSE OF THIS REPORT

Transferee Company or Resulting Company 2 is proposing to issue and allot its shares to the equity shareholders of Transferor Company, Demerged Company 1 and Demerged Company 2 or MAPE in respect to the proposed Scheme pursuant to Sections 230 to 232 of the Companies Act, 2013.

We have been appointed on **July 12, 2021 “Appointment Date”** as the Valuer in the capacity of Registered Valuer to Recommend the Share Entitlement and Share Swap Ratio. The said report is requested by Transferee Company or Resulting Company 2, Transferor Company, Demerged Company 1, Demerged Company 2 or MAPE for the regulatory requirements under Companies Act, 2013 with respect to the proposed Scheme.

BACKGROUND

A. Clamant Tech Services Private Limited

Clamant Tech Services Private Limited is a private company incorporated on November 11, 2020 and having its registered office at Unit No. 1203, 12th Floor, Wing B, The Capital, C-70, G Block, Bandra Kurla Complex, Bandra East, Mumbai, 400051 (“Transferor Company”). The Transferor Company is engaged in the business of inter alia, software designing, development, customization, implementation, maintenance, testing and benchmarking, designing, developing and dealing in computer software and solutions.

B. InCred Wealth Private Limited

InCred Wealth Private Limited (formerly known as InCred Capital Inclusion Advisory Services 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 (“Demerged Company 1”). The Demerged Company 1 is primarily engaged in the business of (i) distribution of financial products and offering a broad range of execution services in relation to investment products and securities to various classes of investors, including High Networth Investors, and (ii) acting as a referral agent / facilitator / placement agent for corporates, investment managers and financial institutions. The Demerged Company 1 also provides investment advisory, stock broking and portfolio management services through its subsidiary, InCred Capital Wealth Portfolio Managers Private Limited (formerly known as “BSH Corporate Advisors and Consultants Private Limited”).

C. MAPE Advisory Group Private Limited

MAPE Advisory Group Private Limited, is a private company incorporated on December 18, 2001 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 2” or “MAPE”). The Demerged Company 2 holds a certificate of registration to act as a merchant banker under the SEBI (Merchant Bankers) Regulations, 1992, as amended from time to time and is engaged in the business of, inter alia, providing investment advisory, investment banking, and merchant banking services.

D. InCred Wealth and Investment Services Private Limited

InCred Wealth and Investment Services Private Limited is a private company incorporated on November 18, 2020 having its registered office at Unit No. 1203, 12th Floor, Wing B, The Capital, C-70, G Block, Bandra Kurla Complex, Bandra East, Mumbai, 400051 (‘Resulting Company 1’). The Resulting Company 1 is a wholly owned subsidiary of the Transferee Company. The Resulting Company 1 is engaged in the business of providing financial, management advisory and consultancy services, and to act as advisors / consultants with respect to alternative investment funds, mutual fund schemes, unit trust schemes or any other funds.

E. InCred Capital Financial Services Private Limited

InCred Capital Financial Services Private Limited (formerly known as Proud Securities and Credits Private Limited) is a private 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" or "Resulting Company 2"). The Transferee Company is an integrated provider of financing solutions providing various services, which inter alia, include advisory services to corporate and institutional clients through their capital market, asset management, and investment banking platform(s) housed in the company and its subsidiaries / associate companies. The Transferee Company holds a certificate of registration from the RBI as Non-Systemically Important Non-Deposit Taking Non-Banking Financial Company (NBFC) to carry on the business of a non-banking financial company without accepting public deposits.

"Companies" shall mean collectively each of the Transferor Company, Demerged Company 1, Demerged Company 2, Resulting Company 1 and Transferee Company / Resulting Company 2 and "Company" shall mean each of them, individually.

PREAMBLE AND ADVANTAGES OF THE SCHEME

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

- Amalgamation of Clamant Tech Services Private Limited with InCred Capital Financial Services Private Limited;
- Demerger of the Demerged Undertaking 1 (defined hereinafter) of InCred Wealth Private Limited into InCred Wealth and Investment Services Private Limited and InCred Capital Financial Services Private Limited, being a parent of InCred Wealth and Investment Services Private Limited to issue equity shares to shareholders of InCred Wealth Private Limited as a consideration pursuant to the demerger; and
- Demerger of Demerged Undertaking 2 (defined hereinafter) of MAPE Advisory Group Private Limited into InCred Capital Financial Services Private Limited.

We Understand that this Scheme is expected to achieve the following advantages:

- 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 and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.

DISCLOSURE OF VALUER INTEREST / CONFLICT, IF ANY

Valuer does not have any interest or conflict of interest of any kind with the Companies.

SOURCE OF INFORMATION AND REPRESENTATIONS

For the purpose of deriving the Share Entitlement and Share Swap Ratio, we have relied on the discussions with the Management of the Companies and the following information and documents made available to me:

- Consolidated Financial statements of Transferee Company as on June 30, 2021
- Provisional Financials of Demerged Company 1 and Demerged Company 2 as on June 30, 2021
- Provisional Financials of Transferor Company as on June 30, 2021
- Financial Projections of Transferee Company, Demerged Company 1, Demerged Company 2 and Transferor Company till FY 2026.
- Draft Composite Scheme of Arrangement.
- Other information as available in public domain.

We have obtained explanations and information considered reasonably necessary for our exercise, from the executives and representatives of the Companies. The Companies have been provided with the opportunity to review the draft Report for this engagement to make sure that factual inaccuracies are avoided in our final Report.

Our analysis considers those facts and circumstances present at the Companies at the date of this Report. Our opinion would most likely to be different if another date was used.

RATIONALE FOR THE SCHEME

The key objectives of the Scheme are:

- To consolidate the business of developing and operating tech solution platform for retail wealth management, independent financial advisors and institutional wealth managers undertaken by the Transferor Company with the Transferee Company to achieve economies of scale, operational rationalization and organizational efficiency, wider market reach and customer base, and to reduce redundant costs.
- Demerger of the Demerged Undertaking 1 from the Demerged Company 1 into the Resulting Company 1, which is a wholly owned subsidiary of the Transferee Company, will enable the management of the Transferee Company to consolidate the Demerged Undertaking 1 with its business of offering financing solutions to its clients, and to carry out the business more conveniently and advantageously with greater focus and attention. The same will facilitate the business considerations and factors applicable to the Demerged Undertaking 1 to be addressed more effectively and efficiently.
- Demerger of the Demerged Undertaking 2 from the Demerged Company 2 into the Resulting Company 2 will enable consolidation of the Demerged Undertaking 2 with the business of the Resulting Company 2, and the same can be carried on more conveniently and advantageously with greater focus and attention. The demerger will facilitate the business considerations and factors applicable to the Demerged Undertaking 2 to be addressed more effectively and efficiently.
- Cost savings 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.

SCOPE, LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, accounting / tax due diligence, consulting or tax related services that may otherwise be provided by us or our affiliates.

This report, its contents and the results herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement (ii) the date of this report and (iii) are based on the financial statements and Information provided to us by the Management of the Companies. Events occurring after the date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.

The recommendation(s) rendered in this report only represent our recommendation(s) based upon information as at the date of this report, furnished by the Companies and other sources and the said recommendation(s) shall be considered to be in the nature of non-binding advice, (our recommendation will however not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors).

In the course of the valuation, we were provided with both written and verbal information, including market, technical, financial and operating data.

In accordance with the terms of our engagement, we have assumed and relied upon, without independent verification, (i) the accuracy of the information that was publicly available and formed a substantial basis for this report and (ii) the accuracy of information made available to us by the Companies. In accordance with our Engagement Letter and in accordance with the customary approach adopted in valuation exercises, we have not audited, reviewed, or otherwise investigated the historical financial information provided to us. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the financial statements. Also, with respect to explanations and information sought from the Companies, we have been given to understand by the Companies that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Our conclusions are based on the assumptions and information given by/on behalf of the Companies. The respective Managements of the Companies have indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis / results. Accordingly, we assume no responsibility for any errors in the information furnished by the Companies and their impact on the report. Also, we assume no responsibility for technical information (if any) furnished by the Companies. However, nothing has come to our attention to indicate that the information provided was materially mis-stated / incorrect or would not afford reasonable ground upon which to base the report. We do not imply and it should not be construed that we have verified any of the information provided to us, or that our inquires could have verified any matter, which a more extensive examination might disclose.

The Report assumes that the Companies complies fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this valuation report has given no consideration to matters of a legal nature, including issues of legal title

and compliance with local laws, and litigation and other contingent liabilities that are not recorded in the audited / unaudited balance sheet of the Companies.

This report does not look into the business / commercial reasons behind the Transaction nor likely benefits arising out of the same. Similarly, it does not address the relative merits of the Transaction as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

No investigation of the Companies' claims to title of assets has been made for the purpose of this report and the Companies' claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature. The book values of the assets and liabilities of the Companies have been considered as representative of their intrinsic value in the absence of any report of external valuers.

We own responsibility to only the Board of Directors of the Companies, under the terms of the engagement letter and nobody else. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions or advice given by any other to the Companies.

We do not accept any liability to any third party in relation to the issue of this Report. It is understood that this analysis does not represent a fairness opinion. This valuation report is subject to the laws of India.

Neither the valuation report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the proposed Scheme, without our prior written consent. We express no opinion or recommendation as to how the shareholders of either Company should vote at any shareholders' meeting(s) to be held in connection with the Transaction.

SHARE ENTITLEMENT AND SHARE SWAP RATIO

A. Amalgamation of Clamant Tech Services Private Limited with InCred Capital Financial Services Private Limited

The Scheme provides that upon effectiveness of the Scheme and in consideration for the amalgamation of the Transferor Company with the Transferee Company, the Transferee Company shall, without any further act or deed, issue and allot fully paid-up equity shares of INR 10 each to all the shareholders of the Transferor Company in the ratio as mentioned herein.

Based on the above, the following proposed exchange ratio is fair to the shareholders of the Transferor Company in respect to the proposed Scheme.

1,939 (One Thousand Nine Hundred Thirty-Nine) fully paid-up equity shares of INR 10 each of the Transferee Company for every 1,000 (One Thousand) fully paid-up equity shares of INR 10 each held in the Transferor Company

B. Demerger of the Demerged Undertaking 1 (defined hereinafter) of InCred Wealth Private Limited into InCred Wealth and Investment Services Private Limited

The following proposed Share Entitlement ratio is fair to the shareholders of the Demerged Company 1 and the Resulting Company 1 in respect to the transfer of Demerged Undertaking 1 under the proposed Scheme, the Transferee Company, being the parent company of the Resulting Company 1, will issue as follows:

8,516 (Eight Thousand Five Hundred Sixteen) fully paid-up equity shares of INR 10 each of the Transferee Company for every 1,000 (One Thousand) fully paid-up equity shares of INR 10 each held in the Demerged Company 1

C. Demerger of Demerged Undertaking 2 (defined hereinafter) of MAPE Advisory Group Private Limited into InCred Capital Financial Services Private Limited

The following proposed Share Entitlement ratio is fair to the shareholders of the Demerged Company 2 and the Resulting Company 2 in respect to the transfer of Demerged Undertaking 2 under the proposed Scheme, is as follows:

8,147 (Eight Thousand One Hundred Forty-Seven) fully paid-up equity shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) fully paid-up equity shares of INR 10 each held in the Demerged Company 2.

Or

4,073 (Four Thousand Seventy-Three) fully paid-up equity shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) fully paid-up equity shares of INR 10 each held in the Demerged Company 2 and 4,073 (Four Thousand Seventy-Three) fully paid-up Class B optionally convertible cumulative redeemable preference shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) fully paid-up equity shares of INR 10 each held in the Demerged Company 2.

And

8,486 (Eight Thousand Four Hundred Eighty-Six) fully paid-up Class A optionally convertible cumulative redeemable preference shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) fully paid-up equity shares of INR 10 each held in the Demerged Company 2.

BASIS FOR DETERMINATION OF SHARE ENTITLEMENT AND SHARE SWAP RATIO

The Scheme contemplates the arrangement where there is an amalgamation of Clamant Tech Services Private Limited with InCred Capital Financial Services Private Limited, Demerger of the Demerged Undertaking 1 of InCred Wealth Private Limited into InCred Wealth and Investment Services Private Limited; and Demerger of Demerged Undertaking 2 of MAPE Advisory Group Private Limited into InCred Capital Financial Services Private Limited which would require determining value of each business undertaking separately and then consolidating for arriving at the value of equity shares of Transferee Company or Resulting Company 2. These values are to be determined independently, but on relative basis, and without considering the current transaction.

It should be understood that the valuation of any company or its assets is inherently imprecise and is subject to uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made numerous assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control

of Companies. In addition, this valuation will fluctuate with changes in prevailing market conditions, the conditions and prospects, financial and otherwise, of the companies, and other factors which generally influence the valuation of companies and their assets.

The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a Valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature and our reasonable judgement, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

In developing the valuation, the three most common valuation approaches used globally are:

- Income (Income-based) approach
- Market (Market-based) approach
- Asset (Asset-based) approach (used for businesses, business ownership interests, and securities) or Cost approach (used for intangible assets)

Income Approach

A general way of determining a value indication of a business, business ownership interest, security, or intangible asset by using one or more methods through which anticipated benefits are converted into value. Methods include discounted cash flow.

Market Approach

A general way of determining a value indication of a business, business ownership interest, security, or intangible asset by using one or more methods that compare the subject to similar businesses, business ownership interest, securities, or intangible assets that have been sold, or if shares are frequently trading, traded price of same can be considered. Methods include Peer trading multiple and frequently traded share price.

Asset Approach

A general way of determining a value indication of a business, business ownership interest, security, or intangible asset using one or more methods based on the value of the assets net of liabilities. Methods include net asset value.

For the purpose of determining the Share Entitlement and Share Swap Ratio in the present case, considering the nature and business operation of the Companies, we have relied upon the following Method for the valuation of equity shares of the Companies.

With reference to discussion with management and explanations provided by them along with our assessment and keeping in mind the context and purpose of valuation, we considered Income Approach- Discounted Cash flow Method "DCF" (based on financial information prepared by the management of company) for valuation, as it captures the growth potential of business going forward and in case of entity with continuing operations on going concern basis value lies in future.

It is however important to note that in doing so, we are not attempting to arrive at the absolute value, but their comparative values to facilitate the determination of the Share Entitlement and Share Swap Ratio.

CONCLUSION

This report is prepared for the Board of Directors of the Companies to the extent mandatorily required under applicable laws of India and it may be produced before judicial, regulatory or government authorities, in connection with the transaction envisaged in the Scheme.

In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the specified companies, their directors, employees or agents.

In no circumstances shall we be liable for, relating to the services provided in connection with the engagement set out in this report exceed the amount paid to us in respect of the fees charged for these services.

***for Sundae Capital Advisors Private Limited
(IBBI Regn. No IBBI/RV-E/03/2021/136)***

SUNDAE  Digitally signed by
SOURABH GARG
Date: 2021.09.27
16:49:46 +05'30'

***Sourabh Garg
Director
Registered Valuer (S&FA)
Reg. No. IBBI/RV/03/2020/12806***

PNAM & Co.

CHARTERED ACCOUNTANTS

UDIN: 21515167AAAAHZC125

Certificate No.: SCC/2021-22/047A

STATUTORY AUDITOR'S CERTIFICATE

1. This certificate has been issued on the request of management of **InCred Capital Financial Services Private Limited ('Company')** (CIN: U67120MH1996PTC355036) having its registered office at Unit no 1203, 12th floor, B Wing, The Capital, Plot no C-70, G Block, BKC Mumbai 400051.
2. As statutory auditors of the Company, we have examined the proposed accounting treatment specified in Clause 16, Clause 27 and Clause 38 of the 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 ('Transferee Company' or 'Resulting Company 2') (hereinafter referred to as 'Scheme') to confirm whether it is in compliance with the accounting standards prescribed under section 133 of the Companies Act, 2013 ('Act').
3. The Scheme is prepared by the Company and is proposed to be submitted by the Company to the National Company Law Tribunal, Mumbai Bench ('NCLT').

Management's Responsibility

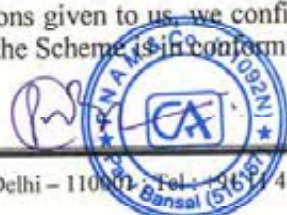
4. The responsibility for preparation of the Scheme and its compliance with the relevant laws and regulations, including the applicable accounting standards is that of the Board of Directors of the companies involved in the Scheme.

Auditor's Responsibility

5. Pursuant to the requirements of the Act, our responsibility is to express reasonable assurance in the form of an opinion based on our examination and according to information and explanations given to us as to whether the accounting treatment described in Clause 16, Clause 27 and Clause 38 of the Scheme complies with the applicable accounting standards prescribed under section 133 of the Act.
6. A reasonable assurance engagement includes performing procedures to obtain sufficient appropriate audit evidence on the reporting criteria.
7. We have performed the procedures, in accordance with the Revised Guidance Note on Reports and Certificates for special purposes issued by the Institute of Chartered Accountants of India ('ICAI'). The procedures include examining evidence supporting the particulars on a test basis. Further, our scope of work did not involve us performing audit test for the purpose of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company as a whole.

Opinion

8. Based on procedures performed by us, and the information and explanations given to us, we confirm that the accounting treatment contained in Clause 16, Clause 27 and Clause 38 of the Scheme is in conformity with the applicable accounting standards prescribed under section 133 of the Act.



P N A M & Co.

CHARTERED ACCOUNTANTS

Restriction on Use

9. This certificate has been prepared at the request of the Company for submission to the NCLT and the office of the Regional Director, Department of Corporate Affairs and other authorities. It 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 or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

For P N A M & Co.

(formerly known as Soni Chatrath & Co.)

Chartered Accountants

Firm Registration No. 001092N



Parv Bansal

Partner

Membership No. 515167

Place: New Delhi

Date: 27th September 2021

Encl.: Annexure- I: Proposed accounting treatment under Clause 16, 27 and 38.

P N A M & Co.

CHARTERED ACCOUNTANTS

Annexure – I

Clause 16 of the 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 ('Transferee Company' or 'Resulting Company 2')

16. ACCOUNTING TREATMENT

Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferee Company 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

Clause 27 of the 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 ('Transferee Company' or 'Resulting Company 2')

27. ACCOUNTING TREATMENT

ACCOUNTING TREATMENT IN THE BOOKS OF DEMERGED COMPANY 1 / RESULTING COMPANY 1

27.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the Demerged Company 1 shall account for transfer / demerger of the Demerged Undertaking 1 of the Demerged Company 1 in accordance with Indian Accounting Standards 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 1 shall account for transfer / demerger of the Demerged Undertaking 1 of the Demerged Company 1 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.

ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEE COMPANY

27.3 Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferee Company shall account for transfer / demerger of the Demerged Undertaking 1 of the Demerged Company 1 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



P N A M & Co.

CHARTERED ACCOUNTANTS

Clause 38 of the 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 ('Transferee Company' or 'Resulting Company 2')

38. ACCOUNTING TREATMENT

ACCOUNTING TREATMENT IN THE BOOKS OF DEMERGED COMPANY 2

38.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the book value of the assets and liabilities of the Demerged Undertaking 2 of Demerged Company 2 transferred to Resulting Company 2 shall stand reduced from the book value of the assets and liabilities of Demerged Company 2.

38.2 The difference between the book values of the assets and liabilities of the Demerged Undertaking 2 of Demerged Company 2 vested in Resulting Company 2, shall be first adjusted against its securities premium and, the balance, if any, against its profit and loss account balance.

38.3 If the value of the net asset value of the Demerged Undertaking 2 of Demerged Company 2 vested in Resulting Company 2 is a surplus, then the same shall be credited to Capital Reserve.

38.4 The utilization of the securities premium account as aforesaid shall be effected as a part of the Scheme itself and not under a separate procedure in terms of Section 52 and Section 66 of the Act and the order of the Tribunal sanctioning the Scheme shall be deemed to be an order under Section 66 of the Act confirming the utilization of securities premium account.

38.5 The utilization of Securities Premium Account as aforesaid in Clause 38.2 does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid-up share capital.

ACCOUNTING TREATMENT IN THE BOOKS OF RESULTING COMPANY 2

38.6 Upon the Scheme becoming effective and with effect from the Appointed Date, the Resulting Company 2 shall account for transfer / demerger of the Demerged Undertaking 2 of the Demerged Company 2 in accordance with Indian Accounting Standards 103 or other Indian Accounting Standards as may be 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.



UDIN: **21515167AAAAIB3336**

Certificate No.: SCC/2021-22/047C

STATUTORY AUDITOR'S CERTIFICATE

1. This certificate has been issued on the request of management of **InCred Wealth Private Limited ('Company')** (CIN: U67190MH2019PTC325577) having its registered office at Unit no 1203, 12th floor, B Wing, The Capital, Plot no C-70, G Block, BKC Mumbai 400051.
2. As statutory auditors of the Company, we have examined the proposed accounting treatment specified in Clause 27 of the 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 ('Transferee Company' or 'Resulting Company 2') (hereinafter referred to as '**Scheme**') to confirm whether it is in compliance with the accounting standards prescribed under section 133 of the Companies Act, 2013 ('Act').
3. The Scheme is prepared by the Company and is proposed to be submitted by the Company to the National Company Law Tribunal, Mumbai Bench ('NCLT').

Management's Responsibility

4. The responsibility for preparation of the Scheme and its compliance with the relevant laws and regulations, including the applicable accounting standards is that of the Board of Directors of the companies involved in the Scheme.

Auditor's Responsibility

5. Pursuant to the requirements of the Act, our responsibility is to express reasonable assurance in the form of an opinion based on our examination and according to information and explanations given to us as to whether the accounting treatment described in Clause 27 of the Scheme complies with the applicable accounting standards prescribed under section 133 of the Act.
6. A reasonable assurance engagement includes performing procedures to obtain sufficient appropriate audit evidence on the reporting criteria.
7. We have performed the procedures, in accordance with the Revised Guidance Note on Reports and Certificates for special purposes issued by the Institute of Chartered Accountants of India ('ICAI'). The procedures include examining evidence supporting the particulars on a test basis. Further, our scope of work did not involve us performing audit test for the purpose of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company as a whole.

Opinion

8. Based on procedures performed by us, and the information and explanations given to us, we confirm that the accounting treatment contained in Clause 27 of the Scheme is in conformity with the applicable accounting standards prescribed under section 133 of the Act.



P N A M & Co.

CHARTERED ACCOUNTANTS

Restriction on Use

9. This certificate has been prepared at the request of the Company for submission to the NCLT and the office of the Regional Director, Department of Corporate Affairs and other authorities. It 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 or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

For P N A M & Co.
(formerly known as Soni Chatrath & Co.)
Chartered Accountants
Firm Registration No. 001092N


Parv Bansal
Partner
Membership No. 515167

Place: New Delhi
Date: 27th September 2021

Encl.: Annexure- I; Proposed accounting treatment under Clause 27

P N A M & Co.

CHARTERED ACCOUNTANTS

Annexure – I

Clause 27 of the 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 ('Transferee Company' or 'Resulting Company 2')

27. ACCOUNTING TREATMENT

ACCOUNTING TREATMENT IN THE BOOKS OF DEMERGED COMPANY 1 / RESULTING COMPANY 1

27.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the Demerged Company 1 shall account for transfer / demerger of the Demerged Undertaking 1 of the Demerged Company 1 in accordance with Indian Accounting Standards 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 1 shall account for transfer / demerger of the Demerged Undertaking 1 of the Demerged Company 1 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.

ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEE COMPANY

27.3 Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferee Company shall account for transfer / demerger of the Demerged Undertaking 1 of the Demerged Company 1 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





K. L. Acharya & Associates

Chartered Accountants

303, Borivli Rakhi SRA CHS, Carter Road No.3, Borivli (East), Mumbai 400 066. Tel.: 022 2854 3299
E-mail : kacharya3@yahoo.com / kgandhi3@yahoo.com Mobile : 7715998833 / 9819567195

Ref: KLAA/MGAPL/01-10/21-22

Statutory Auditor's Certificate

To,
The Board of Directors
MAPE Advisory Group Private Limited
Unit no 1203, 12th floor, B Wing, The Capital
Bandra Kurla Complex Mumbai 400051 Maharashtra

1. At the request of the management of MAPE Advisory Group Private Limited ('Company'), as statutory auditors of the Company, we have examined the proposed accounting treatment specified in **Clause 38.1 to 38.5** of the 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 ('Transferee Company' or 'Resulting Company 2') and their respective shareholders (hereinafter referred to as 'Scheme'), in terms of section 230 to 232 and other applicable provisions of the Companies Act 2013 ('Act') and with the accounting standards prescribed under section 133 of the Act, read with relevant rules issued thereunder (the 'applicable accounting standard') and other generally accepted accounting principles in India. A certified true copy of the Extract of Scheme related to proposed accounting treatment specified in clause 38.1 to 38.5 is attached herewith as **Annexure** has been initialled and stamped by us for identification purpose.
2. The Scheme is prepared by the Company and is proposed to be submitted by the Company to the National Company Law Tribunal, Mumbai Bench ('NCLT').

Managements' Responsibility

3. The responsibility for preparation of the Scheme and its compliance with the relevant laws and regulations, including the applicable accounting standards is that of the Board of Directors of the companies involved in the Scheme.

Auditor's Responsibility

4. Pursuant to the requirements of the Act, our responsibility is to provide the reasonable assurance as to whether the proposed accounting treatment described in **Clause 38.1 to 38.5** of the Scheme complies with the applicable accounting standards prescribed under section 133 of the Act and other generally accepted accounting principles.





K. L. Acharya & Associates

Chartered Accountants

303, Borivli Rakhi SRA CHS, Carter Road No.3, Borivli (East), Mumbai 400 066. Tel.: 022 2854 3299
E-mail : kacharya3@yahoo.com / kgandhi3@yahoo.com Mobile : 7715998833 / 9819567195

5. A reasonable assurance engagement includes performing procedures to obtain sufficient appropriate audit evidence on the reporting criteria.
6. We performed procedures in accordance with the Guidance Note on Reports or Certificates for Special Purposes ('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 ICAI.

Opinion

7. Based on procedures performed by us, and the information and explanations given to us, we confirm that the accounting treatment contained in Clause 38.1 to 38.5 of the Scheme is in compliance of the applicable accounting standards prescribed under section 133 of the Act and other generally accepted accounting principles.

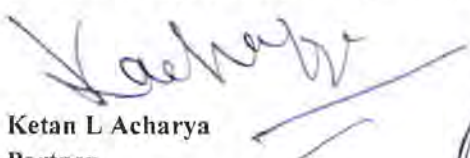
Restriction on Use

8. This certificate has been prepared at the request of the Company for submission to the NCLT and the office of the Regional Director, Department of Corporate Affairs and other authorities. It 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 or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

For and on behalf of K L Acharya & Associates

Chartered Accountants

ICAI Firm Registration Number: 141856W


Ketan L Acharya

Partner

Membership Number: 104448

Date: September 27, 2021

Place: Mumbai

UDIN: 21104448AAAADW4864





K. L. Acharya & Associates

Chartered Accountants

303, Borivli Rakhi SRA CHS, Carter Road No.3, Borivli (East), Mumbai 400 066. Tel.: 022 2854 3299
E-mail : kacharya3@yahoo.com / kgandhi3@yahoo.com Mobile : 7715998833 / 9819567195

Annexure

Extract of Composite scheme of Arrangement (Clause 38)

(Accounting treatment in the books of Demerged Company 2)

- 38.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the book value of the assets and liabilities of the Demerged Undertaking 2 of Demerged Company 2 transferred to Resulting Company 2 shall stand reduced from the book value of the assets and liabilities of Demerged Company 2
- 38.2 The difference between the book values of the assets and liabilities of the Demerged Undertaking 2 of Demerged Company 2 vested in Resulting Company 2, shall be first adjusted against its securities premium and, the balance, if any, against its profit and loss account balance
- 38.3 If the value of the net asset value of the Demerged Undertaking 2 of Demerged Company 2 vested in Resulting Company 2 is a surplus, then the same shall be credited to Capital Reserve.
- 38.4 The utilization of the securities premium account as aforesaid shall be effected as a part of the Scheme itself and not under a separate procedure in terms of Section 52 and Section 66 of the Act and the order of the Tribunal sanctioning the Scheme shall be deemed to be an order under Section 66 of the Act confirming the utilization of securities premium account.
- 38.5 The utilization of Securities Premium Account as aforesaid in Clause 38.2 does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid-up share capital

UDIN: 21104448AAAADW4864



P N A M & Co.

CHARTERED ACCOUNTANTS

UDIN: 2151567AAAAIA8832

Certificate No.: SCC/2021-22/047B

STATUTORY AUDITOR'S CERTIFICATE

1. This certificate has been issued on the request of management of **InCred Wealth and Investment Services Private Limited ('Company')** (CIN: U67190MH2020PTC350270) having its registered office at Unit No. 1203, 12th floor, B Wing, The Capital, Plot no C-70, G Block, BKC Mumbai 400051.
2. As statutory auditors of the Company, we have examined the proposed accounting treatment specified in Clause 27 of the 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 ('Transferee Company' or 'Resulting Company 2') (hereinafter referred to as 'Scheme') to confirm whether it is in compliance with the accounting standards prescribed under section 133 of the Companies Act, 2013 ('Act').
3. The Scheme is prepared by the Company and is proposed to be submitted by the Company to the National Company Law Tribunal, Mumbai Bench ('NCLT').

Management's Responsibility

4. The responsibility for preparation of the Scheme and its compliance with the relevant laws and regulations, including the applicable accounting standards is that of the Board of Directors of the companies involved in the Scheme.

Auditor's Responsibility

5. Pursuant to the requirements of the Act, our responsibility is to express reasonable assurance in the form of an opinion based on our examination and according to information and explanations given to us as to whether the accounting treatment described in Clause 27 of the Scheme complies with the applicable accounting standards prescribed under section 133 of the Act.
6. A reasonable assurance engagement includes performing procedures to obtain sufficient appropriate audit evidence on the reporting criteria.
7. We have performed the procedures, in accordance with the Revised Guidance Note on Reports and Certificates for special purposes issued by the Institute of Chartered Accountants of India ('ICAI'). The procedures include examining evidence supporting the particulars on a test basis. Further, our scope of work did not involve us performing audit test for the purpose of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company as a whole.

Opinion

8. Based on procedures performed by us, and the information and explanations given to us, we confirm that the accounting treatment contained in Clause 27 of the Scheme is in conformity with the applicable accounting standards prescribed under section 133 of the Act.



Head Office : 902 & 906, 9th Floor, New Delhi House Building, Barakhamba Road, New Delhi - 110001 ; Tel : +91 11 4150 4766
Email : info@pnam.co web : www.pnam.co

PNAM & Co.

CHARTERED ACCOUNTANTS

Restriction on Use

9. This certificate has been prepared at the request of the Company for submission to the NCLT and the office of the Regional Director, Department of Corporate Affairs and other authorities. It 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 or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

For P N A M & Co.
(formerly known as Soni Chatrath & Co.)
Chartered Accountants
Firm Registration No. 001092N


Parv Bansal
Partner
Membership No. 515167

Place: New Delhi
Date: 27th September 2021

Encl.: Annexure- I: Proposed accounting treatment under Clause 27

P N A M & Co.

CHARTERED ACCOUNTANTS

Annexure – I

Clause 27 of the 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 ('Transferee Company' or 'Resulting Company 2')

27. ACCOUNTING TREATMENT

ACCOUNTING TREATMENT IN THE BOOKS OF DEMERGED COMPANY 1 / RESULTING COMPANY 1

27.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the Demerged Company 1 shall account for transfer / demerger of the Demerged Undertaking 1 of the Demerged Company 1 in accordance with Indian Accounting Standards 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 1 shall account for transfer / demerger of the Demerged Undertaking 1 of the Demerged Company 1 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.

ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEE COMPANY

27.3 Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferee Company shall account for transfer / demerger of the Demerged Undertaking 1 of the Demerged Company 1 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



REPORT OF THE BOARD OF DIRECTORS OF INCRED CAPITAL FINANCIAL SERVICES PRIVATE LIMITED ON THE COMPOSITE SCHEME OF ARRANGEMENT BETWEEN CLAMANT TECH SERVICES PRIVATE LIMITED, INCRED WEALTH PRIVATE LIMITED, MAPE ADVISORY GROUP PRIVATE LIMITED, INCRED WEALTH AND INVESTMENT SERVICES PRIVATE LIMITED, INCRED CAPITAL FINANCIAL 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 Private Limited was held on Monday, 27 September 2021 to consider and recommend the proposed 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**"), Incred Capital Financial Services Private Limited ("**Company**" or "**Resulting Company 2**" or "**Transferee Company**") and their respective shareholders under Sections 230 to 232 other applicable provisions of the Companies Act, 2013, as applicable ("**Scheme**").
- 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 of the Company. 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 Scheme.
- 1.3 While deliberating on the Scheme, the Board had, *inter-alia*, considered and took on record following necessary documents ("**Documents**"):
- a. Draft Composite Scheme of Arrangement between the Transferor Company, the Demerged Company 1, the Demerged Company 2, Resulting Company 1, Transferee Company / Resulting Company 2 and their respective shareholders;
 - b. Valuation report dated September 27, 2021, prepared by M/s Sundae Capital Advisors Private Limited, registered valuer entity (IBBI Registration No.: IBBI/RV-E/03/2021/136) ("**Valuation Report**"); and
 - c. Certificate dated September 27, 2021 issued by M/s P N A M & Co. (formerly known as Soni Chatrath & Co.), Chartered Accountants, Statutory Auditors of the Company on the accounting treatment contemplated under the Scheme.

2. Background to the Proposed 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:

- a. Amalgamation of Clamant Tech Services Private Limited with Incred Capital Financial Services Private Limited;

InCred Capital Financial Services Private Limited

(Formerly Proud Securities and Credits Private Limited)

Registered and 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

CIN: U67120MH2019PTC355036

www.incredcapital.com | proud@incred.com | 022 68446100

- b. Demerger of the Demerged Undertaking 1 (as defined under the Scheme) of InCred Wealth Private Limited into InCred Wealth and Investment Services Private Limited and InCred Capital Financial Services Private Limited, being a parent of InCred Wealth and Investment Services Private Limited to issue equity shares to shareholders of InCred Wealth Private Limited as a consideration pursuant to the demerger; and
- c. Demerger of the Demerged Undertaking 2 (as defined under the Scheme) of MAPE Advisory Group Private Limited into InCred Capital Financial Services Private Limited.

Rationale of the Scheme:

The key objectives of the Scheme are:

Merger of Applicant Company 1 into Applicant Company 5

- (i) *To consolidate the business of developing and operating tech solution platform for retail wealth management, independent financial advisors and institutional wealth managers undertaken by the Transferor Company with the Transferee Company to achieve economies of scale, operational rationalization and organizational efficiency, wider market reach and customer base, and to reduce redundant costs.*

Demerger of Demerged Undertaking 1 of Applicant Company 2 into Applicant Company 4

- (ii) *Demerger of the Demerged Undertaking 1 from the Demerged Company 1 into the Resulting Company 1, which is a wholly owned subsidiary of the Transferee Company, will enable the management of the Transferee Company to consolidate the Demerged Undertaking 1 with its business of offering financing solutions to its clients, and to carry out the business more conveniently and advantageously with greater focus and attention. The same will facilitate the business considerations and factors applicable to the Demerged Undertaking 1 to be addressed more effectively and efficiently.*

Demerger of Demerged Undertaking 2 of Applicant Company 3 into Applicant Company 5

- (iii) *Demerger of the Demerged Undertaking 2 from the Demerged Company 2 into the Resulting Company 2 will enable consolidation of the Demerged Undertaking 2 with the business of the Resulting Company 2, and the same can be carried on more conveniently and advantageously with greater focus and attention. The demerger will facilitate the business considerations and factors applicable to the Demerged Undertaking 2 to be addressed more effectively and efficiently.*
- (iv) *Cost savings 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) *assist in rationalizing the corporate structure and streamlining the operating structure;*
- ii) *greater efficiencies in operations and utilization of common pool of resources, expansion of the market size and reach; and*
- iii) *exploitation of synergies resulting from consolidation leading to increase in cost.*

InCred Capital Financial Services Private Limited

(Formerly Proud Securities and Credits Private Limited)

Registered and 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

CIN: U67120MH20196PTC355036

www.incredcapital.com | proud@incred.com | 022 68446100

3. Valuation:

The Valuation Report have been obtained from M/s Sundae Capital Advisors Private Limited, registered valuer entity (IBBI Registration No.: IBBI/RV-E/03/2021/136). 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.

The Valuation Report states that:

- a. the share exchange ratio for the proposed amalgamation of the Transferor Company with the Transferee Company would be as follows:

1,939 (One Thousand Nine Hundred Thirty-Nine) fully paid-up equity shares of INR 10 each of the Transferee Company for every 1,000 (One Thousand) fully paid-up equity shares of INR 10 each held in the Transferor Company

- b. the share entitlement ratio for the proposed demerger of the Demerged Undertaking 1 of the Demerged Company 1 into the Resulting Company 1 would be as follows:

The Transferee Company, being the parent company of the Resulting Company 1, will issue as follows:

8,516 (Eight Thousand Five Hundred Sixteen) fully paid-up equity shares of INR 10 each of the Transferee Company for every 1,000 (One Thousand) fully paid-up equity shares of INR 10 each held in the Demerged Company 1

- c. the share entitlement ratio for the proposed demerger of the Demerged Undertaking 2 of the Demerged Company 2 into the Resulting Company 2 would be as follows:

8,147 (Eight Thousand One Hundred Forty-Seven) fully paid-up equity shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) fully paid-up equity shares of INR 10 each held in the Demerged Company 2.

Or

4,073 (Four Thousand Seventy-Three) fully paid-up equity shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) fully paid-up equity shares of INR 10 each held in the Demerged Company 2 and 4,073 (Four Thousand Seventy-Three) fully paid-up Class B optionally convertible cumulative redeemable preference shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) fully paid-up equity shares of INR 10 each held in the Demerged Company 2.

And

8,486 (Eight Thousand Four Hundred Eighty-Six) fully paid-up Class A optionally convertible cumulative redeemable preference shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) fully paid-up equity shares of INR 10 each held in the Demerged Company 2.

Further, the terms of the Class A optionally convertible cumulative redeemable preference shares shall be as provided under Schedule II of the Scheme and that of Class B optionally convertible cumulative redeemable preference shares shall be as provided under Schedule I of the Scheme.

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):

No shares are proposed to be issued to the shareholders of the Company under the Scheme. Upon effectiveness of the Scheme and in consideration for the amalgamation of the Transferor Company with the Transferee Company, the Transferee Company shall, without any further act or deed, issue and allot fully paid-up equity shares of INR 10 each to all the shareholders of the Transferor Company whose names appear in the register of members of the Transferor Company as on the Record Date in the ratio of 1,939 (One Thousand Nine Hundred and Thirty Nine) fully paid-up equity shares of INR 10 each of the Transferee Company for every 1,000 (One Thousand) equity shares of the Transferor Company of INR 10 each fully paid-up.

Upon the coming into effect of the Scheme, and in consideration for the transfer of and vesting of the properties, assets and liabilities of the Demerged Undertaking 1 of the Demerged Company 1 into the Resulting Company 1 in terms of this Scheme, the Transferee Company, being the parent company of the Resulting Company 1, shall, without any further act or deed, issue and allot fully paid-up equity shares of INR 10 (Rupees Ten only) each to all the shareholders (i.e. holders of common equity shares and holders of equity shares with differential voting rights) of the Demerged Company 1 whose names appear in the register of members of the Demerged Company 1 as on the Record Date in the ratio of 8,516 (Eight Thousand Five Hundred and Sixteen) fully paid-up equity shares of INR 10 each of the Transferee Company for every 1,000 (One Thousand) equity shares of the Demerged Company 1 of INR 10 each fully paid up.

Upon this Scheme becoming effective and in consideration for the demerger of the Demerged Undertaking 2 of the Demerged Company 2 into the Resulting Company 2, the Resulting Company 2 shall, without any further act or deed, issue and allot (i) (a) equity shares of Rs 10 (Rupees Ten only) each or (b) a combination of equity shares and Class B optionally convertible redeemable preference shares of Rs 10 (Rupees Ten only) each, as per the terms and subject to conditions as set out in Schedule I, as the relevant equity shareholder of Demerged Company 2 may elect; and Class A optionally convertible cumulative redeemable preference shares of Rs 10 (Rupees Ten only) each, as per the terms and subject to the conditions as set out in Schedule II, and in the ratio specified below, to the equity shareholders of the Demerged Company 2, whose names appear in the register of members of the Demerged Company 2 as on the Record Date in the following proportion:

“8,147 (Eight Thousand One Hundred and Forty-Seven) fully paid-up equity shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) equity shares of the Demerged Company 2 of INR 10 each fully paid-up”

Or

4,073 (Four Thousand and Seventy Three) fully paid-up equity shares of INR 10 each and 4,073 (Four Thousand and Seventy Three) fully paid-up Class B optionally convertible redeemable preference shares of the Resulting Company 2 for every 10,000 (Ten Thousand) equity shares of the Demerged Company 2 of INR 10 each fully paid-up and the conversion and other terms and conditions of the Class B optionally convertible redeemable preference shares shall be as specified in the Schedule I annexed to the Scheme”

And

“8,486 (Eight Thousand Four Hundred and Eighty-Six) fully paid-up Class A optionally convertible cumulative redeemable preference shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) equity shares of the Demerged Company 2 of INR 10 each fully paid-up and the conversion and other terms and conditions of the Class A optionally convertible cumulative redeemable preference shares shall be as specified in the Schedule II annexed to the Scheme”

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

Under Clause 30 of the Scheme, on the Scheme coming into effect, all permanent employees of the Demerged Undertaking 2 of the Demerged Company 2 in service on the Effective Date, shall be deemed to have become the employees of the Resulting Company 2 without any break in their service and terms and conditions of their employment with the Resulting Company 2 shall be no less favourable than those on which they are engaged by the Demerged Company 2 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 Private Limited

Varun S. Shah
Varun Shah
Company Secretary
Membership No A28901



Date: September 27, 2021
Place: Mumbai

CLAMANT TECH SERVICES PRIVATE LIMITED

Registered and 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.

CIN: U72900MH2020PTC349941

REPORT OF THE BOARD OF DIRECTORS OF CLAMANT TECH SERVICES PRIVATE LIMITED ON THE COMPOSITE SCHEME OF ARRANGEMENT BETWEEN CLAMANT TECH SERVICES PRIVATE LIMITED, INCRED WEALTH PRIVATE LIMITED, MAPE ADVISORY GROUP PRIVATE LIMITED, INCRED WEALTH AND INVESTMENT SERVICES PRIVATE LIMITED, INCRED CAPITAL FINANCIAL 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 Clamant Tech Services Private Limited was held on Monday, 27 September 2021 to consider and recommend the proposed Composite Scheme of Arrangement between Clamant Tech Services Private Limited ("**Company**" or "**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**"), Incred Capital Financial Services Private Limited ("**Resulting Company 2**" or "**Transferee Company**") and their respective shareholders under Sections 230 to 232 other applicable provisions of the Companies Act, 2013, as applicable ("**Scheme**").
- 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 of the Company. 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 Scheme.
- 1.3 While deliberating on the Scheme, the Board had, *inter-alia*, considered and took on record following necessary documents ("**Documents**"):
 - a. Draft Composite Scheme of Arrangement between the Transferor Company, the Demerged Company 1, the Demerged Company 2, Resulting Company 1, Transferee Company / Resulting Company 2 and their respective shareholders;
 - b. Valuation report dated September 27, 2021, prepared by M/s Sundae Capital Advisors Private Limited, registered valuer entity (IBBI Registration No.: IBBI/RV-E/03/2021/136) ("**Valuation Report**"); and

2. Background to the Proposed 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:

- a. Amalgamation of Clamant Tech Services Private Limited with Incred Capital Financial Services Private Limited;
- b. Demerger of the Demerged Undertaking 1 (as defined under the Scheme) of Incred Wealth Private Limited into InCred Wealth and Investment Services Private Limited and InCred Capital Financial Services Private Limited, being a parent of InCred Wealth and Investment Services Private Limited to issue equity shares to shareholders of InCred Wealth Private Limited as a consideration pursuant to the demerger; and
- c. Demerger of the Demerged Undertaking 2 (as defined under the Scheme) of MAPE Advisory Group Private Limited into InCred Capital Financial Services Private Limited.

CLAMANT TECH SERVICES PRIVATE LIMITED

Registered and 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.

CIN: U72900MH2020PTC349941

Rationale of the Scheme:

The key objectives of the Scheme are:

Merger of Applicant Company 1 into Applicant Company 5

- (i) *To consolidate the business of developing and operating tech solution platform for retail wealth management, independent financial advisors and institutional wealth managers undertaken by the Transferor Company with the Transferee Company to achieve economies of scale, operational rationalization and organizational efficiency, wider market reach and customer base, and to reduce redundant costs.*

Demerger of Demerged Undertaking 1 of Applicant Company 2 into Applicant Company 4

- (ii) *Demerger of the Demerged Undertaking 1 from the Demerged Company 1 into the Resulting Company 1, which is a wholly owned subsidiary of the Transferee Company, will enable the management of the Transferee Company to consolidate the Demerged Undertaking 1 with its business of offering financing solutions to its clients, and to carry out the business more conveniently and advantageously with greater focus and attention. The same will facilitate the business considerations and factors applicable to the Demerged Undertaking 1 to be addressed more effectively and efficiently.*

Demerger of Demerged Undertaking 2 of Applicant Company 3 into Applicant Company 5

- (iii) *Demerger of the Demerged Undertaking 2 from the Demerged Company 2 into the Resulting Company 2 will enable consolidation of the Demerged Undertaking 2 with the business of the Resulting Company 2, and the same can be carried on more conveniently and advantageously with greater focus and attention. The demerger will facilitate the business considerations and factors applicable to the Demerged Undertaking 2 to be addressed more effectively and efficiently.*
- (iv) *Cost savings 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) assist in rationalizing the corporate structure and streamlining the operating structure;*
- ii) greater efficiencies in operations and utilization of common pool of resources, expansion of the market size and reach; and*
- iii) exploitation of synergies resulting from consolidation leading to increase in cost.*

3. Valuation:

The Valuation Report have been obtained from M/s Sundae Capital Advisors Private Limited, registered valuer entity (IBBI Registration No.: IBBI/RV-E/03/2021/136). 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.

The Valuation Report states that:

CLAMANT TECH SERVICES PRIVATE LIMITED

Registered and 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.

CIN: U72900MH2020PTC349941

- a. the share exchange ratio for the proposed amalgamation of the Transferor Company with the Transferee Company would be as follows:

1,939 (One Thousand Nine Hundred Thirty-Nine) fully paid-up equity shares of INR 10 each of the Transferee Company for every 1,000 (One Thousand) fully paid-up equity shares of INR 10 each held in the Transferor Company

- b. the share entitlement ratio for the proposed demerger of the Demerged Undertaking 1 of the Demerged Company 1 into the Resulting Company 1 would be as follows:

The Transferee Company, being the parent company of the Resulting Company 1, will issue as follows:

8,516 (Eight Thousand Five Hundred Sixteen) fully paid-up equity shares of INR 10 each of the Transferee Company for every 1,000 (One Thousand) fully paid-up equity shares of INR 10 each held in the Demerged Company 1

- c. the share entitlement ratio for the proposed demerger of the Demerged Undertaking 2 of the Demerged Company 2 into the Resulting Company 2 would be as follows:

8,147 (Eight Thousand One Hundred Forty-Seven) fully paid-up equity shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) fully paid-up equity shares of INR 10 each held in the Demerged Company 2.

Or

4,073 (Four Thousand Seventy-Three) fully paid-up equity shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) fully paid-up equity shares of INR 10 each held in the Demerged Company 2 and 4,073 (Four Thousand Seventy-Three) fully paid-up Class B optionally convertible cumulative redeemable preference shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) fully paid-up equity shares of INR 10 each held in the Demerged Company 2.

And

8,486 (Eight Thousand Four Hundred Eighty-Six) fully paid-up Class A optionally convertible cumulative redeemable preference shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) fully paid-up equity shares of INR 10 each held in the Demerged Company 2.

Further, the terms of the Class A optionally convertible cumulative redeemable preference shares shall be as provided under Schedule II of the Scheme and that of Class B optionally convertible cumulative redeemable preference shares shall be as provided under Schedule I of the Scheme.

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):

CLAMANT TECH SERVICES PRIVATE LIMITED

Registered and 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.

CIN: U72900MH2020PTC349941

Upon effectiveness of the Scheme and in consideration for the amalgamation of the Transferor Company with the Transferee Company, the Transferee Company shall, without any further act or deed, issue and allot fully paid-up equity shares of INR 10 each to all the shareholders of the Transferor Company whose names appear in the register of members of the Transferor Company as on the Record Date in the ratio of 1,939 (One Thousand Nine Hundred and Thirty Nine) fully paid-up equity shares of INR 10 each of the Transferee Company for every 1,000 (One Thousand) equity shares of the Transferor Company of INR 10 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 the Transferor Company in service on the Effective Date, shall be deemed to have become staff and employees of the Transferee Company without any break in their service and the terms and conditions of their employment with the Transferee Company shall be no less favorable than those on which they are engaged by the Transferor Company as on the Effective Date

Under Clause 17 of the Scheme, on the Scheme becoming effective, the Transferor Company shall stand dissolved without winding up, and the Board of the Transferor Company 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
Clamant Tech Services Private Limited**


**Nupur Anand
Director
DIN: 09030794**



**Date: September 27, 2021
Place: Mumbai**

REPORT OF THE BOARD OF DIRECTORS OF INCRED WEALTH PRIVATE LIMITED ON THE COMPOSITE SCHEME OF ARRANGEMENT BETWEEN CLAMANT TECH SERVICES PRIVATE LIMITED, INCRED WEALTH PRIVATE LIMITED, MAPE ADVISORY GROUP PRIVATE LIMITED, INCRED WEALTH AND INVESTMENT SERVICES PRIVATE LIMITED, INCRED CAPITAL FINANCIAL 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 Monday, 27 September 2021 to consider and recommend the proposed Composite Scheme of Arrangement between Clamant Tech Services Private Limited ("**Transferor Company**"), Incred Wealth Private Limited ("**Company**" or "**Demerged Company 1**"), MAPE Advisory Group Private Limited ("**Demerged Company 2**"), Incred Wealth and Investment Services Private Limited ("**Resulting Company 1**"), Incred Capital Financial Services Private Limited ("**Resulting Company 2**" or "**Transferee Company**") and their respective shareholders under Sections 230 to 232 other applicable provisions of the Companies Act, 2013, as applicable ("**Scheme**").
- 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 of the Transferor Company and Transferee Company. 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 Scheme.
- 1.3 While deliberating on the Scheme, the Board had, *inter-alia*, considered and took on record following necessary documents ("**Documents**"):
- Draft Composite Scheme of Arrangement between the Transferor Company, the Demerged Company 1, the Demerged Company 2, Resulting Company 1, Transferee Company / Resulting Company 2 and their respective shareholders;
 - Valuation report dated September 27, 2021, prepared by M/s Sundae Capital Advisors Private Limited, registered valuer entity (IBBI Registration No.: IBBI/RV-E/03/2021/136) ("**Valuation Report**"); and
 - Certificate dated September 27, 2021 issued by M/s P N A M & Co. (formerly known as Soni Chatrath & Co.), Chartered Accountants, Statutory Auditors of the Company on the accounting treatment contemplated under the Scheme.

2. Background to the Proposed 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:

- Amalgamation of Clamant Tech Services Private Limited with Incred Capital Financial Services Private Limited;

INCRED WEALTH PRIVATE LIMITED

(FORMERLY KNOWN AS INCRED CAPITAL INCLUSION ADVISORY SERVICES PRIVATE LIMITED)

Corporate Office:

Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai – 400051

Registered Office:

Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai-400051

CIN: U67190MH2019PTC325577

Email: care@incredwealth.com

Contact: 2268446100

Website: www.incredwealth.com

- b. Demerger of the Demerged Undertaking 1 (as defined under the Scheme) of Incred Wealth Private Limited into InCred Wealth and Investment Services Private Limited and InCred Capital Financial Services Private Limited, being a parent of InCred Wealth and Investment Services Private Limited to issue equity shares to shareholders of InCred Wealth Private Limited as a consideration pursuant to the demerger; and
- c. Demerger of the Demerged Undertaking 2 (as defined under the Scheme) of MAPE Advisory Group Private Limited into InCred Capital Financial Services Private Limited.

Rationale of the Scheme:

The key objectives of the Scheme are:

Merger of Applicant Company 1 into Applicant Company 5

- (i) *To consolidate the business of developing and operating tech solution platform for retail wealth management, independent financial advisors and institutional wealth managers undertaken by the Transferor Company with the Transferee Company to achieve economies of scale, operational rationalization and organizational efficiency, wider market reach and customer base, and to reduce redundant costs.*

Demerger of Demerged Undertaking 1 of Applicant Company 2 into Applicant Company 4

- (ii) *Demerger of the Demerged Undertaking 1 from the Demerged Company 1 into the Resulting Company 1, which is a wholly owned subsidiary of the Transferee Company, will enable the management of the Transferee Company to consolidate the Demerged Undertaking 1 with its business of offering financing solutions to its clients, and to carry out the business more conveniently and advantageously with greater focus and attention. The same will facilitate the business considerations and factors applicable to the Demerged Undertaking 1 to be addressed more effectively and efficiently.*

Demerger of Demerged Undertaking 2 of Applicant Company 3 into Applicant Company 5

- (iii) *Demerger of the Demerged Undertaking 2 from the Demerged Company 2 into the Resulting Company 2 will enable consolidation of the Demerged Undertaking 2 with the business of the Resulting Company 2, and the same can be carried on more conveniently and advantageously with greater focus and attention. The demerger will facilitate the business considerations and factors applicable to the Demerged Undertaking 2 to be addressed more effectively and efficiently.*
- (iv) *Cost savings 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) assist in rationalizing the corporate structure and streamlining the operating structure;*
- ii) greater efficiencies in operations and utilization of common pool of resources, expansion of the market size and reach; and*
- iii) exploitation of synergies resulting from consolidation leading to increase in cost.*

INCRED WEALTH PRIVATE LIMITED

(FORMERLY KNOWN AS INCRED CAPITAL INCLUSION ADVISORY SERVICES PRIVATE LIMITED)

Corporate Office:
Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai – 400051

Registered Office:
Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai-400051

CIN: U67190MH2019PTC325577
Email: care@incredwealth.com
Contact: 2268446100
Website: www.incredwealth.com

3. Valuation:

The Valuation Report have been obtained from M/s Sundae Capital Advisors Private Limited, registered valuer entity (IBBI Registration No.: IBBI/RV-E/03/2021/136). 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.

The Valuation Report states that:

- a. the share exchange ratio for the proposed amalgamation of the Transferor Company with the Transferee Company would be as follows:

1,939 (One Thousand Nine Hundred Thirty-Nine) fully paid-up equity shares of INR 10 each of the Transferee Company for every 1,000 (One Thousand) fully paid-up equity shares of INR 10 each held in the Transferor Company

- b. the share entitlement ratio for the proposed demerger of the Demerged Undertaking 1 of the Demerged Company 1 into the Resulting Company 1 would be as follows:

The Transferee Company, being the parent company of the Resulting Company 1, will issue as follows:

8,516 (Eight Thousand Five Hundred Sixteen) fully paid-up equity shares of INR 10 each of the Transferee Company for every 1,000 (One Thousand) fully paid-up equity shares of INR 10 each held in the Demerged Company 1

- c. the share entitlement ratio for the proposed demerger of the Demerged Undertaking 2 of the Demerged Company 2 into the Resulting Company 2 would be as follows:

8,147 (Eight Thousand One Hundred Forty-Seven) fully paid-up equity shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) fully paid-up equity shares of INR 10 each held in the Demerged Company 2.

Or

4,073 (Four Thousand Seventy-Three) fully paid-up equity shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) fully paid-up equity shares of INR 10 each held in the Demerged Company 2 and 4,073 (Four Thousand Seventy-Three) fully paid-up Class B optionally convertible cumulative redeemable preference shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) fully paid-up equity shares of INR 10 each held in the Demerged Company 2.

And

8,486 (Eight Thousand Four Hundred Eighty-Six) fully paid-up Class A optionally convertible cumulative redeemable preference shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) fully paid-up equity shares of INR 10 each held in the Demerged Company 2.

Further, the terms of the Class A optionally convertible cumulative redeemable preference shares shall be as provided under Schedule II of the Scheme and that of Class B optionally convertible cumulative

INCRED WEALTH PRIVATE LIMITED

(FORMERLY KNOWN AS INCRED CAPITAL INCLUSION ADVISORY SERVICES PRIVATE LIMITED)

Corporate Office:
Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai – 400051

Registered Office:
Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai-400051

CIN: U67190MH2019PTC325577
Email: care@incredwealth.com
Contact: 2268446100
Website: www.incredwealth.com

redeemable preference shares shall be as provided under Schedule I of the Scheme.

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):

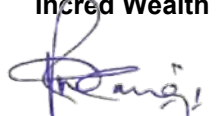
Upon the coming into effect of the Scheme, and in consideration for the transfer of and vesting of the properties, assets and liabilities of the Demerged Undertaking 1 of the Demerged Company 1 into the Resulting Company 1 in terms of this Scheme, the Transferee Company, being the parent company of the Resulting Company 1, shall, without any further act or deed, issue and allot fully paid-up equity shares of INR 10 (Rupees Ten only) each to all the shareholders (i.e. holders of common equity shares and holders of equity shares with differential voting rights) of the Demerged Company 1 whose names appear in the register of members of the Demerged Company 1 as on the Record Date in the ratio of 8,516 (Eight Thousand Five Hundred and Sixteen) fully paid-up equity shares of INR 10 each of the Transferee Company for every 1,000 (One Thousand) equity shares of the Demerged Company 1 of INR 10 each fully paid up.

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 1 of the Demerged Company 1 in service on the Effective Date, shall be deemed to have become the employees of the Resulting Company 1 without any break in their service and terms and conditions of their employment with the Resulting Company 1 shall be no less favourable than those on which they are engaged by the Demerged Company 1 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 Wealth Private Limited**


Kamlesh Dangi
Director
DIN: 05152439



**Date: September 27, 2021
Place: Mumbai**

INCRED WEALTH PRIVATE LIMITED

(FORMERLY KNOWN AS INCRED CAPITAL INCLUSION ADVISORY SERVICES PRIVATE LIMITED)

Corporate Office:

Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai – 400051

Registered Office:

Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai-400051

CIN: U67190MH2019PTC325577

Email: care@incredwealth.com

Contact: 2268446100

Website: www.incredwealth.com

REPORT OF THE BOARD OF DIRECTORS OF MAPE ADVISORY GROUP PRIVATE LIMITED ON THE COMPOSITE SCHEME OF ARRANGEMENT BETWEEN CLAMANT TECH SERVICES PRIVATE LIMITED, INCRED WEALTH PRIVATE LIMITED, MAPE ADVISORY GROUP PRIVATE LIMITED, INCRED WEALTH AND INVESTMENT SERVICES PRIVATE LIMITED, INCRED CAPITAL FINANCIAL 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 MAPE Advisory Group Private Limited was held on Monday, 27 September 2021 to consider and recommend the proposed Composite Scheme of Arrangement between Clamant Tech Services Private Limited ("**Transferor Company**"), Incred Wealth Private Limited ("**Demerged Company 1**"), MAPE Advisory Group Private Limited ("**Company**" or "**Demerged Company 2**"), Incred Wealth and Investment Services Private Limited ("**Resulting Company 1**"), Incred Capital Financial Services Private Limited ("**Resulting Company 2**" or "**Transferee Company**") and their respective shareholders under Sections 230 to 232 other applicable provisions of the Companies Act, 2013, as applicable ("**Scheme**").

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 of Transferor Company and Transferee Company. 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 Scheme.

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

- a. Draft composite scheme of arrangement between the Transferor Company, the Demerged Company 1, the Demerged Company 2, Resulting Company 1, Transferee Company / Resulting Company 2 and their respective shareholders;
- b. Valuation report dated September 27, 2021, prepared by M/s Sundae Capital Advisors Private Limited, registered valuer entity (IBBI Registration No.: IBBI/RV-E/03/2021/136) ("**Valuation Report**"); and
- c. Certificate dated September 27, 2021 issued by M/s K.L. Acharya & Associates, Chartered Accountants, Statutory Auditors of the Company on the accounting treatment contemplated under the Scheme.

2. Background to the Proposed 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:

- a. Amalgamation of Clamant Tech Services Private Limited with Incred Capital Financial Services Private Limited;
- b. Demerger of the Demerged Undertaking 1 (as defined under the Scheme) of Incred Wealth Private Limited into InCred Wealth and Investment Services Private Limited and InCred Capital Financial Services Private Limited, being a parent of InCred Wealth and Investment Services Private Limited to issue equity shares to shareholders of InCred Wealth Private Limited as a consideration pursuant to the demerger; and

MAPE ADVISORY GROUP PRIVATE LIMITED

Registered Office: 1203, 12th Floor, B Wing, The Capital, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051
Mobile No: 9821718193/ 9167220485 Email: finance@mapegroup.com.

CIN: U74140MH2001PTC358561




- c. Demerger of the Demerged Undertaking 2 (as defined under the Scheme) of MAPE Advisory Group Private Limited into InCred Capital Financial Services Private Limited.

Rationale of the Scheme:

The key objectives of the Scheme are:

Merger of Applicant Company 1 into Applicant Company 5

- (i) To consolidate the business of developing and operating tech solution platform for retail wealth management, independent financial advisors and institutional wealth managers undertaken by the Transferor Company with the Transferee Company to achieve economies of scale, operational rationalization and organizational efficiency, wider market reach and customer base, and to reduce redundant costs.

Demerger of Demerged Undertaking 1 of Applicant Company 2 into Applicant Company 4

- (ii) Demerger of the Demerged Undertaking 1 from the Demerged Company 1 into the Resulting Company 1, which is a wholly owned subsidiary of the Transferee Company, will enable the management of the Transferee Company to consolidate the Demerged Undertaking 1 with its business of offering financing solutions to its clients, and to carry out the business more conveniently and advantageously with greater focus and attention. The same will facilitate the business considerations and factors applicable to the Demerged Undertaking 1 to be addressed more effectively and efficiently.

Demerger of Demerged Undertaking 2 of Applicant Company 3 into Applicant Company 5

- (iii) Demerger of the Demerged Undertaking 2 from the Demerged Company 2 into the Resulting Company 2 will enable consolidation of the Demerged Undertaking 2 with the business of the Resulting Company 2, and the same can be carried on more conveniently and advantageously with greater focus and attention. The demerger will facilitate the business considerations and factors applicable to the Demerged Undertaking 2 to be addressed more effectively and efficiently.
- (iv) Cost savings 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) assist in rationalizing the corporate structure and streamlining the operating structure;
- ii) greater efficiencies in operations and utilization of common pool of resources, expansion of the market size and reach; and
- iii) exploitation of synergies resulting from consolidation leading to increase in cost.

3. Valuation:

The Valuation Report have been obtained from M/s Sundae Capital Advisors Private Limited, registered valuer entity (IBBI Registration No.: IBBI/RV-E/03/2021/136). 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.

The Valuation Report states that:



MAPE ADVISORY GROUP PRIVATE LIMITED
Registered Office: 1203, 12th Floor, B Wing, The Capital, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051
Mobile No: 9821718193/ 9167220485 Email: finance@mapegroup.com.
CIN: U74140MH2001PTC358561

- a. the share exchange ratio for the proposed amalgamation of the Transferor Company with the Transferee Company would be as follows:

1,939 (One Thousand Nine Hundred Thirty-Nine) fully paid-up equity shares of INR 10 each of the Transferee Company for every 1,000 (One Thousand) fully paid-up equity shares of INR 10 each held in the Transferor Company

- b. the share entitlement ratio for the proposed demerger of the Demerged Undertaking 1 of the Demerged Company 1 into the Resulting Company 1 would be as follows:

The Transferee Company, being the parent company of the Resulting Company 1, will issue as follows:

8,516 (Eight Thousand Five Hundred Sixteen) fully paid-up equity shares of INR 10 each of the Transferee Company for every 1,000 (One Thousand) fully paid-up equity shares of INR 10 each held in the Demerged Company 1

- c. the share entitlement ratio for the proposed demerger of the Demerged Undertaking 2 of the Demerged Company 2 into the Resulting Company 2 would be as follows:

8,147 (Eight Thousand One Hundred Forty-Seven) fully paid-up equity shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) fully paid-up equity shares of INR 10 each held in the Demerged Company 2.

Or

4,073 (Four Thousand Seventy-Three) fully paid-up equity shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) fully paid-up equity shares of INR 10 each held in the Demerged Company 2 and 4,073 (Four Thousand Seventy-Three) fully paid-up Class B optionally convertible cumulative redeemable preference shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) fully paid-up equity shares of INR 10 each held in the Demerged Company 2.

And

8,486 (Eight Thousand Four Hundred Eighty-Six) fully paid-up Class A optionally convertible cumulative redeemable preference shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) fully paid-up equity shares of INR 10 each held in the Demerged Company 2.

Further, the terms of the Class A optionally convertible cumulative redeemable preference shares shall be as provided under Schedule II of the Scheme and that of Class B optionally convertible cumulative redeemable preference shares shall be as provided under Schedule I of the Scheme.

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 demerger of the Demerged Undertaking 2 of the Demerged Company 2 into the Resulting Company 2, the Resulting Company 2 shall, without any further act or deed, issue and allot (i) (a) equity shares of Rs 10 (Rupees Ten only) each or (b) a combination of equity shares and Class B optionally convertible redeemable preference

MAPE ADVISORY GROUP PRIVATE LIMITED

Registered Office: 1203, 12th Floor, B Wing, The Capital, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051

Mobile No: 9821718193/ 9167220485 Email: finance@mapegroup.com.

CIN: U74140MH2001PTC358561



shares of Rs 10 (Rupees Ten only) each, as per the terms and subject to conditions as set out in Schedule I, as the relevant equity shareholder of Demerged Company 2 may elect; and Class A optionally convertible cumulative redeemable preference shares of Rs 10 (Rupees Ten only) each, as per the terms and subject to the conditions as set out in Schedule II, and in the ratio specified below, to the equity shareholders of the Demerged Company 2, whose names appear in the register of members of the Demerged Company 2 as on the Record Date in the following proportion:

"8,147 (Eight Thousand One Hundred and Forty-Seven) fully paid-up equity shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) equity shares of the Demerged Company 2 of INR 10 each fully paid-up"

Or

4,073 (Four Thousand and Seventy Three) fully paid-up equity shares of INR 10 each and 4,073 (Four Thousand and Seventy Three) fully paid-up Class B optionally convertible redeemable preference shares of the Resulting Company 2 for every 10,000 (Ten Thousand) equity shares of the Demerged Company 2 of INR 10 each fully paid-up and the conversion and other terms and conditions of the Class B optionally convertible redeemable preference shares shall be as specified in the Schedule I annexed to the Scheme"

And

"8,486 (Eight Thousand Four Hundred and Eighty-Six) fully paid-up Class A optionally convertible cumulative redeemable preference shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) equity shares of the Demerged Company 2 of INR 10 each fully paid-up and the conversion and other terms and conditions of the Class A optionally convertible cumulative redeemable preference shares shall be as specified in the Schedule II annexed to the Scheme"

Effect of the Scheme on key managerial personnel:

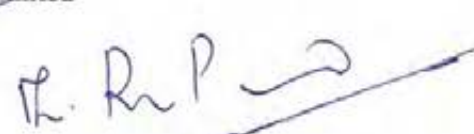
Under Clause 30 of the Scheme, on the Scheme coming into effect, all permanent employees of the Demerged Undertaking 2 of the Demerged Company 2 in service on the Effective Date, shall be deemed to have become the employees of the Resulting Company 2 without any break in their service and terms and conditions of their employment with the Resulting Company 2 shall be no less favourable than those on which they are engaged by the Demerged Company 2 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
MAPE Advisory Group Private Limited



Jacob Mathew
Whole Time Director
DIN: 00996521



Mathrubutham Ramprasad
Whole Time Director
DIN: 00004275

Date: September 27, 2021
Place: Bangalore

MAPE ADVISORY GROUP PRIVATE LIMITED
Registered Office: 1203, 12th Floor, B Wing, The Capital, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051
Mobile No: 9821718193/ 9167220485 Email: finance@mapegroup.com.
CIN: U74140MH2001PTC358561

INCRED WEALTH AND INVESTMENT SERVICES PRIVATE LIMITED

Registered and 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;
Tel No: 022- 41611500
CIN: U67190MH2020PTC350270

REPORT OF THE BOARD OF DIRECTORS OF INCRED WEALTH AND INVESTMENT SERVICES PRIVATE LIMITED ON THE COMPOSITE SCHEME OF ARRANGEMENT BETWEEN CLAMANT TECH SERVICES PRIVATE LIMITED, INCRED WEALTH PRIVATE LIMITED, MAPE ADVISORY GROUP PRIVATE LIMITED, INCRED WEALTH AND INVESTMENT SERVICES PRIVATE LIMITED, INCRED CAPITAL FINANCIAL 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 and Investment Services Private Limited was held on Monday, 27 September 2021 to consider and recommend the proposed 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 ("**Company**" or "**Resulting Company 1**"), Incred Capital Financial Services Private Limited ("**Resulting Company 2**" or "**Transferee Company**") and their respective shareholders under Sections 230 to 232 other applicable provisions of the Companies Act, 2013, as applicable ("**Scheme**").
- 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 of the Transferor Company and Transferee Company. 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 Scheme.
- 1.3 While deliberating on the Scheme, the Board had, *inter-alia*, considered and took on record following necessary documents ("**Documents**"):
 - a. Draft Composite Scheme of Arrangement between the Transferor Company, the Demerged Company 1, the Demerged Company 2, Resulting Company 1, Transferee Company / Resulting Company 2 and their respective shareholders;
 - b. Valuation report dated September 27, 2021, prepared by M/s Sundae Capital Advisors Private Limited, registered valuer entity (IBBI Registration No.: IBBI/RV-E/03/2021/136) ("**Valuation Report**"); and
 - c. Certificate dated September 27, 2021 issued by M/s P N A M & Co. (formerly known as Soni Chatrath & Co.), Chartered Accountants, Statutory Auditors of the Company on the accounting treatment contemplated under the Scheme.

2. Background to the Proposed 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:

- a. Amalgamation of Clamant Tech Services Private Limited with Incred Capital Financial Services Private Limited;
- b. Demerger of the Demerged Undertaking 1 (as defined under the Scheme) of Incred Wealth Private Limited into InCred Wealth and Investment Services Private Limited and InCred Capital Financial Services Private Limited, being a parent of InCred Wealth and Investment Services

INCRED WEALTH AND INVESTMENT SERVICES PRIVATE LIMITED

Registered and 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;

Tel No: 022- 41611500

CIN: U67190MH2020PTC350270

Private Limited to issue equity shares to shareholders of InCred Wealth Private Limited as a consideration pursuant to the demerger; and

- c. Demerger of the Demerged Undertaking 2 (as defined under the Scheme) of MAPE Advisory Group Private Limited into InCred Capital Financial Services Private Limited.

Rationale of the Scheme:

The key objectives of the Scheme are:

Merger of Applicant Company 1 into Applicant Company 5

- (i) *To consolidate the business of developing and operating tech solution platform for retail wealth management, independent financial advisors and institutional wealth managers undertaken by the Transferor Company with the Transferee Company to achieve economies of scale, operational rationalization and organizational efficiency, wider market reach and customer base, and to reduce redundant costs.*

Demerger of Demerged Undertaking 1 of Applicant Company 2 into Applicant Company 4

- (ii) *Demerger of the Demerged Undertaking 1 from the Demerged Company 1 into the Resulting Company 1, which is a wholly owned subsidiary of the Transferee Company, will enable the management of the Transferee Company to consolidate the Demerged Undertaking 1 with its business of offering financing solutions to its clients, and to carry out the business more conveniently and advantageously with greater focus and attention. The same will facilitate the business considerations and factors applicable to the Demerged Undertaking 1 to be addressed more effectively and efficiently.*

Demerger of Demerged Undertaking 2 of Applicant Company 3 into Applicant Company 5

- (iii) *Demerger of the Demerged Undertaking 2 from the Demerged Company 2 into the Resulting Company 2 will enable consolidation of the Demerged Undertaking 2 with the business of the Resulting Company 2, and the same can be carried on more conveniently and advantageously with greater focus and attention. The demerger will facilitate the business considerations and factors applicable to the Demerged Undertaking 2 to be addressed more effectively and efficiently.*
- (iv) *Cost savings 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) *assist in rationalizing the corporate structure and streamlining the operating structure;*
ii) *greater efficiencies in operations and utilization of common pool of resources, expansion of the market size and reach; and*
iii) *exploitation of synergies resulting from consolidation leading to increase in cost.*

3. Valuation:

The Valuation Report have been obtained from M/s Sundae Capital Advisors Private Limited, registered valuer entity (IBBI Registration No.: IBBI/RV-E/03/2021/136). The valuations have been arrived at based on the various methodologies explained in the Valuation Report and various

INCRED WEALTH AND INVESTMENT SERVICES PRIVATE LIMITED

Registered and 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;

Tel No: 022- 41611500

CIN: U67190MH2020PTC350270

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.

The Valuation Report states that:

- a. the share exchange ratio for the proposed amalgamation of the Transferor Company with the Transferee Company would be as follows:

1,939 (One Thousand Nine Hundred Thirty-Nine) fully paid-up equity shares of INR 10 each of the Transferee Company for every 1,000 (One Thousand) fully paid-up equity shares of INR 10 each held in the Transferor Company

- b. the share entitlement ratio for the proposed demerger of the Demerged Undertaking 1 of the Demerged Company 1 into the Resulting Company 1 would be as follows:

The Transferee Company, being the parent company of the Resulting Company 1, will issue as follows:

8,516 (Eight Thousand Five Hundred Sixteen) fully paid-up equity shares of INR 10 each of the Transferee Company for every 1,000 (One Thousand) fully paid-up equity shares of INR 10 each held in the Demerged Company 1

- c. the share entitlement ratio for the proposed demerger of the Demerged Undertaking 2 of the Demerged Company 2 into the Resulting Company 2 would be as follows:

8,147 (Eight Thousand One Hundred Forty-Seven) fully paid-up equity shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) fully paid-up equity shares of INR 10 each held in the Demerged Company 2.

Or

4,073 (Four Thousand Seventy-Three) fully paid-up equity shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) fully paid-up equity shares of INR 10 each held in the Demerged Company 2 and 4,073 (Four Thousand Seventy-Three) fully paid-up Class B optionally convertible cumulative redeemable preference shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) fully paid-up equity shares of INR 10 each held in the Demerged Company 2.

And

8,486 (Eight Thousand Four Hundred Eighty-Six) fully paid-up Class A optionally convertible cumulative redeemable preference shares of INR 10 each of the Resulting Company 2 for every 10,000 (Ten Thousand) fully paid-up equity shares of INR 10 each held in the Demerged Company 2.

Further, the terms of the Class A optionally convertible cumulative redeemable preference shares shall be as provided under Schedule II of the Scheme and that of Class B optionally convertible cumulative redeemable preference shares shall be as provided under Schedule I of the Scheme.

No specific valuation difficulties were reported by the valuers.

INCRED WEALTH AND INVESTMENT SERVICES PRIVATE LIMITED

Registered and 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;

Tel No: 022- 41611500

CIN: U67190MH2020PTC350270

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):

No shares are proposed to be issued to the shareholders of the Company under the Scheme. Upon the coming into effect of the Scheme, and in consideration for the transfer of and vesting of the properties, assets and liabilities of the Demerged Undertaking 1 of the Demerged Company 1 into the Resulting Company 1 in terms of this Scheme, the Transferee Company, being the parent company of the Resulting Company 1, shall, without any further act or deed, issue and allot fully paid-up equity shares of INR 10 (Rupees Ten only) each to all the shareholders (i.e. holders of common equity shares and holders of equity shares with differential voting rights) of the Demerged Company 1 whose names appear in the register of members of the Demerged Company 1 as on the Record Date in the ratio of 8,516 (Eight Thousand Five Hundred and Sixteen) fully paid-up equity shares of INR 10 each of the Transferee Company for every 1,000 (One Thousand) equity shares of the Demerged Company 1 of INR 10 each fully paid up.

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 1 of the Demerged Company 1 in service on the Effective Date, shall be deemed to have become the employees of the Resulting Company 1 without any break in their service and terms and conditions of their employment with the Resulting Company 1 shall be no less favourable than those on which they are engaged by the Demerged Company 1 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 Wealth and Investment Services Private Limited


Kamlesh Dangi
Director
DIN: 05152439



Date: September 27, 2021

Place: Mumbai

InCred Capital Financial Services Private Limited
(Formerly known as Proud Securities And Credits Private Limited)

Standalone IND-AS Financial Statements

For the financial year ended 31st March 2021

Independent Auditor's Report

To the Members of InCred Capital Financial Services Private Limited
(formerly known as Proud Securities and Credits Private Limited)

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **InCred Capital Financial Services Private Limited (formerly known as Proud Securities and Credits Private Limited)** ("the Company") which comprises the Standalone Balance sheet as at 31st March 2021, 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 2021, its losses 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 safeguarding 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 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.

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 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 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.

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, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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.

Soni Chatrath & Co.

Chartered Accountants

- e. On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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 close of the year.

For **Soni Chatrath & Co.**

Chartered Accountants

ICAI Firm Reg. No.: 001092N

**NAKUL
SARDA**

Digitally signed by
NAKUL SARDA
Date: 2021.07.21
16:39:32 +05'30'

Nakul Sarda

Partner

Membership No.: 513005

UDIN: 21513005AAAABU3326

Place: Mumbai

Date: 21st July 2021

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 (formerly known as Proud Securities and Credits Private Limited)** on the accounts of the Company for the year ended 31st March 2021.

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. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. The Company has a regular programme 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 2021.
- ii. The Company is a Non-Banking Finance Company (NBFC), engaged in the business of lending. Accordingly, it does not hold any physical inventories. Thus reporting under Paragraph 3(ii) is not applicable.
- iii. The Company has granted secured loans of **Rs. 20,680.33 Lacs** to **Two** parties covered in the register maintained under Section 189 of the Act. With respect to such loan we report that: -
 - a. The terms and conditions of the loan are not prejudicial to the Company's interest.
 - b. The repayment of the principal and interest are regular and in accordance with the stipulated terms and conditions of the loan.
 - c. There are no amounts overdue for a period exceeding 90 days.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 & 186(1) of the Companies Act, 2013, w.r.t loans and investments made by the Company. The Company being a NBFC, nothing contained in Section 186 is applicable, except subsection (1) of that section.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public therefore reporting under Paragraph 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 Paragraph 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 2021 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 provident fund, income-tax, and other material statutory dues which have not been deposited with the appropriate authorities on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, the Company does not have any outstanding dues to any financial institutions, banks or debenture holders. Thus, reporting under Paragraph 3(viii) of the Order is not applicable.
- ix. According to the information and explanations given by management, during the year the Company has not raised money by way initial public offer or further public offer (including debt instrument) and term loans. Therefore, reporting under Paragraph 3 (ix) is not applicable.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. Since the Company is a Private Limited Company as per Section 2(68) of the Act, requirements of the Section 197 read with Schedule V to the Act relating to managerial remuneration is not applicable to the Company. Therefore, reporting under Paragraph 3 (xi) is not applicable.
- 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 Paragraph 3(xii) is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examinations of the records of the Company, the transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable Ind AS.
- xiv. According to the information and explanations given to us and based on our examinations of the records of the Company, the Company has not made any preferential allotment or private placement of share or fully or partly convertible debentures during the year therefore reporting under Paragraph 3 (xiv) is not applicable.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with the directors or persons connected with him. Therefore, reporting under Paragraph 3 (xv) is not applicable.

Soni Chatrath & Co.

Chartered Accountants

- xvi.** The Company has obtained registration under Section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained its Certificate of Registration dated 07th September 2000.

For **Soni Chatrath & Co.**

Chartered Accountants

ICAI Firm Reg. No.: 001092N

NAKUL
SARDA

Digitally signed
by NAKUL SARDA
Date: 2021.07.21
16:40:23 +05'30'

Nakul Sarda

Partner

Membership No.: 513005

UDIN: 21513005AAAABU3326

Place: Mumbai

Date: 21st July 2021

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 (formerly known as Proud Securities and Credits Private Limited)** as of 31st March 2021 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 2021, 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

Soni Chatrath & Co.

Chartered Accountants

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 **Soni Chatrath & Co.**

Chartered Accountants

ICAI Firm Reg. No.: 001092N

NAKUL

Digitally signed by
NAKUL SARDA

SARDA

Date: 2021.07.21
16:40:50 +05'30'

Nakul Sarda

Partner

Membership No.: 513005

UDIN: 21513005AAAABU3326

Place: Mumbai

Date: 21st July 2021

InCred Capital Financial Services Private Limited
(Formerly known As Proud Securities And Credits Private Limited)
CIN: U67120MH1996PTC355036
Standalone Balance Sheet as at 31st March 2021
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	As at 31st March 2021	As at 31st March 2020
A. ASSETS			
1. Financial assets			
(a) Cash and cash equivalents	3	4,100.27	5,013.77
(b) Bank balance other than cash and cash equivalents	4	-	1,874.89
(c) Trade receivables	5	3.30	2.31
(d) Loans	6	20,951.30	21,777.15
(e) Investments	7	4,231.06	1,603.13
(f) Other financial assets	8	59.59	157.09
Total financial assets		29,345.52	30,428.34
2. Non-financial assets			
(a) Current tax assets (Net)	9	381.20	58.69
(b) Deferred tax assets (Net)	28	836.70	419.28
(c) Property, plant and equipment	10	456.65	746.58
(d) Capital work in Progress		5.36	66.86
(e) Other intangible assets	11	2.10	3.98
(f) Other non-financial assets	12	2,192.43	136.01
Total non-financial assets		3,874.44	1,431.40
Total Assets		33,219.96	31,859.74
B. LIABILITIES AND EQUITY			
1. Liabilities			
1.1 Financial liabilities			
(a) Trade payables	13	-	-
(i) total outstanding dues of micro and small enterprises		90.80	56.69
(ii) total outstanding dues of creditors other than micro and small enterprises		2.44	-
(b) Deposits	14	572.12	728.78
(c) Other financial liabilities	15	665.36	785.47
Total financial liabilities		1,228.52	1,570.94
1.2 Non-financial liabilities			
(a) Provisions	16	12.40	30.40
(b) Other non-financial liabilities	17	212.36	66.12
Total non-financial liabilities		224.76	96.52
Total Liabilities		1,453.28	1,667.46
2. Equity			
(a) Equity share capital	18	920.86	1,811.12
(b) Other equity	19	31,408.98	29,166.63
Total Equity		32,329.84	30,977.75
Total Liabilities and Equity		33,219.96	31,859.74

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

As per our report of even date.

For **Soni Chatrath & Co.**
Chartered Accountants
ICAI Firm Registration No. 001092N

NAKUL SARDAR
Digitally signed by NAKUL SARDAR
Date: 2021.07.21 16:41:16 +05'30'

Nakul Sardar
Partner
Membership No.: 513005

For and on behalf of the Board of Directors of
InCred Capital Financial Services Private Limited
(Formerly Known As Proud Securities And Credits Private Limited)

BHUPINDER SINGH
Digitally signed by BHUPINDER SINGH
DN: cn=BHUPINDER SINGH, o=INCRED CAPITAL FINANCIAL SERVICES PRIVATE LIMITED, ou=INCRED CAPITAL FINANCIAL SERVICES PRIVATE LIMITED, email=bhupinder.singh@incrd.com, c=IN

Bhupinder Singh
Director
DIN - 07342318

Deepak Dhingra
Digitally signed by Deepak Dhingra
DN: cn=DEEPAK DHINGRA, o=INCRED CAPITAL FINANCIAL SERVICES PRIVATE LIMITED, ou=INCRED CAPITAL FINANCIAL SERVICES PRIVATE LIMITED, email=deepak.dhingra@incrd.com, c=IN

Deepak Dhingra
Chief Financial Officer

Place : Mumbai
Date : 21st July 2021

SAURABH JHALARIA
Digitally signed by SAURABH JHALARIA
DN: cn=SAURABH JHALARIA, o=INCRED CAPITAL FINANCIAL SERVICES PRIVATE LIMITED, ou=INCRED CAPITAL FINANCIAL SERVICES PRIVATE LIMITED, email=saurabh.jhalaria@incrd.com, c=IN

Saurabh Jhalaria
Director
DIN - 07908327

VARUN SHAH
Digitally signed by VARUN SHAH
DN: cn=VARUN SHAH, o=INCRED CAPITAL FINANCIAL SERVICES PRIVATE LIMITED, ou=INCRED CAPITAL FINANCIAL SERVICES PRIVATE LIMITED, email=varun.shah@incrd.com, c=IN

Varun Shah
Company Secretary
Membership No.: A28901

Place : Mumbai
Date : 21st July 2021

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Standalone Statement of Profit & Loss for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	Year ended 31st March 2021	Year ended 31st March 2020
(I) Revenue From operations			
(i) Interest income	20	3,295.56	2,960.44
(ii) Fees and commission income	21	156.52	55.78
(iii) Net gain on fair value changes	22	183.48	313.47
Total revenue from operations (I = i + ii + iii)		3,635.56	3,329.69
(II) Other income	23	19.95	6.98
(III) Total income (III = I + II)		3,655.51	3,336.67
(IV) Expenses			
(i) Finance costs	24	58.86	45.02
(ii) Impairment on financial instruments	25	567.96	1,096.89
(iii) Employee benefits expenses	26	1,722.95	1,297.83
(iv) Depreciation, amortization and impairment	10 & 11	165.37	135.72
(v) Others expenses	27	2,818.39	449.55
Total expenses (IV = i + ii + iii + iv + v)		5,333.53	3,025.01
(V) Profit/ (Loss) before exceptional items and tax (V = III - IV)		(1,678.02)	311.66
(VI) Exceptional items		-	-
(VII) Profit/ (Loss) before tax (VII = V - VI)		(1,678.02)	311.66
(VIII) Tax Expense:	28		
(i) Current tax		-	191.61
(ii) Deferred tax		(420.43)	(102.70)
(iii) Pertaining to earlier years		(1.22)	-
Total tax expense (VIII = i + ii)		(421.65)	88.91
(IX) Profit/ (Loss) for the year (IX = VII - VIII)		(1,256.37)	222.75
(X) Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
(i) Remeasurements of the defined benefit plans		11.94	5.71
(ii) Income tax relating to items that will not be reclassified to profit or loss		(3.01)	(1.44)
Subtotal (A = i + ii)		8.93	4.27
(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 (X = A + B)		8.93	4.27
(XI) Total comprehensive income for the period (XI = IX + X)		(1,247.44)	227.02
(XII) Earnings per share (EPS)			
(Face value of INR. 10 each)			
Basic (INR.)	29	(23.75)	5.39
Diluted (INR.)		(23.75)	2.27

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

As per our report of even date.

For **Soni Chatrath & Co.**

Chartered Accountants

ICAI Firm Registration No. 001092N

**NAKUL
SARDA**Digitally signed by
NAKUL SARDA
Date: 2021.07.21 16:41:39
+05'30'**Nakul Sarda**

Partner

Membership No.: 513005

For and on behalf of the Board of Directors of

InCred Capital Financial Services Private Limited

(Formerly Known As Proud Securities And Credits Private Limited)

Digitally signed by BHUPINDER SINGH
BHUPINDER SINGH
Date: 2021.07.21 16:41:39
+05'30'**Bhupinder Singh**

Director

DIN - 07342318

Digitally signed by DEEPAK DHINGRA
DEEPAK DHINGRA
Date: 2021.07.21 16:41:39
+05'30'**Deepak Dhingra**

Chief Financial Officer

Digitally signed by SAURABH JHALARIA
SAURABH JHALARIA
Date: 2021.07.21 16:41:39
+05'30'**Saurabh Jhalaria**

Director

DIN - 07908327

Digitally signed by VARUN SHAH
VARUN SHAH
Date: 2021.07.21 16:41:39
+05'30'**Varun Shah**

Company Secretary

Membership No.: A28901

Place : Mumbai

Date : 21st July 2021

Place : Mumbai

Date : 21st July 2021

Place : Mumbai

Date : 21st July 2021

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Standalone Cash flow statement for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
A. Cash flow from operating activities		
Profit/ (Loss) before tax	(1,678.02)	311.66
Adjustments to reconcile profit before tax to net cash flows from operating activities		
- Depreciation and amortisation	165.37	135.72
- Profit on sale of investments	(160.23)	(310.34)
- Interest Income on Investments	(464.66)	-
- Fair value gain on financial instruments at fair value through P&L	(23.25)	(3.13)
- Rent expense on deferred lease rentals	14.72	7.67
- Allowance for credit loss	567.96	1,096.89
- Loss on sale of fixed assets	34.09	-
- Assets written off	10.21	-
- Interest on unwinding of financial liabilities	58.86	45.02
- Interest on unwinding of financial assets	(15.43)	(6.98)
Operating profit/loss before working capital changes	(1,490.38)	1,276.50
Adjustments for (increase) / decrease in operating assets:		
- Trade receivables	(0.99)	(2.31)
- Loans & advances	257.90	(14,318.62)
- Other financial assets	97.50	(176.84)
- Other non-financial assets	(2,056.46)	(10.67)
Adjustments for increase / (decrease) in operating liabilities:		
- Trade payables	34.11	(9.24)
- Deposits	2.44	-
- Other financial liabilities	107.65	561.25
- Other non-financial liabilities	146.24	(886.31)
- Provisions	(6.06)	12.96
Cash generated from / (used in) operations	(2,908.04)	(13,553.27)
Direct taxes (paid) net of refunds	(322.51)	(199.88)
Net cash flow from (used in) operating activities (A)	(3,230.55)	(13,753.15)
B. Cash flows from investing activities		
- Purchase of Property, Plant and Equipment	(134.77)	(98.54)
- Impact of Right of Use Asset	-	-
- Purchase of Intangible assets (including under development)	-	(4.76)
- Capital work in progress	61.49	-
- Proceeds from sale of fixed assets	0.43	-
- Investment in Subsidiary	(401.00)	(600.00)
- Purchase of investments	(57,000.96)	(30,400.00)
- Proceeds from sale of investments	55,422.51	38,219.65
- Investment in fixed deposits with maturity of more than 3 months and other bank balan	1,874.89	8,640.25
Net cash flow from / (used in) investing activities (B)	(177.41)	15,756.60
C. Cash flows from financing activities		
- Share application money pending allotment	2,711.75	-
- Securities premium (Net of Share issue expenses)	(112.22)	(90.87)
- Payment of lease liabilities	(105.07)	(108.45)
Net cash flow from / (used in) in financing activities (C)	2,494.46	(199.32)
Net increase / (decrease) in cash and cash equivalents (A + B + C)	(913.50)	1,804.13
Cash and cash equivalents at the beginning of the year	5,013.77	3,209.64
Cash and cash equivalents at the end of the year [Refer Note 1 below]	4,100.27	5,013.77
Net increase / (decrease) in cash and cash equivalents during the year	(913.50)	1,804.13

InCred Capital Financial Services Private Limited
(Formerly known As Proud Securities And Credits Private Limited)
CIN: U67120MH1996PTC355036
Standalone Cash flow statement for the year ended 31st March 2021
(All amounts in INR Lakhs, unless otherwise stated)

Notes to Standalone cash flow statement

1. Components of cash and cash equivalents

Cash on hand [Refer Note No. 3]

With banks - on current account & fixed deposits [Refer Note No. 3]

-	0.07
4,100.27	5,013.70
4,100.27	5,013.77

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

As per our report of even date

For **Soni Chatrath & Co.**

Chartered Accountants

ICAI Firm Registration No. 001092N

NAKUL

Digitally signed by NAKUL
SARDA

SARDA

Date: 2021.07.21 16:42:08
+05'30'

Nakul Sarda

Partner

Membership No.: 513005

For and on behalf of the Board of Directors of

InCred Capital Financial Services Private Limited

(Formerly Known As Proud Securities And Credits Private Limited)

BHUPINDER SINGH

Bhupinder Singh

Director

DIN - 07342318

Deepak Dhingra

Deepak Dhingra

Chief Financial Officer

SAURABH JHALARIA

Saurabh Jhalaria

Director

DIN - 07908327

VARUN SUNIL SHAH

Varun Shah

Company Secretary

Membership No.: A28901

Place : Mumbai

Date : 21st July 2021

Place : Mumbai

Date : 21st July 2021

Place : Mumbai

Date : 21st July 2021

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Standalone Statement of Changes in Equity for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

A. Equity share capital

Particulars	As at 31st March 2021	As at 31st March 2020
<u>Issued, subscribed and fully paid-up</u>		
<u>Equity share capital of INR 10 each issued</u>		
Balance as at the beginning of the year	413.62	413.62
Changes in equity share capital during the year	507.24	-
Balance as at the end of the year	920.86	413.62

B. Preference share capital

Particulars	As at 31st March 2021	As at 31st March 2020
<u>Issued, subscribed and fully paid-up</u>		
<u>Compulsorily convertible preference shares of INR 10 each</u>		
Balance as at the beginning of the year	1,347.50	1,347.50
Changes during the year	(1,347.50)	-
Balance as at the end of the year	-	1,347.50
<u>Optionally convertible preference shares of INR 10 each</u>		
Balance as at the beginning of the year	50.00	50.00
Changes during the year	(50.00)	-
Balance as at the end of the year	-	50.00
Total	-	1,397.50

(This space has been intentionally left blank)

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Standalone Statement of Changes in Equity for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

C. Other equity

Particulars	Share application money pending allotment	Contingency reserve	Reserves and Surplus			Total Other Equity
			Statutory reserve	Securities premium	Retained earnings	
Balance as at 01st April 2019	-	0.54	50.50	29,722.56	(743.12)	29,030.48
Profit / (Loss) for the year	-	-	-	-	222.75	222.75
Other comprehensive income for the year	-	-	-	-	4.27	4.27
Total comprehensive income for the year (net of tax)	-	-	-	-	227.02	227.02
Transfer / utilisations:						
Transferred from retained earnings	-	-	44.55	-	-	44.55
Transferred to statutory reserve from retained earnings	-	-	-	-	(44.55)	(44.55)
Amounts utilised towards share issue expenses	-	-	-	(90.87)	-	(90.87)
Balance as at 31st March 2020	-	0.54	95.05	29,631.69	(560.65)	29,166.63
Profit / (loss) for the year	-	-	-	-	(1,256.37)	(1,256.37)
Other comprehensive income for the year	-	-	-	-	8.93	8.93
Total comprehensive income for the year (net of tax)	-	-	-	-	(1,247.44)	(1,247.44)
Transfer / utilisations:						
Share application money pending allotment	2,711.75	-	-	-	-	2,711.75
Utilisation on conversion of Share capital	-	-	-	-	0.02	0.02
Premium on Share conversion	-	-	-	890.24	-	890.24
Amounts utilised towards share issue expenses	-	-	-	(112.22)	-	(112.22)
Transferred to statutory reserve from retained earnings	-	-	-	-	-	-
Balance as at 31st March 2021	2,711.75	0.54	95.05	30,409.71	(1,808.07)	31,408.98

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

As per our report of even date

For **Soni Chatrath & Co.**

Chartered Accountants

ICAI Firm Registration No. 001092N

Digitally signed by

NAKUL SARDA

Date: 2021.07.21

16:42:40 +05'30'

Nakul Sarda

Partner

Membership No.: 513005

Place : Mumbai

Date : 21st July 2021

For and on behalf of the Board of Directors of

InCred Capital Financial Services Private Limited

(Formerly Known As Proud Securities And Credits Private Limited)

Digitally signed by BHUPINDER SINGH
DN: cn=BHUPINDER SINGH, o=INCRED CAPITAL FINANCIAL SERVICES PRIVATE LIMITED, email=bhupinder.singh@incrd.com, c=IN**Bhupinder Singh**

Director

DIN - 07342318

Digitally signed by SAURABH JHALARIA
DN: cn=SAURABH JHALARIA, o=INCRED CAPITAL FINANCIAL SERVICES PRIVATE LIMITED, email=saurabh.jhalaria@incrd.com, c=IN**Saurabh Jhalaria**

Director

DIN - 07908327

Digitally signed by Deepak Dhingra
DN: cn=DEEPAK DHINGRA, o=INCRED CAPITAL FINANCIAL SERVICES PRIVATE LIMITED, email=deepak.dhingra@incrd.com, c=IN**Deepak Dhingra**

Chief Financial Officer

Digitally signed by VARUN SUNIL SHAH
DN: cn=VARUN SUNIL SHAH, o=INCRED CAPITAL FINANCIAL SERVICES PRIVATE LIMITED, email=varun.shah@incrd.com, c=IN**Varun Shah**

Company Secretary

Membership No.: A28901

Note 1 : General information

1.1. Corporate information

InCred Capital Financial Services Private Limited ('the Company') (formerly known as Proud Securities and Credits Private Limited) was incorporated in India on 27th March 1996 under the provision of Companies Act, 1956. The Company has received a Certificate of Registration from the Reserve Bank of India ('RBI'), on September 7, 2000 to commence/carry on the business of Non-Banking Financial Institution ('NBFC') without accepting public deposits. The Company had changed its registered office from Delhi state to Maharashtra state and as such the Company received fresh Certificate of Incorporation dated 10th February 2021 having CIN U67120MH1996PTC355036.

As the total assets of the NBFC in the same group (InCred Financial Services Limited) exceeds INR. 500 crores the company is covered under Paragraph 16 of the Master Directions the Prudential Norms applicable to the Company are as per the "Master - Directions - Non Banking Financial Company - Systemically Important Non - Deposit taking Company (Reserve Bank) Directions, 2016".

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

A. Compliance with Ind AS

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) as applicable to NBFCs subject to RBI norms and regulations.

These standalone financial statements are approved for issue by the Board of Directors on 21st July 2021.

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. Further details are disclosed in **Note No. 32**.

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. Further details are disclosed in **Note No. 28**.

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 : Significant 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')

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Significant accounting policies for the year ended 31st March 2021

Financial assets measured at amortised cost:

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

(i) the financial asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

(ii) the Contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

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

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

(i) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

(ii) the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

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

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

C. Subsequent recognition of financial assets:

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

Financial assets at amortised cost:

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

Financial assets at FVTPL:

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in 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. Derecognition of financial assets and financial liabilities

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 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.

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. 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.

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 lease period
ROU Assets	Over the life of lease period

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

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

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

2.7. Intangible assets

A. Recognition and measurement

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

B. Subsequent expenditure

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

C. Amortization

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

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

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

2.8. Income tax

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

A. Current tax

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

Current tax assets and liabilities are offset only if, the 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 [Refer Note No. 34]

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.

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.

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.

2.15. 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 [Refer Note No. 38].

2.19. Employee benefits [Refer Note No. 32]

A. Short-term employee benefits

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

B. Compensated absences

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

C. Post-employment benefits

Defined contribution plans

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

Defined benefit plans - Gratuity

The Company's liability towards gratuity scheme is determined by independent actuaries, using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the statement of profit and loss.

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

2.19 Statement of Cash flows

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

2.20 Exceptional items

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

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 3 : Cash and cash equivalents

Particulars	As at 31st March 2021	As at 31st March 2020
Cash on hand	-	0.07
Balances with banks (of the nature of cash and cash equivalent)	3,049.55	141.78
Fixed deposit with bank (original maturity of less than 3 months) *	1,050.72	4,871.92
Total	4,100.27	5,013.77

* Balance as at 31st March 2020 includes fixed deposits amounting to INR. 2,023.52 Lakhs, kept in escrow account.

Note 4 : Bank balance other than cash and cash equivalents

Particulars	As at 31st March 2021	As at 31st March 2020
Fixed deposit with bank	-	1,874.89
	-	1,874.89
Less : Expected credit Loss	-	-
Total	-	1,874.89

Note 5 : Trade receivables

Particulars	As at 31st March 2021	As at 31st March 2020
Secured, considered good	-	-
Unsecured, considered good	3.31	2.31
Significant increase in credit risk	-	-
Credit impaired	-	-
	3.31	2.31
Less: Allowance for impairment loss	(0.01)	-
Total	3.30	2.31

Note 6 : Loans

Particulars	As at 31st March 2021 Amortised cost	As at 31st March 2020 Amortised cost
(A) At amortised cost		
(i) Term loans	393.84	14,797.38
(ii) Loans repayable against bill discounting	-	1,585.00
(iii) Term loans to related party ¹	20,680.33	6,534.70
Total - Gross	21,074.17	22,917.08
Less: Impairment loss allowance	(122.87)	(1,139.93)
Total - Net of impairment loss allowance (A)	20,951.30	21,777.15
(B) Details of security		
(i) Secured by tangible assets	16,572.41	22,856.75
(ii) Secured by intangible assets	-	-
(iii) Covered by bank/Govt Guarantee	-	-
(iv) Unsecured	4,501.76	60.33
Total - Gross	21,074.17	22,917.08
Less: Impairment loss allowance	(122.87)	(1,139.93)
Total - Net of impairment loss allowance (B)	20,951.30	21,777.15

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

(C) (I) Loans in India		
(i) Public Sector	-	-
(ii) Others	21,074.17	22,917.08
Total loans in India	21,074.17	22,917.08
(C) (II) Loans outside India		
(i) Public Sector	-	-
(ii) Others	-	-
Total loans outside India	-	-
Total - Gross	21,074.17	22,917.08
Less: Impairment loss allowance	(122.87)	(1,139.93)
Total - Net of impairment loss allowance (C)	20,951.30	21,777.15

1. The Company during the current year has sanctioned a loan of INR 19,500 lakhs [outstanding balance of INR 16,178.57 lakhs including interest accrued of INR 179.07 lakhs as at 31st March 2021] to InCred Wealth Private Limited ("borrower company"), a Company promoted by promoter of the Company. The loan has been provided for the purpose of business expansion of the borrower company. Such loan is secured through pledge of shares held by the promoter in the borrower company. Such loan was duly approved by the Board of Directors in meeting held on 09th November 2019 and gradually, for increased requirements of the borrower company further enhancements were approved in subsequent meetings during the year.

The Company further holds a call option to require a transfer of shares held by Mr. Bhupinder Singh in the borrower company by payment of an amount equivalent to INR 5,00,000. Based on the management certified statement of accounts of the borrower company and relying on the work of an expert, the management believes that the value of the call option is INR Nil as on 31st March 2021.

However, based on the management analysis of business plan and future projected inflows, confirmation from the Board of Directors of the borrower company on repayment capabilities and credibility and also a confirmation from the promoter validating an intent as a financial support to the borrower company, the Company has a reasonable cause to believe that it shall be able to recover the said loan from the borrower company in accordance with the repayment schedule as stipulated in the loan agreement. During the financial year the loan amount was disbursed to the borrower company for business purposes which was pre-ratified/subsequently ratified in the ensuing board meetings. As at 31st March 2021, the loan amount was within the approved threshold.

Note 7 : Investments

Particulars	As at 31st March 2021	As at 31st March 2020
<u>(A) Investments carried at fair value through profit or loss</u>		
<u>In Mutual Funds</u>		
Invesco India Liquid Fund Direct Growth (31st March 2021 : Nil Units 31st March 2020 : 36,768.237 Units)	-	1,003.13
	-	1,003.13
<u>In Alternate Investment Fund</u>		
Class B Units of India Value and Growth Fund (31st March 2021 : 18,257.185 Units 31st March 2020 : Nil Units)	280.27	-
	280.27	-
<u>(B) Investments carried at amortised cost</u>		
<u>In Pass Through Certificates</u>		
KIPlatform M22-001 Series A1 PTC 30MAR21	1,521.77	-
CSL TITAN III 2020 SERIES A1 PTC 31AUG20	701.81	-
HOME CREDIT TITAN CSL 2019 TRUST SERIES A PTC 13DC19	726.21	-
	2,949.79	-

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

(C) Investments carried at cost**In Subsidiaries (unquoted)**

InCred Asset Management Private Limited (formerly known as InCred Capital Investment Advisors and Managers Private Limited) (31st March 2021 : 1,00,00,000 shares of INR. 10 each) (31st March 2020 : 60,00,000 shares of INR. 10 each)	1,000.00	600.00

InCred Wealth and Investment Services Private Limited (31st March 2021 : 10,000 shares of INR. 10 each)	1.00	-

Total - Gross (A + B + C)	1,001.00	600.00
Less: Impairment loss allowance	-	-
Total - Net of impairment loss allowance	4,231.06	1,603.13

(A) Investments in India	4,231.06	1,603.13
(B) Investments outside India	-	-
Total - Gross (A + B)	4,231.06	1,603.13
Less: Impairment loss allowance	-	-
Total - Net of impairment loss allowance	4,231.06	1,603.13

Note 8 : Other financial assets

Particulars	As at 31st March 2021	As at 31st March 2020
Carried at amortised cost		
Security Deposits	49.45	153.30
Advances to related parties	-	0.50
Others	10.14	3.29
Total - Gross	59.59	157.09
Less: Impairment loss allowance	-	-
Total - Net of impairment loss allowance	59.59	157.09

Note 9 : Current tax assets (Net)

Particulars	As at 31st March 2021	As at 31st March 2020
Income tax refundable (net of provision for income tax)	381.20	58.69
Total	381.20	58.69

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 10 : Property, plant and equipment

Particulars	ROU Assets [Refer Note No. 34]	Furniture and fixtures	Leasehold Improvements	Office equipment	Vehicle	Computer & Printer	Total
Gross carrying amount:							
As at 01st April 2019	-	44.92	-	17.60	-	5.93	68.45
On transition to IND AS 116	361.10	-	-	-	-	-	361.10
Additions during the year	419.61	16.94	9.47	1.94	-	3.34	451.30
Disposals during the year	-	-	-	-	-	-	-
As at 31st March 2020	780.71	61.86	9.47	19.54	-	9.27	880.85
Additions during the year	-	8.55	81.84	26.71	12.21	5.47	134.78
Disposals during the year	361.10	44.92	-	15.32	-	-	421.34
As at 31st March 2021	419.61	25.49	91.31	30.93	12.21	14.74	594.29
Accumulated depreciation:							
As at 01st April 2019	-	-	-	-	-	-	-
Depreciation charge during the year	121.20	5.08	0.21	4.74	-	3.04	134.27
Accumulated depreciation on disposals	-	-	-	-	-	-	-
As at 31st March 2020	121.20	5.08	0.21	4.74	-	3.04	134.27
Depreciation charge during the year	132.03	5.90	13.91	7.01	0.41	4.22	163.48
Accumulated depreciation on disposals	144.60	8.77	-	6.74	-	-	160.11
As at 31st March 2021	108.63	2.21	14.12	5.01	0.41	7.26	137.64
Net carrying amount:							
As at 31st March 2021	310.98	23.28	77.19	25.92	11.80	7.48	456.65
As at 31st March 2020	659.51	56.78	9.26	14.80	-	6.23	746.58

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 11 : Other intangible assets

Particulars	Software
<u>Gross carrying amount:</u>	
As at 01st April 2019	0.67
Additions during the year	4.76
Disposals during the year	-
As at 31st March 2020	5.43
Additions during the year	-
Disposals during the year	-
As at 31st March 2021	5.43
<u>Accumulated amortisation and impairment:</u>	
As at 01st April 2019	-
Amortisation charge during the year	1.45
Amortisation on disposals	-
As at 31st March 2020	1.45
Amortisation charge during the year	1.88
Disposals	-
As at 31st March 2021	3.33
Net carrying amount as at 31st March 2021	2.10
Net carrying amount as at 31st March 2020	3.98

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 12 : Other non-financial assets

Particulars	As at 31st March 2021	As at 31st March 2020
Prepaid expenses	36.61	3.16
Balances with government authorities	339.22	110.45
Deferred rent expense	22.57	22.40
Others	44.03	-
Advance for expenses	1,750.00	-
Total	2,192.43	136.01

Note 13 : Trade payables

Particulars	As at 31st March 2021	As at 31st March 2020
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	90.80	56.69
- Interest amount due	-	-
	90.80	56.69
Total	90.80	56.69

Note 14 : Deposits

Particulars	As at 31st March 2021	As at 31st March 2020
At amortised cost		
- from others	2.44	-
Total	2.44	-

Note 15 : Other financial liabilities

Particulars	As at 31st March 2021	As at 31st March 2020
Employee expenses payable	115.72	11.51
Lease liability [Refer Note No. 34]	452.97	717.27
Others	3.43	-
Total	572.12	728.78

Note 16 : Provisions

Particulars	As at 31st March 2021	As at 31st March 2020
Provision for employee benefits		
Provision for leave encashment	-	16.49
Provision for gratuity	12.40	13.91
Total	12.40	30.40

Note 17 : Other non-financial liabilities

Particulars	As at 31st March 2021	As at 31st March 2020
Revenue received in advance	-	3.62
Statutory dues payable	212.36	62.50
Total	212.36	66.12

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 18 : Equity share capital

Particulars	As at 31st March 2021		As at 31st March 2020	
	Number	Amount	Number	Amount
Authorised share capital [Refer note 'd' below]				
Equity shares of INR. 10/- each	3,44,00,000	3,440.00	1,00,00,000	1,000.00
Compulsorily convertible preference shares of INR 10/- each	-	-	2,00,00,000	2,000.00
Optionally convertible redeemable preference shares of INR 10/- each	6,00,000	60.00	50,00,000	500.00
	3,50,00,000	3,500.00	3,50,00,000	3,500.00
Issued, subscribed and paid up capital				
Equity Shares of INR. 10/- each fully paid up	92,08,557	920.86	41,36,150	413.62
Compulsorily convertible preference shares of INR 10/- each fully paid-up	-	-	1,34,75,000	1,347.50
Optionally convertible redeemable preference shares of INR 10/- each fully paid-up	-	-	5,00,000	50.00
Total issued, subscribed and paid-up share capital	92,08,557	920.86	1,81,11,150	1,811.12

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 Compulsorily convertible preference shares

During the previous year, the Company had 1,34,75,000 Non-cumulative, Participating Compulsorily Convertible Preference Shares ("CCPS") of INR. 10/- each fully paid-up. The CCPS carried a preferential right vis-à-vis Equity shares of the Company with respect to payment of dividend and repayment in case of a winding up or repayment of capital. The shares carried right of participation in the surplus funds, profits and assets on winding up which may remain after the entire capital has been repaid. Any surplus funds shall be distributed proportionately amongst the holders of Equity shares and CCPS.

Each CCPS carried the right to be paid an annual aggregate preferential dividend of an amount of INR. 0.01/- pari-passu with OCRPS. Holder of CCPS was also entitled to receive any dividends as may be declared by the Company on a pro-rata basis, at the same rate as the holders of other equity and preference shares, on an "as converted basis".

Each CCPS had a maximum period of 20 (twenty) years from the date of its issuance on the expiry of which CCPS shall be compulsorily and automatically converted into Equity shares.

All CCPS were converted into Equity shares during the year. The Equity share allotted on conversion of CCPS ranks pari-passu in all respects with the then existing shares of the Company.

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

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

During the previous year, the Company had 500,000 Non-cumulative, Non-participating and Non-transferable Optionally convertible redeemable preference shares ("OCRPS"). The OCRPS carried a preferential right vis-à-vis Equity shares of the Company with respect to payment of dividend and repayment in case of a winding up or repayment of capital. The shares do not carry any right of participation in the surplus funds, profits and assets on winding up which may remain after the entire capital has been repaid.

Each OCRPS carried the right to be paid an annual aggregate preferential dividend of an amount of INR. 0.01/-. Holder of OCRPS was also entitled to receive any dividends as may be declared by the Company on a pro-rata basis, at the same rate as the holders of other equity and preference shares, on an "as converted basis".

Each OCRPS have a maximum redemption period of 20 (twenty) years from the date of its issuance (Redemption period), on the expiry of which OCRPS shall be compulsorily and automatically converted into equity shares.

All OCRPS were converted into Equity shares during the year. The Equity share allotted on conversion of OCRPS ranks pari-passu in all respects with the then existing shares of the Company, and shall be subject to the Memorandum and Articles of Association of the Company.

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

Particulars	As at 31st March 2021		As at 31st March 2020	
	Number	Amount	Number	Amount
Equity shares				
At the beginning of the year	41,36,150	413.62	41,36,150	413.62
Add: Shares issued on conversion of CCPS and OCRPS during the year	50,72,407	507.24	-	-
Less: Bought back during the year	-	-	-	-
Outstanding at the end of the year	92,08,557	920.86	41,36,150	413.62
Instruments entirely equity in nature				
<u>Compulsorily convertible preference shares</u>				
At the beginning of the year	1,34,75,000	1,347.50	1,34,75,000	1,347.50
Add: Shares issued during the year	-	-	-	-
Less: Converted to Equity shares during the year	1,34,75,000	1,347.50	-	-
Outstanding at the end of the year	-	-	1,34,75,000	1,347.50
<u>Optionally convertible redeemable preference shares</u>				
At the beginning of the year	5,00,000	50.00	5,00,000	50.00
Add: Shares issued during the year	-	-	-	-
Less: Converted to Equity shares during the year	5,00,000	50.00	-	-
Outstanding at the end of the year	-	-	5,00,000	50.00
Total instruments entirely equity in nature	-	-	1,39,75,000	1,397.50

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

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

Name of the shareholder	As at 31st March 2021		As at 31st March 2020	
	No. of shares held	% Holding	No. of shares held	% Holding
<u>Equity shares</u>				
Bhupinder Singh ^{1 & 2}	41,70,759	45.29%	41,36,150	100.00%
MEMG Family office LLP	9,43,704	10.25%	-	0.00%
Paragon Partners Growth Fund-I	9,07,408	9.85%	-	0.00%
Ravi Pillai	6,53,334	7.09%	-	0.00%
Kenstream Ventures LLP	5,44,445	5.91%	-	0.00%
<u>Compulsorily convertible preference share</u>				
Paragon Partners Growth Fund-I	-	-	25,00,000	18.55%
MEMG Family Office LLP	-	-	25,00,000	18.55%
(Formerly known as IHE Venture Consultants LLP)				
Ravi Pillai	-	-	18,00,000	13.36%
Kenstream Ventures LLP	-	-	15,00,000	11.13%
Anurag Bagaria	-	-	12,50,000	9.28%
Raj Vattikuti	-	-	10,00,000	7.42%
Neelanchal Edifice LLP	-	-	7,50,000	5.57%
<u>Optionally convertible redeemable preference share</u>				
Bhupinder Singh	-	-	5,00,000	100.00%

1. 1 equity share is being held by Mr. Saurabh Jhalaria (Previous year: Saurabh Jhalaria) as nominee shareholder.

2. 38,662 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.

f. Changes in authorized share capital of the Company

The Company has increased its Authorized Equity share capital from INR 1,000 Lakhs (10,000,000 Equity Shares of INR 10 each) to INR 3,440 Lakhs (34,400,000 Equity Shares of INR 10 each) & reduced its Authorised Optionally convertible redeemable preference shares to INR 60 Lakhs (600,000 Shares of INR 10 each) from INR 500 Lakhs (5,000,000 Shares of INR 10 each) vide shareholders' approval at the Extraordinary General Meeting (EGM) held on 15th March 2021. The Authorized compulsorily convertible preference share capital has also been reduced to INR Nil from INR 2,000 Lakhs (20,000,000 Shares of INR 10 each).

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 19 : Other equity

Particulars	As at 31st March 2021	As at 31st March 2020
Securities premium		
Balance as at the beginning of the year	29,631.69	29,722.56
Add: Additions during the year:		
- Premium on conversion of CCPS and OCRPS to equity shares during the year	890.24	-
Less: Utilized during the year:		
- Amounts utilized towards share issue expenses	112.22	90.87
Balance as at the end of the year	30,409.71	29,631.69
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
Statutory reserve fund pursuant to Section 45-IC of the RBI Act, 1934		
Balance as at the beginning of the year	95.05	50.50
Add: Addition during the year:		
- Transfer from surplus in statement of profit and loss	-	44.55
Less: Utilized during the year	-	-
Balance as at the end of the year	95.05	95.05
Surplus / (Deficit) in Statement of Profit & Loss		
Balance as at the beginning of the year	(560.65)	(743.12)
Add: Profit / (loss) after tax for the year	(1,256.37)	222.75
Add: Utilisation on CCPS & OCPS Conversion	0.02	-
Add: Other comprehensive income for the year, net of income tax	8.93	4.27
Amount available for appropriations	(1,808.07)	(516.10)
Less: Appropriations		
- Transfer to Statutory reserve pursuant to Section 45-IC of the RBI Act, 1934	-	44.55
Balance as at the end of the year	(1,808.07)	(560.65)
Share application money pending allotment	2,711.75	-
Total	31,408.98	29,166.63

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 20 : Interest income

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
On financial assets measured at amortised cost:		
- Interest on loans	2,624.02	2,518.82
- Interest on deposits with banks	206.87	441.62
- Interest on PTC	300.89	-
On financial assets measured at fair value through OCI:		
- Interest on non-convertible debentures	163.77	-
Total	3,295.56	2,960.44

Note 21 : Fees and commission income

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Other fees and charges	156.52	55.78
Total	156.52	55.78

Note 22 : Net gain on fair value changes

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Net gain on financial instruments at fair value through profit or loss		
- Investments in Mutual Funds	41.24	313.47
- Investments in AIF	23.25	-
Net gain on financial instruments at fair value through OCI:		
- Investments in non-convertible debentures	118.99	-
Total	183.48	313.47
Fair value changes:		
- Realised	160.23	310.34
- Unrealised	23.25	3.13
Total	183.48	313.47

Note 23 : Other income

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Unwinding of discount on security deposit	15.43	6.98
Miscellaneous income	4.52	-
Total	19.95	6.98

Note 24 : Finance costs

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Interest on lease liability [Refer Note No. 34]	58.86	45.02
Total	58.86	45.02

Note 25 : Impairment on financial instruments

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
On financial instruments measured at amortised cost		
- Loans (including amount written off, net of recovery)	567.95	1,096.89
- Trade receivables	0.01	-
Total	567.96	1,096.89

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 26 : Employee benefits expenses

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Salaries and wages	1,704.71	1,253.17
Contribution to provident and other funds	19.13	27.18
Gratuity [Refer Note No. 32]	10.44	10.46
Leave encashment [Refer Noter No. 32]	(16.49)	2.49
Staff welfare expenses	5.16	4.53
Total	1,722.95	1,297.83

Note 27 : Others expenses

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Rent [Refer Note No. 34]	15.79	8.11
Communication cost	5.30	8.24
Travelling and conveyance	2.38	139.14
Legal, professional and consultancy charges	2,642.67	211.36
Membership and subscription	23.13	10.61
IT expenses	17.86	5.92
Manpower support services	7.96	9.53
Rates and taxes	5.44	1.52
Printing and stationery	1.02	3.10
Payment to auditors	12.87	11.43
Advertisement, publicity and sales promotion expenses	0.09	4.60
Office expenses	15.72	6.30
Interest on statutory dues	0.28	0.38
Recruitment fees	7.90	28.11
Foreign exchange loss	-	0.24
Loss on sale of fixed assets	34.09	-
Fixed Assets Written off	10.21	-
Miscellaneous expenses	15.68	0.96
Total	2,818.39	449.55

*** Payment to the auditors:**

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Auditor's remuneration		
- Audit fees	9.39	3.82
In other capacity		
- Certification services	1.90	6.63
- Taxation	1.58	0.98
Total	12.87	11.43

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 28 : Current tax**28.1 Amounts recognised in profit and loss**

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Current tax expense		
In respect of current period	-	191.61
Earlier years	(1.22)	-
	(1.22)	191.61
Deferred tax expense / (income)	(420.43)	(102.70)
Tax expense for the year	(421.65)	88.91

28.2 Amounts recognised in other comprehensive income

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Income tax related to items recognised in Other Comprehensive Income during the year		
Remeasurements of defined benefit plans	(3.01)	(1.44)
Net Gain/ (Loss) on instruments through other comprehensive income	-	-
Total Income tax recognised in Other Comprehensive Income	(3.01)	(1.44)

28.3 Reconciliation of effective tax rate

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Profit before tax as per Statement of profit and loss (A)	(1,678.02)	311.66
Statutory tax rate (B)	25.17%	25.17%
Tax using the Company's domestic tax rate (C = A * B)	(422.31)	78.44
Tax effect of:		
Tax effect of amounts which are not deductible in calculating taxable income	0.70	0.29
Others	(0.04)	10.18
Effective tax expense	(421.65)	88.91

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

28.4 Deferred tax

The major components of deferred tax (liabilities) arising on account of timing differences as at 31st March 2021 are as follows:

Particulars	As at 31st March 2020	Recognised in profit or loss	Recognised in OCI	As at 31st March 2021
Deferred tax assets:				
Brought forward losses	109.80	645.75	-	755.54
Retirement benefit plans	7.65	(1.52)	(3.01)	3.12
EIR impact on financial instruments	20.92	(20.92)	-	-
Impairment loss on Loans	268.01	(237.08)	-	30.93
Restructuring related expenses	-	6.88	-	6.88
Leases	14.54	21.20	-	35.74
Difference between written down value of fixed assets as per the books of accounts and income tax	-	11.96	-	11.96
Total Deferred tax assets (A)	420.92	426.26	(3.01)	844.17
Deferred tax liabilities:				
Difference between written down value of fixed assets as per the books of accounts and income tax	0.85	(0.85)	-	-
Fair value of investments measured at FVTPL	0.79	5.06	-	5.85
EIR impact on financial instruments	-	1.62	-	1.62
Total Deferred tax liabilities (B)	1.64	5.83	-	7.47
Net Deferred tax assets (A-B)	419.28	420.43	(3.01)	836.70

The major components of deferred tax (liabilities) arising on account of timing differences as at 31st March 2020 are as follows:

Particulars	As at 31st March 2019	Recognised in profit or loss	Recognised in OCI	As at 31st March 2020
Deferred tax assets:				
Brought forward losses (incl. unabsorbed depreciation)	286.29	(176.49)	-	109.80
Retirement benefit plans	6.02	3.07	(1.44)	7.65
EIR impact on financial instruments	18.20	2.72	-	20.92
Impairment loss on Loans	11.19	256.81	-	268.01
Leases	-	14.54	-	14.54
Total Deferred tax assets (A)	321.70	100.65	(1.44)	420.92
Deferred tax liabilities:				
Difference between depreciation and amortisation as per books of account and tax depreciation	1.27	(0.42)	-	0.85
Fair value of investments measured at FVTPL	2.42	(1.63)	-	0.79
Total Deferred tax liabilities (B)	3.69	(2.05)	-	1.64
Net Deferred tax assets (A-B)	318.01	102.70	(1.44)	419.28

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 29 : 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 2021	Year ended 31st March 2020
Profit attributable to equity holders of the Company used in calculating basic & dilutive earnings per share	(1,256.37)	222.75

ii. Weighted average number of ordinary shares

Particulars	As at 31st March 2021	As at 31st March 2020
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	52,89,601	41,36,150
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share*	52,89,601	98,04,410
Basic earnings per share	(23.75)	5.39
Diluted earnings per share	(23.75)	2.27

Note 30 : Contingent liabilities and commitments

Particulars	As at 31st March 2021	As at 31st March 2020
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for		
- Loan commitments	3,500.50	580.50
Contingent liabilities	Nil	Nil

Note 31 : Details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

In accordance with Micro, small and Medium Enterprises Development Act, 2006 the Company is required to identify the Micro, small and Medium suppliers and pay them interest on overdue beyond the specified period irrespective of the terms agreed with the suppliers. Based on information available with the management, there are no dues outstanding to micro and small enterprises covered under the Micro, small and Medium Enterprises Development Act, 2006.

Note 32 : Employee benefits**32.1 Defined contribution plan**

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

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Provident fund	19.13	27.18

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

32.2 Defined benefit Plan - Gratuity

Every employee who completes five years or more of service gets a gratuity on departure at 15 days salary (last drawn) for each completed year of service, subject to ceiling of INR 20.00 Lakhs.

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

Particulars	As at 31st March 2021	As at 31st March 2020
Change in benefit obligations		
Present value of benefit obligation at the beginning of the year	13.91	9.15
Interest cost	0.87	0.65
Current service cost	9.57	9.81
Actuarial (Gains) / Losses on Obligations - Due to Change in Financial Assumptions	(1.12)	0.32
Actuarial (Gains) / Losses on Obligations - Due to Experience	(10.83)	(6.03)
Liability at the end of the year	12.40	13.91

Table Showing change in the fair value of plan assets:

Particulars	As at 31st March 2021	As at 31st March 2020
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 2021	As at 31st March 2020
Present value of benefit obligation	(12.40)	(13.91)
Fair value of plan assets at the end of the year	-	-
Funded Status (Deficit)	(12.40)	(13.91)
Net (Liability) Recognized in the Balance Sheet	(12.40)	(13.91)

Expenses recognized in the Standalone statement of profit and loss

Particulars	As at 31st March 2021	As at 31st March 2020
Current service cost	9.57	9.81
Net Interest cost	0.87	0.65
Past Service Cost	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments And Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Expenses recognised	10.44	10.46

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Expenses recognized in the Other comprehensive income (OCI)

Particulars	As at 31st March 2021	As at 31st March 2020
Actuarial (Gains) on obligation for the year	(11.94)	(5.71)
Return on Plan Assets, Excluding Interest Income	-	-
Net (Income) for the year recognized in OCI	(11.94)	(5.71)

The actuarial assumptions used to determine benefit obligations as at 31st March 2021 and 31st March 2020 are as follows:

Particulars	As at 31st March 2021	As at 31st March 2020
Discount Rate	6.06%	6.24%
Salary escalation rate	5%	5% for next 2 years and 7% thereafter
Expected Rate of return on Plan Assets	NA	NA
Rate of Employee Turnover	15%	15%
Mortality Rate during employment	Indian Assured lives mortality (2006-08) ultimate	Indian Assured lives mortality (2006-08) 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 2021	As at 31st March 2020
Opening net liability	13.91	9.15
Expenses recognized in Statement of Profit and Loss	10.44	10.46
Expenses recognized in OCI	(11.94)	(5.71)
Net (Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	-	-
(Benefit Paid Directly by the Employer)	-	-
(Employer's Contribution)	-	-
Net liability recognized in the Standalone balance sheet	12.40	13.91

Category of assets:

Particulars	As at 31st March 2021	As at 31st March 2020
Government of India Assets	-	-
State Government Securities	-	-
Special Deposits Scheme	-	-
Debt Instruments	-	-
Corporate Bonds	-	-
Cash And Cash Equivalents	-	-
Insurance fund	-	-
Asset-Backed Securities	-	-
Structured Debt	-	-
Other	-	-
Total	-	-

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Other details:

Particulars	As at 31st March 2021	As at 31st March 2020
Active Members (Absolute number)	22.00	19.00
Per Month Salary For Active Members	28.75	29.15
Weighted Average Duration of the Projected Benefit Obligation	8.00	9.00
Average Expected Future Service	5.00	5.00
Projected Benefit Obligation (PBO)	12.40	13.91
Prescribed Contribution For Next Year (12 Months)	-	-

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

Particulars	As at 31st March 2021	As at 31st March 2020
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 2021	As at 31st March 2020
Projected benefits payable in future years from the date of reporting		
1st following year	0.08	0.07
2nd following year	0.07	0.06
3rd following year	1.48	0.11
4th following year	1.70	1.92
5th following year	1.94	2.30
Sum of years 6 To 10	6.94	8.65
Sum of years 11 and above	7.27	10.26

Sensitivity analysis:

Particulars	As at 31st March 2021	As at 31st March 2020
Projected benefit obligation on current assumptions	12.40	13.91
Delta effect of +1% change in rate of discounting	(0.78)	(0.98)
Delta effect of -1% change in rate of discounting	0.86	1.09
Delta effect of +1% change in rate of salary increase	0.87	1.08
Delta effect of -1% change in rate of salary increase	(0.80)	(0.99)
Delta effect of +1% change in rate of employee turnover	(0.33)	(0.54)
Delta effect of -1% change in rate of employee turnover	0.33	0.56

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

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.

32.3 Defined benefit Plan - Compensated absences

The actuarially determined liability for compensated absences of accumulated leaves of the employees of the Company is given below:

Particulars	As at 31st March 2021	As at 31st March 2020
Total actuarial liability *	NA	16.49
Assumptions:		
Discount rate	NA	6.24%
Salary escalation rate	NA	5% for next 2 years and 7% thereafter

*As per the revised policy of the company, the accumulated unavailed leave lapses as at 31st March 2021. Thus no liability has been determined for the current year in respect of compensated absences.

Note 33 : Security issue expenses

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

Particulars	As at 31st March 2021	As at 31st March 2020
Legal and professional fees	103.72	90.87
Listing fees	-	-
Stamp duty	8.50	-
Filing fees	-	-
Total	112.22	90.87

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 34 : Leases**Accounting policy: The Company as a Lessee**

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

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

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

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

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

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

ROU Assets

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

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

The changes in the carrying value of the ROU asset for the period ended 31st March 2021 are as follows:

Particulars	As at 31st March 2021	As at 31st March 2020
Balance at the beginning of the year	659.51	361.10
Addition during the year	-	419.61
Deletion during the period	(216.50)	
Depreciation for the year	(132.03)	(121.20)
Balance as at the end of the year	310.98	659.51

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

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Lease liability

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

The changes in the carrying value of the lease liability for the period ended 31st March 2021 are as follows:

Particulars	As at 31st March 2021	As at 31st March 2020
Balance as at the beginning of the year	717.28	361.10
Addition during the year	-	419.61
Finance cost accrued during the year	58.86	45.02
Deletions	(218.09)	
Payment of lease liabilities made during the year	(105.07)	(108.45)
Balance as at the end of the year	452.98	717.28

The break-up of current and non-current lease liabilities as at 31st March 2021 is as follows:

Particulars	As at 31st March 2021	As at 31st March 2020
Current lease liabilities	95.49	128.96
Non-current lease liabilities	357.48	588.32
Total	452.97	717.28

The table below provides details regarding the contractual maturities of lease liabilities as of 31st March 2021 on an undiscounted

Particulars	As at 31st March 2021	As at 31st March 2020
Less than one year	136.22	135.81
Between one and five years	408.94	760.36
More than five years	-	-
Total	545.16	896.17

Expenses recognized in the Standalone statement of profit & loss:

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Depreciation expense on RoU Asset [Refer Note No. 10]	132.03	121.20
Interest expense on lease liability [Refer Note No. 24]	58.86	45.02
Expense relating to short-term leases and low value leases [Refer Note No. 27]	15.79	8.11
Total	206.68	174.33

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. 15.79 lakhs for the year ended 31st March 2021 & INR. 8.11 Lakhs for the year ended 31st March 2020.

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 35 : Financial instruments**35.1 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.

As at 31st March 2021	Carrying Amount			Level of Fair value measurement			Total
	Amortised cost	At fair value through P&L	Total	Level 1 - Quoted price in active markets	Level 2- Significant Observable inputs	Level 3 - Significant Unobservable inputs	
Financial assets							
Cash and cash equivalents	4,100.27	-	4,100.27	4,100.27	-	-	4,100.27
Bank balance other than cash and cash equivalents	-	-	-	-	-	-	-
Trade receivables	3.30	-	3.30	-	-	3.30	3.30
Loans	20,951.30	-	20,951.30	-	-	20,951.30	20,951.30
Investments	2,949.79	280.27	3,230.06	280.27	-	2,949.79	3,230.06
Investments in subsidiaries	1,001.00	-	1,001.00	-	-	1,001.00	1,001.00
Other financial assets	59.59	-	59.59	-	-	59.59	59.59
Total Financial assets	29,065.25	280.27	29,345.52	4,380.54	-	24,964.98	29,345.52
Financial liabilities							
Trade payables	90.80	-	90.80	-	-	90.80	90.80
Deposits	2.44	-	2.44	-	-	2.44	2.44
Other financial liabilities	572.12	-	572.12	-	-	572.12	572.12
Total Financial liabilities	665.36	-	665.36	-	-	665.36	665.36
As at 31st March 2020	Carrying Amount			Level of Fair value measurement			Total
	Amortised cost	At fair value through P&L	Total	Level 1 - Quoted price in active markets	Level 2- Significant Observable inputs	Level 3 - Significant Unobservable inputs	
Financial assets							
Cash and cash equivalents	5,013.77	-	5,013.77	5,013.77	-	-	5,013.77
Bank balance other than cash and cash equivalents	1,874.89	-	1,874.89	1,874.89	-	-	1,874.89
Trade receivables	2.31	-	2.31	-	-	2.31	2.31
Loans	21,777.15	-	21,777.15	-	-	21,777.15	21,777.15
Investments in mutual funds	-	1,003.13	1,003.13	1,003.13	-	-	1,003.13
Investments in subsidiaries	600.00	-	600.00	-	-	600.00	600.00
Other financial assets	157.09	-	157.09	-	-	157.09	157.09
Total Financial assets	29,425.21	1,003.13	30,428.34	7,891.79	-	22,536.55	30,428.34
Financial liabilities							
Trade payables	56.69	-	56.69	-	-	56.69	56.69
Other financial liabilities	728.78	-	728.78	-	-	728.78	728.78
Total Financial liabilities	785.47	-	785.47	-	-	785.47	785.47

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

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.

35.2 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.

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

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

There have been no transfers between Level 1, Level 2 and Level 3 for the year ended 31st March 2021 & 31st March 2020.

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 36 : Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company.

The primary objective of the Company's capital management is to maximise the shareholder value. The Company monitors capital using a 'Capital to Risk weighted asset ratio (CRAR)' as prescribed under "Master - Directions - Non Banking Financial Company - Systemically Important Non - Deposit taking Company (Reserve Bank) Directions, 2016" issued by Reserve Bank of India. The capital management process of the Company ensures to maintain a healthy CRAR at all times.

Refer Note No. 40b for further details.

Note 37 : Financial risk management objectives and policies

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

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

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

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

(a) Market risk:

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

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities and assets. The Company manages its interest rate risk by monitoring the movements in the market interest rates closely. The Company has Asset and Liability Management Committee (ALCO) and has empowered it to assess the interest rate risk run by it and provide appropriate guidelines to the Treasury to manage the risk. The ALCO reviews the interest rate risk on periodic basis.

Exposure to interest rate risk

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

Particulars	As at 31st March 2021	As at 31st March 2020
Loans		
Fixed rate loans	20,951.30	21,777.15
Bank Balance other than cash & cash equivalents	1,050.72	6,746.82
Fixed rate investments in PTCs	2,949.79	-
Borrowings		
Fixed rate borrowings	-	-
Net exposure	24,951.81	28,523.97

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Fair value sensitivity analysis for fixed-rate instruments

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

Other price risk

The Company is exposed to price risk arising from investment in AIF / mutual funds and classified in the standalone balance sheet at fair value through profit & loss. If the NAV of the AIF / mutual fund had been higher / lower by 1% from market price existing as at 31st March 2021, profit or loss (pre-tax) for the year ended 31st March 2021 would increase / decrease by INR. 2.80 Lakhs (For the year ended 31st March 2020: INR 10.03 Lakhs) with a corresponding increase / decrease in the total equity of the Company.

The Company is currently is not exposed to any equity price risk arising from equity investments classified in the standalone balance sheet at fair value through other comprehensive income since the amount outstanding as at 31st March 2021 is Nil (For the year ended 31st March 2020: Nil).

(b) Credit risk:

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from loans and advances, investments carried at amortized cost and deposits with banks and financial institutions. Credit risk has always been managed by the company through continuous monitoring the creditworthiness of customers to which the company grants loans & advances in the normal course of business. Under Ind AS 109, the company uses expected credit loss model to assess the impairment loss or gain.

Credit risk management

The Company key objective is to maintain a strong culture of responsible lending, and robust risk policies and control frameworks. The Company considers various factors, which provide an assessment of the borrower's ability-to-pay and willingness-to-pay. While the techniques used for assessment vary across product-segments, the credit principles remain a common factor.

The key factors considered include:

Borrower Analysis

A comprehensive analysis must be performed to understand the business model of the borrower, history of the business, key products, growth drivers, working capital cycles, key customers, key competitors, capital structure and leverage.

Industry Analysis

A comprehensive analysis must be conducted to understand a brief history, factors that affect growth, government regulations (if any), key players in the industry, size of the industry, key trends over recent years, demand/supply drivers, and any other significant factors that impact the industry.

Character and quality of management and / or equity sponsors

Consider factors such as experience of key executives / management, succession plans for key positions and assessment of planning and control systems.

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.

A three-stage model for impairment based on changes in credit quality since initial recognition has been implemented. The Company has used Days Past Due ('DPD') basis for staging of the portfolio and has opted for the rebuttable presumption prescribed by the standard to recognize default in case payments are overdue 90 days and a Significant Increase in Credit Risk ('SICR') in case payments are overdue for more than 30 days.

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.

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

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 does the assessment of significant increase in credit risk at a borrower level. Based on the above, the Company categorises its loans into Stage 1, Stage 2 and Stage 3.

DPD Status	Stage	Basis for recognition of ECL
Current	Stage 1	12 Month's ECL
1-30 days	Stage 1	12 Month's ECL
31-90 days	Stage 2	Life Time ECL
90 + days	Stage 3	Life Time ECL

Write-offs

The Company reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs.

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.

As at 31st March 2021

Particulars	Asset group	Gross carrying amount of financial assets	ECL	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses (Stage 1)	Loans	21,074.17	(105.37)	20,968.80
Loss allowance measured at 12 month expected credit losses (Stage 1)	Loan Commitments	3,500.50	(17.50)	3,483.00
Loss allowance measured at life-time expected credit losses, credit impaired (Stage 3)	Loans	-	-	-
Loss allowance measured at 12 month ECL - Trade receivable	Trade Receivable	3.31	(0.01)	3.30
Total		24,577.98	(122.88)	24,455.10

As at 31st March 2020

Particulars	Asset group	Gross carrying amount of financial assets	ECL	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses (Stage 1)	Loans	21,332.08	(106.77)	21,225.31
Loss allowance measured at 12 month expected credit losses (Stage 1)	Loan Commitments	580.50	(2.90)	577.60
Loss allowance measured at life-time expected credit losses, credit impaired (Stage 3)	Loans	1,585.00	(1,030.25)	554.75
Total		23,497.58	(1,139.92)	22,357.66

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Maximum exposure to credit risk

The table below shows the maximum exposure to credit risk for recognised financial instruments. The extent to which collateral and other credit enhancements mitigate the maximum exposure to credit risk is described in the footnotes to the table. For financial assets recognised on the balance sheet, the maximum exposure to credit risk equals their carrying amount.

Particulars	Gross Exposure	
	31st March 2021	31st March 2020
Cash and cash equivalents	4,100.27	5,013.77
Bank balance other than cash and cash equivalents	-	1,874.89
Trade receivables	3.30	2.31
Loans and advances to customers	21,074.17	22,917.08
Investments in PTCs & AIF	3,230.06	1,003.13
Investments in subsidiaries	1,001.00	600.00
Other financial assets	59.59	157.09
Total credit risk exposure	29,468.39	31,568.27

Value of security of credit impaired assets

The credit impaired assets as at the reporting dates were secured receivables of the borrowers amounting to:

Particulars	As at 31st March 2021	As at 31st March 2020
Value of security	-	554.75
Total	-	554.75

Reconciliation of ECL balance**(a) Loans**

Particulars	Stage 1	Stage 2	Stage 3
ECL allowance as on 31st March 2019	43.04	-	-
New Assets Originated or Purchased	1,093.98	-	-
Write - offs	-	-	-
Transferred to 12-month ECL	-	-	-
Transferred to Lifetime ECL not credit impaired	-	-	-
Transferred to Lifetime ECL credit impaired	(1,030.25)	-	1,030.25
ECL allowance as on 31st March 2020	106.77	-	1,030.25
New Assets Originated or Purchased	73.00	-	-
Changes in loss allowances due to Assets used or released	(74.40)	-	-
Write - offs	-	-	(1,585.00)
Transferred to 12-month ECL	-	-	-
Transferred to Lifetime ECL not credit impaired	-	-	-
Transferred to Lifetime ECL credit impaired	-	-	554.75
ECL allowance as on 31st March 2021	105.37	-	-

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

(b) Loan commitments

Particulars	Stage 1	Stage 2	Stage 3
ECL allowance as on 31st March 2019	-	-	-
New Assets Originated or Purchased	2.90	-	-
Write – offs	-	-	-
Transferred to 12-month ECL	-	-	-
Transferred to Lifetime ECL not credit impaired	-	-	-
Transferred to Lifetime ECL credit impaired	-	-	-
ECL allowance as on 31st March 2020	2.90	-	-
New Assets Originated or Purchased	17.50	-	-
Changes in loss allowances due to Assets used or released	(2.90)	-	-
Write – offs	-	-	-
Transferred to 12-month ECL	-	-	-
Transferred to Lifetime ECL not credit impaired	-	-	-
Transferred to Lifetime ECL credit impaired	-	-	-
ECL allowance as on 31st March 2021	17.50	-	-

(c) Trade Receivable

Particulars	As at 31st March 2021
ECL allowance as on 31st March 2019	-
New Assets Originated or Purchased	-
ECL allowance as on 31st March 2020	-
New Assets Originated or Purchased	0.01
ECL allowance as on 31st March 2021	0.01

Concentration of Risk

The Company continues to grow its product offerings by expanding its geographic reach in order to reduce geographic concentrations while continually calibrating its product mix across all categories of lending.

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

(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 has formulated an Asset Liability Management Policy. The Asset Liability Management Committee (ALCO) is responsible for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. 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 31st March 2021:-

AS at 31st March 2021.

Particulars	Note No.	Contractual cash flows					
		Carrying amount	Gross nominal inflow/(outflow)	Less than 1 year	1-3 years	3-5 years	After 5 years
Maturities of financial liabilities:							
Trade payables	13	90.80	90.80	90.80	-	-	-
Deposits	14	2.44	2.44	-	2.44	-	-
Other financial liabilities	15	572.12	664.32	255.38	408.94	-	-
Loan commitments	30	3,500.50	3,500.50	3,500.50	-	-	-
Total		4,165.86	4,258.06	3,846.68	411.38	-	-

As at 31st March 2020:-

AS at 31st March 2020.

Particulars	Note No.	Contractual cash flows					
		Carrying amount	Gross nominal inflow/(outflow)	Less than 1 year	1-3 years	3-5 years	After 5 years
Maturities of financial liabilities:							
Trade payables	13	56.69	56.68	56.68	-	-	-
Other financial liabilities	15	728.78	907.69	147.33	492.75	267.61	-
Loan commitments	30	580.50	580.50	580.50	-	-	-
Total		1,365.97	1,544.87	784.51	492.75	267.61	-

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

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 31st March 2021:-

As at 31st March 2017

Particulars	Note No.	Contractual cash flows					
		Carrying amount	Gross nominal inflow/(outflow)	Less than 1 year	1-3 years	3-5 years	After 5 years
<u>Maturities of financial assets:</u>							
Cash and cash equivalents	3	4,100.27	4,100.27	4,100.27	-	-	-
Bank balance other than cash and cash e	4	-	-	-	-	-	-
Trade receivables	5	3.30	3.30	3.30	-	-	-
Loans	6	20,951.30	25,882.69	9,462.84	16,419.85	-	-
Investments	7	4,231.06	4,376.35	3,095.08	-	-	1,281.27
Other financial assets	8	59.59	82.25	-	72.11	-	10.14
Total		29,345.52	34,444.87	16,661.49	16,491.96	-	1,291.41

As at 31st March 2020:-

As at 31st March 2020.

Particulars	Note No.	Contractual cash flows					
		Carrying amount	Gross nominal inflow/(outflow)	Less than 1 year	1-3 years	3-5 years	After 5 years
<u>Maturities of financial assets:</u>							
Cash and cash equivalents	3	5,013.77	5,013.77	5,013.77	-	-	-
Bank balance other than cash and cash e	4	1,874.89	1,874.89	1,874.89	-	-	-
Trade receivables	5	2.31	2.31	2.31	-	-	-
Loans	6	21,777.15	27,719.81	14,192.49	8,945.88	4,581.44	-
Investments	7	1,603.13	1,603.13	1,003.13	-	-	600.00
Other financial assets	8	157.09	180.29	59.13	49.05	72.11	-
Total		30,428.34	36,394.20	22,145.72	8,994.93	4,653.55	600.00

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 38 : Related party disclosures

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

a. List of Related parties where control exists and/or with whom transactions have taken place and relationships:

Nature of Relationship	Name of the party
Key managerial personnel ('KMP')	Bhupinder Singh, Director Venkatesh Vishwanathan, Director Saurabh Jhalaria , Director Vivek Bansal, Director (w.e.f 26th March 2019) Siddharth Parekh, Director Rajiv Sukumar, CFO (from 3rd September 2020 to 31st March 2021) Deepak Dhingra, CFO (w.e.f 1st April 2021) Varun Shah, Company Secretary (w.e.f 8th September 2020)
Enterprise over which KMP is able to exercise significant influence	InCred Financial Services Limited InCred Housing Finance Private Limited InCred Management and Technology Private Limited InCred Wealth Private Limited (formerly known as InCred Capital Inclusion Advisory Services Private Limited) (w.e.f. 15th October 2019) InCred Capital Wealth Portfolio Managers Private Limited (formerly known as BSH Corporate Advisors and Consultants Private Limited) (from 11th July 2018 to 17th April 2019 and 28th January 2020 to 31st March 2020)
Subsidiaries	InCred Asset Management Private Limited (formerly known as InCred Capital Investment Advisors and Managers Private Limited) (w.e.f. 01st March 2019) InCred Wealth and Investment Services Private Limited (w.e.f 18th November 2020) InCred Wealth Private Limited (formerly known as InCred Capital Inclusion Advisory Services Private Limited) (w.e.f. 20th May 2019 till 14th October 2019) InCred Capital Wealth Portfolio Managers Private Limited (formerly known as BSH Corporate Advisors and Consultants Private Limited) (From 18th April 2019 to 27th January 2020)
Step down Subsidiary	Vishuddha Capital Management LLP (w.e.f 15th December 2020)

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

b. Transactions during the year with related parties

Transactions	KMP		Enterprise over which KMP are able to exercise significant influence		Subsidiaries		Total	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Loan & advances given:								
InCred Wealth Private Limited (formerly known as InCred Capital Inclusion Advisory Services Private Limited)	-	-	20,550.00	6,419.50	-	-	20,550.00	6,419.50
InCred Asset Management Private Limited (formerly known as InCred Capital Investment Advisors and Managers Private Limited)	-	-	-	-	210.00	60.50	210.00	60.50
InCred Financial Services Limited	-	-	450.00	-	-	-	450.00	-
	-	-	21,000.00	6,419.50	210.00	60.50	21,210.00	6,480.00
Loans & advances repayment received:								
InCred Wealth Private Limited (formerly known as InCred Capital Inclusion Advisory Services Private Limited)	-	-	10,970.00	-	-	-	10,970.00	-
InCred Asset Management Private Limited (formerly known as InCred Capital Investment Advisors and Managers Private Limited)	-	-	-	-	270.50	-	270.50	-
InCred Capital Wealth Portfolio Managers Private Limited (formerly known as BSH Corporate Advisors and Consultants Private Limited)	-	-	-	60.62	-	-	-	60.62
	-	-	10,970.00	60.62	270.50	-	11,240.50	60.62
Purchase of investment in InCred Capital Wealth Portfolio Managers Private Limited (formerly known as BSH Corporate Advisors and Consultants Private Limited):								
Bhupinder Singh	-	100.00	-	-	-	-	-	100.00
	-	100.00	-	-	-	-	-	100.00
Investment in Subsidiary:								
InCred Asset Management Private Limited (formerly known as InCred Capital Investment Advisors and Managers Private Limited)	-	-	-	-	400.00	600.00	400.00	600.00
InCred Wealth and Investment Services Pvt Ltd	-	-	-	-	1.00	-	1.00	-
	-	-	-	-	401.00	600.00	401.00	600.00

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Transactions	KMP		Enterprise over which KMP are able to exercise significant influence		Subsidiaries		Total	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Sale of investment in InCred Capital Wealth Portfolio Managers Private Limited (formerly known as BSH Corporate Advisors and Consultants Private Limited):								
InCred Wealth Private Limited								
(formerly known as InCred Capital Inclusion Advisory Services Private Limited)	-	-	-	100.00	-	-	-	100.00
	-	-	-	100.00	-	-	-	100.00
Purchase of Investments:								
InCred Financial Services Limited	-	-	6,505.59	-	-	-	6,505.59	-
	-	-	6,505.59	-	-	-	6,505.59	-
Sale of Investments:								
InCred Wealth Private Limited	-	-	1,716.99	-	-	-	1,716.99	-
(formerly known as InCred Capital Inclusion Advisory Services Private Limited)	-	-	1,716.99	-	-	-	1,716.99	-
Loss on Sale Investments:								
InCred Wealth Private Limited	-	-	1.01	-	-	-	1.01	-
(formerly known as InCred Capital Inclusion Advisory Services Private Limited)	-	-	1.01	-	-	-	1.01	-
Interest Income on sale Investments								
InCred Wealth Private Limited	-	-	70.02	-	-	-	70.02	-
(formerly known as InCred Capital Inclusion Advisory Services Private Limited)	-	-	70.02	-	-	-	70.02	-
Remuneration paid to KMPs								
	633.63	242.65	-	-	-	-	633.63	242.65
	633.63	242.65	-	-	-	-	633.63	242.65

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Transactions	KMP		Enterprise over which KMP are able to exercise significant influence		Subsidiaries		Total	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Interest on Loan and Advances:								
InCred Wealth Private Limited	-	-	1,766.68	181.18	-	-	1,766.68	181.18
(formerly known as InCred Capital Inclusion Advisory Services Private Limited)								
InCred Asset Management Private Limited	-	-	-	-	8.94	0.33	8.94	0.33
(formerly known as InCred Capital Investment Advisors and Managers Private Limited)								
InCred Financial Services Limited	-	-	1.76	-	-	-	1.76	-
	-	-	1,768.44	181.18	8.94	0.33	1,777.38	181.51
Expenses Reimbursement :								
InCred Financial Services Limited	-	-	31.24	-	-	-	31.24	-
	-	-	31.24	-	-	-	31.24	-
Sale of Loan Portfolio								
InCred Financial Services Limited	-	-	12,738.68	-	-	-	12,738.68	-
	-	-	12,738.68	-	-	-	12,738.68	-
Issue of equity shares upon conversion of OCRPS:								
Bhupinder Singh	18.15	-	-	-	-	-	18.15	-
	18.15	-	-	-	-	-	18.15	-

Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. For terms of loan provided to InCred Wealth Private Limited (formerly known as InCred Capital Inclusion Advisory Services Private Limited), Refer Note No. 6.

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

c. Closing balances with Related parties as at 31st March 2021 and 31st March 2020:

Closing balance	KMP		Enterprise over which KMP are able to exercise significant influence		Subsidiaries		Total	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Trade payables:								
InCred Financial Services Limited	-	-	15.87	-	-	-	15.87	-
	-	-	15.87	-	-	-	15.87	-
Loans								
InCred Wealth Private Limited	-	-	15,999.50	6,419.50	-	-	15,999.50	6,419.50
(formerly known as InCred Capital Inclusion Advisory Services Private Limited)								
InCred Financial Services Limited	-	-	4,500.00	-	-	-	4,500.00	-
InCred Asset Management Private Limited	-	-	-	-	-	60.50	-	60.50
(formerly known as InCred Capital Investment Advisors and Managers Private Limited)								
	-	-	20,499.50	6,419.50	-	60.50	20,499.50	6,480.00
Interest receivable on Loan and Advances								
InCred Wealth Private Limited	-	-	179.07	54.87	-	-	179.07	54.87
(formerly known as InCred Capital Inclusion Advisory Services Private Limited)								
InCred Asset Management Private Limited	-	-	-	-	-	0.33	-	0.33
(formerly known as InCred Capital Investment Advisors and Managers Private Limited)								
InCred Financial Services Limited	-	-	1.76	-	-	-	1.76	-
	-	-	180.83	54.87	-	0.33	180.83	55.20
Investment in Subsidiary:								
InCred Asset Management Private Limited	-	-	-	-	1,000.00	600.00	1,000.00	600
(formerly known as InCred Capital Investment Advisors and Managers Private Limited)								
InCred Wealth and Investment Services Pvt Ltd	-	-	-	-	1.00	-	1.00	-
	-	-	-	-	1,001.00	600.00	1,001.00	600

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 39 : Current and Non-current classification

Note 55: Current and Non-current classification

Particulars	Note No.	As at 31st March 2021			As at 31st March 2020		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS							
(A) Financial assets:							
Cash and cash equivalents	3	4,100.27	-	4,100.27	5,013.77	-	5,013.77
Bank balance other than cash and cash equivalents	4	-	-	-	1,874.89	-	1,874.89
Trade receivables	5	3.30	-	3.30	2.31	-	2.31
Loans	6	7,195.40	13,755.90	20,951.30	11,930.14	9,847.01	21,777.15
Investments	7	2,949.79	1,281.27	4,231.06	1,003.13	600.00	1,603.13
Other financial assets	8	10.14	49.45	59.59	3.79	153.30	157.09
Sub-total (A)		14,258.90	15,086.62	29,345.52	19,828.03	10,600.31	30,428.34
(B) Non-financial assets:							
Current tax assets (Net)	9	381.20	-	381.20	58.69	-	58.69
Deferred tax assets (Net)	28	-	836.70	836.70	-	419.28	419.28
Property, plant and equipment	10	-	456.65	456.65	-	746.58	746.58
Capital work in Progress		-	5.36	5.36	-	66.86	66.86
Other intangible assets	11	-	2.10	2.10	-	3.98	3.98
Other non-financial assets	12	2,114.68	77.75	2,192.43	128.85	7.16	136.01
Sub-total (B)		2,495.88	1,378.56	3,874.44	187.54	1,243.86	1,431.40
Total Assets (A + B)		16,754.78	16,465.18	33,219.96	20,015.57	11,844.17	31,859.74

Particulars	Note No.	As at 31st March 2021			As at 31st March 2020		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
LIABILITIES & EQUITY							
(A) Financial liabilities:							
Trade payable	13	-	-	-	-	-	-
(i) total outstanding dues of micro and small enterprises		90.80	-	90.80	56.69	-	56.69
(ii) total outstanding dues of creditors other than MSME		-	2.44	2.44	-	-	-
Deposits	14	119.16	452.96	572.12	140.47	588.31	728.78
Other financial liabilities	15						
Sub-total (A)		209.96	455.40	665.36	197.16	588.31	785.47
Non-Financial liabilities							
Provisions	16	0.08	12.32	12.40	4.09	26.31	30.40
Other non-financial liabilities	17	212.36	-	212.36	66.12	-	66.12
Sub-total (B)		212.44	12.32	224.76	70.21	26.31	96.52
Total Liabilities (A + B)		422.40	467.72	890.12	267.37	614.62	881.99

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 40 : RBI Disclosures**a. Statutory reserve pursuant to Section 45-IC of the RBI Act, 1934**

In terms of Section 45-IC of the RBI Act, NBFCs are required to create a reserve fund and transfer therein a sum not less than twenty percent of its net profit every year. For the FY 2020-21, the company has posted a loss and therefore transfer to Statutory Reserve fund is NIL (31st March 2020: INR. 44.55 Lakhs).

b. Capital to Risk weighted asset ratio ('CRAR')

The Company maintains an actively managed capital base to cover risk inherent in the business which includes issued equity capital, share premium and all other equity reserves attributable to equity holders of the Company.

As per the "Master - Directions - Non Banking Financial Company - Systemically Important Non - Deposit taking Company (Reserve Bank) Directions, 2016", RBI requires the Company to maintain a minimum Capital to Risk Weighted Asset Ratio ('CRAR') of 15%. The capital management process of the Company ensures to maintain a health CRAR at all times.

Capital consists of 'Tier - I' and 'Tier - II' capital. Furthermore the Tier - II capital cannot exceed 100% of the Tier - I capital of the Company.

'Tier - I capital' means owned fund as reduced by investment in shares of other non-banking financial companies and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, ten per cent of the owned fund; and perpetual debt instruments issued by a non-deposit taking non-banking financial company in each year to the extent it does not exceed 15% of the aggregate Tier I Capital of such company as on March 31 of the previous accounting year;

'Tier - II capital' includes the following:

- (a) preference shares other than those which are compulsorily convertible into equity;
- (b) revaluation reserves at discounted rate of fifty five percent;
- (c) General provisions (including that for Standard Assets) and loss reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one and one fourth percent of risk weighted assets;
- (d) hybrid debt capital instruments;
- (e) subordinated debt; and
- (f) perpetual debt instruments issued by a non-deposit taking non-banking financial company which is in excess of what qualifies for Tier I Capital, to the extent the aggregate does not exceed Tier I capital.

'Owned funds' means paid up equity capital, preference shares which are compulsorily convertible into equity, free reserves, balance in share premium account and capital reserves representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of asset, as reduced by accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any;

Calculation of Capital to Risk weighted asset ratio:

Particulars	As at 31st March 2021	As at 31st March 2020
CRAR (%) [Total capital/Risk weighted assets]	38.21%	107.66%
CRAR - Tier - I Capital (%) [Tier - I Capital/Risk Weighted assets]	37.74%	103.14%
CRAR - Tier - II Capital (%) [Tier - II Capital/Risk Weighted assets]	0.47%	4.52%
Amounts of subordinated debts raised as Tier - II Capital	-	-
Amounts raised by issue of Perpetual debt instruments	-	-

c. Frauds reported during the year

The Company has reported frauds aggregating NIL (previous year: NIL) based on management reporting to risk committee and to the RBI through prescribed returns FMR-1.

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

d. Investments

Particulars	As at 31st March 2021	As at 31st March 2020
(1) Value of investments		
(i) Gross value of investments		
(a) In India	4,231.06	1,603.13
(b) Outside India	-	-
(ii) Provisions for depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	4,231.06	1,603.13
(b) Outside India	-	-
(2) Movement of provisions held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add : Provisions made during the year	-	-
(iii) Less : Write-off/(write-back)of excess provisions during the year	-	-
(iv) Closing balance	-	-

e. Derivatives

Particulars	As at 31st March 2021	As at 31st March 2020
Transactions/exposure in derivative during the year	Nil	Nil
Unhedged foreign currency exposure as at the year end	Nil	Nil

f. Disclosures relating to securitization

There are no securitisation transactions entered into by the Company during the current year and previous year. Also, the Company does not have any securitisation exposure during the current year and previous year.

The Company has not sold any financial assets to Securitisation/Reconstruction Company for asset reconstruction and also not undertaken any assignment transactions during the current year and previous year.

The Company has not purchased/sold non-performing assets during the year ended 31st March 2021 and 31st March 2020.

Details of Assignment transactions undertaken by NBFCs :-

Particulars	As at 31st March 2021	As at 31st March 2020
- No. of accounts	11	-
- Aggregate value (net of provisions) of the accounts sold	12,674.98	-
- Aggregate consideration	12,738.68	-
- Additional consideration realised in respect of accounts transferred in earlier years	-	-
- Aggregate gain/loss over net book value	-	-

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

h. Exposure to real estate

Particulars	As at 31st March 2021	As at 31st March 2020
Direct Exposure		
Residential Mortgages		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	-	-
Commercial Real Estate		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits	-	-
Investments in Mortgage Backed Securities (MBS) and other securitised exposures		
a. Residential	-	-
b. Commercial Real Estate	-	-
Indirect Exposure		
Fund based and non based exposures on National housing Bank and Housing Finance Companies	-	-

i. Exposure to capital markets

Particulars	As at 31st March 2021	As at 31st March 2020
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	1,001.00	-
(ii) Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	16,178.57	-
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/convertible bonds/convertible debentures/units of equity oriented mutual funds 'does not fully cover the advances;	-	-
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi) Loans sanctioned to corporates against the security of shares/bonds/debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) Bridge loans to companies against expected equity flows/issues;	-	-
(viii) All exposures to Venture Capital Funds (both registered and	-	-
Total exposure to Capital markets	17,179.57	-

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

j. Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC

The Company has not exceeded the prudential exposure limits for Single Borrower Limit (SGL) / Group Borrower Limit (GBL).

k. Unsecured advances

The Company has not granted unsecured advances against collateral of intangible securities such as charge over the rights, licenses, authority.

l. Registration obtained from other financial sector regulators:

Particulars	Registration No.
RBI Regulation Number	B-13.02415
Corporate Identification Number	U67120MH1996PTC355036

m. Disclosure of Penalties imposed by RBI and other regulators

Penalty of INR. 0.02 Lakhs paid to RBI for delay in refund of excess share application money.

n. Related party transactionsRefer **Note No. 38** to the standalone financial statements for the transactions with the Related parties.**o. Credit rating**

The Company has not taken any financing facility, therefore no credit rating has been obtained.

p. Provisions and contingencies

Break up of 'Provisions and contingencies' shown under the head expenditure in Profit and Loss account	As at 31st March 2021	As at 31st March 2020
Provisions for depreciation on investment	-	-
Provision towards NPA/ Write off	554.75	1,030.25
Provision made towards income tax	-	191.61
Provision for Standard Assets/ (Reversal of Provision)	13.21	66.64

q. Draw-down from reserves

During the year, the Company has not drawn down any amount from Reserves.

r. Concentration of Advances, Exposures and NPAs**Concentration of advances**

Particulars	As at 31st March 2021	As at 31st March 2020
Total advances to twenty largest borrowers	21,074.17	22,917.08
Percentage of advances to twenty largest borrowers to total advances of the NBFC	100.00%	100.00%

Concentration of exposures

Particulars	As at 31st March 2021	As at 31st March 2020
Total exposure to twenty largest borrowers/customers	21,074.17	22,917.08
Percentage of exposures to twenty largest borrowers/customers to total exposure of the NBFC on borrowers/customers	100.00%	100.00%

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Concentration of NPAs

Particulars	As at 31st March 2021	As at 31st March 2020
Total exposure to top four NPA accounts	-	-

Sector-wise NPAs

Sector	Percentage of NPAs to Total Advances in that sector	
	As at 31st March 2021	As at 31st March 2020
Agriculture & allied activities	-	-
MSME	-	-
Corporate borrowers	-	-
Services	-	100.00%
Unsecured personal loans	-	-
Auto loans	-	-
Other personal loans	-	-

Movement of NPAs

Particulars	As at 31st March 2021	As at 31st March 2020
Net NPAs to net advances (%)	0.00%	2.55%
Movement of NPAs (Gross)		
(a) Opening balance	1,585.00	-
(b) Additions during the year	-	1,585.00
(c) Reductions during the year	1,585.00	-
(d) Closing balance	-	1,585.00
Movement of Net NPAs		
(a) Opening balance	554.75	-
(b) Additions during the year	-	554.75
(c) Reductions during the year	554.75	-
(d) Closing balance	-	554.75
Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	1,030.25	-
(b) Provisions made during the year	554.75	1,030.25
(c) Write-off of excess provisions	1,585.00	-
(d) Closing balance	-	1,030.25

s. Disclosure of complaints**Customer complaints**

Particulars	As at 31st March 2021	As at 31st March 2020
No. of complaints pending at the beginning of the year	-	-
No. of complaints received during the year	-	-
No. of complaints redressed during the year	-	-
No. of complaints pending at the end of the year	-	-

t. Disclosure of gold loan portfolio

The Company has not lent any loans against gold jewellery during the year ended 31st March 2021 and 31st March 2020.

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

u. Disclosure as required by Annex II to the "Master - Directions - Non Banking Financial Company - Systemically Important Non - Deposit taking Company (Reserve Bank) Directions, 2016" w.r.t Liquidity Risk Management Framework for NBFCs'

Funding Concentration based on significant counterparty (both deposits and borrowings)

Particulars	As at 31st March 2021	As at 31st March 2020
Number of significant counter parties	-	-
Amount (INR. In Lakhs)	-	-
Percentage of funding concentration to total deposits	0.00%	0.00%
Percentage of funding concentration to total liabilities	0.00%	0.00%

Top 20 large deposits

Particulars	As at 31st March 2021	As at 31st March 2020
Total amount of top 20 deposits	-	-
Percentage of amount of top 20 deposits to total deposits	0.00%	0.00%

Top 10 borrowings

Particulars	As at 31st March 2021	As at 31st March 2020
Total amount of top 10 borrowings	-	-
Percentage of amount of top 10 borrowings to total borrowings	0.00%	0.00%

Funding Concentration based on significant instrument/product

Particulars	As at 31st March 2021	% of total liabilities
Non-convertible debentures	-	0.00%
Loans from bank	-	0.00%
Deposits	-	0.00%
External commercial borrowings	-	0.00%
Sub-ordinated debts	-	0.00%
Commercial paper	-	0.00%

Particulars	As at 31st March 2021	% of total liabilities
Non-convertible debentures	-	0.00%
Loans from bank	-	0.00%
Deposits	-	0.00%
External commercial borrowings	-	0.00%
Sub-ordinated debts	-	0.00%
Commercial paper	-	0.00%

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Stock ratio

Particulars	As at 31st March 2021	As at 31st March 2020
Commercial papers as a % of total public funds, total liabilities and total assets	0.00%	0.00%
Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets	0.00%	0.00%
Other short-term liabilities, if any as a % of		
- total public funds	0.00%	0.00%
- total assets	1.27%	0.84%
- total liabilities	47.45%	30.31%

Institutional set-up for liquidity risk ManagementRefer **Note No. 37** of standalone financials statements.

v. Additional information as per guidelines issued by the Reserve Bank of India in respect of Non-Banking Financial (Non-deposit accepting or holding) Systemically Important (NBFC-ND-SI) is given in Annexure 1.

(This space has been intentionally left blank)

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

g. Asset liability management maturity pattern of certain items of assets and liabilities as at 31st March 2021

Particulars	Up to 30/31 days	Over 1 month up to 2 months	Over 2 months up to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Advances*	412.71	-	-	4,477.50	2,305.18	17,256.40	-	-	24,451.79
Investments	453.89	403.11	361.96	1,082.63	648.20	-	-	1,281.27	4,231.06

* Includes maturity of undisbursed loan of INR. 3500.50 Lakhs to InCred Wealth Private Limited as per repayment schedule.

Asset liability management maturity pattern of certain items of assets and liabilities as at 31st March 2020

Particulars	Up to 30/31 days	Over 1 month up to 2 months	Over 2 months up to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Advances*	1,148.89	1,042.60	989.05	3,046.47	5,763.46	7,021.50	3,345.69	-	22,357.65
Investments	1,003.13	-	-	-	-	-	-	600.00	1,603.13

* Includes maturity of undisbursed loan of INR. 580.50 Lakhs to InCred Wealth Private Limited as per repayment schedule.

(This space has been intentionally left blank)

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 41 : Disclosure pursuant to RBI Notification 'RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20' dated 13th March 2020 - Implementation of Indian Accounting Standards (For the year ended 31st March 2021)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(A)	(B)	(C)	(D)	(E) = (C) - (D)	(F)	(G) = (D) - (F)
Performing assets						
Standard	Stage 1	21,074.17	105.37	20,968.80	84.30	21.07
Subtotal		21,074.17	105.37	20,968.80	84.30	21.07
Non Performing Assets (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful Upto 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1 Stage 2 Stage 3	3,500.50 - -	17.50 - -	3,483.00 - -	- - -	17.50 - -
Subtotal		3,500.50	17.50	3,483.00	-	17.50
Total	Stage 1	24,574.67	122.87	24,451.79	84.30	38.58
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Total	24,574.67	122.87	24,451.79	84.30	38.58

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Disclosure pursuant to RBI Notification 'RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20' dated 13th March 2020 - Implementation of Indian Accounting Standards (For the year ended 31st March 2020)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(A)	(B)	(C)	(D)	(E) = (C) - (D)	(F)	(G) = (D) - (F)
Performing assets						
Standard	Stage 1	21,332.08	106.77	21,225.31	84.68	22.09
Subtotal		21,332.08	106.77	21,225.31	84.68	22.09
Non Performing Assets (NPA)						
Substandard	Stage 3	1,585.00	1,030.25	554.75	158.50	871.75
Doubtful Upto 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		1,585.00	1,030.25	554.75	158.50	871.75
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning	Stage 1	580.50	2.90	577.60	-	2.90
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		580.50	2.90	577.60	-	2.90
Total	Stage 1	21,912.58	109.68	21,802.91	84.68	24.99
	Stage 2	-	-	-	-	-
	Stage 3	1,585.00	1,030.25	554.75	158.50	871.75
	Total	23,497.58	1,139.93	22,357.66	243.18	896.74

Note 42 : Disclosure as required in Paragraph 10 of 'RBI/2019-20/220 DOR.No.BP.BC.63/21.04.048/2019-20' dated 17th April 2020 - COVID19 Regulatory Package - Asset Classification and Provisioning

Particulars	As at 31st March 2021	As at 31st March 2020
(i) Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended, in terms of paragraph 2 and 3;	-	-
(ii) Respective amount where asset classification benefits is extended.	-	-
(iii) Provisions made during the Q4FY2020 and Q1FY2021 in terms of paragraph 5;	NA*	NA*
(iv) Provisions adjusted during the respective accounting periods against slippages and the residual provisions in terms of paragraph 6.	NA	NA

* The Company, being NBFC, has complied with IND-AS and the guidelines approved by the Board for recognition of the impairments.

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 43 : Reversal of compound interest

As per guidelines issued by RBI on 'Asset Classification and Income Recognition following the expiry of Covid-19 regulatory package' dated April 7, 2021 and the Indian Banks' Association ('IBA') advisory letter dated April 19, 2021, the Company has put in place a Board approved policy to refund/ adjust the 'interest on interest' charged to borrowers during the moratorium period i.e. March 1, 2020 to August 31, 2020. The Company has provided for reversal of interest on interest amounting to Rs. 2.70 lakhs on such loans in the standalone financial statements for the year ended March 31, 2021.

Note 44 : Management's decision to exit NBFC business

The board of directors vide its meeting dated 07th September 2020 had decided to exit the NBFC lending business and enter into wealth management, asset management, investment banking and debt broking business. Consequently the management had transferred loan portfolio amounting to INR. 12,738.68 Lakhs to InCred Financial Services Limited.

However the management is still in the process of formulating its business plan for exiting NBFC lending business and entering into wealth management business. In the absence of any formal plan the standalone financial statement for the financial year ended 31st March 2021 has been prepared considering the Company as an NBFC and complying with the rules and regulations prescribed by RBI.

Note 45 : Disclosure relating to earnings and expenditure in foreign currency

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
A. Expenditure in foreign currency		
Legal, professional and consultancy charges	83.64	23.48
Membership and subscription	7.37	-
	91.02	23.48

B. Earnings in foreign currency

There are no earnings in foreign currency for the financial year ended 31st March 2021 and 31st March 2020.

Note 46 : 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 2021
InCred Asset Management Private Limited (formerly known as InCred Capital Investment Advisors and Managers Private Limited)	Financial services, investment banking, Investment manager for Category - II AIF "InCred Impact Corporate Debt Fund"	India	100.00%
InCred Wealth and Investment Services Private Limited	Financial and advisory services	India	100.00%

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 47 : Other notes to accounts

a. Segment reporting

The Company operates in a single reportable segment that is financing, 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 not applicable to the Company.

c. Previous year figures

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

For Soni Chatrath & Co.

Chartered Accountants

ICAI Firm Registration No. 001092N

**NAKUL
SARDA**

Digitally signed by

NAKUL SARDA

Date: 2021.07.21

16:43:18 +05'30'

Nakul Sarda

Partner

Membership No.: 513005

For and on behalf of the Board of Directors of

InCred Capital Financial Services Private Limited

(Formerly Known As Proud Securities And Credits Private Limited)

**BHUPIN
DER
SINGH**

Digitally signed by BHUPINDER SINGH
DN: cn=BHUPINDER SINGH,
o=InCred Capital Financial Services Private Limited,
ou=Board of Directors,
email=bhupinder.singh@incrd.com,
c=IN
Reason: I am the author of this document
Location: your signing location here
Date: 2021.07.21 14:21:55
Firm Reader Version: 10.0.1

Bhupinder Singh

Director

DIN - 07342318

**Deepak
Dhingra**

Digitally signed by Deepak Dhingra
DN: cn=Deepak Dhingra,
o=InCred Capital Financial Services Private Limited,
ou=Chief Financial Officer,
email=deepak.dhingra@incrd.com,
c=IN
Reason: I am the author of this document
Location: your signing location here
Date: 2021.07.21 14:24:08
Firm Reader Version: 10.0.1

Deepak Dhingra

Chief Financial Officer

**SAURABH
JHALARIA**

Digitally signed by SAURABH JHALARIA
DN: cn=SAURABH JHALARIA,
o=InCred Capital Financial Services Private Limited,
ou=Board of Directors,
email=saurabh.jhalaria@incrd.com,
c=IN
Reason: I am the author of this document
Location: your signing location here
Date: 2021.07.21 14:28:41
Firm Reader Version: 10.0.1

Saurabh Jhalaria

Director

DIN - 07908327

**VARUN
SUNIL
SHAH**

Digitally signed by VARUN SUNIL SHAH
DN: cn=VARUN SUNIL SHAH,
o=InCred Capital Financial Services Private Limited,
ou=Company Secretary,
email=varun.shah@incrd.com,
c=IN
Reason: I am the author of this document
Location: your signing location here
Date: 2021.07.21 14:28:41
Firm Reader Version: 10.0.1

Varun Shah

Company Secretary

Membership No.: A28901

Place : Mumbai

Date : 21st July 2021

Place : Mumbai

Date : 21st July 2021

Place : Mumbai

Date : 21st July 2021

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Annexure - 1

Schedule to the Balance Sheet of a non-deposit taking Non-Banking Financial Company as required in terms of Non-Banking Financial Company Non-systemically important Non-Deposit taking Company (Reserve Bank) Direction, 2016.

Particulars	As at 31st March 2021		As at 31st March 2020	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
LIABILITIES SIDE :				
(1) Loans and advances availed by the nonbanking financial company inclusive of interest accrued thereon but not paid:				
(a) Debentures : (other than falling within the meaning of public deposits*)				
-Secured	-	-	-	-
-Unsecured	-	-	-	-
(b) Deferred Credits	-	-	-	-
(c) Term Loans	-	-	-	-
(d) Inter-corporate loans and borrowing	-	-	-	-
(e) Commercial Paper	-	-	-	-
(f) Other Loans (specify nature)	-	-	-	-
ASSET SIDE:	As at 31st March 2021		As at 31st March 2020	
(2) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :	Amount outstanding		Amount outstanding	
(a) Secured		16,472.04		21,716.82
(b) Unsecured		4,479.25		60.33
(3) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities	As at 31st March 2021		As at 31st March 2020	
	Amount outstanding		Amount outstanding	
(i) Lease assets including lease rentals under sundry debtors :				
(a) Financial lease		-		-
(b) Operating lease		-		-
(ii) Stock on hire including hire charges under sundry debtors:				
(a) Assets on hire		-		-
(b) Repossessed Assets		-		-
(iii) Other loans counting towards AFC activities				
(a) Loans where assets have been repossessed		-		-
(b) Loans other than (a) above		-		-
(4) Break-up of Investments :	As at 31st March 2021		As at 31st March 2020	
	Amount outstanding		Amount outstanding	
Current Investments :				
1. Quoted:				
(i) Shares :				
(a) Equity		-		-
(b) Preference		-		-
(ii) Debentures and Bonds		-		-
(iii) Units of mutual funds		-		1,003.13
(iv) Government Securities		-		-
(v) Others (please specify)		-		-
2. Unquoted:				
(i) Shares :				
(a) Equity		-		-
(b) Preference		-		-
(ii) Debentures and Bonds		-		-
(iii) Units of mutual funds		-		-
(iv) Government Securities		-		-
(v) Others - Pass Through Certificates		2,949.79		-

InCred Capital Financial Services Private Limited

(Formerly known As Proud Securities And Credits Private Limited)

CIN: U67120MH1996PTC355036

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

	As at 31st March 2021 Amount outstanding	As at 31st March 2020 Amount outstanding
Non-Current investments :		
1. Quoted:		
(i) Shares :		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
2. Unquoted:		
(i) Shares :		
(a) Equity	1,001.00	600.00
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others - AIF	280.27	-

(5) Borrower group-wise classification of assets financed as in (2) and (3) above :				
Category	As at 31st March 2021		As at 31st March 2020	
	Amount net of provisions		Amount net of provisions	
	Secured	Unsecured	Secured	Unsecured
1. Related Parties				
(a) Subsidiaries	-	-	-	60.33
(b) Companies in the same group	16,080.17	4,479.25	6,439.10	-
(c) Other related parties	-	-	-	-
2. Other than related parties	391.87	-	15,277.72	-
Total	16,472.04	4,479.25	21,716.82	60.33

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):				
Category	As at 31st March 2021		As at 31st March 2020	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties				
(a) Subsidiaries	1,001.00	1,001.00	600.00	600.00
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2. Other than related parties	3,230.07	3,230.07	1,003.13	1,003.13
Total	4,231.07	4,231.07	1,603.13	1,603.13

(7) Other information		
	Amount as at 31st March 2021	Amount as at 31st March 2020
(i) Gross Non-Performing Assets	-	-
(a) Related parties	-	-
(b) Other than related parties	-	1,585.00
(ii) Net Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	-	554.75
(iii) Assets acquired in satisfaction of debt	-	-

DIRECTOR'S REPORT

To the Members of
InCred Capital Financial Services Private Limited

Your Directors are delighted to present to you the 24th Annual Report of the Company together with the Audited Financial Statements of the Company for the Financial Year ("FY") ended March 31, 2021.

FINANCIAL HIGHLIGHTS OF THE COMPANY :

The highlights of the financial statements of the Company for the financial year 2020-2021 are as under:
(INR. In lakhs)

PARTICULARS	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Income from Operations	3635.56	3,329.69	4,230.44	3340.20
Other Income	19.95	6.98	20.09	6.98
Total Income	3655.51	3,336.67	4250.53	3347.18
Expenses	5168.16	2,889.29	6304.49	3030.5
Depreciation & Amortization	165.37	135.72	166.45	135.72
Total Expenses	5333.53	3,025.010	6470.94	3166.22
Profit before exceptional items and tax	(1678.02)	311.66	(2220.41)	180.96
Exceptional Items	-	-	-	-
Profit after exceptional items and before tax	(1678.02)	311.66	(2,220.41)	180.96
Tax Expense	(421.65)	88.91	(557.82)	60.90
OCI Income (Net of Tax)	8.93	4.27	8.93	4.27
Profit After Tax	(1247.44)	227.02	(1,653.66)	124.33
Transfer to Special Reserve under Section 45-IC of The RBI Act, 1934	-	44.55	-	-

OVERVIEW OF THE FY 2020-21

- The Company's revenue for the year was INR 3655.51 lakhs and profit after tax decreased to INR (1247.44) lakhs during the year as against INR 227.02 lakhs in previous year;
- Assets under management grew to INR 20951.30 lakhs as against INR 21777.15 lakhs in previous year;

The Company maintains a healthy CRAR of 38.21 % which is much higher than the prescribed minimum CRAR of 15% as per prudential norms. Following are the details of Tier I and Tier II Capital of the Company as on March 31, 2021:

CRAR- Tier I Capital : 37.74%

CRAR- Tier II Capital: 0.47%

InCred Capital Financial Services Private Limited

(Formerly Proud Securities and Credits Private Limited)

Registered and 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

CIN: U67120MH1996PTC355036

www.incredcapital.com | info@incred.com | 022 68446100

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply to the company for the financial year under review, as there was no dividend declared and paid in last year.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the year under review, there was no change in the nature of business of the Company. The Company continued to carry on the business of Non-Banking Financial Institution ('NBFC') without accepting public deposits.

However, as decided by the Board at its meeting held on September 7, 2020, the business profile of the Company is proposed to be pivoted towards wealth management, asset management, investment banking and debt broking businesses and thus it is proposed to surrender the NBFC license of the Company in order to meet the regulatory requirements subject to the necessary approvals.

During the year under review, the Company had changed its registered office from the National Capital territory of Delhi to the state of Maharashtra and accordingly the Company has received a fresh Certificate of Incorporation dated 10th February 2021 having CIN U67120MH1996PTC355036.

Pursuant to shifting of registered office in the state of Maharashtra, the Reserve Bank of India had granted new Certificate of Registration no.B.13.02415 dated July 7,2021.

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

DIVIDEND

The Board of Directors of the Company do not recommend payment of dividend for the financial year ended March 31, 2021.

SHARE CAPITAL

During the Financial Year 2020-21, the Company has allotted 52,72,407 equity shares at a face value of INR 10/- each pursuant to conversion of 5,00,000 Optionally Convertible Preference Shares and 1,34,75,000 Compulsorily Convertible Preference Shares. Further, the Company has reclassified the Authorised Share Capital during the year under review.

As on March 31, 2021, the capital structure of the Company is as following:

1. Authorized capital of the Company – INR 35,00,00,000 divided into 3,44,00,000 equity shares of INR 10/- each and 6,00,000 optionally convertible redeemable preference shares of INR 10/- each
2. Issued, subscribed and paid up capital -INR 9,20,85,570 divided into 92,08,557 equity shares of INR 10/-

Subsequent to the year under review, the Company has allotted 6,91,247 equity shares at a face value of INR 10/- each on April 20,2021 via private placement.

InCred Capital Financial Services Private Limited

(Formerly Proud Securities and Credits Private Limited)

Registered and 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

CIN: U67120MH1996PTC355036

www.incredcapital.com | info@incred.com | 022 68446100

TRANSFER TO RESERVES AND CREATION AND TRANSFER TO STATUTORY RESERVE U/S 45-IC of RBI Act, 1934:

Since the Company has incurred loss during the year under review, the Company was not required to transfer and amount to the statutory reserve as required under section 45-IC of RBI Act, 1935

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.

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.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE.

There were no significant and material orders passed by the regulators or courts or tribunals, which can impact the going concern status and Company's operations in future.

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

Your 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, 2021, 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.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES.

During the year under review, InCred Wealth and Investment Services Private Limited was incorporated as a wholly owned subsidiary of the Company w.e.f. November 18, 2020. Further, during the year under review, InCred Asset Management Private Limited, wholly owned subsidiary of the Company became designated partner in Vishuddha Capital Management LLP w.e.f December 15, 2020. The Company does not have any joint ventures within the meaning of Section 2(6) of the Companies Act, 2013.

As on March 31, 2021, the Company has 2 subsidiaries viz. InCred Asset Management Private Limited (Formerly Known as InCred Capital Investment Advisors and Managers Private Limited) and InCred Wealth and Investment 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**

InCred Capital Financial Services Private Limited

(Formerly Proud Securities and Credits Private Limited)

Registered and 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

CIN: U67120MH1996PTC355036

www.incredcapital.com | info@incred.com | 022 68446100

Pursuant to Section 129(3) of the Companies Act, 2013, the Company has prepared consolidated financial statements comprising of the balance sheet, profit & loss accounts 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 form part of the Annual Report.

IMPACT OF COVID -19 PANDEMIC

The detailed disclosure on the material impact of Covid-19 pandemic on the Company is forming part of the Financial Statements of the Company. You may refer to Note no. 42 of the Standalone Financial Statements for the same.

PUBLIC DEPOSITS AND RESERVE BANK OF INDIA COMPLIANCE

The Company being a Non-Deposit accepting Non-Banking Financial Company has not accepted any deposits (within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014) from the public during the year under review and shall not accept any deposits from the public without obtaining prior approval of the Reserve Bank of India (RBI). The Company has complied with the RBI regulations as applicable.

STATUTORY AUDITORS AND THEIR REPORT

M/s. Soni Chatrath & Co. Chartered Accounts (FRN :001092N) the Statutory Auditors of the Company were re-appointed in the twenty third Annual General Meeting of the Company to hold the office as the auditors for a term of 1 (One) year from the conclusion of the i.e. twenty third Annual General Meeting until the conclusion of the twenty fourth Annual General Meeting at such remuneration as was mutually agreed between the Board of Directors of the Company and the said Auditors.

In accordance with the provisions of Section 139 of the Companies Act, 2013, it is proposed to appoint M/s. Soni Chatrath & Co. Chartered Accounts to act as Statutory Auditors for period of 5 years at the ensuing Annual General Meeting (AGM) of the Company. The necessary resolution for their appointment has been included in the notice conveying the ensuing AGM of the Company.

The Company has received a confirmation from M/s Soni Chatrath & Co. Chartered Accounts _ to the effect that their appointment, if approved at the ensuing AGM would be in terms of Section 139 and 141 of the Companies Act, 2013 and rules made thereunder.

The Auditors' Report for the financial year ended March 31,2021 does not contain any qualification, reservation or adverse remark.

The notes to the accounts referred to in Auditor's Report are self-explanatory and therefore, in the opinion of the directors, do not call for any further comments.

The Auditors' Report along with the financial statements of the Company for the financial year ended March 31,2021 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.

MAINTENANCE OF COST RECORDS

InCred Capital Financial Services Private Limited

(Formerly Proud Securities and Credits Private Limited)

Registered and 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

CIN: U67120MH1996PTC355036

www.incredcapital.com | info@incred.com | 022 68446100

The Company is in the financial services industry. 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.

EXTRACT OF THE ANNUAL RETURN

As required under Section 92(3) of the Act and the rules made thereunder and amended from time to time, the extract of Annual Return of the Company in the prescribed Form MGT-7 is available on the website of the Company at www.incredcapital.com.

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

Considering that the Company is a Non-Banking Financial 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 not relevant to its activities.

FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review, the Company had spent an amount of Rs. 91.02 lakhs towards foreign exchange whereas foreign earnings were Nil

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company does not have a formal CSR policy as it does not qualify for mandatory CSR activities in accordance with the section 135 of the Companies Act, 2013.

DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP)

The composition of the Board is in compliance with the applicable provisions of the Companies Act, 2013, ("Act") and the rules framed thereunder, guideline(s) issued by the Reserve Bank of India.

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

Following Board changes took place during the year:

Change in designation:

During the year under review, the designation of Mr. Saurabh Jhalaria and Mr. Venkatesh Viswanathan designation has been changed from wholetime Director to Non-Executive Director with effect from December 15,2020

Key Managerial Personnel:

During the year under review Mr. Rajiv Sukumar was appointed as Chief Financial Officer and Mr. Varun Shah was appointed as Company Secretary with effect from September 3 2020 and September 8 2020 respectively.

Further, Mr. Rajiv Sukumar ceased to be the Chief Financial Officer with effect from close of business hours of March 31, 2021 due to change in employment in other group company of the Company and Mr. Deepak Dhingra was appointed as Chief Financial Officer of the Company with effect from April 1, 2021.

DIRECTORS DECLARATION AND DISCLOSURES

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

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board met at regular intervals inter-alia to discuss, review and consider various matters. During the year the Board met Fourteen times during the financial year 2020-2021 viz. August 13, 2020, August 18, 2020, September 3, 2020, September 7, 2020, September 8, 2020, October 15, 2020, December 9, 2020, January 4, 2021, January 4, 2021, January 8, 2021, January 25, 2021, February 18, 2021, March 15, 2021 and March 30, 2021. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

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.

As on March 31, 2021, the Company had various Committees constituted pursuant to statutory / regulatory requirements namely Asset Liability Management Committee, Risk Management Committee, Grievance Redressal Committee, Finance Committee and Share allotment and transfer Committee.

AUDIT COMMITTEE AND NOMINATION & REMUNERATION COMMITTEE

Your Company is not mandatorily required to constitute Audit committee and Nomination and Remuneration Committee as required under section 177(1) & 178 (1) of the Act respectively for the year under review.

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.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Since the Company is a Non-Banking Finance Company, the disclosures regarding particulars of the loans given, guarantee given and security provided is exempt under the provisions of Section 186(11) of the Companies Act, 2013.

Further, pursuant to the provisions of Section 186 (4) of the Act the details of investments made by

the Company are provided under notes forming part of the financial statements of the Company for the year ended March 31, 2021

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 II** annexed to this report.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013 READ WITH RULES

Pursuant to the requirements of Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013 read with rules framed there under, the Company has not received any complaint of sexual harassment during the year under review.

RISK MANAGEMENT POLICY

Your Company has a board approved Risk Management Policy which has laid down a framework for identifying, assessing, measuring various elements of risk involved in the business and formulation of procedures and systems for mitigating such risks. Risk Management Committee of the Company has overall responsibility for overseeing the risk management activities of the Company.

COMPLIANCE WITH SECRETARIAL STANDARDS

In terms of provisions of Section 118 of the Companies Act, 2013 your Company is in compliance with Secretarial Standards on Meetings of the Board of Directors and Secretarial Standards on General Meeting issued by the Institute of Company Secretaries of India.

FEMA COMPLIANCE

With respect to the foreign direct investments made by the Company during the financial year under review, the Board hereby confirms that the Company has complied with all the provisions and requirements as applicable under the Master Direction - Foreign Investment in India issued by the Reserve Bank of India.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 135(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 at the end of the financial year and of the loss of the Company for that period;

Strictly Privileged & Confidential

- (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.

ACKNOWLEDGEMENTS

The Board acknowledges with gratitude the cooperation and assistance provided to your Company by all the regulatory authorities. The Board wishes to place on record its appreciation to the contribution made by employees of the Company during the year under review. Your Directors thank the customers, clients, vendors, lenders and other business associates for their continued support. Your Directors are thankful to the Shareholders for their patronage

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

BHUPINDER SINGH
Digitally signed by
BHUPINDER SINGH
Date: 2021.09.08
17:52:24 +05'30'

SAURABH JHALARIA
Digitally signed by
SAURABH JHALARIA
Date: 2021.09.08
17:52:42 +05'30'

Place: Mumbai
Date: September 8, 2021

Bhupinder Singh
Director
DIN: 07342318

Saurabh Jhalaria
Director
DIN: 07908327

InCred Capital Financial Services Private Limited

(Formerly Proud Securities and Credits Private Limited)

Registered and 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

CIN: U67120MH1996PTC355036

www.incredcapital.com | info@incred.com | 022 68446100

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

1	S.No.	1	2
2	Name of the Subsidiary	InCred Asset Management Private Limited (Formerly Known as InCred Capital Investment Advisors and Managers Private Limited)	InCred Wealth and Investment 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.
4	Nature of Business	Financial Services	Financial and Management Advisory and Consultancy Services
5	No. Of Branches	Nil	Nil
6	Reporting period	1 st April 2020 to 31 st March 2021	18 th November 2020 to 31 st March 2021
7	Reporting currency	INR	INR
8	Exchange rate on the last day of the financial year	Not Applicable	Not Applicable
9	Share Capital	INR 60,000,000	INR 71,00,000
10	Reserves and Surplus	(INR 462.34) lakhs	(INR 0.40) lakhs
11	Total assets (Fixed assets + Investments + Other assets)	INR 601.56 lakhs	INR 1.13 lakhs
12	Total liabilities (Deposits + Borrowings + Other liabilities + Provisions)	INR 63.90 lakhs	INR 0.52 lakhs
13	Investments	INR 52 lakhs	NIL
14	Turnover	INR 601.73 lakhs	NIL
15	Profit/ (Loss) Before Tax	(INR 485.72) lakhs	(INR 0.52) lakhs
16	Provision for tax	(INR 121.95) lakhs	(INR 0.13) lakhs
17	Profit/ (Loss) After Tax	(INR 363.77) lakhs	(INR 0.40) lakhs

InCred Capital Financial Services Private Limited

(Formerly Proud Securities and Credits Private Limited)

Registered and 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

CIN: U67120MH1996PTC355036

www.incredcapital.com | info@incred.com | 022 68446100

Strictly Privileged & Confidential

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

BHUPINDER SINGH
Digitally signed by
BHUPINDER SINGH
Date: 2021.09.08
17:53:12 +05'30'

Bhupinder Singh
Director
DIN: 07342318

SAURABH JHALARIA
Digitally signed by
SAURABH JHALARIA
Date: 2021.09.08
17:53:30 +05'30'

Saurabh Jhalaria
Director
DIN: 07908327

Place: Mumbai
Date: September 8, 2021

InCred Capital Financial Services Private Limited

(Formerly Proud Securities and Credits Private Limited)

Registered and 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

CIN: U67120MH1996PTC355036

www.incredcapital.com | pr@incred.com | 022 68446100

Annexure II

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 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	5. Date of approval by the board of directors	6. Amount paid as advance, if any
InCred Wealth Private Limited (Enterprise over which Director is able to exercise significant control)	Sale of Investments	FY 20 -21	Sale proceeds - INR. 1716.99 lakhs	NA	NA
InCred Financial Services Ltd (Enterprise over which	Sale of Loan Portfolio	FY 20- 21	Received INR 12,738.68 lakhs on sale of loan portfolio	07 September 2021	NA

InCred Capital Financial Services Private Limited

(Formerly Proud Securities and Credits Private Limited)

Registered and 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

CIN: U67120MH1996PTC355036

www.incredcapital.com | info@incred.com | 022 68446100

Director is able to exercise significant control)					
InCred Financial Services Ltd (Enterprise over which Director is able to exercise significant control)	Purchase of Investments	FY 20 21	Paid INR 6505.59 lakhs for purchase of Market Linked Debentures	03 September 2021	NA
Bhupinder Singh (Director)	Issue of equity shares upon conversion of OCRPS	FY 20 21	181482 Equity shares allotted to Mr. Bhupinder Singh @ 551.02 after conversion of OCRPS	NA	NA
InCred Asset Management Pvt Ltd (Subsidiary Company)	Investment in Subsidiary	FY 20 21	Subscription to Share Capital infusion of INR 400 lakhs (40 lakhs Equity shares @ Rs. 10 per share)	NA	NA
InCred Wealth and Investment Services Pvt Ltd (Subsidiary Company)	Investment in Subsidiary	FY 20 21	Subscription to Share Capital infusion of INR 1 lakh (10000 Equity shares @ Rs. 10 per share)	NA	NA

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

BHUPINDER SINGH Digitally signed by
BHUPINDER SINGH
Date: 2021.09.08
17:53:47 +05'30'

SAURABH JHALARIA Digitally signed by
SAURABH JHALARIA
Date: 2021.09.08
17:54:03 +05'30'

**Place: Mumbai
Date: September 8, 2021**

**Bhupinder Singh
Director
DIN: 07342318**

**Saurabh Jhalaria
Director
DIN: 07908327**

InCred Capital Financial Services Private Limited

(Formerly Proud Securities and Credits Private Limited)

Registered and 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

CIN: U67120MH1996PTC355036

www.incredcapital.com | info@incred.com | 022 68446100

Clamant Tech Services Private Limited
(CIN: U72900MH2020PTC349941)
Financial Statement for the period
11th November 2020 to 31st March 2021

Independent Auditor's Report

To the Members of Clamant Tech Services Private Limited

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Clamant Tech Services Private Limited** ("the Company") which comprises the Balance sheet as at 31st March 2021, the Statement of Profit and Loss including other comprehensive income, the Cash Flows Statement and the Statement of Changes in Equity for the period then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

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 ("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 2021, its loss including other comprehensive income, its cash flows and the changes in equity for the period 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 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 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 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.

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. We have nothing to report in this regard.

Responsibility of Management for the 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 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 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 financial statement 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.

That Board of Directors is 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.

Soni Chatrath & Co.

Chartered Accountants

- 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 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 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. This report does not include a statement on the matters specified in the paragraph 3 and 4 of the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, since in our opinion and according to the information and explanations given to us, the said Order is not applicable to the Company.
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.

Soni Chatrath & Co.

Chartered Accountants

- c. The Balance sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and the 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 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to serial no. 5 of notification no. G.S.R. 583(E) dated 13th June 2017 the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, are not applicable on the company.
- 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 financial position in its 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 close of the year.

For **Soni Chatrath & Co.**

Chartered Accountants

ICAI Firm Reg. No.: 001092N

NAKUL Digitally signed
by NAKUL SARDA
SARDA Date: 2021.04.26
19:05:04 +05'30'

Nakul Sarda

Partner

Membership No.: 513005

UDIN: 21513005AAAABF1208

Place: Mumbai

Date: 26th April 2021

Clamant Tech Services Private Limited
CIN: U72900MH2020PTC349941
Balance Sheet as at 31st March 2021
(All amount in INR, unless otherwise stated)

Particulars	Note No.	As at 31st March 2021
A. ASSETS		
1. Non-current assets		
(a) Deferred tax assets	11.4	1,53,377
Total non-current assets		1,53,377
2. Current assets		
(a) Financial assets		
Cash and cash equivalents	3	45,52,656
(b) Other non-financial assets	4	40,989
Total current assets		45,93,645
Total Assets		47,47,022
B. EQUITY AND LIABILITIES		
1. Equity		
(a) Equity share capital	5	41,54,000
(b) Other equity	6	(6,22,335)
Total equity		35,31,665
2. Liabilities		
2.1 Current liabilities		
(a) Financial liabilities		
Other financial liabilities	7	10,87,961
(b) Other current liabilities	8	1,27,396
Total current liabilities		12,15,357
Total Equity and Liabilities		47,47,022

The accompanying notes are an integral part of the financial statements

As per our report of even date.

For **Soni Chatrath & Co.**

Chartered Accountants

ICAI Firm Registration No.: 001092N

NAKUL SARDAR
Digitally signed
by NAKUL SARDAR
Date: 2021.04.26
19:05:51 +05'30'

Nakul Sarda

Partner

Membership No.: 513005

Place : Mumbai

Date : 26th April 2021

For and on behalf of the Board of Directors of
Clamant Tech Services Private Limited

venKATESH VISHWANATHAN
Digitally signed by venKATESH VISHWANATHAN
DN: cn=venKATESH VISHWANATHAN, o=Clamant Tech Services Private Limited, ou=, email=venkatesh.vishwanathan@clamanttech.com, c=IN
Reason: I am the author of this document
Location: your signing location here
Date: 2021.04.26 18:40:48
Font Reader Version: 10.0.1

Venkatesh Vishwanathan

Director

DIN - 08032824

Place : London

Date : 26th April 2021

Nupur Anand
Digitally signed by Nupur Anand
Date: 2021-04-26
18:33:35

Nupur Anand

Director

DIN - 09030794

Place : Mumbai

Date : 26th April 2021

Clamant Tech Services Private Limited

CIN: U72900MH2020PTC349941

Statement of Profit and Loss for the period 11th November 2020 to 31st March 2021

(All amount in INR, unless otherwise stated)

Particulars	Note No.	For the period ended 31st March 2021
(I) Income		
(i) Revenue From operations		-
(ii) Other income		-
Total income (I = i + ii)		-
(II) Expenses		
(i) Employee benefits expenses	9	4,20,946
(ii) Others expenses	10	3,54,766
Total expenses (II = i + ii)		7,75,712
(III) Profit/(loss) before exceptional items and tax (III= I - II)		(7,75,712)
(IV) Exceptional items		-
(V) Profit/(loss) before tax (V = III - IV)		(7,75,712)
(VI) Tax expense		
(i) Current Tax		-
(ii) Deferred tax expense/ (income)	11.4	(1,53,377)
Total tax expense (VI = i + ii)		(1,53,377)
(VII) Profit/(loss) for the period (VII = V - VI)		(6,22,335)
(VIII) Other comprehensive income		
(i) Items that will not be reclassified to profit or loss		-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-
Total other comprehensive income (VIII = i + ii)		-
(IX) Total comprehensive income for the period (IX = VII + VIII)		(6,22,335)
(X) Earnings per equity share (EPS)		
(Face value of Rs. 10 each)		
Basic (Rs.)	12	(25.53)
Diluted (Rs.)		(25.53)

The accompanying notes are an integral part of the financial statements

As per our report of even date.

For **Soni Chatrath & Co.**

Chartered Accountants

ICAI Firm Registration No.: 001092N

NAKUL SARDARDigitally signed by
NAKUL SARDAR
Date: 2021.04.26
19:06:34 +05'30'

Nakul Sardar

Partner

Membership No.: 513005

Place : Mumbai

Date : 26th April 2021

For and on behalf of the Board of Directors of

Clamant Tech Services Private Limited**venKATESH VISHWANATHAN**Digitally signed by venKATESH VISHWANATHAN
DN: cn=venKATESH VISHWANATHAN, o=Clamant Tech Services Private Limited, ou=Directors, email=venkatesh.vishwanathan@clamanttechservices.com, postalCode=560005, st=KARNATAKA, serialNumber=00000000000000000000000000000000, cn=venKATESH VISHWANATHAN
Reason: I am the author of this document
Location: your signing location here
Date: 2021.04.26 18:41:33
Page Reader Version: 3.0.1.1

Venkatesh Vishwanathan

Director

DIN - 08032824

Place : London

Date : 26th April 2021

Nupur Anand Nupur Anand
2021-04-26
18:34:03

Nupur Anand

Director

DIN - 09030794

Place : Mumbai

Date : 26th April 2021

Clamant Tech Services Private Limited

CIN: U72900MH2020PTC349941

Cash Flow Statement for the period 11th November 2020 to 31st March 2021

(All amount in INR, unless otherwise stated)

Particulars	For the period ended 31st March 2021
A. Cash flow from operating activities	
Profit before tax	(7,75,712)
Adjustments for non-cash/non-trade items:	
- Depreciation and amortisation	-
- Interest on borrowings	-
Operating cash flow before working capital changes	(7,75,712)
Changes in working capital	
- Decrease / (increase) in trade receivable	-
- Decrease / (increase) in other current assets	(40,989)
- Decrease / (increase) in trade payables	-
- Decrease / (Increase) in other financial liabilities	10,87,961
- Decrease / (increase) in other non financial liabilities	1,27,396
- Increase / (decrease) in provisions	-
Cash generated from / (used in) operations	3,98,656
- Income taxes (paid) net of refunds	-
Net cash flow from / (used in) operating activities (A)	3,98,656
B. Cash flows from investing activities	-
Net cash flow from / (used in) investing activities (B)	-
C. Cash flows from financing activities	
- Proceeds from issuance of share capital	41,54,000
Net cash flow from / (used in) in financing activities (C)	41,54,000
Net increase / (decrease) in cash and cash equivalents (A + B + C)	45,52,656
Cash and cash equivalents at the beginning of the year/period	-
Cash and cash equivalents at the end of the year/period [Note 1 below]	45,52,656
Net Increase/ (decrease) in cash and cash equivalents during the year /period	45,52,656
Notes to cash and cash equivalents	
1. Components of cash & cash equivalents: [Refer note no. 3]	
Cash on hand	-
Balances with Bank	
- in current accounts	45,52,656
	45,52,656

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

As per our report of even date

For **Soni Chatrath & Co.**

Chartered Accountants

ICAI Firm Registration No.: 001092N

NAKUL SARDAR Digitally signed
by NAKUL SARDAR
Date: 2021.04.26
19:07:18 +05'30'

Nakul Sarda

Partner

Membership No.: 513005

Place: Mumbai

Date : 26th April 2021

For and on behalf of the Board of Directors of

Clamant Tech Services Private Limited

Digitally signed by veNKATESH
VISHWANATHAN
DN: cn=veNKATESH VISHWANATHAN,
o=Clamant Tech Services Private Limited,
ou=Clamant Tech Services Private Limited,
email=veNKATESH.VISHWANATHAN@CLAMANTTECHSERVICES.COM,
c=IN

Venkatesh Vishwanathan

Director

DIN - 08032824

Place: London

Date : 26th April 2021

Nupur Anand Nupur Anand
2021-04-26
18:34:22

Nupur Anand

Director

DIN - 09030794

Place: Mumbai

Date : 26th April 2021

Clamant Tech Services Private Limited

CIN: U72900MH2020PTC349941

Statement of Changes in Equity for the period 11th November 2020 to 31st March 2021

(All amounts in INR, unless otherwise stated)

A. Equity share capital [Refer Note No. 5]

Particulars	Amount
Equity shares of INR 10 each issued, subscribed and fully paid-up	
Balance as at 11th November 2020	1,00,000
Changes in equity share capital during the period	40,54,000
Balance as at the 31st March 2021	41,54,000

B. Other equity

Particulars	Reserves and Surplus Retained earnings [Refer Note No. 6]	Total other equity
Balance as at 11th November 2020	-	-
Profit / (loss) for the period	(6,22,335)	
Other comprehensive income for the period, net of income tax	-	-
Total comprehensive income for the period, net of income tax	(6,22,335)	-
Balance at 31st March 2021	(6,22,335)	-

The accompanying notes are an integral part of the financial statements

As per our report of even date.

For **Soni Chatrath & Co.**

Chartered Accountants

ICAI Firm Registration No.: 001092N

NAKUL Digitally signed
by NAKUL
SARDA
Date: 2021.04.26
19:07:55 +05'30'

Nakul Sarda

Partner

Membership No.: 513005

Place : Mumbai**Date :** 26th April 2021

For and on behalf of the Board of Directors of

Clamant Tech Services Private Limited

veNKATESH
VISHWANATHAN
THAN

Digitally signed by veNKATESH VISHWANATHAN
DN: cn=veNKATESH VISHWANATHAN,
OID.2.5.4.65=28a727270a63cac771b29c54859f
7e4a41e6ed3a05552861603034714609,
PostalCode=560055, S=KARNATAKA,
SERIALNUMBER=950847996115ed10175cac2
864ac70524841a19a98645c0908526a963,
C=veNKATESH VISHWANATHAN
Reason: I am the author of this document
Location: your signing location here
Date: 2021.04.26 18:42:08
Foxit Reader Version: 10.0.1

Venkatesh Vishwanathan

Director

DIN - 08032824

Place : London**Date :** 26th April 2021

Nupur Nupur Anand
Anand 2021-04-26
18:34:42

Nupur Anand

Director

DIN - 09030794

Place : Mumbai**Date :** 26th April 2021

Clamant Tech Services Private Limited

CIN: U72900MH2020PTC349941

Significant accounting policies and notes to the financial statements for the period 11th November 2020 to 31st March 2021(All amount in INR, unless otherwise stated)

Note 1 : General information**1.1. Corporate information**

Clamant Tech Services Private Limited ("Company") was incorporated in India under the provisions of The Companies Act 2013 dated 11th November 2020. The Company is having its registered office at unit no. 1203, 12th floor, B wing The Capital, Plot No. C-70, G Block, BKC Mumbai 400051 Maharashtra.

The Company is engaged in the business of Software designing, development, customization, implementation, maintenance, testing and benchmarking, designing, developing and dealing in computer software and solutions etc.

1.2. Basis of preparation**A. Compliance with Ind-As**

Pursuant to the notification dated 16th February 2015, issued by the Ministry of Corporate Affairs, the Company has opted Indian Accounting Standards notified under Section 133 read with Rule 4A of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) (Amendment) Rules, 2016 as amended and the relevant provisions of the Companies Act, 2013 (collectively, "Ind AS").

The financial statement 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 issuance by the Board of Directors on 26th April 2021.

B. Functional and presentation currency

The financial statements are presented in Indian Rupees ('INR'), which is also the Company's functional currency.

C. Basis of measurement

The Financial statement have been prepared on going concern basis using 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 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 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 financial statements are prudent and reasonable.

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.

Note 2 : Significant 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:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities

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).

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, 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:

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

Financial assets measured at amortised cost:

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

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

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

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

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

Financial assets measured at fair value through profit and loss ('FVTPL'):

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

C. Subsequent recognition of financial assets:

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

Financial assets at amortised cost:

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

Financial assets at FVTPL:

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

Equity investments designated at FVOCI:

These assets are subsequently measured at fair value. Dividends 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. Other net gains and losses are recognised in OCI and are not reclassified to 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. Derecognition of financial assets and financial liabilities

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 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.

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. 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 recognises life time expected credit loss for trade receivables and has adopted the simplified method of computation as per Ind AS 109.

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 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. 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.

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.

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. 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.

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.

The Company does not have any property, plant & equipments for the period ended 31st March 2021.

2.6. Intangible assets

A. Recognition and measurement

Intangible assets (computer software) 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 if appropriate.

The Company does not have any intangible assets for the period ended 31st March 2021.

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 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.

2.8. 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.

2.9. Leases

The Company adopted Ind AS 116 “Leases” and applied the standard to all lease contracts existing on 1st April, 2020 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.

2.10. 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.

2.11 Revenue from operations

The Company has adopted Ind AS 115, Revenue from Contracts with Customers, with effect from 11th November 2020.

The Company recognised revenue from various activities as follows:

(i) 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, net profit / (loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity 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.

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.

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 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 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 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. 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.

2.18. 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.

C. Post-employment benefits

Defined contribution plans

Eligible employees of the Company receive benefit from a provident fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of covered employee's salary. The Company contributes an equal portion to the provident fund.

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, 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.

Clamant Tech Services Private Limited

CIN: U72900MH2020PTC349941

Notes forming part of the financial statements for the period 11th November 2020 to 31st March 2021

(All amount in INR, unless otherwise stated)

Note 3 : Cash and cash equivalents

Particulars	As at 31st March 2021
Cash on hand	-
Balances with banks (of the nature of cash and cash equivalent)	45,52,656
Less: Allowance for impairment loss	-
Total	45,52,656

Note 4 : Other non-financial assets

Particulars	As at 31st March 2021
Prepaid expense	40,989
Total	40,989

Clamant Tech Services Private Limited

CIN: U72900MH2020PTC349941

Notes forming part of the financial statements for the period 11th November 2020 to 31st March 2021

(All amount in INR, unless otherwise stated)

Note 5 : Equity share capital

Particulars	As at 31st March, 2021	
	Number	Amount
Authorised Capital		
Equity shares of Rs. 10/- each*	5,10,000	51,00,000
Issued, subscribed and paid up capital		
Equity shares of Rs. 10/- each fully paid up	4,15,400	41,54,000
Total issued, subscribed and paid-up share capital	4,15,400	41,54,000

* The Company has increased its authorized share capital from INR 1,00,000 (10,000 equity shares of INR 10 each) to INR 51,00,000 (5,10,000 equity shares of INR 10 each) vide shareholders' approval at the extra-ordinary general meeting held on 6th January 2021.

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 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, 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 31st March, 2021	
	Number	Amount
Equity shares		
At the beginning of the period	10,000	1,00,000
Add: Shares issued during the period	4,05,400	40,54,000
Less: Bought back during the period	-	-
Outstanding at the end of the period	4,15,400	41,54,000

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

Name of the shareholder	As at 31st March, 2021	
	No. of shares held	% Holding
Equity shares		
Godhuli Vishwanathan	2,06,754	49.77%
RMDL Pte Ltd	2,06,754	49.77%

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.

Clamant Tech Services Private Limited

CIN: U72900MH2020PTC349941

Notes forming part of the financial statements for the period 11th November 2020 to 31st March 2021

(All amount in INR, unless otherwise stated)

Note 6 : Other equity

Particulars	As at 31st March 2021
Retained earnings	
Opening balance	-
Profit / (loss) after tax for the year / period	(6,22,335)
Other comprehensive income for the year / period, net of income tax	-
Closing balance	(6,22,335)
Total	(6,22,335)

Note 7 : Other financial liabilities

Particulars	As at 31st March 2021
Provision for expenses	1,41,961
Others payable	9,46,000
Total	10,87,961

Note 8 : Other current liabilities

Particulars	As at 31st March 2021
Statutory dues payable	1,27,396
Total	1,27,396

Clamant Tech Services Private Limited

CIN: U72900MH2020PTC349941

Notes forming part of the financial statements for the period 11th November 2020 to 31st March 2021

(All amount in INR, unless otherwise stated)

Note 9 : Employee benefits expenses

Particulars	Period ended 31st March 2021
Salaries, wages & bonus	4,20,833
Staff Welfare	113
Total	4,20,946

Note 10 : Others expenses

Particulars	Period ended 31st March 2021
Legal, professional and consultancy charges	1,39,742
Rates and taxes	300
Payment to auditors*	47,200
Stamp duty & filing fees	1,66,300
Bank Charges	1,224
Total	3,54,766

*** Payment to the auditors:**

Particulars	Period ended 31st March 2021
Auditor's remuneration	
- Audit fees	47,200
Total	47,200

Clamant Tech Services Private Limited

CIN: U72900MH2020PTC349941

Notes forming part of the financial statements for the period 11th November 2020 to 31st March 2021

(All amount in INR, unless otherwise stated)

Note 11 : Income taxes**11.1 Income tax expense / (income) recognised in the statement of profit and loss**

Particulars	Period ended 31st March 2021
Current tax expense	
In respect of current year	-
In respect of previous year	-
Minimum alternate credit (MAT)	-
	-
Deferred tax expense / (income)	(1,53,377)
Tax expense / (income) recognized in the current year	(1,53,377)

11.2 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	Period ended 31st March 2021
Profit / (loss) before tax as per statement of profit and loss (A)	(7,75,712)
Statutory income tax rate applicable to the Company (B)	25.17%
Income tax expense using the statutory income tax rate (C = A * B)	(1,95,231)
Tax effect of:	
Amounts which are not deductible in calculating taxable income	41,854
Effective tax expense	(1,53,377)

11.3 Income tax recognized in other comprehensive income

Particulars	Period ended 31st March 2021
Items that will not be reclassified to profit or loss (A)	-
Statutory income tax rate applicable to the Company (B)	25.17%
Income tax relating to items that will not be reclassified to profit or loss (A * B)	-

11.4 Deferred tax

The major components of deferred tax (assets) arising on account of timing differences as on 31st March 2021 are as follows:

Particulars	As at 11th November 2020	Recognized in profit & loss	Recognized in OCI	As at 31st March 2021
Deferred tax assets:				
Temporary difference	-	12,429	-	12,429
Carry forward of losses	-	1,40,948	-	1,40,948
Total deferred tax assets (A)	-	1,53,377	-	1,53,377
Deferred tax liabilities (B)	-	-	-	-
Net deferred tax assets (A - B)	-	1,53,377	-	1,53,377

Clamant Tech Services Private Limited

CIN: U72900MH2020PTC349941

Notes forming part of the financial statements for the period 11th November 2020 to 31st March 2021

(All amount in INR, unless otherwise stated)

Note 12 : Earnings per equity share (EPS)

Basic and diluted 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.

i. Profit attributable to equity shareholders:

Particulars	Period ended 31st March 2021
Profit attributable to equity holders of the Company used in calculating basic earnings per share	(6,22,335)
Profit attributable to equity holders of the Company used in calculating diluted earnings per share	(6,22,335)

ii. Weighted average number of ordinary shares

Particulars	As at 31st March 2021
Weighted average number of equity shares used as the denominator in calculating basic	24,376
Weighted average number of equity shares and potential equity shares used as the	24,376
Basic earnings per share	(25.53)
Diluted earnings per share	(25.53)

Note 13 : Contingent liabilities and commitments

Particulars	As at March 31, 2021

--There are no contingent liabilities and commitments as on 31st March 2021--

Note 14 : Details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

In accordance with Micro, small and Medium Enterprises Development Act, 2006 the Company is required to identify the Micro, small and Medium suppliers and pay them interest on overdue beyond the specified period irrespective of the terms agreed with the suppliers. Based on information available with the management, there are no dues outstanding to micro and small enterprises covered under the Micro, small and Medium Enterprises Development Act, 2006.

Note 15 : Employee benefits**15.1 Defined contribution plan**

The Company has provident fund as defined contribution plan, where in both eligible employees and the Company contributes a specified sum of money to the recognized provident fund. The Company has however not recognized any amounts under defined contribution plan during the period ended 31st March 2021 as the same is not applicable to the Company for the period ended 31st March 2021.

15.2 Defined benefit plan

The Company has one defined benefit plan i.e. Gratuity . However the Company has not recognized any expense towards defined benefit plans for the period ended 31st March 2021 as the provisions of the Payments of Gratuity Act, 2000 is not applicable to the Company on account of threshold number of employees.

Clamant Tech Services Private Limited

CIN: U72900MH2020PTC349941

Notes forming part of the financial statements for the period 11th November 2020 to 31st March 2021

(All amount in INR, unless otherwise stated)

Note 16 : Related party transactions**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')	Venkatesh Vishwanathan, Director (w.e.f 29th January, 2021) Nupur Anand, Director (w.e.f 29th January, 2021) Aashish Kamlesh Bhatt, Director (up to 29th January 2021) Bhavika Aashish Bhatt, Director (up to 29th January 2021)
Director's Relative	Mrs. Godhuli Vishwanathan (w.e.f 29th January, 2021)

b. Transactions during the period with related parties :

Transactions	KMP	Relative of KMP	Total
Remuneration to KMP	1,66,667	-	1,66,667
	1,66,667	-	1,66,667
Issue of equity shares			
Mrs. Godhuli Vishwanathan	-	20,27,000	20,27,000
	-	20,27,000	20,27,000

c. Closing balances with related parties as at 31st March 2021: Rs. NIL

Clamant Tech Services Private Limited

CIN: U72900MH2020PTC349941

Notes forming part of the financial statements for the period 11th November 2020 to 31st March 2021

(All amount in INR, unless otherwise stated)

Note 17 : 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 18 : Financial instruments**18.1 Fair instruments by category**

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 31st March 2021	
	Carrying value	Amortized cost
<u>Financial assets</u>		
Cash and cash equivalents	45,52,656	45,52,656
Total financial assets	45,52,656	45,52,656
<u>Financial liabilities</u>		
Others	10,87,961	10,87,961
Total financial liabilities	10,87,961	10,87,961

The management of the Company assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, short-term borrowings, other current financial assets and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

18.2 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:

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.

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.

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.

Clamant Tech Services Private Limited

CIN: U72900MH2020PTC349941

Notes forming part of the financial statements for the period 11th November 2020 to 31st March 2021

(All amount in INR, unless otherwise stated)

The following table provides quantitative disclosure of the fair value measurement hierarchy of the asset and liabilities of the Company:-

Particulars	Level of fair	As at 31st March 2021	
		Carrying value	Fair value
Financial assets			
Cash and cash equivalents	Level 1	45,52,656	45,52,656
Total financial assets		45,52,656	45,52,656
Financial liabilities			
Others	Level 3	10,87,961	10,87,961
Total financial liabilities		10,87,961	10,87,961

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, short-term borrowings, 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.

Note 19 : 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 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, 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.

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 2021
Other advances:	-
Total	-

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 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.

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 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.

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.

Clamant Tech Services Private Limited

CIN: U72900MH2020PTC349941

Notes forming part of the financial statements for the period 11th November 2020 to 31st March 2021

(All amount in INR, unless otherwise stated)

As at 31st March 2021:-

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								
Other financial liabilities	7	10,87,961	10,87,961	-	10,87,961	-	-	-
Total		10,87,961	10,87,961	-	10,87,961	-	-	-

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 31st March 2021:-

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								
Cash and cash equivalents	3	45,52,656	45,52,656	45,52,656	-	-	-	-
Total		45,52,656	45,52,656	45,52,656	-	-	-	-

Clamant Tech Services Private Limited

CIN: U72900MH2020PTC349941

Notes forming part of the financial statements for the period 11th November 2020 to 31st March 2021

(All amount in INR, unless otherwise stated)

Note 20 : 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 under 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. First financial statements of the Company

The Company was incorporated on 11th November, 2020, therefore the first financial statements of the Company are prepared for the period 11th November, 2020 to 31st March 2021. For the period beginning from 01st April 2021, the financial statements shall be prepared for a period of 12 months ending of 31st March.

d. As per the requirements of Foreign Exchange Management Act, 1999, a Company is required to file form **FC-GPR** for reporting of shares allotted to a person resident outside India within 30 days of allotment of shares. The Company has allotted 4,05,400 equity shares to 2 persons resident outside India on 27th March 2021. The Company was thus required to file form **FC-GPR** with RBI. However the Company is unable to file the said form as form **FC-TRS** for transfer of shares by a resident transferor to person resident outside India is pending for approval on RBI portal since 25th March 2021.

The Company is regularly following up with the RBI officials to get the approval and the required form **FC-GPR** will be filed once the approval of **FC-TRS** is obtained from the RBI.

As per our report of even date.

For **Soni Chatrath & Co.**

Chartered Accountants

ICAI Firm Registration No.: 001092N

**NAKUL
SARDA**

Digitally signed by
NAKUL SARDA
Date: 2021.04.26
19:08:55 +05'30'

Nakul Sarda

Partner

Membership No.: 513005

Place : Mumbai

Date : 26th April 2021

For and on behalf of the Board of Directors of

Clamant Tech Services Private Limited

**veNKATESH
VISHWANATHAN**

Digitally signed by veNKATESH VISHWANATHAN
DN: cn=veNKATESH VISHWANATHAN,
c=IN, o=CLAMANT TECH SERVICES PRIVATE LIMITED,
ou=CLAMANT TECH SERVICES PRIVATE LIMITED,
email=veNKATESH.VISHWANATHAN@CLAMANTTECHSERVICES.COM,
serial=1, givenName=veNKATESH, sn=VISHWANATHAN,
cn=veNKATESH VISHWANATHAN

Venkatesh Vishwanathan

Director

DIN - 08032824

Place : London

Date : 26th April 2021

Nupur Anand
Nupur Anand
2021-04-26
18:35:55

Nupur Anand

Director

DIN - 09030794

Place : Mumbai

Date : 26th April 2021

CLAMANT TECH SERVICES PRIVATE LIMITED

Registered and 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.

CIN: U72900MH2020PTC349941

DIRECTOR'S REPORT

TO THE MEMBERS OF

CLAMANT TECH SERVICES PRIVATE LIMITED

The Directors have pleasure in presenting the First Annual Report on the business and operations and the Audited Financial Statements of the Company for the period 11th November 2020 to 31st March 2021.

1. FINANCIAL HIGHLIGHTS OF THE COMPANY

The highlights of the financial statements of the Company for the financial year ended March 31, 2021 are as under:

Particulars	For the period 11 th November 2020 to 31 st March 2021
Profit/(Loss) before Depreciation & Tax	(775,712)
Depreciation	-
Profit/(Loss) before Tax	(775,712)
Tax Provision/MAT	
Deferred Tax Provision for the year	(1,53,377)
Tax Expenses for previous years	Nil
Profit/(Loss) after Tax	(6,22,335)
Appropriation for earlier years	Nil
Profit/(Loss) transferred to Balance Sheet	(6,22,335)

2. DIVIDEND & TRANSFER OF GENERAL RESERVES

The Board of Directors of the Company do not recommend payment of dividend and no amount was transferred to the general reserves.

3. STATE OF THE COMPANY AFFAIRS

The total revenue from operations of the company for the financial year under review was NIL and after meeting all the expenses the company has incurred a loss of INR 622,335.

4. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in nature of the business of the Company during the year under review

During the year under review, the Company has not yet commenced its business, however the Company is engaged in the business of Software designing, development, customization, implementation, maintenance, testing and benchmarking, designing, developing and dealing in computer software and solutions etc.

5. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURED BETWEEN THE END OF THE

CLAMANT TECH SERVICES PRIVATE LIMITED

Registered and 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.

CIN: U72900MH2020PTC349941

FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

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 OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There were no significant and material orders passed by the regulators or courts or tribunals, which can impact the going concern status and Company's operations in future.

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

The internal financial controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Statutory Auditors of the Company for inefficiency or inadequacy of such controls.

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

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 Soni Chatrath & Co. Chartered Accountants were appointed as the first Statutory Auditor of the Company to hold office until the conclusion of the ensuing annual general meeting of the company;

The Auditors' Report for the financial year ended March 31, 2021 does not contain any qualification, reservation, adverse remark.

The notes to the accounts referred to in Auditor's Report are self-explanatory and therefore, in the opinion of the directors, do not call for any further comments.

The Auditors' Report along with the financial statements of the company for the financial year ended March 31, 2021 form part of the Annual report.

11. SHARE CAPITAL

As on March 31, 2021, the capital structure of the Company stands as follows:

CLAMANT TECH SERVICES PRIVATE LIMITED

Registered and 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.

CIN: U72900MH2020PTC349941

1. Authorized capital- Rs. 51,00,000 (Rupees Fifty One Lakh) divided into 5,10,000 (Five Lakh Ten Thousand) Equity Shares of Rs.10/- (Rupees Ten)
2. Issued, subscribed and paid up capital - Rs. 41,54,000 (Rupees Forty One Lakh Fifty Four Thousand) divided into 4,15,400 (Four Lakhs Fifteen Thousand and Four Hundred) Equity Shares of Rs.10/- (Rupees Ten)

12. SECRETARIAL STANDARDS

The Company has complied with all the applicable Standards of Secretarial Standard-1 on meeting of Board of Directors during the period under review.

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

(A) Conservation of energy:

Since the Company does not carry out any manufacturing activity, the particulars as prescribed under section 134(1) (m) of the Act in relation to conservation of energy are not applicable to your company.

(B) Technology absorption:

The particulars as prescribed under section 134(1) (m) of the Act, in relation to technology absorption are not applicable to your company.

(C) Foreign exchange earnings and Outgo:

During the year, foreign exchange earnings and foreign exchange utilizations were nil.

14. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The company does not attract the provisions of Section 135 of the Companies Act, 2013.

15. DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP)

Appointments/Resignations of Directors from the Board during the financial year

During the year under review, the following appointments and Resignation took place:

Mr. Venkatesh Vishwanathan (DIN: 08032824) and Ms. Nupur Yogesh Anand (DIN: 09030794) were appointed as a Non- Executive Additional Director of the Company with effect from January 29, 2021 to hold office till the date of the next Annual General Meeting of the Company, , Mr. Aashish Kamlesh Bhatt and Ms. Bhavika Aashish Bhatt ceased to be Director from the Board of the Company w.e.f January 29, 2021.

A brief profile of the above mentioned Directors has been included in the notice convening the ensuing Annual General Meeting of the Company.

As on March 31, 2021 Mr. Venkatesh Vishwanathan and Ms. Nupur Yogesh Anand continue to act as Directors on the Board of Company.

16. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year the Board met Seven times during the financial year 2020-2021 viz. on November 20, 2020, December 30, 2020, January 29, 2021, February 05, 2021, February

CLAMANT TECH SERVICES PRIVATE LIMITED

Registered and 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.

CIN: U72900MH2020PTC349941

23,2021, March 22,2021 and March 27,2021. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

The Company was not required to constitute any board committee under the provisions of Companies Act, 2013

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

As per the requirements of section 177(9) of the Companies Act 2013, our company is not mandatorily required to establish vigil mechanism for the directors and employees to report their genuine concerns or grievances

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

The company has not advanced any loan or made any investments or gave any guarantee during the financial year under review.

19. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, the Company has not entered into any contracts or arrangements with its related parties referred to and attracting the provisions of Section 188 (1) of the Companies Act, 2013. Accordingly, the Company was not required to disclose the particulars of the transactions as prescribed in **Form AOC - 2** in terms of the provisions of Section 134(3)(h) read with rule 8(2) of the Companies (Accounts) Rules, 2014.

20. MANAGERIAL REMUNERATION

The provision related to appointment and remuneration of managerial remuneration is not applicable on our company.

21. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013 READ WITH RULES

Pursuant to the requirements of Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013 read with rules framed there under, the Company has not received any complaint of sexual harassment during the year under review.

22. 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.

23. 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;

CLAMANT TECH SERVICES PRIVATE LIMITED

Registered and 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.

CIN: U72900MH2020PTC349941

- (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 end of the financial year and of the loss 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.

24. ACKNOWLEDGEMENTS

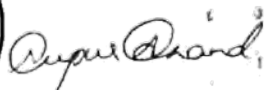
Your Board of Directors wish to thank and place on record their appreciation for the co-operation and support extended to the Company by bankers, customers, employees and all other stakeholders. The Board of Directors also expresses its sincere gratitude to all the shareholders for their continuous support and trust they have shown in the management. The dedication and sense of commitment shown by the employees at all levels during the year deserve special mention.

**For and on behalf of board
Clamant Tech Services Private Limited**

**Place: Mumbai
Date: 03/09/2021**


**Venkatesh Vishwanathan
Director
DIN: 08032824**




**Nupur Yogesh Anand
Director
DIN: 09030794**

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

Standalone Financial Statements

For the year ended 31st March 2021

Independent Auditor's Report

To the Members of Incred Wealth Private Limited
(Formerly known as InCred Capital Inclusion Advisory Services Private Limited)

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Incred Wealth Private Limited (formerly known as InCred Capital Inclusion Advisory Services Private Limited)** ("the Company") which comprises the Standalone Balance sheet as at 31st March 2021, 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 period 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 2021, its loss including other comprehensive income, its cash flows and the changes in equity for the period 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 safeguarding 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 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.

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 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 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.

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, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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.

Soni Chatrath & Co.

Chartered Accountants

- 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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 close of the year.

For **Soni Chatrath & Co.**

Chartered Accountants

ICAI Firm Reg. No.: 001092N

NAKUL

Digitally signed
by NAKUL SARDA

SARDA

Date: 2021.07.29
13:04:12 +05'30'

Nakul Sarda

Partner

Membership No.: 513005

UDIN: 21513005AAAABW1064

Place: Mumbai

Date: 29th July 2021

Head Office : 906, 9th Floor, New Delhi House Building, Barakhamba Road, New Delhi – 110001 ; Tel : +91 11 4150 4766

Gurgaon Office : 321, Tower B4, Spaze IT Park, Gurgaon - 122018, Haryana ; Tel : +91 124 4230 900

Email : info@sonichatrath.com web : www.sonichatrath.com

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 Wealth Private Limited (formerly known as Incred Capital Inclusion Advisory Services Private Limited)** on the accounts of the Company for the period ended 31st March 2021.

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. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. The Company has a regular programme 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 2021.
- ii. The Company is in the business of providing financial services, broking services etc. and does not have any physical inventories. Accordingly reporting under Paragraph 3(ii) is not applicable.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, LLP's or other parties covered in the register maintained under Section 189 of the Act. Accordingly reporting under Paragraph 3(iii) is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 & 186 of the Companies Act, 2013, w.r.t loans and investments made by the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public therefore reporting under Paragraph 3 (v) is not applicable.
- vi. In our opinion and according to the information and explanations given to us, the Company is not required to maintain cost records as prescribed by the Central Government under sub-section (1) of Section 148 (1) of the Companies Act, 2013.
- 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.

Soni Chatrath & Co.

Chartered Accountants

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 2021 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 provident fund, income-tax, and other material statutory dues which have not been deposited with the appropriate authorities on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institutions, banks or debenture holders.
- ix. According to the information and explanations given by management, during the year the Company has not raised money by way initial public offer or further public offer (including debt instrument) and term loans. Therefore, reporting under Paragraph 3 (ix) is not applicable.
- x. On the basis of verification of records and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. Since the Company is a Private Limited Company as per Section 2(68) of the Act, requirements of the Section 197 read with Schedule V to the Act relating to managerial remuneration is not applicable to the Company. Therefore, reporting under Paragraph 3 (xi) is not applicable.
- 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 Paragraph 3(xii) is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examinations of the records of the Company, the transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable Ind AS.
- xiv. According to the information and explanations given to us and based on our examinations of the records of the Company, the Company has not made any preferential allotment or private placement of share or fully or partly convertible debentures during the year therefore reporting under Paragraph 3 (xiv) is not applicable.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with the directors or persons connected with him. Therefore, reporting under Paragraph 3 (xv) is not applicable.

Soni Chatrath & Co.

Chartered Accountants

- xi. According to the information and explanations given to us and based on our examinations of the records of the Company, the Company is not required to be registered under section 45 IA of RBI Act, 1934 and thus reporting under Paragraph 3 (xvi) is not applicable.

For **Soni Chatrath & Co.**

Chartered Accountants

ICAI Firm Reg. No.: 001092N

NAKUL Digitally signed
by NAKUL SARDA
SARDA Date: 2021.07.29
13:04:41 +05'30'

Nakul Sarda

Partner

Membership No.: 513005

UDIN: 21513005AAAABW1064

Place: Mumbai

Date: 29th July 2021

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 Wealth Private Limited (formerly known as Incred Capital Inclusion Advisory Services Private Limited)** as of 31st March 2021 in conjunction with our audit of the standalone financial statements of the Company for the period 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 2021, 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

Soni Chatrath & Co.

Chartered Accountants

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 **Soni Chatrath & Co.**

Chartered Accountants

ICAI Firm Reg. No.: 001092N

NAKUL

SARDA

Nakul Sarda

Partner

Membership No.: 513005

UDIN: 21513005AAAABW1064

Place: Mumbai

Date: 29th July 2021

Digitally signed by NAKUL
SARDA
Date: 2021.07.29 13:04:59
+05'30'

Head Office : 906, 9th Floor, New Delhi House Building, Barakhamba Road, New Delhi – 110001 ; Tel : +91 11 4150 4766

Gurgaon Office : 321, Tower B4, Spaze IT Park, Gurgaon - 122018, Haryana ; Tel : +91 124 4230 900

Email : info@sonichatrath.com **web :** www.sonichatrath.com

InCred Wealth Private Limited
(formerly known as InCred Capital Inclusion Advisory Services Private Limited)
CIN: U67190MH2019PTC325577
Standalone Balance Sheet as at 31st March 2021
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	As at 31st March 2021	As at 31st March 2020
A. ASSETS			
1. Non-current assets			
(a) Property, plant and equipment	3	489.28	423.94
(b) Capital work-in-progress	4	5.95	85.61
(c) Other intangible assets	5	2.93	-
(d) Financial assets			
Non-current investments	6	2,850.00	100.00
Others non-current financial assets	7	42.79	40.05
(e) Deferred tax assets (net)	29	2,342.42	1,388.44
(f) Other non-current assets	8	16.43	22.48
Total non-current assets		5,749.80	2,060.52
2. Current assets			
(a) Financial assets			
Current Investments	9	1,687.76	-
Trade receivables	10	426.56	80.23
Cash and cash equivalents	11	552.50	61.68
Loans	12	662.35	-
(b) Current tax assets (net)	13	170.98	1.76
(c) Other current assets	14	1,004.49	1,186.38
Total current assets		4,504.64	1,330.05
Total Assets		10,254.44	3,390.57
B. EQUITY AND LIABILITIES			
1. Equity			
(a) Equity share capital	15	1.00	1.00
(b) Other equity	16	(6,969.33)	(4,131.65)
Total Equity		(6,968.33)	(4,130.65)
2. Liabilities			
2.1 Non-current liabilities			
(a) Financial liabilities			
Non-current borrowings	17	13,832.74	6,419.50
Other non-current financial liabilities	18	309.55	337.29
(b) Non-current provisions	19	16.03	15.40
Total non-current liabilities		14,158.32	6,772.19
2.2 Current liabilities			
(a) Financial liabilities			
Trade payables	20		-
(i) total outstanding dues of micro and small enterprises			
(ii) total outstanding dues of creditors other than micro and small enterprises		96.29	444.84
Other current financial liabilities	21	2,743.07	152.76
(b) Other current liabilities	22	224.94	144.29
(c) Current provisions	23	0.15	7.14
Total current liabilities		3,064.45	749.03
Total Liabilities		17,222.77	7,521.22
Total Equity and Liabilities		10,254.44	3,390.57

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

As per our report of even date.

For **Soni Chatrath & Co.**

Chartered Accountants

ICAI Firm Reg. No.: 001092N

NAKUL SARDAR
Digitally signed
by NAKUL SARDAR
Date: 2021.07.29
13:05:15 +05'30'

Nakul Sardar

Partner

Membership No.: 513005

Place : Mumbai

Date : 29th July 2021

For and on behalf of the Board of Directors of

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

BHUPINDER SINGH
Digitally signed
by BHUPINDER SINGH
Date: 2021.07.29
13:05:15 +05'30'

Bhupinder Singh

Director

DIN : 07342318

Place : Mumbai

Date : 29th July 2021

KAMLESH RAJANINATH DANGI
Digitally signed
by KAMLESH RAJANINATH DANGI
Date: 2021.07.29
13:05:15 +05'30'

Kamlesh Dangi

Director

DIN - 05152439

Place : Mumbai

Date : 29th July 2021

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Standalone Statement of Profit and Loss for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No	Year ended 31st March 2021	Period ended 31st March 2020
(I) INCOME			
(i) Revenue from operations	24	1,445.70	85.78
(ii) Other income	25	884.24	1.27
Total income (I = i + ii)		2,329.94	87.05
(II) EXPENSES			
(i) Employee benefits expenses	26	3,618.15	526.45
(ii) Finance cost	27	1,829.61	198.13
(iii) Depreciation, amortization and impairment	3	122.06	25.11
(iv) Other expenses	28	559.64	4,857.45
Total expenses (II = i + ii + iii + iv)		6,129.46	5,607.14
(III) Profit / (loss) before exceptional items and tax (III = I - II)		(3,799.52)	(5,520.09)
(IV) Exceptional items		-	-
(V) Profit / (loss) before tax (V = III - IV)		(3,799.52)	(5,520.09)
(VI) Tax expense:	29		
(i) Current Tax			-
(ii) Deferred tax expense / (income)		(955.97)	(1,388.44)
Total tax expense (VI = i + ii)		(955.97)	(1,388.44)
(VII) Profit / (loss) for the period (V - VI)		(2,843.55)	(4,131.65)
(VIII) Other comprehensive income			
(i) Items that will not be reclassified to profit or loss		7.85	-
(ii) Income tax relating to items that will not be reclassified to profit or loss	29	(1.98)	-
Total other comprehensive income (VIII = i - ii)		5.87	-
(IX) Total comprehensive income for the period (VII + VIII)		(2,837.68)	(4,131.65)
(X) Earnings per equity share (EPS)	30		
(Face value of Rs. 10 each)			
Basic (INR)		(28,435.54)	(41,316.45)
Diluted (INR)		(28,435.54)	(41,316.45)

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

As per our report of even date.

For **Soni Chatrath & Co.**

Chartered Accountants

ICAI Firm Reg. No.: 001092N

NAKUL SARDAR
Digitally signed
by NAKUL SARDAR
Date: 2021.07.29
13:05:31 +05'30'

Nakul Sarda

Partner

Membership No.: 513005

Place : Mumbai

Date : 29th July 2021

For and on behalf of the Board of Directors of

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

BHUPINDER SINGH
Digitally signed by BHUPINDER SINGH
DN: cn=Bhupinder Singh,
o=InCred Wealth Private Limited,
ou=InCred Wealth Private Limited,
email=bhupinder.singh@incrdwealth.com,
c=IN

Bhupinder Singh

Director

DIN : 07342318

Place : Mumbai

Date : 29th July 2021

KAMLESH RAJANINATH DANGI
Digitally signed by KAMLESH RAJANINATH DANGI
DN: cn=Kamlesh Rajaninath Dangi,
o=InCred Wealth Private Limited,
ou=InCred Wealth Private Limited,
email=kamlesh.dangi@incrdwealth.com,
c=IN

Kamlesh Dangi

Director

DIN - 05152439

Place : Mumbai

Date : 29th July 2021

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Standalone Cash Flow Statement for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Year ended 31st March, 2021	For the period ended 31st March, 2020
A. Cash flow from operating activities		
Profit / (loss) before tax	(3,799.52)	(5,520.09)
Adjustments for non-cash/non-trade items:		
Depreciation and amortisation	122.06	25.11
Gain on Sale of Investments	(860.20)	-
Rent expense on deferred lease rentals	6.06	-
Impairment of financial instruments	4.37	-
Interest on unwinding of financial assets	(4.72)	-
Interest on borrowings	1,829.61	198.13
Operating cash flow before working capital changes	(2,702.34)	(5,296.85)
Changes in working capital:		
Adjustments for decrease / (increase) in operating assets:		
Decrease / (Increase) in other non-current financial assets	1.98	(40.05)
Decrease / (Increase) in Loans	(662.35)	-
Decrease / (Increase) in other trade receivables	(350.69)	(80.23)
Decrease / (Increase) in other current assets	181.89	(1,186.38)
Decrease / (Increase) in other non current assets	-	(22.48)
Adjustments for increase / (decrease) in operating liabilities:		
Increase / (Decrease) in other non-current financial liabilities	13.75	337.29
Increase / (Decrease) in non-current provisions	8.48	15.40
Increase / (Decrease) in trade payables	(348.55)	444.84
Increase / (Decrease) in other current financial liabilities	423.55	152.76
Increase / (Decrease) in other current liabilities	80.65	144.29
Increase / (Decrease) in current provisions	(6.99)	7.14
Cash generated from (used in) operations	(3,360.62)	(5,524.27)
Income taxes paid	(169.22)	(1.76)
Net cash generated from / (used in) operating activities (A)	(3,529.84)	(5,526.03)
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(186.33)	(534.66)
Purchase of intangibles assets	(4.00)	-
Capital work-in-progress	79.66	-
Purchase of investments in subsidiary	(2,750.00)	(100.00)
Purchase of Investments	(2,46,185.36)	-
Sale Proceeds from Investments	2,45,357.80	-
Net cash generated from (used in) investing activities (B)	(3,688.23)	(634.66)
C. Cash Flow from financing activities		
Issue of share capital	-	1.00
Borrowings taken	21,850.00	6,419.50
Borrowings repaid	(12,270.00)	-
Interest expense	(1,773.60)	(198.13)
Payment of Lease liabilities	(97.51)	-
Net cash generated from / (used in) financing activities (C)	7,708.89	6,222.37
Net increase / (decrease) in cash and cash equivalents (A + B + C)	490.82	61.68
Cash and cash equivalents at the beginning of the period	61.68	-
Cash and cash equivalents at the end of the period [Note 1 below]	552.50	61.68
Net Increase / (decrease) in cash and cash equivalents during the period	490.82	61.68

InCred Wealth Private Limited
(formerly known as InCred Capital Inclusion Advisory Services Private Limited)
CIN: U67190MH2019PTC325577
Standalone Cash Flow Statement for the year ended 31st March 2021
(All amounts in INR Lakhs, unless otherwise stated)

Notes to Cash flow statement:

1. Components of cash and cash equivalents: [Refer Note No. 11]

Cash on hand	-	-
Balances with bank		
- in current accounts	552.50	61.68
	552.50	61.68

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

As per our report of even date.

For **Soni Chatrath & Co.**
Chartered Accountants
ICAI Firm Reg. No.: 001092N

NAKUL SARDAR Digitally signed
by NAKUL SARDAR
Date: 2021.07.29
13:05:47 +05'30'

Nakul Sarda
Partner
Membership No.: 513005

Place : Mumbai
Date : 29th July 2021

For and on behalf of the Board of Directors of
InCred Wealth Private Limited
(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

BHUPINDER SINGH

Bhupinder Singh
Director
DIN : 07342318

Place : Mumbai
Date : 29th July 2021

KAMLESH RAJANINATH DANGI

Kamlesh Dangi
Director
DIN - 05152439

Place : Mumbai
Date : 29th July 2021

Note 1 : General information

1.1. Corporate information

InCred Wealth Private Limited ('Company') was incorporated in India under the provision of Companies Act, 2013 vide Certificate of Incorporation dated 20th May 2019 issued by the Registrar of Companies, Mumbai.

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 03rd December 2019.

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 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 (collectively, "Ind AS").

These standalone financial statements are approved for issue by the Board of Directors on 29th July 2021.

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 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 (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. Further details are disclosed in Note 38.

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. Further details are disclosed in Note 29.

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 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. 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 : Significant 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')

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Significant accounting policies for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

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.

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.

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:

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

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 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.

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.

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 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 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:

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Significant accounting policies for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

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

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

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

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted 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. 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 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.

2.8. 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.

2.9. 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 [Refer Note No. 34]

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.

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Significant accounting policies for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

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 Distribution Services: Fees and commission on distribution and related services are recognized at a point in time when the service obligations are completed and when the terms of contracts are fulfilled.

(ii) Interest income on loans is accrued on a time basis by reference to principal outstanding and the effective interest rate method.

(iii) Income from treasury operations comprises of profit/loss on sale of securities

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.

(iv) 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.

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.

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 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 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 [Refer Note No. 33].

2.18. Employee benefits [Refer Note No. 38]

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.

2.21 Investments

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

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 3 : Property, plant and equipment

Particulars	ROU Assets [Refer Note No. 34]	Furniture & fittings	Leasehold Improvements	Office Equipments	Vehicle	Computer & Printer	Total
Gross carrying amount:							
As at 20th May 2019	-	-	-	-	-	-	-
Additions during the period	416.38	12.33	10.00	-	-	10.34	449.05
Deletion / Disposals during the period	-	-	-	-	-	-	-
As at 31st March 2020	416.38	12.33	10.00	-	-	10.34	449.05
Additions during the period	-	16.80	85.48	16.22	9.20	58.63	186.33
Deletion / Disposals during the period	-	-	-	-	-	-	-
As at 31st March 2021	416.38	29.13	95.48	16.22	9.20	68.97	635.38
Accumulated depreciation:							
As at 20th May 2019	-	-	-	-	-	-	-
Depreciation charge for the period	24.61	0.17	0.15	-	-	0.18	25.11
Accumulated depreciation on disposals during the period	-	-	-	-	-	-	-
As at 31st March 2020	24.61	0.17	0.15	-	-	0.18	25.11
Depreciation charge for the period	83.18	7.24	12.89	1.91	0.72	15.05	120.99
Accumulated depreciation on disposals during the period	-	-	-	-	-	-	-
As at 31st March 2021	107.79	7.41	13.04	1.91	0.72	15.23	146.10
Net carrying amount:							
As at 31st March 2021	308.59	21.72	82.44	14.31	8.48	53.74	489.28
As at 31st March 2020	391.77	12.16	9.85	-	-	10.16	423.94

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 4 : Capital work-in-progress

Particulars	Leasehold Improvements	Total
Cost:		
As at 20th May 2019	-	-
Additions during the period	85.61	85.61
Capitalized during the period	-	-
As at 31st March 2020	85.61	85.61
Additions during the period	66.60	66.60
Capitalized during the period	146.26	146.26
As at 31st March 2021	5.95	5.95

Note 5 : Other intangible assets

Particulars	Software	Website	Total
Gross carrying amount:			
As at 20th May 2019	-	-	-
Additions during the period	-	-	-
Deletion / Disposals during the period	-	-	-
As at 31st March 2020	-	-	-
Additions during the period	2.00	2.00	4.00
Deletion / Disposals during the period	-	-	-
As at 31st March 2021	2.00	2.00	4.00
Accumulated depreciation:			
As at 20th May 2019	-	-	-
Depreciation charge for the period	-	-	-
Accumulated depreciation on disposals during the period	-	-	-
As at 31st March 2020	-	-	-
Depreciation charge for the period	0.55	0.52	1.07
Accumulated depreciation on disposals during the period	-	-	-
As at 31st March 2021	0.55	0.52	1.07
Net carrying amount:			
As at 31st March 2021	1.45	1.48	2.93
As at 31st March 2020	-	-	-

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 6 : Non-current investments

Particulars	As at 31st March 2021	As at 31st March 2020
Unquoted, carried at cost:		
Investment in equity instrument of subsidiary:		
InCred Capital Wealth Portfolio Managers Private Limited (formerly known as BSH Corporate Advisors and Consultants Private Limited)	2,850.00	100.00
(31st March 2021 : 28,500,000 equity shares of INR 10 each, fully paid up bought at INR 10 each) (31st March 2020 : 10,00,000 equity shares of INR 10 each, fully paid up bought at INR 10 each)		
Total	2,850.00	100.00
Aggregate amount of unquoted investments	2,850.00	100.00

Note 7 : Others non-current financial assets

Particulars	As at 31st March 2021	As at 31st March 2020
Financial assets carried at amortized cost:		
Rental deposits	42.79	40.05
Total	42.79	40.05

Note 8 : Other non-current assets

Particulars	As at 31st March 2021	As at 31st March 2020
Unsecured, considered good		
Others:		
Deferred rent expense	16.43	22.48
Total	16.43	22.48

Note 9 : Current Investments

Particulars	As at 31st March 2021	As at 31st March 2020
Unquoted, carried at FVTPL:		
Equity Shares	557.54	-
Quoted, carried at FVTPL:		
Non-Convertible Debentures	644.80	-
Market Linked Debentures	485.42	-
Total	1,687.76	-
Aggregate amount of unquoted investments	557.54	-
Aggregate amount of quoted investments	1,130.22	-

Note 10 : Trade receivables

Particulars	As at 31st March 2021	As at 31st March 2020
Unsecured, considered good		
from others	401.55	1.56
from related parties [Refer Note No. 33]	26.72	78.67
	428.27	80.23
Less: Allowance for impairment loss	(1.71)	-
Total	426.56	80.23

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 11 : Cash and cash equivalents

Particulars	As at 31st March 2021	As at 31st March 2020
Cash on hand	-	-
Balances with banks:		
- In current accounts	552.50	61.68
Total	552.50	61.68

Note 12 : Loans

Particulars	As at 31st March 2021	As at 31st March 2020
Loan to Subsidiary [Refer Note No. 33]	665.01	-
	665.01	-
Less: Allowance for impairment loss	(2.66)	-
Total	662.35	-

Note 13 : Current tax assets (net)

Particulars	As at 31st March 2021	As at 31st March 2020
Income tax refundable (net of provision for income tax)	170.98	1.76
Total	170.98	1.76

Note 14 : Other current assets

Particulars	As at 31st March 2021	As at 31st March 2020
Unsecured, considered good		
Advances other than capital advances:		
Advance to vendors	0.28	298.52
Advance to employees	0.50	2.19
Capital advances:		
Advance to vendors	3.50	-
Others:		
Balance with government authorities	919.28	829.71
Prepaid expenses	74.20	49.90
Deferred rent expense	6.06	6.06
Others	0.67	-
Total	1,004.49	1,186.38

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 15 : Equity share capital

Particulars	As at 31st March 2021		As at 31st March, 2020	
	Number	Amount	Number	Amount
Authorized capital				
Equity shares of INR 10/- each	10,000	1.00	10,000	1.00
	10,000	1.00	10,000	1.00
Issued, subscribed and paid up capital				
Equity shares of INR 10/- each, fully paid-up	10,000	1.00	10,000	1.00
Total issued, subscribed and paid-up share capital	10,000	1.00	10,000	1.00

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 31st March 2021		As at 31st March, 2020	
	Number	Amount	Number	Amount
Equity shares				
At the beginning of the period	10,000	1.00	10,000	1.00
Add: Shares issued during the period	-	-	-	-
Less: Bought back during the period	-	-	-	-
Outstanding at the end of the period	10,000	1.00	10,000	1.00

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

Name of the shareholder	As at 31st March 2021		As at 31st March, 2020	
	No. of shares held	% Holding	No. of shares held	% Holding
Equity shares¹				
Bhupinder Singh ^{2 & 3}	10,000	100%	10,000	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 (One) equity share is being held by Mrs. Nisha Singh as nominee shareholder.

3. The shares of the Company held by Mr. Bhupinder Singh has been pledged towards loan facility availed by the Company from InCred Capital Financial Services Private Limited [formerly known as Proud Securities and Credits Private Limited] [Refer Note No. 17].

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 16 : Other equity

Particulars	As at 31st March, 2021	As at 31st March, 2020
16A Retained earnings		
Opening balance	(4,131.65)	-
Profit / (loss) after tax for the period	(2,843.55)	(4,131.65)
Other comprehensive income for the period, net of income tax	5.87	-
Closing Balance	(6,969.33)	(4,131.65)
Total	(6,969.33)	(4,131.65)

Note 17 : Non-current borrowings

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured carried at amortized cost:		
Loans from related party* [Refer Note No. 33]	13,832.74	6,419.50
Total	13,832.74	6,419.50

*** Terms & conditions of the Loan**

The Company had taken a loan of Rs. 19,500 Lakhs [outstanding as on 31st March 2021: Rs. 15,999.50 Lakhs] from InCred Capital Financial Services Private Limited [formerly known as Proud Securities and Credits Private Limited]. The loan is secured by way of pledge of shares of the Company held by the Promoter of the company. The loan carries a moratorium period of 26 (Twenty Six) months on the principal payment from the date on which first tranche of the loan is disbursed [10th December 2019]. The loan has been taken for the purpose of business expansion by the Company. The loan carries an interest rate of 14.5% per annum. The loan is repayable on quarterly instalments starting from the 27th month from the date on which first tranche of the loan is disbursed [10th December 2019].

Note 18 : Other non-current financial liabilities

Particulars	As at 31st March, 2021	As at 31st March, 2020
Lease liability [Refer Note No. 34]	309.55	337.29
Total	309.55	337.29

Note 19 : Non-current provisions

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision for employee benefits [Refer Note No. 38]		
Provision for leave encashment	-	11.49
Provision for gratuity	16.03	3.91
Total	16.03	15.40

Note 20 : Trade payables

Particulars	As at 31st March, 2021	As at 31st March, 2020
Total outstanding dues of micro enterprises and small enterprises [Refer Note No. 32 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		
- from others	80.42	364.65
- from related parties [Refer Note No. 33]	15.87	80.19
Total	96.29	444.84

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 21 : Other current financial liabilities

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current maturities of long-term borrowings [Refer Note No. 17]	2,166.76	-
Employee benefits payable	334.05	13.00
Expenses payable [Refer Note No. 33]	165.64	49.39
Lease liability [Refer Note No. 34]	76.62	90.37
Total	2,743.07	152.76

Note 22 : Other current liabilities

Particulars	As at 31st March, 2021	As at 31st March, 2020
Statutory dues payable	224.94	144.29
Total	224.94	144.29

Note 23 : Current provisions

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision for employee benefits [Refer Note No. 38]		
Provision for leave encashment	-	7.11
Provision for gratuity	0.15	0.03
Total	0.15	7.14

(This space has been intentionally left blank)

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 24 : Revenue from operations

Particulars	Year ended 31st March 2021	Period ended 31st March 2020
Distribution fees, commission and related income	1,418.98	19.11
Business support services	26.72	66.67
Total	1,445.70	85.78

Note 25 : Other income

Particulars	Year ended 31st March 2021	Period ended 31st March 2020
Interest income on financial assets carried at amortized cost:		
Advance given	19.21	-
Unwinding of Securtiy deposits	4.72	1.27
Fair value gain on investments measured at FVTPL	860.20	-
Others	0.11	-
Total	884.24	1.27

Note 26 : Employee benefits expenses

Particulars	Year ended 31st March 2021	Period ended 31st March 2020
Salaries, wages and bonus	3,527.93	496.40
Contribution to provident and other funds [Refer Note No. 38]	56.12	6.40
Gratuity expenses [Refer Note No. 38]	20.09	3.94
Leave encashment expenses [Refer Note No. 38]	(18.61)	18.61
Staff welfare expenses	32.62	1.10
Total	3,618.15	526.45

Note 27 : Finance cost

Particulars	Year ended 31st March 2021	Period ended 31st March 2020
Interest on borrowings carried at amortized cost	1,773.60	181.18
Interest on lease liability [Refer Note No. 34]	56.01	16.95
Total	1,829.61	198.13

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 28 : Other expenses

Particulars	Year ended 31st March 2021	Period ended 31st March 2020
Rent [Refer Note No. 34]	50.53	34.87
Allowance for Impairment	4.37	-
Communication cost	6.37	1.72
Sponsorship charges	-	10.00
Advertising and Marketing	20.51	-
Travelling and conveyance	4.99	1.51
Legal, professional and consultancy charges	144.37	4,731.10
Membership and Subscription	12.07	1.01
IT expenses	62.44	10.56
Manpower Support services	43.77	5.40
Repair and maintenance	13.02	4.48
Rates and taxes	0.12	0.03
Printing and stationery	7.51	0.07
Payment to auditors*	4.38	0.75
Office expenses	16.42	0.97
Interest on statutory dues	0.04	3.13
Recruitment fees	42.00	51.11
Referral Fees	117.14	
Foreign Exchange Gain / Loss	0.35	
Stamp duty & filing fees	8.54	0.74
Miscellaneous expenses	0.70	-
Total	559.64	4,857.45

*** Payment to auditors:**

Particulars	Year ended 31st March 2021	Period ended 31st March 2020
Auditor's remuneration		
- Audit fees	3.04	0.75
In other capacity	1.34	-
Total	4.38	0.75

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 29 : Income taxes**29.1 Income tax recognised in the Standalone Statement of Profit and Loss**

Particulars	Year ended 31st March 2021	Period ended 31st March 2020
Current tax		
In respect of current period	-	-
	-	-
Deferred tax expense/(income)	(955.97)	(1,388.44)
Total Income tax expense recognized in the current period	(955.97)	(1,388.44)

29.2 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 31st March 2021	Period ended 31st March 2020
Profit / (loss) before tax as per Standalone statement of profit and loss (A)	(3,799.52)	(5,520.09)
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)	(956.34)	(1,389.40)
Tax effect of:		
Amounts which are not deductible in calculating taxable income	0.35	1.28
Others	0.02	-
Incomes not considered in calculating taxable income	-	(0.32)
Effective tax expense	(955.97)	(1,388.44)

29.3 Income tax recognized in other comprehensive income

Particulars	Year ended 31st March 2021	Period ended 31st March 2020
Items that will not be reclassified to profit or loss (A)	7.85	-
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)	1.98	-

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

29.4 Deferred tax

The major components of deferred tax (assets) arising on account of timing differences as on 31st March 2021 are as follows:

Particulars	As at 31st March 2020	Recognized in Profit & Loss	Recognized in OCI	As at 31st March 2021
Deferred tax assets:				
Carry forward of losses	1,374.41	873.80	-	2,248.21
Remeasurement of retirement benefits plans	5.67	0.37	(1.98)	4.06
Provision for Bonus	-	82.99	-	82.99
Leases	9.04	10.49	-	19.53
Impairment loss on financial assets	-	1.10	-	1.10
Total deferred tax assets (A)	1,389.12	968.75	(1.98)	2,355.89
Deferred tax liabilities (B)				
Difference in WDV of property, plant & equipment as per Companies Act, 2013 and Income Tax Act, 1961	0.68	0.29	-	0.97
Net fair value gain on investments	-	12.49	-	12.49
Total deferred tax liabilities (B)	0.68	12.78	-	13.46
Net deferred tax assets (A - B)	1,388.44	955.97	(1.98)	2,342.42

The major components of deferred tax (assets) arising on account of timing differences as on 31st March 2020 are as follows:

Particulars	As at 20th May 2019	Recognized in Profit & Loss	Recognized in OCI	As at 31st March 2020
Deferred tax assets:				
Carry forward of losses	-	1,374.41	-	1,374.41
Remeasurement of retirement benefits plans	-	5.67	-	5.67
Leases	-	9.04	-	9.04
Total deferred tax assets (A)	-	1,389.12	-	1,389.12
Deferred tax liabilities (B)				
Difference in WDV of property, plant & equipment as per Companies Act, 2013 and Income Tax Act, 1961	-	0.68	-	0.68
Net deferred tax assets (A - B)	-	1,388.44	-	1,388.44

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 30 : 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 31st March 2021	Period ended 31st March 2020
Profit attributable to equity holders of the Company used in calculating basic & dilutive earnings per share	(2,843.55)	(4,131.65)

ii. Weighted average number of ordinary shares

Particulars	Year ended 31st March 2021	Period ended 31st March 2020
Weighted average number of equity shares used as the denominator in calculating basic & diluted earnings per share*	10,000	10,000

* There are no potential dilutive shares in the Company.

Basic earnings per share	(28,435.54)	(41,316.45)
Diluted earnings per share	(28,435.54)	(41,316.45)

Note 31 : Contingent liabilities and commitments

Particulars	Year ended 31st March 2021	Period ended 31st March 2020

--There are no Contingent liabilities and commitments as on 31st March 2021 and 31st March 2020--

Note 32 : Details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

In accordance with Micro, small and Medium Enterprises Development Act, 2006 the Company is required to identify the Micro, small and Medium suppliers and pay them interest on overdue beyond the specified period irrespective of the terms agreed with the suppliers. Based on information available with the management, there are no dues outstanding to micro and small enterprises covered under the Micro, small and Medium Enterprises Development Act, 2006.

(This space has been intentionally left blank)

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 33 : 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 (w.e.f 1st November 2019) Kamlesh Dangi, Director (w.e.f 15th January 2020) Prashant Bhonsle, Director (upto 29th April 2021) Saurabh Jhalaria, Director (upto 17th January 2020) Vaibhav Singh, Director (upto 6th December 2019)
Enterprise over which KMP is able to exercise significant influence	InCred Financial Services Limited InCred Capital Financial Services Private Limited (formerly known as Proud Securities and Credits Private Limited) (w.e.f 15th October 2019) InCred Asset Management Private Limited (formerly known as InCred Capital Investment Advisors and Managers Private Limited) (w.e.f. 15th October 2019) InCred Management and Technology Services Private Limited
Holding Company	InCred Capital Financial Services Private Limited (formerly known as Proud Securities and Credits Private Limited) (w.e.f. 20th May 2019 till 14th October 2019)
Subsidiary Company	InCred Capital Wealth Portfolio Managers Private Limited (formerly known as BSH Corporate Advisors and Consultants Private Limited) (w.e.f. 27th January 2020)
Step down Subsidiary Company	InCred Research Services Private Limited (formerly known as Earnest Innovations Partners Private Limited) (w.e.f. 23rd December 2020)
Fellow Subsidiary	InCred Asset Management Private Limited (formerly known as InCred Capital Investment Advisors and Managers Private Limited)

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

b. Transactions during the period with related parties :

Particulars	Holding Company		Enterprise over which KMP are able to exercise significant influence		Subsidiary Company		Fellow Subsidiary		Total	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Issue of Equity shares:										
InCred Capital Financial Services Private Limited	-	1.00	-	-	-	-	-	-	-	1.00
	-	1.00	-	-	-	-	-	-	-	1.00
Borrowings taken:										
InCred Capital Financial Services Private Limited	-	-	20,550.00	6,419.50	-	-	-	-	20,550.00	6,419.50
InCred Asset Management Private Limited	-	-	1,300.00	-	-	-	-	-	1,300.00	-
	-	-	21,850.00	6,419.50	-	-	-	-	21,850.00	6,419.50
Borrowings repaid:										
InCred Capital Financial Services Private Limited	-	-	10,970.00	-	-	-	-	-	10,970.00	-
InCred Asset Management Private Limited	-	-	1,300.00	-	-	-	-	-	1,300.00	-
	-	-	12,270.00	-	-	-	-	-	12,270.00	-
Purchase of Investments:										
InCred Capital Financial Services Private Limited	-	-	1,716.99	-	-	-	-	-	1,716.99	-
InCred Financial Services Limited	-	-	830.00	-	-	-	-	-	830.00	-
	-	-	2,546.99	-	-	-	-	-	2,546.99	-
Redemption Proceeds of Investments										
InCred Financial Services Limited	-	-	295.27	-	-	-	-	-	295.27	-
	-	-	295.27	-	-	-	-	-	295.27	-
Interest paid on Borrowings:										
InCred Capital Financial Services Private Limited	-	-	1,766.68	181.18	-	-	-	-	1,766.68	181.18
InCred Asset Management Private Limited	-	-	6.92	-	-	-	-	-	6.92	-
	-	-	1,773.60	181.18	-	-	-	-	1,773.60	181.18

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Holding Company		Enterprise over which KMP are able to exercise significant influence		Subsidiary Company		Fellow Subsidiary		Total	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Purchase of investment in subsidiary InCred Capital Wealth Portfolio Managers Private Limited										
InCred Capital Financial Services Private Limited	-	-	-	100.00	-	-	-	-	-	100.00
	-	-	-	100.00	-	-	-	-	-	100.00
Investment in Subsidiary :										
InCred Capital Wealth Portfolio Managers Private Limited		-	-	-	2,750.00	-	-	-	2,750.00	-
	-	-	-	-	2,750.00	-	-	-	2,750.00	-
Loans Given :										
InCred Capital Wealth Portfolio Managers Private Limited		-	-	-	2,220.00	-	-	-	2,220.00	-
	-	-	-	-	2,220.00	-	-	-	2,220.00	-
Loans Repayment received :										
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	-	1,555.00	-	-	-	1,555.00	-
	-	-	-	-	1,555.00	-	-	-	1,555.00	-
Interest on advances :										
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	-	19.21	-	-	-	19.21	-
	-	-	-	-	19.21	-	-	-	19.21	-
Distribution fees, commission and related income:										
InCred Financial Services Limited	-	-	172.14	17.60	-	-	-	-	172.14	17.60
InCred Asset Management Private Limited	-	-	19.90	-	-	-	-	-	19.90	-
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	-	1.46	-	-	-	1.46	-
	-	-	192.04	17.60	1.46	-	-	-	193.50	17.60

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Holding Company		Enterprise over which KMP are able to exercise significant influence		Subsidiary Company		Fellow Subsidiary		Total	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Reimbursement of expenses paid:										
InCred Financial Services Limited	-	-	224.44	91.85	-	-	-	-	224.44	91.85
InCred Management and Technology Services Private Limited	-	-	17.35	-	-	-	-	-	17.35	-
	-	-	241.78	91.85	-	-	-	-	241.78	91.85
Purchase of fixed assets										
InCred Financial Services Limited	-	-	1.41	-	-	-	-	-	1.41	1.41
	-	-	1.41	-	-	-	-	-	1.41	1.41
Business support services:										
InCred Asset Management Private Limited	-	-	11.06	66.67	-	-	-	-	11.06	66.67
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	-	15.65	-	-	-	15.65	-
	-	-	11.06	66.67	15.65	-	-	-	26.72	66.67

c. Closing balances with Related parties as at 31st March 2021:

Particulars	Holding Company		Enterprise over which KMP are able to exercise significant influence		Subsidiary Company		Fellow Subsidiary		Total	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Trade receivables (including applicable taxes):										
InCred Asset Management Private Limited	-	-	11.06	78.67	-	-	-	-	11.06	78.67
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	-	17.12	-	-	-	17.12	-
	-	-	11.06	78.67	17.12	-	-	-	28.18	78.67
Trade payables (including applicable taxes):										
InCred Financial Services Limited	-	-	15.87	80.19	-	-	-	-	15.87	80.19
	-	-	15.87	80.19	-	-	-	-	15.87	80.19

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Holding Company		Enterprise over which KMP are able to exercise significant influence		Subsidiary Company		Fellow Subsidiary		Total	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Investment in subsidiary company:										
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	-	2,850.00	100.00	-	-	2,850.00	100.00
	-	-	-	-	2,850.00	100.00	-	-	2,850.00	100.00
Loans receivable (including interest receivable):										
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	-	665.01	-	-	-	665.01	-
	-	-	-	-	665.01	-	-	-	665.01	-
Borrowings :										
InCred Capital Financial Services Private Limited	-	-	15,999.50	6,419.50	-	-	-	-	15,999.50	6,419.50
	-	-	15,999.50	6,419.50	-	-	-	-	15,999.50	6,419.50
Interest payable:										
InCred Capital Financial Services Private Limited	-	-	165.64	49.39	-	-	-	-	165.64	49.39
	-	-	165.64	49.39	-	-	-	-	165.64	49.39

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 34 : Leases**Accounting policy: The Company as a lessee**

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

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

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

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

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

- i. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment 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 31st March 2021 are as follows:

Particulars	As at 31st March 2021	As at 31st March 2020
Balance at the beginning of the year	391.77	-
Addition during the period	-	416.38
Deletion during the period	-	-
Depreciation for the period	83.18	24.61
Balance as at the end of the year	308.59	391.77

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

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Lease liability

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

The changes in the carrying value of the lease liability for the period ended 31st March 2021 are as follows:

Particulars	As at 31st March 2021	As at 31st March 2020
Balance as at the beginning of the year	427.67	-
Addition during the period	-	416.38
Finance cost accrued during the period	56.01	16.95
Deletions	-	-
Payment of lease liabilities during the period	(97.51)	(5.66)
Balance as at the end of the year	386.17	427.67

The break-up of current and non-current lease liabilities as at 31st March 2021 is as follows:

Particulars	As at 31st March 2021	As at 31st March 2020
Current lease liabilities	76.62	90.37
Non-current lease liabilities	309.55	337.29
Total	386.17	427.66

The details of the contractual maturities of lease liabilities as at 31st March 2021 on an undiscounted basis are as follows:

Particulars	As at 31st March 2021	As at 31st March 2020
Less than one year	123.17	97.51
One to five years	369.77	492.94
More than five years	-	-
Total	492.94	590.45

Expenses recognized in the Statement of Profit & Loss:

Particulars	Year ended 31st March 2021	Period ended 31st March 2020
Depreciation expense on RoU asset [Refer Note No. 3]	83.18	24.61
Interest expense on lease liability [Refer Note No. 27]	56.01	16.95
Expense relating to short-term leases [Refer Note No. 28]	50.53	34.87
Total	189.72	76.43

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. 50.54 lakhs for the year ended 31st March 2021 & Rs. 34.86 lakhs for the period ended 31st March 2020.

Note 35 : 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 period ended 31st March 2021 & 31st March 2020.

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 36 : Financial instruments**36.1 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 31st March 2021			
	Carrying Value	Amortized cost	FVTPL	FVTOCI
Financial assets:				
Non-current investments	2,850.00	2,850.00	-	-
Rental deposits	42.79	42.79	-	-
Current investments	1,687.76	-	1,687.76	-
Trade receivables	426.56	426.56	-	-
Cash and cash equivalents	552.50	552.50	-	-
Loans	662.35	662.35	-	-
Total financial assets	6,221.96	4,534.20	1,687.76	-
Financial liabilities:				
Long-term borrowings	13,832.74	13,832.74	-	-
Other non-current financial liabilities	309.55	309.55	-	-
Trade payables	96.29	96.29	-	-
Other current financial liabilities	2,743.07	2,743.07	-	-
Total financial liabilities	16,981.65	16,981.65	-	-
As at 31st March 2020				
Particulars	Carrying Value	Amortized cost	FVTPL	FVTOCI
Financial assets:				
Non-current investments	100.00	100.00	-	-
Rental deposits	40.05	40.05	-	-
Trade receivables	80.23	80.23	-	-
Cash and cash equivalents	61.68	61.68	-	-
Total financial assets	281.97	281.97	-	-
Financial liabilities:				
Long-term borrowings	6,419.50	6,419.50	-	-
Other non-current financial liabilities	337.29	337.29	-	-
Trade payables	444.84	444.84	-	-
Other current financial liabilities	152.76	152.76	-	-
Total financial liabilities	7,354.39	7,354.39	-	-

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.

36.2 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.

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

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 ²	As at 31st March 2021	
		Carrying Value	Fair Value
Financial assets:			
Non-current investments	Level 3	2,850.00	2,850.00
Current investments	Level 1	1,687.76	1,687.76
Rental deposits	Level 3	42.79	42.79
Trade receivables ³	Level 3	426.56	426.56
Cash and cash equivalents ¹	Level 1	552.50	552.50
Loans ³	Level 3	662.35	662.35
Total financial assets		6,221.96	6,221.96
Financial liabilities:			
Long-term borrowings	Level 3	13,832.74	13,832.74
Other non-current financial liabilities	Level 3	309.55	309.55
Trade payables ³	Level 3	96.29	96.29
Other current financial liabilities ³	Level 3	2,743.07	2,743.07
Total financial liabilities		16,981.65	16,981.65

Particulars	Level of fair value measurement ²	As at 31st March 2020	
		Carrying Value	Fair Value
Financial assets:			
Non-current investments	Level 3	100.00	100.00
Rental deposits	Level 3	40.05	40.05
Trade receivables ³	Level 3	80.23	80.23
Cash and cash equivalents ¹	Level 1	61.68	61.68
Total financial assets		281.97	281.97
Financial liabilities:			
Long-term borrowings	Level 3	6,419.50	6,419.50
Other non-current financial liabilities	Level 3	337.29	337.29
Trade payables ³	Level 3	444.84	444.84
Other current financial liabilities ³	Level 3	152.76	152.76
Total financial liabilities		7,354.39	7,354.39

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.

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 37 : 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 31st March 2021	As at 31st March 2020
Borrowings:		
Fixed rate borrowings	15,999.50	6,419.50
Total	15,999.50	6,419.50

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).

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

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 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 31st March 2021	As at 31st March 2020
Trade receivables (net of ECL)	426.56	80.23
Loans (net of ECL)	662.35	-
Total	1,088.91	80.23

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

Particulars	As at 31st March 2021	As at 31st March 2020
Loss allowance - stage 1		
Gross carrying amount of financial assets	665.01	-
Expected credit Loss	(2.66)	-
Carrying amount net of impairment provision	662.35	-

Following table provides exposure to credit risk for trade receivable-

Particulars	As at 31st March 2021	As at 31st March 2020
Loss allowance measured at 12 month ECL - Trade receivable		
Gross carrying amount of financial assets	428.27	80.23
Expected credit Loss	(1.71)	-
Carrying amount net of impairment provision	426.56	80.23

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

Particulars	As at 31st March 2021	As at 31st March 2020
Opening balance	-	-
Additional Provision	4.37	-
Closing balance	4.37	-

(c) Liquidity risk:

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

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

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

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

As at 31st March 2021:-

AS at 31st March 2021.

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
<u>Maturities of financial liabilities:</u>								
Long-term borrowings	17	13,832.74	13,832.74	-	-	13,832.74	-	-
Non-current lease liability	18	309.55	369.77	-	127.79	241.98	-	-
Trade payables	20	96.29	96.29	-	96.29	-	-	-
Current lease liability	21	76.62	123.17	-	123.17	-	-	-
Other current financial liabilities	21	2,666.45	2,666.45	-	2,666.45	-	-	-
Total		16,981.65	17,088.42	-	3,013.70	14,074.72	-	-

As at 31st March 2020:-

AS at 31st March 2020.

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
<u>Maturities of financial liabilities:</u>								
Long-term borrowings	17	6,419.50	6,419.50	-	6,419.50	-	-	-
Non-current lease liability	18	337.29	492.94	-	-	250.96	241.98	-
Trade payables	20	444.84	444.84	-	444.84	-	-	-
Current lease liability	21	90.37	97.51	-	97.51	-	-	-
Other current financial liabilities	21	62.39	62.39	-	62.39	-	-	-
Total		7,354.39	7,517.18	-	7,024.24	250.96	241.98	-

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.

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

As at 31st March 2021:-

as at 31st March 2021.

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
<u>Maturities of financial assets:</u>								
Non-current investments	6	2,850.00	2,850.00	-	-	-	-	2,850.00
Rental deposits	7	42.79	61.91	-	-	-	61.91	-
Current investments	9	1,687.76	1,687.76	-	1,687.76	-	-	-
Trade receivables	10	426.56	426.56	-	426.56	-	-	-
Cash and cash equivalents	11	552.50	552.50	552.50	-	-	-	-
Loans	12	662.35	662.35	-	662.35	-	-	-
Total		6,221.96	6,241.08	552.50	2,776.67	-	61.91	2,850.00

As at 31st March 2020:-

AS at 31st March 2020.

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
<u>Maturities of financial assets:</u>								
Non-current investments	6	100.00	100.00	-	-	-	-	100.00
Rental deposits	7	40.05	61.59	-	-	-	61.59	-
Trade receivables	10	80.23	80.23	-	80.23	-	-	-
Cash and cash equivalents	11	61.68	61.68	61.68	-	-	-	-
Total		281.97	303.50	61.68	80.23	-	61.59	100.00

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Note 38 : Employee benefits**38.1 Defined contribution plan**

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

Particulars	Year ended 31st March 2021	Period ended 31st March 2020
Provident fund	56.12	6.40
Total	56.12	6.40

38.2 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, subject to ceiling of INR 20.00 lakhs.

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

Particulars	As at 31st March 2021	As at 31st March 2020
Change in benefit obligations		
Present value of benefit obligation at the beginning of the period	0.00	-
Interest cost	0.25	-
Current Service cost	19.85	3.94
Actuarial (Gains) on obligations - due to change in demographic assumptions	(11.58)	-
Actuarial (Gains) on obligations - due to change in financial assumptions	(0.98)	-
Actuarial Losses on obligations - due to experience	4.71	-
Liability at the end of the period	12.24	3.94

Table showing change in the fair value of plan assets:

Particulars	As at 31st March 2021	As at 31st March 2020
Change in plan assets		
Fair value of plan assets at the beginning of the period	-	-
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 period	-	-

Amount recognized in the Standalone Balance Sheet:

Particulars	As at 31st March 2021	As at 31st March 2020
Present value of benefit obligation	(12.24)	(3.94)
Fair value of plan assets at the end of the period	-	-
Funded Status (Deficit)	(12.24)	(3.94)
Net (Liability) Recognized in the Standalone Balance Sheet	(12.24)	(3.94)

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Expenses recognized in the Standalone Statement of Profit and Loss:

Particulars	Year ended 31st March 2021	Period ended 31st March 2020
Current service cost	19.85	3.94
Net interest cost	0.25	-
Past service cost	-	-
Expected Contributions by the Employees	-	-
(Gains)/Losses on curtailments and settlements	-	-
Net effect of changes in foreign exchange rates	-	-
Expenses recognised	20.09	3.94

Expenses recognized in the Other comprehensive income (OCI)

Particulars	Year ended 31st March 2021	Period ended 31st March 2020
Actuarial (Gains) on obligation for the period	(7.85)	-
Return on plan assets, excluding interest income	-	-
Net (Income) for the period recognized in OCI	(7.85)	-

The actuarial assumptions used to determine benefit obligations as at 31st March 2020 are as follows:

Particulars	As at 31st March 2021	As at 31st March 2020
Discount Rate	6.24%	6.24%
Salary escalation rate	7%	7%
Expected Rate of return on Plan Assets	NA	NA
Rate of Employee Turnover	15%	15%
Mortality Rate during employment	Indian Assured lives mortality (2006-08)	

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 2021	As at 31st March 2020
Opening net liability	3.94	-
Expenses recognized in Statement of Profit and Loss	20.09	3.94
Expenses recognized in OCI	(7.85)	-
Net (Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	-	-
Benefit Paid Directly by the Employer	-	-
Employer's Contribution	-	-
Net liability recognized in the Standalone Balance Sheet	16.18	3.94

Other details:

Particulars	As at 31st March 2021	As at 31st March 2020
Number of active members	98	53
Per month salary for active members	111.45	72.49
Weighted average duration of the Projected Benefit Obligation	8	10
Average expected future service	3	5
Projected Benefit Obligation (PBO)	16.18	3.94
Prescribed Contribution For Next Year (12 Months)	-	-

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

Cash Flow Projection:**Maturity analysis of the benefit payments: from the employer**

Particulars	As at 31st March 2021	As at 31st March 2020
Projected benefits payable in future years from the date of reporting		
1st following year	0.15	0.03
2nd following year	0.13	0.03
3rd following year	0.11	0.03
4th following year	0.09	0.03
5th following year	4.64	0.03
Sum of years 6 To 10	13.00	3.56
Sum of years 11 and above	4.76	3.38

Sensitivity analysis:

Particulars	As at 31st March 2021	As at 31st March 2020
Projected benefit obligation on current assumptions	16.18	3.94
Delta effect of +1% change in rate of discounting	(0.97)	(0.32)
Delta effect of -1% change in rate of discounting	1.06	0.36
Delta effect of +1% change in rate of salary increase	1.05	0.35
Delta effect of -1% change in rate of salary increase	(0.98)	(0.32)
Delta effect of +1% change in rate of employee turnover	(0.84)	(0.23)
Delta effect of -1% change in rate of employee turnover	0.88	0.24

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.

38.3 Defined benefit plan - Compensated absences

The actuarially determined liability for compensated absences of accumulated leaves of the employees of the Company is given below:

Particulars	As at 31st March 2021	As at 31st March 2020
Total actuarial liability *	NA	18.61
Assumptions:		
Discount rate	NA	6.24%
Salary escalation rate	NA	7.00%

* As per the revised policy of the company, the accumulated unavailed leave lapses as at 31st March 2021. Thus no liability has been determined for the current year in respect of compensated absences.

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

CIN: U67190MH2019PTC325577

Notes to the standalone financial statements for the year ended 31st March 2021

(All amounts in INR Lakhs, unless otherwise stated)

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 31st March 2021
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 (formerly known as InCred Capital Inclusion Advisory Services Private Limited)	India	100.00%

Note 40 : Disclosure relating to earnings and expenditure in foreign currency

Particulars	Year ended 31st March 2021	Period ended 31st March 2020
A. Earnings in foreign currency		
Distribution fees, commission and related income	77.87	-
	77.87	-

B. Expenditure in foreign currency

There are no expenditure in foreign currency for the financial year ended 31st March 2021 and 31st March 2020.

Note 41 : Other notes**a. Segment reporting**

The Company's main business is Wealth Management Services comprising of, inter-alia, distribution of financial products, advisory services 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

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

As per our report of even date.

For Soni Chatrath & Co.

Chartered Accountants

ICAI Firm Reg. No.: 001092N

NAKUL SARDAR Digitally signed by NAKUL SARDAR
Date: 2021.07.29 13:06:44 +05'30'

Nakul Sarda

Partner

Membership No.: 513005

Place : Mumbai

Date : 29th July 2021

For and on behalf of the Board of Directors of

InCred Wealth Private Limited

(formerly known as InCred Capital Inclusion Advisory Services Private Limited)

BHUPINDER SINGH Digitally signed by BHUPINDER SINGH
Date: 2021.07.29 12:10:13
Reason: I am the author of this document
Location: your signing location here
Date: 2021.07.29 12:10:13
Font Reader Version: 10.0.1

Bhupinder Singh

Director

DIN : 07342318

Place : Mumbai

Date : 29th July 2021

KAMLESH RAJANINATH DANGI Digitally signed by KAMLESH RAJANINATH DANGI
Date: 2021.07.29 12:10:13
Reason: I am the author of this document
Location: your signing location here
Date: 2021.07.29 12:10:13
Font Reader Version: 10.0.1

Kamlesh Dangi

Director

DIN - 05152439

Place : Mumbai

Date : 29th July 2021

DIRECTOR'S REPORT

TO THE MEMBERS OF

InCred Wealth Private Limited
(Formerly Known as InCred Capital Inclusion Advisory Services Private Limited)

The Directors have pleasure in presenting the Second Annual Report on the business and operations and the Audited Financial Statements of the Company for the Financial Year ("FY") ended March 31, 2021.

1. FINANCIAL HIGHLIGHTS OF THE COMPANY (Rs. In Lakhs)

The highlights of the financial statements of the Company for the financial year ended March 31, 2021 as compared to the previous financial year ended March 31, 2020 are as under:

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Profit/(Loss) before Depreciation & Tax	(3,677.46)	(5,494.98)	(4,866.77)	(5,505.01)
Depreciation	122.06	25.11	172.92	25.11
Profit/(Loss) before Tax	(3,799.52)	(5,520.09)	(5,039.69)	(5,530.12)
Tax Provision/MAT	-	-	-	-
Deferred Tax Provision for the year	(955.97)	(1,388.44)	(1,262.38)	(1,388.82)
Tax Expenses for previous years	-	-	(0.47)	-
Profit/(Loss) after Tax	(2,843.55)	(4,131.65)	(3,776.84)	(4,141.30)
Other Comprehensive Income (Net of Tax)	5.87	-	5.87	-
Total Comprehensive Income	(2,837.68)	(4,131.65)	(3,770.97)	(4,141.30)
Profit/(Loss) transferred to Balance Sheet	(2,837.68)	(4,131.65)	(3,770.97)	(4,141.30)

2. DIVIDEND & TRANSFER OF GENERAL RESERVES

The Board of Directors of the Company do not recommend payment of dividend and no amount was transferred to the general reserves.

3. BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR

Overview of the FY 2020-21

- The total revenue from operations of the company for the financial year under review was INR 2,329.94 lakhs/- and after meeting all the expenses the company has incurred a loss of INR

INCRED WEALTH PRIVATE LIMITED

(FORMERLY KNOWN AS INCRED CAPITAL INCLUSION ADVISORY SERVICES PRIVATE LIMITED)

Corporate Office:
Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai – 400051

Registered Office:
Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai-400051

CIN: U67190MH2019PTC325577
Email: care@incredwealth.com
Contact: 2268446100
Website: www.incredwealth.com

2,837.68 lakhs/-

Overview of the FY 2019-20

- The total revenue from operations of the company for the financial year under review was INR 87.04 lakhs /- and after meeting all the expenses the company has incurred a loss of INR 41,31.62 lakhs /-

4. **CHANGE IN THE NATURE OF BUSINESS, IF ANY**

There was no change in nature of the business of the Company during the year under review

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 03rd December 2019.

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**

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 OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

There were no significant and material orders passed by the regulators or courts or tribunals, which can impact the going concern status and Company's operations in future.

7. **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 on March 31, 2021, 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.

INCRED WEALTH PRIVATE LIMITED

(FORMERLY KNOWN AS INCRED CAPITAL INCLUSION ADVISORY SERVICES PRIVATE LIMITED)

Corporate Office:
Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai – 400051

Registered Office:
Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai-400051

CIN: U67190MH2019PTC325577
Email: care@incredwealth.com
Contact: 2268446100
Website: www.incredwealth.com

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, 2021, the Company has 1 subsidiary viz. InCred Capital Wealth Portfolio Private Limited (formerly known as BSH Corporate Advisors and Consultants Private Limited) w.e.f. January 27, 2020. During the year under review, InCred Research Services Private Limited have become subsidiary of InCred Capital Wealth Portfolio Private Limited w.e.f. December 23, 2020. 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, profit & loss accounts 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 form 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

During the year under review, M/s PNAM and CO. (Formerly known as M/s. Soni Chatrath & Co.) Chartered Accountant (FRN :001092N) the Statutory Auditors of the Company were reappointed in the First Annual General Meeting of the Company to hold the office as the auditors for a period of 5 years starting from FY 2020-21. However, since the company is in the process of aligning its auditors with the auditors of the group companies, M/s PNAM and CO. Chartered Accountant (FRN :001092N) resigned as Statutory Auditors of the company w.e.f. October 11, 2021.

Further, Board at its meeting held on October 11, 2021 had appointed M/s. S.R. Batliboi & Associates LLP Chartered Accountants (ICAI Firm Registration No. 101049W/E300004) as statutory auditors of the Company from the conclusion of ensuing Annual General Meeting until the conclusion of the Annual General Meeting of the company to be held in 2026-27, at a remuneration to be determined by the Board of Directors to fill the casual vacancy caused by resignation of M/s PNAM and CO. Chartered Accountant (FRN :001092N). The Company has received a confirmation from M/s. S. R. Batliboi & Associates LLP., Chartered Accountants to the effect that their appointment would be in terms of Section 139 and 141 of the Companies Act, 2013 and rules made thereunder. Appropriate

INCRED WEALTH PRIVATE LIMITED

(FORMERLY KNOWN AS INCRED CAPITAL INCLUSION ADVISORY SERVICES PRIVATE LIMITED)

Corporate Office:

Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai – 400051

Registered Office:

Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai-400051

CIN: U67190MH2019PTC325577

Email: care@incredwealth.com

Contact: 2268446100

Website: www.incredwealth.com

resolution seeking Members' approval for the appointment of M/s. S. R. Batliboi & Associates LLP, Chartered Accountants as the Statutory Auditors of the Company is appearing in the Notice convening the ensuing AGM of the Company.

The Board also placed on record its appreciation to M/s. PNAM and Co., Chartered Accountants for their contribution to the Company with their audit processes and standards of auditing

The Audit for FY 2020-21 was conducted by M/s. PNAM and Co. and there are no qualifications, reservations, adverse remarks or disclaimers made by the Statutory Auditor in their Audit Report. The notes on financial statements referred to in the Auditors Report are self-explanatory and therefore do not call for any comments. There were no frauds reported under Section 143 (12) of the Companies Act, 2013 to the Board.

11. SHARE CAPITAL

As on March 31, 2021, the capital structure of the Company stands as follows:

1. Authorized capital- Rs. 1,00,000/- (Rupees One Lakh) divided into 10,000 (Ten Thousand) equity shares of Rs. 10/- (Rupees Ten only) each.
2. Issued, subscribed and paid up capital -Rs. 1,00,000 (Rupees One Lakh) divided into 10,000 (Ten Thousand) equity shares of Rs. 10/- (Rupees Ten only) each.

Subsequent to the year under review

The Company has increased Authorized Share Capital from INR 100,000 divided into 10,000 equity shares having the face value of INR 10/- (Indian Rupees Ten only) each to INR 600,000 on May 24, 2021

The Company has allotted 41,546 equity shares with differential voting rights (**DVR's**) of face value of INR 10 (Indian Rupees Ten only) each for an aggregate consideration of INR 4,15,460 (Indian Rupees Four Lacs Fifteen Thousand Four Hundred and Sixty only) on May 27, 2021

12. SECRETARIAL STANDARDS

The Company has complied with all the applicable Standards of Secretarial Standard-1 on meeting of Board of Directors during the period under review.

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

(A) Conservation of energy:

Since the Company does not carry out any manufacturing activity, the particulars as prescribed

INCRED WEALTH PRIVATE LIMITED

(FORMERLY KNOWN AS INCRED CAPITAL INCLUSION ADVISORY SERVICES PRIVATE LIMITED)

Corporate Office:
Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai – 400051

Registered Office:
Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai-400051

CIN: U67190MH2019PTC325577
Email: care@incredwealth.com
Contact: 2268446100
Website: www.incredwealth.com

under section 134(1) (m) of the Act in relation to conservation of energy are not applicable to your company.

(B) Technology absorption:

The particulars as prescribed under section 134(1) (m) of the Act, in relation to technology absorption are not applicable to your company.

(C) Foreign exchange earnings and Outgo:

During the year, foreign exchange earnings and foreign exchange utilizations were nil.

14. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The company does not attract the provisions of Section 135 of the Companies Act, 2013.

15. DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP)

Appointments/Resignations of Directors from the Board during the financial year

During the year under review there were no changes in the Board of Directors

Mr. Bhupinder Singh, Mr. Kamlesh Dangi and Mr. Prashant Bhonsle to act as directors as on March 31, 2021

Changes in the Board post March 31, 2021

Mr. Prashant Bhonsle ceased to act as Director w.e.f. April 29, 2021 due to certain other preoccupations.

16. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year the Board met Eight times during the financial year 2020-2021 viz. on June 16, 2020, June 26, 2020, August 07, 2020, August 19, 2020, October 08, 2021, October 23, 2020, December 30, 2020 and March 15, 2021. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

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

As per the requirements of section 177(9) of the Companies Act 2013, our company is not mandatorily required to establish vigil mechanism for the directors and employees to report their genuine concerns or grievances

INCRED WEALTH PRIVATE LIMITED

(FORMERLY KNOWN AS INCRED CAPITAL INCLUSION ADVISORY SERVICES PRIVATE LIMITED)

Corporate Office:

Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai – 400051

Registered Office:

Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai-400051

CIN: U67190MH2019PTC325577

Email: care@incredwealth.com

Contact: 2268446100

Website: www.incredwealth.com

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, 2021

19. 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 III** in terms of the provisions of Section 134(3)(h) read with rule 8(2) of the Companies (Accounts) Rules, 2014.

20. MANAGERIAL REMUNERATION

The provision related to appointment and remuneration of managerial remuneration is not applicable on our company.

21. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013 READ WITH RULES

Pursuant to the requirements of Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013 read with rules framed there under, the Company has not received any complaint of sexual harassment during the year under review.

22. 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.

23. 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

INCRED WEALTH PRIVATE LIMITED

(FORMERLY KNOWN AS INCRED CAPITAL INCLUSION ADVISORY SERVICES PRIVATE LIMITED)

Corporate Office:

Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai – 400051

Registered Office:

Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai-400051

CIN: U67190MH2019PTC325577

Email: care@incredwealth.com

Contact: 2268446100

Website: www.incredwealth.com

the state of affairs of the company at the end of the financial year and of the loss 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.

24. ACKNOWLEDGEMENTS

Your Board of Directors wish to thank and place on record their appreciation for the co-operation and support extended to the Company by bankers, customers, employees and all other stakeholders. The Board of Directors also expresses its sincere gratitude to all the shareholders for their continuous support and trust they have shown in the management. The dedication and sense of commitment shown by the employees at all levels during the year deserve special mention.

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





**Place: Mumbai
Date: October 11, 2021**

**Bhupinder Singh
Director
DIN: 07342318**

**Kamlesh Dangi
Director
DIN: 05152439**

INCRED WEALTH PRIVATE LIMITED

(FORMERLY KNOWN AS INCRED CAPITAL INCLUSION ADVISORY SERVICES PRIVATE LIMITED)

**Corporate Office:
Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai – 400051**

**Registered Office:
Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai-400051**

**CIN: U67190MH2019PTC325577
Email: care@incredwealth.com
Contact: 2268446100
Website: www.incredwealth.com**

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

Part: B: Associates and Joint Ventures: Not Applicable

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

1	S.No.	1
2	Name of the Subsidiary	InCred Capital Wealth Portfolio Managers Private Limited (Formerly known as BSH Corporate Advisors and Consultants Private Limited)
3	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
4	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 BSE & NSE, Depository Participant, Portfolio Management services and Investment Advisory services. The Company has received registration from SEBI as a Stock Broker on 30th April 2020 with Registration number: INZ000294632. The

INCRED WEALTH PRIVATE LIMITED

(FORMERLY KNOWN AS INCRED CAPITAL INCLUSION ADVISORY SERVICES PRIVATE LIMITED)

Corporate Office:

Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai – 400051

Registered Office:

Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai-400051

CIN: U67190MH2019PTC325577

Email: care@incredwealth.com

Contact: 2268446100

Website: www.incredwealth.com

		Company has also received registration from SEBI as a Investment Adviser on 31st July 2020 with Registration number: INA000014890. The Company has also received registration from SEBI as a Portfolio Manager on 13th 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 15th May 2020 with Clearing Number: 6739. It has been admitted to Wholesale Debt Market Segment of BSE and NSE. The company has also received certificate of registration no. IN-DP-559-2021 from SEBI as a participant in the CDSL on February 4, 2021.
5	No. of Branches	NIL
6	Reporting period	1 st April 2020 to 31 st March 2021
7	Reporting currency	INR
8	Exchange rate on the last day of the financial year	NA
9	Share Capital	Rs.2850 Lakhs
10	Reserves and Surplus	(Rs. 644.85) lakhs
11	Total assets (Fixed assets + Investments + Other assets)	Rs. 3464.53 lakhs
12	Total liabilities (Deposits + Borrowings + Other liabilities + Provisions)	Rs. 1259.38 lakhs
13	Investments	Rs. 469.81 lakhs
14	Turnover	Rs. 267.08 lakhs
15	Profit/ (Loss) Before Tax	Rs. (879.99) lakhs
16	Provision for tax	Rs. 223.45 lakhs
17	Profit/ (Loss)After Tax	Rs. (656.54) lakhs

INCRED WEALTH PRIVATE LIMITED

(FORMERLY KNOWN AS INCRED CAPITAL INCLUSION ADVISORY SERVICES PRIVATE LIMITED)

Corporate Office:

Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai – 400051

Registered Office:

Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai-400051

CIN: U67190MH2019PTC325577

Email: care@incredwealth.com

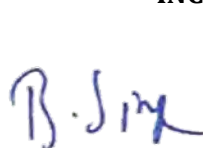
Contact: 2268446100

Website: www.incredwealth.com

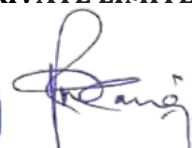
1	S.No.	2
2	Name of the Step-Down Subsidiary	InCred Research Services Private Limited (Formerly known as Earnest Innovation Partners Private Limited)
3	Registered Office	1502-A,15th Floor, B Wing, The Capital, Plot No.C-70 G Block, Bandra Kurla Complex, Bandra (E) Mumbai - 400051.
4	Nature of Business	Research Analyst
5	No. Of Branches	NIL
6	Reporting period	23-12-2020 TO 31-03-2021
7	Reporting currency	INR
8	Exchange rate on the last day of the financial year	NA
9	Share Capital	Rs. 601 lakhs
10	Reserves and Surplus	Rs. (532.65) lakhs
11	Total assets (Fixed assets + Investments + Other assets)	Rs. 494.02 lakhs
12	Total liabilities (Deposits + Borrowings + Other liabilities + Provisions)	Rs. 425.69 lakhs
13	Investments	NA
14	Turnover	Rs. 190.04 lakhs
15	Profit/ (Loss) Before Tax	Rs. (709.58) lakhs
16	Provision for tax	Rs. 178.10 lakhs
17	Profit/ (Loss)After Tax	Rs. (531.48) lakhs

For and on behalf of board
INCRED WEALTH PRIVATE LIMITED

Place: Mumbai
Date: October 11, 2021


Bhupinder Singh
Director
DIN:07342318




Kamlesh Dangi
Director
DIN: 05152439

INCRED WEALTH PRIVATE LIMITED
(FORMERLY KNOWN AS INCRED CAPITAL INCLUSION ADVISORY SERVICES PRIVATE LIMITED)

Corporate Office:
Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai – 400051

Registered Office:
Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai-400051

CIN: U67190MH2019PTC325577
Email: care@incredwealth.com
Contact: 2268446100
Website:www.incredwealth.com

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:

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 Pvt Ltd	Loan taken	4 years	Interest @14.5% p.a Loan Amount – Rs. 19500 lakhs (Outstanding as on March 21 Rs. 15999.50 lakhs. Interest exp Rs. 1766.68 lakhs) Drawdown – Rs. 20550 lakhs	NA	

INCRED WEALTH PRIVATE LIMITED

(FORMERLY KNOWN AS INCRED CAPITAL INCLUSION ADVISORY SERVICES PRIVATE LIMITED)

Corporate Office:

Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai – 400051

Registered Office:

Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai-400051

CIN: U67190MH2019PTC325577

Email: care@incredwealth.com

Contact: 2268446100

Website: www.incredwealth.com

			Repayment done – Rs. 10970 lakhs		
InCred Capital Financial Services Pvt Ltd	Purchase of Investments	FY 20 21	Investment worth Rs. 1716.99 lakhs purchased	NA	
InCred Asset Management Private Limited	ICD/Advance	FY 20 21	Rs. 1300 ICD taken and repayment done @14% (Interest Rs. 6.92)	NA	
InCred Capital Wealth Portfolio Managers Private Limited	ICD/Advance	FY 20 21	ICD given amounting to Rs. 2,220 lakhs (Gross). Repayment received to Rs. 1,555 lakhs (Interest @ 14.5% p.a. - Rs. 19.21 lakhs	NA	
InCred Capital Wealth Portfolio Managers Private Limited	Distribution fees	FY 20 21	Rs. 1.46 lakhs	NA	
InCred Capital Wealth Portfolio Managers Private Limited	Business Support Services	FY 20 21	Rent recharge to Subsidiary Rs. 15.65 lakhs	NA	
InCred Capital Wealth Portfolio Managers Private Limited	Investment in Subsidiary	FY 20 21	Rights share amounting to Rs. 2,750 lakhs	NA	
InCred Financial Services Limited	Subscription to MLD	FY 20 21	MLD worth Rs. 830 lakhs subscribed	NA	

INCRED WEALTH PRIVATE LIMITED

(FORMERLY KNOWN AS INCRED CAPITAL INCLUSION ADVISORY SERVICES PRIVATE LIMITED)

Corporate Office:

Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai – 400051

Registered Office:

Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai-400051

CIN: U67190MH2019PTC325577

Email: care@incredwealth.com

Contact: 2268446100

Website: www.incredwealth.com

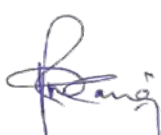
InCred Financial Services Limited	Redemption of MLD	FY 20 21	Rs. 295.27 lakhs	NA	
InCred Financial Services Limited	Distribution fees, commission and related income	FY 20 21	Rs. 172.14 lakhs	NA	
InCred Financial Services Limited	Reimbursement of expenses	FY 20 21	Recharge of common cost by IFSL Rs. 224.44 lakhs	NA	

For and on behalf of board
InCred Wealth Private Limited

Place: Mumbai
Date: October 11, 2021


Bhupinder Singh
Director
DIN: 07342318




Kamlesh Dangi
Director
DIN: 05152439

INCRED WEALTH PRIVATE LIMITED
(FORMERLY KNOWN AS INCRED CAPITAL INCLUSION ADVISORY SERVICES PRIVATE LIMITED)

Corporate Office:
Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai – 400051

Registered Office:
Unit No. 1203, 12th Floor, B Wing,
The Capital, C-70, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai-400051

CIN: U67190MH2019PTC325577
Email: care@incredwealth.com
Contact: 2268446100
Website: www.incredwealth.com



INDEPENDENT AUDITORS' REPORT

To

The Members of MAPE Advisory Group Private Limited

Report on the Audit of the Financial Statements of MAPE Advisory Group Private Limited for the F.Y 2020-21

Opinion

We have audited the accompanying financial statements MAPE Advisory Group Private Limited ("the Company"), which comprise the balance sheet as at March 31, 2021, and the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant 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 ('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, 2021, its loss and cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing ("SA"s) 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 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, 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.





Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

Emphasis of Matters

Due to outbreak of COVID-19 globally and in India, The company management has made initial assessment of likely adverse impact on business and financial risks and believes that the impact is likely to short term in nature. The management does not see any long term risks in the company ability to continue as going concern and meeting its liabilities as when the due.

Other Matters

Further to the continuous spreading of COVID -19 across India, the Indian Government announced a lockdown across the India to contain the spread of the virus. This has resulted in restriction on physical visit to the client locations and the need for carrying out alternative audit procedures as per the Standards on Auditing prescribed by the Institute of Chartered Accountants of India (ICAI).

As a result of the above, the entire audit was carried out based on remote access of the data as provided the management. This has been carried out based on the advisory on "Specific Considerations while conducting Distance Audit/ Remote Audit/ Online Audit under current Covid-19 situation" issued by the Auditing and Assurance Standards Board of ICAI. We have been represented by the management that the data provided for our audit purposes is correct, complete, reliable and are directly generated by the accounting system of the Company without any further manual modifications.

We bring to the attention of the users that the audit of the financial statements has been performed in the aforesaid conditions.

Our audit opinion is not modified in respect of the above.

Management's responsibility for the financial statements

The Company's board of directors are 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the





accounting standards 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 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 statement 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.

The Board of directors 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 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 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.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 balance sheet, the statement of profit and loss, and the cash flow statement 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 rule 7 of the Companies (Accounts) Rules, 2014, as amended from time to time;





- (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2021 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 the financial statements of the company and operating effectiveness of such control, refer to our separate Report in "Annexure B".
- (g) The Company being a private limited company, the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in respect of whether the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act is not applicable; and
- (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, in our opinion and to the best of our information and according to the explanations given to us;
 - a. The Company does not have any pending litigations which would impact its financial position;
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - c. There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company

For Y K Anand & CO
Chartered Accountants
Firm Registration No: 010962S

Y K Anand
Partner
Membership No: 209794



Place: Bengaluru
Date: September 22, 2021

UDIN : 21209794AAAAUH7213

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1 under ‘Report on other legal and regulatory requirements’ section of our report to the members of MAPE Advisory Group Private Limited of even date)

i) In respect of its fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.

(b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed between the books records and the physical fixed assets on such verification.

(c) According to the information and explanations given to us the company has no immovable properties and thus not commented upon.

ii) In respect of its inventory: The Company is engaging in the business of Services, hence, the provision of clause (ii) of paragraph 3 Companies (Auditor’s Report) Order, 2016 (“the Order”) are not applicable to the Company.

iii) According to the information and explanations given to us, the Company has not granted loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act and hence the provisions of sub clause (a) to (c) of clause (iii), Para 3 of the Order are not applicable to the Company.

iv) In our opinion and according to information and explanation given to us, in respect of loans, investments, guarantees and security, the Company has complied with the provisions of sections 185 and section 186 of the Companies Act, 2013.

v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits and Accordingly, the provision of clause (viii) of paragraph 3 Companies (Auditor’s Report) Order, 2016 (“the Order”) are not applicable to the Company



- vi) The Central Government has not prescribed under sub-section (1) of Section 148 of the Companies Act, 2013 maintenance of cost accounting records for the activities carried on by the company and hence are not applicable.
- vii) According to the information and explanations given to us in respect of statutory dues:
- (a) The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Goods and Services Tax, Duty of Customs, Duty of excise, Value Added Tax, Entry Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Goods and Services Tax, Customs Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March 2021 for a period of more than six months from the date they became payable.
 - (b) According to the information and explanation given to us and records of the company examined by us, there are no dues of income tax or goods and service tax as at March 31, 2021 which have not been deposited on the account of dispute.
 - (c) There are no amounts which are required to be transferred to Investor Education and protection fund in accordance with the relevant provisions of the Companies Act, 2013 and Rules made there under.
- viii) In our opinion and according to the information and explanations given to us, the company has no outstanding dues to any financial institutions or banks or any government or any debenture holders during the year. Accordingly, the provision of clause (viii) of paragraph 3 Companies (Auditor's Report) Order, 2016 ("the Order") are not applicable to the Company.
- ix) In our opinion and according to the information and explanations given to us, the Company has not taken raised any money by way of initial public offer or further public offer (including debt instruments) and term loans and hence, the provision of clause (ix) of paragraph 3 Companies (Auditor's Report) Order, 2016 ("the Order") are not applicable to the Company.
- x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.

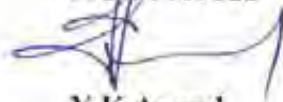


- xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the company and hence reporting under clause 3(xi) is not applicable and hence not commented upon.
- xii) In our opinion and according to the information and explanations given to us the company does not fall under Nidhi company and thus the Clause (xii) of Para 3 is not applicable for the said company.
- xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 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 sec 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- xiv) Relying on the Audit Procedures performed the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, Clause (xiv) of Para 3 is not applicable.
- xv) In our opinion and according to the information given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, Clause (xv) of Para 3 is not applicable and hence not commented upon.
- xvi) As per the nature of the operations carried on by the company, in our opinion and information provided to us, the aforesaid company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.

For Y K Anand & Co

Chartered Accountants

FRN/010962S



Y K Anand

Partner

Membership No: 209794



UDIN: 21209794AAAAUH7213

Place: Bengaluru

Date: September 22, 2021

“Annexure B” to the Independent Auditor’s Report

Referred to in paragraph 2(i) under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2021

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 over financial reporting of MAPE Advisory Group Private Limited (“the Company”) as of March 31, 2021 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 control 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. 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 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 financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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



Opinion

In our opinion, 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 March 31, 2021, 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.

For and on behalf of
Y K Anand & Co
Chartered Accountants
FRN: 010962S


Y K Anand
Partner
M.No:209794



UDIN: 21209794AAAAUH7213

Place: Bengaluru
Date: September 22, 2021

MAPE ADVISORY GROUP PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2021

	Notes	As at March 31, 2021 (Rupees)	March 31, 2020 (Rupees)
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	53,49,540	61,21,530
Reserves and Surplus	4	22,41,08,766	40,55,39,824
Non-Current Liabilities			
Long-Term Borrowings	5	31,39,703	48,85,111
Long-Term Provisions	6	87,47,696	1,00,01,751
Current Liabilities			
Short-Term Borrowings	7	21,43,19,811	10,99,22,966
Trade Payables	8		
Total outstanding dues of micro enterprises and small enterprises and			
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,05,27,159	2,16,09,767
Other Current Liabilities	9	26,78,55,289	13,85,38,816
Short-Term Provisions	10	3,26,027	3,59,068
TOTAL		73,43,73,991	69,69,78,833
ASSETS			
Non-Current Assets			
Property, Plant and Equipments	11	78,76,160	1,24,59,006
Non-Current Investments	12	62,89,42,819	52,87,93,819
Deferred Tax Assets (Net)	13	52,26,740	58,49,489
Long-Term Loans and Advances	14	1,31,20,500	5,67,57,305
Current Assets			
Trade Receivables	15	9,39,997	4,10,34,508
Cash and Cash Equivalents	16	6,10,66,758	3,52,79,818
Short-Term Loans and Advances	17	1,18,82,359	1,65,54,151
Other Current Assets	18	53,18,658	2,50,737
TOTAL		73,43,73,991	69,69,78,833

Significant Accounting Policies

2

The notes form an integral part of these financial statements

This is the Balance Sheet referred to in our report of even date

For Y K Anand & Co
Firm Registration Number : 0109625

For and on behalf of the Board of Directors

Y K Anand
Partner
Membership No. 209794



Place: Bangalore
Date : September 22, 2021

Jacob Mathew
Director
DIN : 00996521

Place: Bangalore
Date : September 22, 2021

M. Ramprasad
Director
DIN : 00004275

Place: Chennai
Date : September 22, 2021



MAPE ADVISORY GROUP PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2021

	Notes	Year ended March 31, 2021 (Rupees)	March 31, 2020 (Rupees)
INCOME			
Revenue from Operations (Gross)	19	6,66,94,032	37,70,10,825
Less: Goods and Service Tax		99,51,000	5,50,74,139
Revenue from Operations (Net)		5,67,43,032	32,19,36,686
Other Income	20	5,51,52,873	29,90,071
Total Income		11,18,95,905	32,49,26,757
EXPENSES			
Employee Benefits Expenses	21	18,00,14,830	18,15,43,131
Interest and Other Financial Costs	22	70,89,422	1,66,35,824
Depreciation	23	43,12,566	43,01,114
Other Expenses	24	6,85,05,643	6,15,02,094
Total Expenses		25,99,22,461	26,39,82,163
(Loss) / Profit Before Tax and Prior Period Item		(14,80,26,556)	6,09,44,594
Prior Period Item (Includes share of profit from LLP pertaining to earlier years)		-	96,56,166
(Loss) / Profit Before Tax		(14,80,26,556)	7,06,00,760
Tax Expense			
Current Tax (Including provision relating to earlier years Rs. 1,263,006 (Previous Year Rs.263,120))		(12,63,006)	1,97,63,120
Deferred Tax		6,22,749	(67,218)
(Loss) / Profit for the year		(14,73,86,299)	5,09,04,858
(Loss) / Earnings per equity share of Rs.10 each			
Basic and Diluted (Refer Note 27)		(275.51)	83.16

Significant Accounting Policies

2

The notes form an integral part of these financial statements

This is the Statement of Profit and Loss referred to in our report of even date.

For Y.K Anand & Co
Firm Registration Number : 0109625

For and on behalf of the Board of Directors

Y K Anand
Partner
Membership No. 209794



Place: Bangalore
Date: September 22, 2021

Jacob Mathew
Director
DIN: 00996521

Place: Bangalore
Date: September 22, 2021

M. Ramprasad
Director
DIN: 00004275

Place: Chennai
Date: September 22, 2021



MAPE ADVISORY GROUP PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

	Note	Year ended March 31, 2021 (Rupees)	Year ended March 31, 2020 (Rupees)
Cash flow from Operating Activities			
(Loss) / Profit before taxation		(14,80,26,556)	7,06,00,760
Adjustments for:			
Depreciation		43,12,566	43,01,114
Interest and Other Financial Costs		70,89,422	1,66,35,824
Interest Income - Fixed Deposits		(22,01,260)	(12,59,532)
Interest income - Intercompany Loan		-	(2,15,779)
Share of profit from LLPs		(4,82,92,139)	-
Share of loss from LLPs		63,623	13,096
(Profit) / Loss on sale / write off of tangible assets		1,14,744	-
Operating Profit before Working Capital Changes		(18,69,39,600)	9,00,75,483
Adjustments for changes in Working Capital :			
Increase / (Decrease) in Long-term provisions		(12,54,055)	27,026
Increase / (Decrease) in Trade payables		(1,10,82,608)	1,72,02,834
Increase / (Decrease) in Other current liabilities		12,88,77,004	12,16,66,424
Increase / (Decrease) in Short-term provisions		(33,041)	13,708
(Increase) / Decrease in Long-term loans and advances		40,79,389	2,99,626
(Increase) / Decrease in Trade receivables		4,00,94,511	(2,89,81,482)
(Increase) / Decrease in Other Current Assets		(50,00,000)	2,42,38,129
(Increase) / Decrease in Short-term loans and advances		46,71,792	(93,81,905)
Cash generated from / (used for) Operations		(2,65,86,608)	21,51,59,843
Taxes paid (Net of refunds)		4,08,20,422	(3,10,86,562)
Net cash generated from / (used for) in Operating Activities (A)		1,42,33,814	18,40,73,281
Cash flow from Investing Activities:			
Purchase of tangible assets		(36,280)	(55,21,629)
Proceeds from sale of tangible assets		1,91,816	-
Investment in subsidiaries		(10,01,49,000)	-
Share of profit from LLPs		4,82,92,139	-
Share of loss from LLPs		(63,623)	(13,096)
Repayment of Intercompany Loans		-	75,00,000
Interest received on intercompany loan		1,94,201	18,53,359
Interest received on Fixed Deposits		19,39,138	12,60,269
Deposits placed / matured		58,42,304	(1,31,34,315)
Net cash generated from / (used in) Investing Activities (B)		(4,37,89,305)	(80,55,412)
Cash flow from Financing Activities:			
Proceeds from Short-term borrowings		77,83,64,965	66,10,15,100
Repayment of Short-term borrowings		(67,39,68,120)	(66,20,66,982)
Repayment of Long term borrowings		(15,72,372)	39,18,515
Buyback of equity shares		(3,48,16,749)	-
Interest and Other Financial Costs		(99,54,289)	(2,28,73,459)
Drawings from subsidiary company		31,31,300	(15,00,00,000)
Net cash generated from Financing Activities (C)		6,11,84,735	(17,00,06,826)
Net Increase in cash and cash equivalents (A)+(B)+(C)		3,16,29,244	60,11,043
Add: Balance at the beginning of the year		71,45,503	11,34,460
Cash and Cash Equivalents at the end of the year		3,87,74,747	71,45,503
Cash and Cash Equivalents comprise of			
Cash in hand		117	27,637
Cheques on hand		-	34,45,838
Balances with banks			
- In Current Accounts		3,87,74,630	36,72,028
TOTAL		3,87,74,747	71,45,503

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 on Cash Flow Statements specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

The notes form an integral part of these financial statements

This is the Cash Flow Statement referred to in our report of even date.

For Y K Anand & Co
Firm Registration Number : 0109625

Y K Anand
Partner
Membership No. 209794

Place: Bangalore
Date : September 22, 2021



For and on behalf of the Board of Directors

Jacob Mathew
Director
DIN : 00996521

Place: Bangalore
Date : September 22, 2021

M. Ramprasad
Director
DIN : 00004275

Place: Chennai
Date : September 22, 2021



MAPE ADVISORY GROUP PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Note 1 - General Information

MAPE Advisory Group Private Limited is a private limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. MAPE Advisory Group Private Limited is engaged in the business of investment banking and merchant banking.

During the year, the registered office of the Company has been shifted from 211, Prestige Centre Point, Cunningham Road, Bangalore 560052 (State of Karnataka), under the jurisdiction of Registrar of Companies Bangalore, (ROC Bangalore) to 1203, 12th Floor, B Wing, The Capital, Bandra Kurla Complex, Bandra (East), Mumbai 400051 (State of Maharashtra), under the jurisdiction of Registrar of Companies, Mumbai (ROC Mumbai), the same was approved by the shareholders in the Extraordinary General Meeting held on November 07, 2020. The Company has received the order from the Regional Director, South East Region vide order number- 24/RD(SER)/Sec.13(4)/KNT to Maharashtra/2021/4459 dated March 01, 2021 and the certified copy of the same has been received by the Company on March 23, 2021. Further, the same has been approved by the Registrar of Companies, Mumbai (ROC Mumbai) on April 08, 2021 by way of issue of Certificate of Registration of Regional Director order for Change of State. Further, due to the shifting of the registered office of the company from one state to another state, the CIN no of the company has been changed to U74140MH2001PTC358561 from U74140KA2001PTC029904 w.e.f. April 08, 2021. The Company has registered itself as a Small Enterprise as per The Micro, Small and Medium Enterprises Development Act, 2006 (the 'MSMED').

Note 2 - Significant Accounting Policies

a. Basis of Accounting

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended), specified under section 133 and other relevant provisions of the companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III (Division I) to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

b. Use of Estimates

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as on the date of the financial statements and the reported income and expenses during the reported period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates.

c. Revenue Recognition

- (i) Professional fees are recognised, inclusive of goods and service tax, on an accrual basis based on the services rendered by the Company.
- (ii) Dividend income is recognised when right to receive dividend is established.
- (iii) Interest is recognised on a time proportionate basis taking into account the amount outstanding and rate applicable.
- (iv) Professional fees are recognised on an accrual basis based on the services rendered by the Company. Revenue in excess of billings on service contracts is recorded as unbilled receivable/revenue and is included in other current Assets.

d. Property, Plant and Equipments

- (i) Fixed Assets are stated at cost inclusive of incidental expenses less accumulated depreciation.
- (ii) Depreciation on tangible fixed assets has been provided on the Straight Line Method as per useful life of the assets at the rates prescribed under Schedule II of the Companies Act, 2013. Estimated useful lives over which assets are depreciated as follows:

Computers	3 years
Office Equipments	5 years
Furniture and Fixtures	10 years
Electrical Installations	10 years
Motor Vehicles	8 years
- (iii) Leasehold improvements are amortised over the period of lease (36 months).
- (iv) Losses arising from the retirement of and gains or losses arising from disposal of fixed assets which are carried at cost, are recognised in the Statement of Profit and Loss.

e. Investments

Investments which are intended to be held for more than one year, are classified as long term investments and investments which are intended to be held for less than one year, are classified as current investments. Long term investments are accounted at cost and any decline in the carrying value, other than temporary in nature is provided for. Current investments are valued at cost or market/fair value whichever is lower.

f. Employee benefits

- (i) Short Term Employee Benefits
All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, etc. and the expected cost of bonus are recognised in the period in which the employee renders the related services.



[Handwritten signature]

[Handwritten signature]



(ii) Post-Employment Benefits

Defined Contribution Plan:

The Company has a defined contribution plan for post employment benefits in the form of provident fund. Provident fund is classified as a defined contribution plan as the Company has no further obligation beyond making the contributions. The Company's contributions to defined contribution plan are charged to the Statement of Profit and Loss as incurred.

Defined Benefit Plan:

The Company has a defined benefit plan for post employment benefits in the form of Gratuity. Liability for defined plan is provided on the basis of valuations, as at the Balance Sheet date, carried out by independent actuary. The actuarial valuation method used by independent actuary for measuring the liability is the Projected Unit Credit method. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss as income or expense.

g. Leases

(i) **Operating Leases:** Leases where lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.

(ii) **Financial Leases:** Finance lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability. The finance charges are recognized as an expense in the Statement of Profit and Loss.

h. Taxation

(i) Current tax is determined as the amount of tax payable in respect of taxable income for the accounting year.

(ii) Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets and liabilities for the year, arising on account of timing differences, are recognised in the Statement of Profit and Loss and the cumulative effect thereof is reflected in the Balance Sheet. In situations where the Company has unabsorbed depreciation or carried forward losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that the same can be realised against future taxable income. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the Statement of Profit and Loss of the year of change.

(iii) Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

i. Foreign Currency Transactions

The transactions in foreign currency are recorded at the exchange rates prevailing on the date of transaction. All the foreign currency asset and liabilities are translated at the year end exchange rate and the related exchange gain/loss is recognised in the Statement of Profit and Loss.

j. Provisions and Contingent Liabilities

Provisions are recognised when the Company has a legal and constructive obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed when the Company has a possible obligation or a present obligation and it is probable that a cash outflow will not be required to settle the obligation.

k. Earning Per Share

The Company reports basic and diluted earnings per share (EPS) in accordance with Accounting Standard 20 on "Earnings Per Share". Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

l. Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, demand deposits with banks and other fixed deposits with bank with original maturities of three months or less.

m. Borrowing Cost

Borrowing costs are recognised as an expense in the period in which they are incurred.

n. Segment Reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company.

Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on reasonable basis, have been included under "Unallocated corporate expenses/income".



[Handwritten signature]



MAPE ADVISORY GROUP PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021
(All amounts are in Indian Rupees)

Note 3 Share Capital	As at	
	March 31, 2021	March 31, 2020
Authorised		
2,900,000 Equity Shares of Rs 10 each	2,90,00,000	2,90,00,000
4,100,000 12.5% cumulative optionally convertible redeemable Preference Shares of Rs 10 each	4,10,00,000	4,10,00,000
Total	7,00,00,000	7,00,00,000
Issued		
534,954 Equity Shares of Rs 10 each (Previous year 612,153 Equity Shares)	53,49,540	61,21,530
Subscribed and Paid up		
534,954 Equity Shares of Rs 10 each, fully paid up (Previous year 612,153 Equity Shares)	53,49,540	61,21,530
Total	53,49,540	61,21,530

(a) Reconciliation of number of shares

Equity Shares:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of Shares	Amount	Number of Shares	Amount
Balance as at the beginning of the year	6,12,153	61,21,530	6,12,153	61,21,530
Add: Issued during the year	-	-	-	-
Less: Share Extinguished on buyback #	77,199	7,71,990	-	-
Balance as at the end of the year	5,34,954	53,49,540	6,12,153	61,21,530

#The Board of Directors at its meeting held on October 24, 2020, approved a proposal to buy-back upto 1,53,038 equity shares of the Company for an aggregate amount not exceeding Rs. 6,90,20,138, being 25 % of the total paid up equity share capital at Rs 451 per equity share.

The shareholders approved the same on October 27, 2020, by way of a special resolution through voting. A Letter of Offer was sent to all eligible shareholders.

The Company bought back 77,199 equity shares out of the shares that were tendered by eligible shareholders and extinguished the equity shares on December 07, 2020.

Capital Redemption Reserve ("CRR") was created to the extent of share capital extinguished Rs. 7,71,990 out of surplus in Profit and Loss Account.

(b) Rights, preferences and restrictions attached to shares

Equity Shares: The Company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the Shareholder	As at March 31, 2021		As at March 31, 2020	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
Jacob Mathew *	1,21,614	22.74	1,21,614	19.87
Anu Jacob	1,09,301	20.43	1,09,301	17.66
M Ramprasad Jointly holding with Sudha Ramprasad (on behalf of partnership firm - Bhagyalakshmi Enterprise) #	2,30,916	43.17	-	-
M. Ramprasad * / #	-	-	1,21,614	19.87
Sudha Ramprasad #	-	-	1,09,301	17.66
Kamco Investment House K.S.C.(Public) (earlier Global Investment House KSCC, Kuwait)*	-	-	68,017	11.11
Total	5,34,954	100	6,12,153	100

*Ownership of the shares of the Global Investment House KSCC, Kuwait("Global") has been transferred to M/s. Kamco Investment House K.S.C.(Public)("Kamco") due to merger by way of Amalgamation between Global and Kamco, which the Board of Director of the company has considered at their meeting held on March 23, 2020.

Further during the year Mr. M Ramprasad and Mr. Jacob Mathew has purchased Nos 34008 and 34009 shares respectively from Kamco Investment House K.S.C. (Public)

During the year the shares held by Mr. M Ramprasad and Mrs. Sudha Ramprasad has been transferred by them to the partnership firm, wherein they both are partners. The shares are jointly held by M Ramprasad and Sudha Ramprasad on behalf of Bhagyalakshmi Enterprise.



(Signature)

(Signature)



MAPE ADVISORY GROUP PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021
(All amounts are in Indian Rupees)

Note 4 Reserves and Surplus

Securities Premium Account

Balance as at the beginning of the year
Less: Utilised on buyback of equity shares
Balance as at the end of the year

	As at March 31, 2021	March 31, 2020
	24,30,69,830	24,30,69,830
	3,40,44,759	-
	20,90,25,071	24,30,69,830

Surplus in Statement of Profit and Loss

Balance as at the beginning of the year
Less: Transfer to capital redemption reserve on buyback of equity shares (Refer Note 4(1) below)
Add : (Loss) / Profit for the year
Balance as at the end of the year

	16,24,69,994	11,15,65,136
	(7,71,990)	-
	(14,73,86,299)	5,09,04,858
	1,43,11,705	16,24,69,994

Capital Redemption Reserve (Refer Note 4 (1) below)

Balance as at the beginning of the year
Add: Transfer from surplus in profit and loss account on buyback of equity shares
Balance as at the end of the year

	-	-
	7,71,990	-
	7,71,990	-

Total

22,41,08,766	40,55,39,824

Note 4 (1)

During the year the company has made a buy back of Nos 77,199 Equity Shares pursuant to provisions of Section 68 of the Companies Act, 2013. Accordingly pursuant to section 69(1) of the Companies Act, 2013, the company has transferred a sum equal to the nominal value of the shares so purchased to the Capital Redemption Reserve ("CRR") account from Profit & Loss Account.

Note 5 Long Term Borrowings

Secured

Term Loan

31,39,703	48,85,111

(a) Nature of security and terms of repayment for secured borrowings:

Nature of Security	Terms of Repayment
Term Loan from Financial Institution has been secured by hypothecation of Motor Car	Repayable in 60 equal monthly installments from July 2019 along with interest. Rate of interest 9.36 % p.a.
Term Loan from Financial Institution has been secured by hypothecation of Motor Car.	Repayable in 36 equal monthly installments from November 2019 along with interest. Rate of interest 11.96 % p.a.

Total

31,39,703	48,85,111

Note 6 Long Term Provisions

Provision for Employee Benefits

Provision for Gratuity [Refer Note 21 (A)]

87,47,696	1,00,01,751

Total

87,47,696	1,00,01,751



[Handwritten signature]

[Handwritten signature]



MAPE ADVISORY GROUP PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021
 (All amounts are in Indian Rupees)

Note 7 Short Term Borrowings

As at
 March 31, 2021 March 31, 2020

Secured

Working Capital loan repayable on demand from bank

97,98,385

(Secured by first charges on all assets of the Company except Motor Car, equitable mortgage on 3955 sq.ft residential plot owned by Mr.Jacob Mathew and Mrs.Anu Jacob, 105 cents of land owned by Mrs.Sudha Ramprasad and personal guarantee of Mr.Ramprasad, Mrs.Sudha Ramprasad, Mr.Jacob Mathew and Mrs.Anu Jacob.) (Interest @ 12.20% p.a. from April 1, 2020 to March 31, 2021. (Previous year Interest @ 12.20% p.a. from April 1, 2019 to March 31, 2020)).

Fixed deposits of Rs.22,292,011 [Previous year Rs.16,134,315] under lien with scheduled banks for credit facilities.

Pledge of NIL shares (Previous year 50868) of Vitalic Health Private Limited held by MAPE Consumer Products LLP

During the year the SBM Bank (India) Limited ("Bank") has released the pledge on the Vitalic Health Private Limited shares, which was pledged to Bank.

Unsecured

Loans

From subsidiary company- repayable on demand

8,67,17,457 4,61,72,966

(MAPE Securities Private Limited - Interest @ 4.50% p.a. from April 01, 2020 to March 31, 2021 (Previous year Interest @ 5.25% p.a. from April 01, 2019 to March 31, 2020)).

From subsidiary company- repayable on demand

8,65,53,969 -

(RL API Private Limited (formerly known as MAPE Autocomp Holdings Private Limited) - Interest @ 4.50% p.a. from April 01, 2020 to March 31, 2021 (Previous year Nil)).

From Director

3,12,50,000 6,12,50,000

(Interest free loan received from Directors)

From Other Parties

- 25,00,000

(Interest free loan received from Other Parties)

Total

21,43,19,811 10,99,22,966



Handwritten signature

Handwritten signature



MAPE ADVISORY GROUP PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021
 (All amounts are in Indian Rupees)

Note 8 Trade Payables

	As at March 31, 2021	March 31, 2020
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,05,27,159	2,16,09,767
Total	1,05,27,159	2,16,09,767

There are no amount that need to be disclosed pertaining to Micro, Small and Medium Enterprises Development Act, 2006 (the 'MSMED'). As at March 31, 2021, no supplier has intimated the Company about its status as Micro or Small Enterprises or its registration with the appropriate authority under the MSMED.

Note 9 Other Current Liabilities

Current Maturities of Long Term Borrowings (Refer Note 5)	17,52,728	15,79,692
Employees Benefits Payable	7,68,28,514	7,58,73,143
Statutory dues including Provident Fund, Tax Deducted at Source and Goods and Service Tax	42,41,832	5,11,13,088
Interest accrued but not due on Loan	59,86,077	89,50,944
Advances payable to Group Companies	-	70,734
Temporary drawings from Partners Current Account	38,26,400	6,95,100
Interest free advance received from Other Parties (Refer Note 9 (1) below)	17,50,00,000	-
Others	2,19,738	3,56,115
Total	26,78,55,289	13,85,38,816

There are no dues to Investor Education and Protection Fund.

Note 9 (1)

MAPE Advisory Group Private Limited ("MAPE") has entered into an Memorandum of Understanding (MOU) with InCred Capital Financial Services Private Limited ("InCred") dated October 05, 2020, wherein as per the understanding between management of InCred and MAPE, the InCred will provide a series of interest free deposit aggregating upto Rs.12,50,00,000 (Rupees Twelve Crore Fifty Lakh Only) to MAPE for meeting monthly expenses to be incurred by MAPE for the period effective from April 01, 2020.

Further, the MAPE and InCred entered into an Addendum to MOU dated October 05, 2020 on December 14, 2020, wherein the amount of interest free deposit has been enhanced aggregating upto Rs. 22,50,00,000 (Rupees Twenty Two Crore Fifty Lakh Only).

Note 10 Short Term Provisions

Provision for Employee Benefits

Provision for gratuity (Refer Note 21 (A))	3,26,027	3,59,068
Total	3,26,027	3,59,068



[Handwritten signature]



MAPE ADVISORY GROUP PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021
 (All amounts are in Indian Rupees)

Note 11
Property, Plant and Equipments
 As at March 31, 2021

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK
	As at April 1, 2020	Additions during the year	Deletions during the year	As at March 31, 2021	As at April 1, 2020	For the year	Deletions during the year	As at March 31, 2021	As at March 31, 2021
Tangible Assets									
Office Equipments	51,39,148	-	7,91,883	43,47,265	26,36,802	8,44,326	7,71,234	27,09,894	16,37,371
Electrical Installations	2,60,082	-	-	2,60,082	2,60,077	-	-	2,60,077	5
Furniture and Fixture	39,44,235	-	18,88,846	20,55,389	31,69,747	1,55,243	16,15,962	17,09,028	3,46,361
Leasehold Improvements	1,13,77,256	-	45,37,990	68,39,266	97,71,573	14,26,534	45,37,990	66,62,117	1,77,149
Computers	38,65,443	36,280	15,72,877	23,28,846	34,56,062	2,69,233	15,59,850	21,65,445	1,63,401
Motor Car									
- Owned	11,51,149	-	-	11,51,149	11,51,149	-	-	11,51,149	-
- Others *	1,29,45,507	-	-	1,29,45,507	57,78,404	16,15,230	-	73,93,634	55,51,873
Total	3,86,82,820	36,280	87,91,596	2,99,27,504	2,62,23,814	43,12,566	84,85,036	2,20,51,344	78,76,160

* Hypothecated against loans taken

As at March 31, 2020

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK
	As at April 1, 2019	Additions during the year	Deletions during the year	As at March 31, 2020	As at April 1, 2019	For the year	Deletions during the year	As at March 31, 2020	As at March 31, 2020
Tangible Assets									
Office Equipments	50,54,880	84,268	-	51,39,148	18,34,773	8,02,029	-	26,35,802	25,02,346
Electrical Installations	2,60,082	-	-	2,60,082	2,60,077	-	-	2,60,077	5
Furniture and Fixture	39,14,235	30,000	-	39,44,235	29,67,765	2,01,982	-	31,69,747	7,74,488
Leasehold Improvements	1,13,77,256	-	-	1,13,77,256	83,20,645	14,50,928	-	97,71,573	16,05,683
Computers	37,27,055	1,38,388	-	38,65,443	31,24,242	3,21,820	-	34,56,062	4,09,381
Motor Car									
- Owned	11,51,149	-	-	11,51,149	11,51,149	-	-	11,51,149	-
- Others *	76,76,534	52,68,973	-	1,29,45,507	42,64,049	15,14,355	-	57,78,404	71,62,103
Total	3,31,61,191	55,21,629	-	3,86,82,820	2,19,22,700	43,01,114	-	2,62,23,814	1,24,59,006

* Hypothecated against loans taken



MAPE ADVISORY GROUP PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021
 (All amounts are in Indian Rupees)

Note 12 Non-Current Investments

Long Term Investments (valued at cost)
 (Unquoted)

Investment in equity instruments:

Exprs Techno Logistics Private Limited (Equity Shares of Rs.10 each)

Investments in Subsidiaries

MAPE Securities Private Limited (Equity Shares of Rs.10 each)

RL API Private Limited (formerly known as MAPE Autocomp Holdings Private Limited) (Equity Shares of Rs.10 each)

Radar Estate Private Limited (Equity Shares of Rs.10 each)

Investment in Capital of MAPE Kapitale LLP

Capital Contribution in MAPE Consumer Products LLP

Capital Contribution in MAPE Pharmascience LLP

Capital Contribution in MAPE Citrus Developers LLP

Capital Contribution in MAPE Advisory Group LLC

Less: Provision for diminution in value of Investments

Compulsorily Convertible Preference Shares in other Companies

Compulsorily Convertible Preference Shares of Kartha Techno Logistics Private Limited (Face Value of Rs.10 each)

Less: Provision for diminution in value of Investments

Preference Shares in other Companies

Preference Shares of Vicinia Retail Private Limited (Face Value of Rs.10 each)

Total

As at March 31, 2021		As at March 31, 2020	
Nos.	Amount	Nos.	Amount
65	650	65	650
60,00,000	23,64,90,178	60,00,000	23,64,90,178
1,00,99,900	10,09,99,000	1,00,000	10,00,000
10,000	1,00,000	10,000	1,00,000
-	1,85,000	-	35,000
-	1,73,61,615	-	1,73,61,615
-	26,07,56,000	-	26,07,56,000
-	1,24,00,000	-	1,24,00,000
-	1,09,97,250	-	1,09,97,250
-	(1,13,39,472)	-	(1,13,39,472)
830	2,50,000	830	2,50,000
-	(2,50,000)	-	(2,50,000)
149	9,92,598	149	9,92,598
Total	62,89,42,819		52,87,93,819

Aggregate amount of unquoted investments

62,89,42,819

52,87,93,819

Aggregate provision for diminution in value of investments

1,15,89,472

1,15,89,472

Investments are held at cost. Based on current profit/loss, Networth, future profitability projection, management is of the view that there is no diminution other than temporary in nature, in carrying value of these investments other than MAPE Advisory Group LLC, Radar Estate Private Limited and RL API Private Limited (formerly known as MAPE Autocomp Holdings Private Limited) for which a provision for diminution has been accounted.



[Handwritten signature]

[Handwritten signature]



MAPE ADVISORY GROUP PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021
(All amounts are in Indian Rupees)

	As at	
	March 31, 2021	March 31, 2020
Note 13 Deferred Tax Assets		
Gratuity	25,24,310	28,82,380
Depreciation	27,02,430	29,67,109
Total	52,26,740	58,49,489

Note 14 Long Term Loans and Advances

Unsecured, considered good		
Security Deposits	17,60,742	57,38,436
Advance Tax (net of provision for tax Rs.29,500,000 [Previous year Rs.44,600,000])	1,06,99,176	5,02,56,592
Prepaid Expenses	6,60,582	7,62,277
Total	1,31,20,500	5,67,57,305

Note 15 Trade Receivables

Unsecured, considered good

Sundry Debtors

Outstanding for a period exceeding six months from the date they are due for payment.	-	9,64,002
Others	9,39,997	4,00,70,506
Total	9,39,997	4,10,34,508

Note 16 Cash and Cash Equivalents

Cash in hand	117	27,637
Cheque on hand	-	34,45,838
Bank balance		
In current accounts	3,87,74,630	36,72,028
Other bank balances (Refer Note 16 (1) below)		
Fixed Deposit (with maturity more than 3 months but less than 12 months or under lien)	2,22,92,011	2,81,34,315
Total	6,10,66,758	3,52,79,818

Note 16 (1)

Fixed deposits of Rs.22,292,011 [Previous year Rs.16,134,315] under lien with scheduled banks for various credit facilities.



[Handwritten signature]

[Handwritten signature]



MAPE ADVISORY GROUP PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021
(All amounts are in Indian Rupees)

	As at	
	March 31, 2021	March 31, 2020
Note 17 Short Term Loans and Advances		
Unsecured, considered good (unless otherwise stated)		
Loan to related party	-	-
Considered good	-	-
Considered doubtful	-	5,85,072
	-	5,85,072
Less: Provision for Doubtful advances	-	5,85,072
	-	-
Other Loans and Advances		
Prepaid Expenses	7,97,648	17,32,889
Advances recoverable from Group Companies	32,12,208	1,38,47,192
Balances with Government Authorities (Goods and Service Tax)	32,52,329	-
Advances recoverable in cash or kind or for value to be received (Refer Note 17 (1) below)	-	-
Considered good	-	-
Considered doubtful	-	5,00,00,000
	-	5,00,00,000
Less: Provision for Doubtful advances	-	5,00,00,000
	-	-
Other Advances	46,20,174	9,74,070
Total	1,18,82,359	1,65,54,151

Note 17 (1)

The Company has given interest free refundable advance of Rs.50,000,000 to Mysore Amalgamated Coffee Estates Limited vide Memorandum of Understanding dated July 15, 2016 and extension letter dated July 15, 2018 for availing landed property upto July 15, 2019.

The entire carrying value of such advance of Rs.50,000,000 has been provided in this financial statement as the assigned value is considered as Nil. This has been shown as an exceptional item in the statement of profit and loss in F.Y.2018-19.

Note 18 - Other Current Assets

Unsecured, considered good		
Interest accrued on fixed deposits	3,18,658	56,536
Interest accrued on Intercompany Loans	-	1,94,201
Share Appreciation Rights of Ather Energy Private Limited (Refer Note 18 (1) below)	50,00,000	-
Total	53,18,658	2,50,737

Note 18 (1)

During the year the company has received Share Appreciation Rights ("SAR") of Ather Energy Private Limited in lieu of cash consideration for services rendered by the Company.

	Year ended	
	March 31, 2021	March 31, 2020
Note 19 Revenue from operations (Gross)		
Professional Fees (Gross)	6,66,94,032	37,70,10,825
Less: Goods and Service Tax	99,51,000	5,50,74,139
Professional Fees (Net)	5,67,43,032	32,19,36,686
Total	5,67,43,032	32,19,36,686

Note 20 Other Income

Interest - Fixed Deposits	22,01,260	12,59,532
Interest - Intercompany Loans	-	2,15,779
Interest - Income Tax Refund	27,87,306	15,14,780
Share of profit from LLPs	4,82,92,139	-
Provision of doubtful debts written back	5,85,072	-
Excess provision for gratuity written back	12,87,096	-
Total	5,51,52,873	29,90,071



[Handwritten signature]

[Handwritten signature]



MAPE ADVISORY GROUP PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021
 (All amounts are in Indian Rupees)

Note 21 Employee Benefits Expenses

	Year ended	
	March 31, 2021	March 31, 2020
Salaries, wages, bonus, etc.	17,87,18,470	17,92,20,219
Contributions to provident fund (Refer Note 21(a) below)	24,35,197	30,23,746
Gratuity (Refer Note A below)	-	40,734
Employees Group Insurance Scheme	4,14,005	3,41,544
Staff welfare expenses	1,50,623	7,52,221
Total	18,17,18,295	18,33,78,464
Less : Reimbursement of personnel expenses from Subsidiaries & Fellow Subsidiaries (Refer Note 30)	17,03,465	18,35,333
Total	18,00,14,830	18,15,43,131

a. The Company is in the process of evaluating the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs. The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-1/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management, the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in these Financial Statements.

Note A : The disclosures as required as per the revised AS 15 are as under:

(a) Defined Contribution Plan

Amount recognised in the Statement Profit and Loss

	Amount in Rs.	
Particulars	March 31, 2021	March 31, 2020
Provident fund paid to authority	24,35,197	30,23,746

(b) Defined benefit Plan

(i) Present Value of Defined Benefit Obligation

	March 31, 2021	March 31, 2020
Opening defined benefit obligation - Current	3,59,068	3,45,360
Opening defined benefit obligation - Non-current	1,00,01,752	99,74,726
Current service cost	9,51,680	15,26,108
Interest cost	6,35,042	8,01,871
Actuarial (gain) / loss	(13,40,608)	(22,87,245)
Prior Service Costs	-	-
Liability transferred to Group Companies	6,47,064	-
Benefits paid	(21,80,275)	-
Closing defined benefit obligation	90,73,723	1,03,60,820
Current Provision (within 12 months)	3,26,027	3,59,068
Non Current Provision	87,47,696	1,00,01,752

(ii) Fair Value of Plan Assets

	March 31, 2021	March 31, 2020
Opening fair value of assets	-	-
Expected return on plan assets	-	-
Actuarial gain/(loss)	-	-
Contributions by employer	-	-
Benefits paid	-	-
Closing fair value of plan assets	-	-

(iii) Assets and Liabilities recognised in the Balance Sheet

	March 31, 2021	March 31, 2020
Present Value of Obligation as at year end	90,73,723	1,03,60,820
Fair value of plan assets as at year end	-	-
Net (Asset)/Liability - Current	3,26,027	3,59,068
Net (Asset)/Liability - Non-Current	87,47,696	1,00,01,752

(iv) Expenses recognised in the Statement of Profit and Loss

	March 31, 2021	March 31, 2020
Current Service Cost	9,51,680	15,26,108
Interest on Defined Benefit Obligation	6,35,042	8,01,871
Expected return on Plan Assets	-	-
Net Actuarial (Gain) / Loss Recognised in year	(13,40,608)	(22,87,245)
Prior Service Costs	-	-
Total Expense	2,46,114	40,734



Handwritten signature



MAPE ADVISORY GROUP PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021
 (All amounts are in Indian Rupees)

(v) Principal actuarial assumptions

	March 31, 2021	March 31, 2020
Interest Rate (per annum)	8.00%	8.00%
Discount Rate (per annum)	7.03%	6.85%
Expected Return on Plan Assets (per annum)	0.00%	0.00%
Salary Escalation Rate	10.00%	10.00%
Attrition Rate (per annum)	8.00%	8.00%
Retirement age	58	58

Actuarial gain/loss is recognised immediately

The estimates of future salary increases, considered in the actuarial valuation takes into account of inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market.

(vi) Experience Adjustments for the current annual period and previous four periods

	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017
Defined benefit obligation	90,73,723	1,03,60,820	1,03,20,086	84,39,697	59,27,220
Plan assets	-	-	-	-	-
Surplus / (deficit)	(90,73,723)	(1,03,60,820)	(1,03,20,086)	(84,39,697)	(59,27,220)
Experience adjustments on plan liabilities	(13,40,608)	(22,87,245)	10,70,984	(1,92,599)	(8,52,729)
Experience adjustments in plan assets	-	-	-	-	-

Note 22 Interest and Other Financial Costs

	Year ended	
	March 31, 2021	March 31, 2020
Interest on Bank Overdraft	2,09,794	53,75,854
Interest on Term Loan	1,86,790	2,32,565
Interest - Inter Corporate Loan	64,71,439	1,04,80,410
Interest on Statutory Dues	10,734	3,89,733
Bank Charges	2,10,665	57,262
Loan Processing Fees	-	1,00,000
Total	70,89,422	1,66,35,824

Note 23 Depreciation Expenses

Depreciation on tangible assets	43,12,566	43,01,114
Total	43,12,566	43,01,114

Note 24 Other Expenses

Electricity	3,66,374	10,59,271
Rent	85,60,712	1,14,70,266
Overseas Infrastructure Cost	59,60,521	64,67,216
Repairs and Maintenance Others	4,96,256	3,64,320
Rates & Taxes	1,16,921	2,79,636
Insurance	2,83,537	1,96,311
Travelling	24,18,004	85,70,352
Directors Fees	6,00,000	3,00,000
Payment to Auditors	-	-
- Audit Fees	3,00,000	3,00,000
- Out of Pocket	-	21,760
Legal and Professional Fees	3,33,90,647	1,95,44,003
Referral Fees	82,50,000	71,13,000
Printing and Stationery	37,181	2,10,776
Communication	34,15,589	26,36,304
Sales Promotion	2,95,843	5,17,477
Seminar and Training	-	5,01,500
Loss on Sale/ Write off of Fixed Assets	1,14,744	-
Membership and Subscription	12,08,348	6,86,517
CSR Contribution (Refer Note 24(a) below)	10,73,500	7,00,000
Buy Back Tax	9,43,320	-
Office Expenses	17,72,110	23,23,019
Exchange fluctuation loss (net)	97,676	2,26,565
Share of loss from LLPs	63,623	13,096
	6,97,64,906	6,35,01,389
Less: Reimbursement of expenses from Subsidiaries & Fellow Subsidiaries	12,59,263	19,99,295
Total	6,85,05,643	6,15,02,094

(a) The company has contributed total amount of Rs.1,073,500/- towards CSR for the FY 2020-21. Out of which Rs 36,000/- of CSR contribution paid by way of issuing cheque to one of the Trust. Due to prevailing situation of COVID the cheque was lost in transit. Accordingly, the company has issued a fresh cheque towards the CSR in the FY 2021-22.



MAPE ADVISORY GROUP PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021
 (All amounts are in Indian Rupees)

Note 25 Expenditure in Foreign Currency

Legal and Professional Fees
 Referral Fees
 Overseas Infrastructure Cost
 Travelling
 Sales Promotion
 Membership and Subscription

Total

Year ended	
March 31, 2021	March 31, 2020
2,86,71,500	1,06,90,250
-	71,13,000
59,60,521	64,67,216
1,38,609	2,77,813
-	15,906
4,82,552	-
3,52,53,182	2,45,64,185

Note 26 Earnings in Foreign Currency

Professional Fees

Total

14,59,700	1,67,08,421
14,59,700	1,67,08,421

Note 27 Earnings Per Share (EPS)

The numerators and denominators used to calculate Earnings Per Share:

Particulars	March 31, 2021	March 31, 2020
Basic and Diluted (annualised)		
Net (loss) / profit for the year (Rs.)	(14,73,86,299)	5,09,04,858
Weighted average no. of equity shares outstanding	5,34,954	6,12,153
(Loss) / Earnings per share (Basic and Diluted) (Rs.)	(275.51)	83.16
Nominal value per share (Rs.)	10	10



Handwritten signature and initials in blue ink.



MAPE ADVISORY GROUP PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021
 (All amounts are in Indian Rupees)

Note 28 Segment Reporting

(a) Information about Primary Business Segments

As at March 31, 2021

Particulars	Advisory Services	Investments	Intercompany Loans	Unallocated	Total
Segment Revenue					
Income from external customers	5,67,43,032	5,04,93,399	-	46,59,474	11,18,95,905
Segment result	(18,52,87,067)	5,04,29,776	-	(1,31,69,265)	(14,80,26,556)
Income Tax-Current and Deferred Tax	6,22,749	-	-	(12,63,006)	(6,40,257)
Net Profit / (Loss)	(18,59,09,816)	5,04,29,776	-	(1,19,06,259)	(14,73,86,299)
Other Information					
Carrying amount of segment assets	6,91,69,555	63,42,61,477	-	3,09,42,959	73,43,73,991
Carrying amount of segment liabilities	26,94,91,003	38,26,400	17,92,57,503	5,23,40,779	50,49,15,685
Cost to acquire fixed assets	-	-	-	36,280	36,280
Depreciation / Amortisation	43,12,566	-	-	-	43,12,566

As at March 31, 2020

Particulars	Advisory Services	Investments	Intercompany Loans	Unallocated	Total
Segment Revenue					
Income from external customers	32,19,36,686	12,59,532	2,15,779	15,14,760	32,49,26,757
Segment result	7,76,06,698	12,46,436	1,15,779	(83,68,153)	7,06,00,760
Income Tax-Current and Deferred Tax	-	-	-	1,96,95,902	1,96,95,902
Net Profit / (Loss)	7,76,06,698	12,46,436	1,15,779	(2,80,64,055)	5,09,04,858
Other Information					
Carrying amount of segment assets	7,80,47,215	52,88,50,355	1,94,201	8,98,87,062	69,69,78,833
Carrying amount of segment liabilities	8,62,33,962	-	4,61,72,966	15,29,10,551	28,53,17,479
Cost to acquire fixed assets	-	-	-	55,21,629	55,21,629
Depreciation / Amortisation	-	-	-	43,01,114	43,01,114

(b) Notes:

(i) The Company is organised into the following segments, namely:

- "Advisory Services" - comprises of professional services.
- "Investments" - comprises of investment in subsidiaries and shares of other company.
- "Intercompany Loans" - comprises of Intercompany Loans, interest received and interest paid on it.

(ii) Unallocated expenses comprises of interest on bank overdraft, interest on term loan/other fixed loan, interest on statutory dues and other borrowing costs. Unallocated revenue comprises of interest on fixed deposits, and interest on income tax refund.

(iii) Segment assets comprise mainly of fixed assets, trade and other receivables. Segment liabilities include trade and other payables, sundry creditors, retirement benefits, outstanding expenses and statutory liabilities. Unallocated segment liabilities include current maturities of long term borrowings and term loan from bank (secured by hypothecation of motor car).

(iv) The Company operates in single geographical segment, accordingly the reporting requirements of secondary segment disclosure prescribed under paragraph 39 to 51 of Accounting Standard 17 on 'Segment Reporting' have not been provided in the financial statements.

Note 29 Related party disclosures (Refer Annexure 1)



[Handwritten signature]



MAPE ADVISORY GROUP PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021
 (All amounts are in Indian Rupees)

Annexure 1

A Name of the related parties and nature of relationship where control exist

Subsidiaries	MAPE Securities Private Limited, Radar Estate Private Limited, MAPE Consumer Products LLP MAPE Advisory Group LLC MAPE Ecomm Ventures LLP (Subsidiary upto July 30, 2018) MAPE Pharmascience LLP RL API Private Limited (formerly known as MAPE Autocomp Holdings Private Limited) MAPE Kaitale LLP (Subsidiary w.e.f. September 18, 2018) MAPE Citrus Developers LLP
Fellow Subsidiary	MAPE Ecomm Ventures LLP (Fellow Subsidiary w.e.f. July 31, 2018) MAPE Investment Manager LLP (Fellow Subsidiary w.e.f. August 30, 2018) PEAM API Private Limited (Fellow Subsidiary w.e.f. December 5, 2020)

B Other related parties with whom transactions have taken place during the year

I Key Management Personnel -	M Ramprasad Jacob Mathew
II Relatives of Key Management Personnel -	Sudha Ramprasad Anu Jacob

The following related party transactions were carried out during the year in the ordinary course of business:

Name of the Related Party	Nature of Relationship	Nature of Transaction	Rupees	
			Year ended March 31, 2021	Year ended March 31, 2020
MAPE Securities Private Limited	Subsidiary	Reimbursement of Expenses Received	9,01,878	10,30,107
		Reimbursement of Salary Received	13,52,817	10,98,772
		Received as at year end inclusive of Goods and Service Tax	26,60,541	25,12,077
		Professional Charges for Services Rendered	-	1,15,80,000
		Payable as at year end inclusive of Goods and Service Tax	-	1,25,06,400
		Paid during the year	1,88,45,267	-
		Interest Expense during year	57,34,033	98,34,383
		Interest accrued but not due as at year end	53,03,981	88,50,944
		Loan taken during the year	10,16,85,365	30,42,59,863
		Repayment against Loan taken during the year	6,11,40,874	27,04,53,402
		Payable as at year end	9,20,21,438	6,50,18,233
		Investments as at year end	23,64,90,178	23,64,90,178
Radar Estates Private Limited	Subsidiary	Reimbursement of Expenses Received	3,47,362	10,000
		Reimbursement of Salary Received	1,19,279	10,000
		Receivable as at year end inclusive Goods and Service Tax	-	23,600
		Received during the year	16,58,000	-
		Advances recoverable as at year end	3,34,715	7,80,317
		Intercompany loan outstanding as at year end	-	5,85,072
		Provision for doubtful advances	-	5,85,072
		Investments as at year end	1,00,000	1,00,000
		Provision for diminution in value of Investments as at year end	1,00,000	1,00,000



MAPE ADVISORY GROUP PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021
 (All amounts are in Indian Rupees)

Name of the Related Party	Nature of Relationship	Nature of Transaction	Year ended March 31, 2021	Year ended March 31, 2020
RL API Private Limited (formerly known as MAPE Autocomp Holdings Private Limited)	Subsidiary	Reimbursement of Expenses Received	6,32,593	8,69,188
		Reimbursement of Salary Received	1,29,252	6,36,561
		Receivable as at year end inclusive Goods and Service Tax	8,98,977	17,76,784
		Interest Expense during year	7,37,406	-
		Interest accrued but not due as at year end	5,82,096	-
		Loan taken during the year	27,83,37,438	-
		Repayment against Loan taken during the year	19,00,63,732	-
		Payable as at year	8,72,36,065	57,047
		Receivable as at year	17,19,737	-
		Investments as at year end	10,09,99,000	10,00,000
		Provision for diminution in value of Investments as at year end	2,42,222	2,42,222
MAPE Ecomm Ventures LLP	Subsidiary till July 30, 2018	Reimbursement of Expenses Received	10,000	10,000
		Reimbursement of Salary Received	10,000	10,000
	Fellow Subsidiary w.e.f. July 31, 2018	Receivable as at year end inclusive Goods and Service Tax	23,600	23,600
		Payable as at year end	24,984	51,084
MAPE Citrus Developers LLP	Subsidiary	Reimbursement of Expenses Received	10,000	10,000
		Reimbursement of Salary Received	10,000	10,000
		Receivable as at year end inclusive Goods and Service Tax	23,600	23,600
		Reimbursement of Expenses (Received / Receivable)	98,990	66,390
		Investments as at year end	1,24,00,000	1,24,00,000
MAPE Consumer Products LLP	Subsidiary	Reimbursement of Expenses Received	5,10,000	10,000
		Reimbursement of Salary Received	10,000	10,000
		Receivable as at year end inclusive Goods and Service Tax	-	23,600
		Reimbursement of Expenses (Received / Receivable)	-	1,01,850
		Investments as at year end	1,73,61,615	1,73,61,615



Handwritten signature



MAPE ADVISORY GROUP PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021
 (All amounts are in Indian Rupees)

Name of the Related Party	Nature of Relationship	Nature of Transaction	Year ended March 31, 2021	Year ended March 31, 2020
MAPE Pharmascience LLP	Subsidiary	Reimbursement of Expenses Received	12,430	10,000
		Reimbursement of Salary Received	12,117	10,000
		Receivable as at year end inclusive Goods and Service Tax	-	23,600
		Loan taken during the year	25,73,910	
		Repayment against Loan taken during the year	26,49,310	-
		Payable as at year end	-	99,000
		Partners Current Account	38,26,400	6,95,100
		Investments during the year	-	15,00,00,000
		Investments as at year end	26,07,56,000	26,07,56,000
MAPE Kapitale LLP	Subsidiary	Reimbursement of Expenses Received	10,000	10,000
		Reimbursement of Salary Received	10,000	10,000
		Receivable as at year end inclusive Goods and Service Tax	-	23,600
		Reimbursement of Expenses (Received / Receivable)	-	90,557
		Investments during the year	1,50,000	-
		Investments as at year end	1,85,000	35,000
MAPE Investments Managers LLP	Fellow Subsidiary	Reimbursement of Expenses Received	10,000	10,000
		Reimbursement of Salary Received	10,000	10,000
		Receivable as at year end inclusive Goods and Service Tax	-	23,600
		Reimbursement of Expenses (Received / Receivable)	-	2,500
PEAM API Private Limited	Fellow Subsidiary	Reimbursement of Expenses Received	10,000	-
		Reimbursement of Salary Received	10,000	-
		Receivable as at year end inclusive Goods and Service Tax	23,600	-
		Receivable as at year end	12,73,744	-
MAPE Advisory Group LLC	Subsidiary	Investments as at year end	1,09,97,250	1,09,97,250
		Provision for diminution in value of Investment	1,09,97,250	1,09,97,250
Key Management Personnel		Remuneration	(Refer Annexure 2)	




MAPE ADVISORY GROUP PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021
 (All amounts are in Indian Rupees)

Note 30 Disclosure of Common Expenses

Recovery of expenses in Note 21 and Note 24 are amounts recovered from subsidiaries and fellow subsidiaries towards the value of costs apportioned of the Company's employees and facilities in accordance with the agreements on allocation of expenses with holding company and subsidiary company.

Particulars	March 31, 2021	March 31, 2020
(i) Reimbursement of Personnel Expenses: Receivable from subsidiaries and fellow subsidiaries	17,03,465	18,35,333
(ii) Receivable from subsidiaries and fellow subsidiaries		
Rent	11,19,059	27,67,320
Office Expenses - Security Charges	82,365	1,84,146
Electricity charges	57,839	3,11,876
Communication	-	-
(iii) Receivable by subsidiaries and fellow subsidiaries	12,59,263	32,63,342
Communication	-	(12,64,047)
	-	(12,64,047)
Net Reimbursement of Other Expenses from subsidiary company (ii) + (iii)	12,59,263	19,99,295

Note 31 Leases:

Operating Lease

The Company has significant operating leases for premises. These lease arrangements range for a period between 24 months and 5 years, which include both cancellable and non cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clauses.

Premises taken on Operating lease:

The total future minimum lease rentals payable at the Balance Sheet date in respect of the non cancellable portion of these lease is as under:

For a period not later than one year

For a period later than one year and not later than five years

Total

	Year ended	
	March 31, 2021	March 31, 2020
For a period not later than one year	75,45,297	35,45,856
For a period later than one year and not later than five years	18,56,922	40,24,452
Total	94,02,219	75,70,308

Note 32 Contingent Liabilities

- Corporate Guarantee given to third party for credit facility received by a RL Fine Chem Private Limited amounting to Rs.300,000,000 (Previous year Rs.300,000,000).
- Corporate Guarantee given to third party for credit facility received by a RL Fine Chem Private Limited amounting to Rs.625,000,000 (Previous year Rs.625,000,000).
- Corporate Guarantee given to third party for credit facility received by a RL Fine Chem Private Limited amounting to Rs.200,000,000 (Previous year Rs.200,000,000).
- Corporate Guarantee given to third party for credit facility received by a RL Fine Chem Private Limited amounting to Rs. 660,000,000 (Previous year NIL).
- Income tax matters in respect of interest on late payment of TDS on bonus for FY 2008-09 Rs.156,340/-, for FY 2009-10 Rs.77,270/- and for FY 2010-11 Rs.498,860/-. The Company has opted for Vivad Se Viswas Scheme and paid 25% of liability and withdrawn the appeal.



[Handwritten signature]

[Handwritten signature]



MAPE ADVISORY GROUP PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021
(All amounts are in Indian Rupees)

Note 33 COVID-19 pandemic

COVID-19 pandemic, globally and in India, is causing significant disturbance in economic and business activities. Management has assessed the potential impact of COVID-19 based on the current circumstances and expects no significant impact on the continuity of operations of the business on long term basis / on useful life of the assets / on financial position etc.

Note 34 Previous year figures

Previous year figures have been reclassified/rearranged wherever necessary.

The attached notes to the financial statements form an integral part of the financial statements.

Signature to the above notes to the financial statements.

For Y K Anand & Co
Firm Registration Number : 010962S

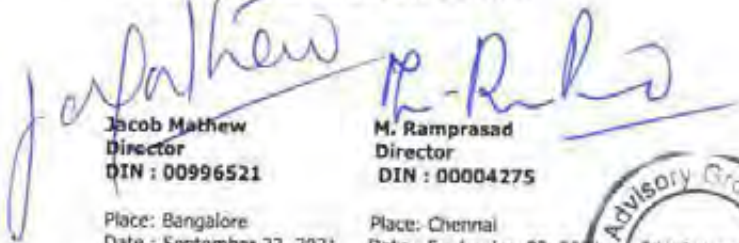


Y K Anand
Partner
Membership No. 209794

Place: Bangalore
Date : September 22, 2021



For and on behalf of the Board of Directors



Jacob Mathew
Director
DIN : 00996521

Place: Bangalore
Date : September 22, 2021

M. Ramprasad
Director
DIN : 00004275

Place: Chennai
Date : September 22, 2021



BOARD REPORT

To the Members of MAPE Advisory Group Private Limited,

Your Directors have pleasure in submitting their Twentieth Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2021.

1. FINANCIAL RESULTS: -

The Company's financial performance for the year under review along with previous year's figures is given hereunder:

Particulars	(Amount in Rs.)	
	For the year ended 31.03.2021	For the year ended 31.03.2020
Turnover	5,67,43,032.00	32,19,36,686.00
Other Income	5,51,52,873.00	29,90,071.00
Total Income	11,18,95,905.00	32,49,26,757.00
Total Expenses	25,99,22,461.00	26,39,82,163.00
Exceptional Item	-	-
Profit / (Loss) Before Tax (PBT) and Prior Period Item	(14,80,26,556.00)	6,09,44,594.00
Prior Period Item (includes shares of profit from LLP)	-	96,56,166.00
Profit / (Loss) Before Tax (PBT)	(14,80,26,556.00)	7,06,00,760.00
Profit / (Loss) After Tax (PAT)	(14,73,86,299.00)	5,09,04,858.00
(+) Balance in Profit and Loss Account	16,24,69,994.00	11,15,65,136.00
(-) Transfer to capital redemption reserve on buyback of equity shares	(7,71,990.00)	-
Profit available for appropriation	1,43,11,705.00	16,24,69,994.00
Appropriations: -		
Dividend	0.00	0.00
Transferred to General Reserve/Reserve Fund	0.00	0.00
Balance in Statement in Profit and Loss A/c.	1,43,11,705.00	16,24,69,994.00
Earnings per share (Basic)	(275.51)	83.16
Earnings per Share (Diluted)	(275.51)	83.16

MAPE ADVISORY GROUP PRIVATE LIMITED

Registered Office: 1203, 12th Floor, B Wing, The Capital, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai-400051

Mobile No: 9821718193/ 9167220485 Email: finance@mapegroup.com.

CIN: U74140MH2001PTC358561

R.

[Signature]



2. SUMMARY OF CONSOLIDATED RESULTS:

Particulars	(Amount in Rs.)	
	For the year ended 31.03.2021	For the year ended 31.03.2020
Turnover	5,77,43,032.00	39,01,39,601.00
Other Income	12,58,99,736.00	4,95,08,392.00
Total Income	18,36,42,768.00	43,96,47,893.00
Total Expenses	27,97,23,637.00	37,04,93,659.00
Exceptional Item / Prior Period Item	16,997.00	
Profit /Loss Before Tax	(9,60,97,866.00)	6,91,54,234.00
Profit /Loss After Tax (after minority interest and loss from discontinuing operations)	(13,69,20,023.00)	4,78,19,084.00

During the year, the Company achieved a Consolidated Total Income of Rs.183.64mn. and a Consolidated Loss after Tax (after minority interest) of Rs.136.92mn.

3. DIVIDEND: -

Your Directors have decided not to recommend any dividend and proposes to plough back the profits in the business of the Company to finance its future expansion plans.

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

There was no unclaimed dividend required to be transferred to the Investor Education and Protection Fund as per the provisions of Section 125(2) of the Companies Act, 2013.

5. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS: -

During the year the company has achieved a Total Revenue of Rs.111.90mn as against a Total Revenue of Rs.324.93mn during the previous year. Further, during the year company had a Loss of Rs. 147.39mn in current year as against a Profit of Rs.50.90mn. during the previous year.

The Management is hopeful of better results during the coming years.

6. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THIS REPORT: -

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of this report.



In the FY 2020-21, the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lock-downs of all economic activity. For the Company, the focus immediately shifted to ensuring the health and well-being of all employees, and on minimizing disruption to services for all our customers. The directors have, at the time of approving the financial statements, assessed the potential impact of the COVID-19 global pandemic on the Company.

7. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO: -

The Company had Foreign Exchange Earnings of Rs.1.46mn. and Foreign Exchange Outgo of Rs.35.25mn during the year under review. The provisions with respect to Conservation of Energy and Technology Absorption have not been furnished considering the nature of business undertaken by the Company.

8. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY: -

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

9. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVE: -

Since, Profit as per Section 198 for the year ended 31.03.2021 is less than Rs. 5 Crores, provisions with respect to Corporate Social Responsibility are not applicable to the Company in the current Financial Year 2021-22.

Further, the company has spent Rs.10,73,500 towards the CSR for the year 2020-21, (Report on CSR Activity is attached as Annexure III)

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013: -

Loans, Guarantees and investments covered under Section 186 of the Companies Act, 2013 forms part of the notes to the financial statements annexed to this report. (Refer Note No. 12 & 17 & 32 to the Standalone Financial Statements).

11. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES: -

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. The particulars of Contracts or Arrangements made with Related Parties pursuant to Section 188 of the



Companies Act, 2013 are furnished in Form AOC-2 and attached to this report, marked as Annexure I.

12. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS:-

In respect of observations made in the Audit Report, there were no qualifications, reservations, adverse remarks or disclaimers made by the Statutory Auditors in their report.

The Company being a Private Company the provisions relating to submission of Secretarial Audit Report are not applicable to it.

13. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES:-

The Company being a Private Company the provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to it and hence the Company has not devised any policy in relation thereto.

14. ANNUAL RETURN:-

Pursuant to Section 134(3)(a) of the Companies Act, 2013, since the Company doesn't possess any website, thus it is not required to upload its Annual Return on the website and a copy of the annual return shall be filed with the registrar.

15. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW:-

There were 9 Board Meetings held as on 02nd July 2020, 02nd August 2020, 14th September 2020, 28th September 2020, 24th October 2020, 06th November 2020, 21st December, 18th February 2021, 26th March 2021 during the financial year under review.

Further, the gap between two meetings was not more than 120 days.

16. DIRECTORS RESPONSIBILITY STATEMENT:-

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its Director Responsibility Statement:-

- 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

R

M



so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss 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 laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively. The Statutory Auditors of the Company has also submitted to the Board of Directors a report on the adequacy and operational efficiency of the internal financial controls.
Internal financial control means the policies and procedures adopted by the Company 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.
- f. 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.

17. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:-

The Company is having below Subsidiaries:

Sr. No.	NAME OF THE COMPANY/ LLP/ BODY CORPORATE	SUBSIDIARY/ ASSOCIATE	Percentage held
1.	M/s. MAPE Securities Private Limited (CIN: U74992MH2006PTC162787)	Wholly Owned Subsidiary Company	100%
2.	M/s. Radar Estates Private Limited (CIN : U63090MH2005PTC156923)	Wholly Owned Subsidiary Company	100%
3.	M/s. RL API Private Limited (formerly known as MAPE Autocomp Holdings Private Limited) (CIN : U24100TN2015PTC099846)	Wholly Owned Subsidiary Company	100%
4.	M/s. MAPE Consumer Products LLP (LLPIN : AAD-0085)	Subsidiary Body Corporate	99.75%



5.	MAPE Pharmascience LLP (LLPIN : AAG-4828)	Subsidiary Body Corporate	99%
6.	M/s. MAPE Citrus Developers LLP (LLPIN : AAB-6651)	Subsidiary Body Corporate	83.75%
7.	M/s. MAPE Kapitale LLP (LLPIN : AAN-3019)	Subsidiary Body Corporate	99%
8.	M/s. MAPE Advisory Group LLC (Reg. No. : 3731223)	Overseas Subsidiary	100%

The statement containing the highlights of the performance of each of the Subsidiaries as mentioned above is given in Form AOC-1 and attached to this report as **Annexure II** forming part of Annual Report.

18. DEPOSITS:-

The Company has neither accepted nor renewed any deposits during the year under review.

19. DIRECTORS AND KEY MANAGERIAL PERSONNEL:-

During the year under review, Mr. M Sherif Rafie nominee director of Kamco Investment Company K.S.C.(Public) {earlier Global Investment House (K.S.C.C) has been ceased to be a nominee Director w.e.f August 20, 2020 due to withdrawal of nomination.

Mr. Mathrubutham Ramprasad (DIN No.00004275) and Mr. Jacob Mathew (DIN No. 00996521) are the Whole-Time Directors of the Company. Further Mr. Rajasekar Ramaraj (DIN No. 00090279) is Director of the Company.

20. DECLARATION OF INDEPENDENT DIRECTORS:-

The Company being a Private Company the provisions of Section 149 pertaining to the appointment of Independent Directors are not applicable to it.

21. REMUNERATION OF MANAGERIAL PERSONNEL

The Company being a Private Company the provisions of Section 197 pertaining to the disclosure of the remuneration of each director and key managerial personnel are not applicable to it.

R

dm



22. DISCLOSURES RELATED TO EMPLOYEES

The Company had 24 employees as of March 31, 2021. However, the company being private company, the provisions of section 197(12) of the companies Act, 2013 read with companies (appointment and Managerial Personnel Rules), 2014, as amended from time to time are not applicable on the company.

23. STATUTORY AUDITORS:-

M/s Y K Anand & Co. (Firm Registration No. 010962S), Chartered Accountants, were appointed as Statutory Auditors of the Company by the shareholder, at their Annual General Meeting (AGM) held on October 24, 2020 to hold the office from the conclusion of the AGM until the conclusion of the Sixth Annual General Meeting thereafter for the financial year starting from 2020-21 to 2024-25. However, M/s. Y K Anand & Co, Chartered Accountants has resigned as Statutory Auditor of the company w.e.f. September 22, 2021.

The Board of Directors of the Company has recommended M/s. K L Acharya & Associates. (FRN No.141856W), Chartered Accountants as the Statutory Auditor of the Company to fill-up the casual vacancy caused due to resignation of M/s. Y K Anand & Co. (Firm Registration No. 010962S) Chartered Accounts, to hold office from the conclusion of the Annual General Meeting to be held on September 27, 2021, until the conclusion of the ensuing Annual General Meeting of the Company to be held in the year 2022, which is subject to the approval by the member of the company at the ensuing Annual General Meeting to be held on September 27, 2021. The Company has received a certificate from the above Auditors to the effect that if they are re-appointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

24. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM:-

The Company being a Private Company the provisions of Section 177 of the Companies Act, 2013 with respect to constitution of Audit Committee is not applicable to the Company.

25. MAINTAINANCE OF COST RECORDS UNDER SECTION 148:

The Company is not required to maintain Cost Records under sub-section (1) of Section 148 of the Companies Act, 2013.

26. SHARES:-



A. BUY BACK OF SECURITIES

During the year under review, the Board of Directors at its meeting held on October 24, 2020, approved a proposal to buy-back upto 1,53,038 equity shares of the Company for an aggregate amount not exceeding Rs. 6,90,20,138 , being 25 % of the total paid up equity share capital at Rs 451 per equity share.

The shareholders approved the same on October 27, 2020, by way of a special resolution through voting. A Letter of Offer was sent to all eligible shareholders.

The Company bought back 77,199 equity shares out of the shares that were tendered by eligible shareholders and extinguished the equity shares on December 07, 2020. Further, the capital redemption reserve was created to the extent of share capital extinguished Rs. 7,71,990 out of surplus in Profit and Loss Account.

B. SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

C. BONUS SHARES

No Bonus Shares were issued during the year under review.

D. EMPLOYEES STOCK OPTION PLAN

The Company has not provided any stock option scheme to its employees.

27. INFORMATION UNDER THE SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has zero tolerance for sexual harassment at workplace, and has adopted a policy against sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has also put in place an Internal Complaints Committee as per the provisions of the act. The committee has not received any complaints of sexual harassment during the financial year under review.



28. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL:

There are no significant and material orders passed against the Company by any regulating authority or court or tribunal affecting its going concern status and Company's operation in the future.

29. DETAILS OF FRAUDS REPORTED BY THE AUDITORS

No frauds have been reported by the auditors under sub-section 12 of section 143 of the companies Act, 2013.

30. SHIFTING OF REGISTERED OFFICE OF THE COMPANY

During the year, the registered office of the Company has been shifted from 211, Prestige Centre Point, Cunningham Road, Bangalore 560052 (State of Karnataka), under the jurisdiction of Registrar of Companies Bangalore, (ROC Bangalore) to 1203, 12th Floor, B Wing, The Capital, Bandra Kurla Complex, Bandra (East), Mumbai 400051 (State of Maharashtra), under the jurisdiction of Registrar of Companies, Mumbai (ROC Mumbai), the same was approved by the shareholders in the Extraordinary General Meeting held on November 07, 2020.

The Company has received the order from the Regional Director, South East Region vide order number- 24/RD(SER)/Sec.13(4)/KNT to Maharashtra/2021/4459 dated March 01, 2021 and the certified copy of the same has been received by the Company on March 23, 2021. Further, the same has been approved by the Registrar of Companies, Mumbai (ROC Mumbai) on April 08, 2021 by way of issue of Certificate of Registration of Regional Director order for Change of State.

Further, due to the shifting of the registered office of the company from one state to another state, the CIN no of the company has been changed to U74140MH2001PTC358561 from U74140KA2001PTC029904 w.e.f. April 08, 2021.

31. DEMERGER OF ADVISORY DIVISION:

The management of the company is contemplating demerger of its advisory division consisting of investment banking and merchant banking and the demerged division will get merged with InCred Capital Financial Service Private Limited, the resultant company, subject to regulatory guidelines and approvals.



32. ACKNOWLEDGEMENTS:-

Your Directors place on record their sincere thanks to Bankers, Business Associates, Consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the Shareholders for their support and confidence reposed on your Company.



Place: Bangalore
Date: September 22, 2021

For and on behalf of the Board of Directors
MAPE ADVISORY GROUP PRIVATE LIMITED

A handwritten signature in black ink, appearing to read "Mathrubutham Ramprasad".

Mathrubutham Ramprasad
Whole Time Director
DIN: 00004275

A handwritten signature in black ink, appearing to read "Jacob Mathew".

Jacob Mathew
Whole Time Director
DIN: 00996521

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 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 transaction under third proviso is given below:

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

Sr. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	Not Applicable
2.	Nature of contracts/arrangements/transaction	Not Applicable
3.	Duration of the contracts/arrangements /transaction	Not Applicable
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Not Applicable
5.	Justification for entering into such contracts or arrangements or transactions	Not Applicable
6.	Date of approval by the Board	Not Applicable
7.	Amount paid as advances, if any	Not Applicable
8.	Date on which the special resolution was passed in General meeting as required	Not Applicable

2. Details of contracts or arrangements or transactions at Arm's length basis: Refer Annexure.



For and on behalf of the Board of Directors
MAPE ADVISORY GROUP PRIVATE LIMITED

Place: Bangalore
Date: September 22, 2021

Mathrubutham Ramprasad
Whole Time Director
DIN: 00004275

Jacob Mathew
Whole Time Director
DIN: 00996521

Details of material contracts or arrangement or transactions at arm's length basis: During the year, the following transaction took place:

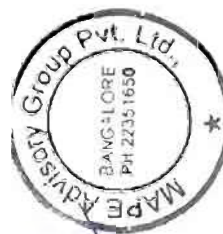
Sr. No.	Particulars	MAPE Securities Private Limited	RL AP: Private Limited (formerly known as MAPE Autocomp holdings Private Limited)	Mathrubutham Ramprasad	Jacob Mathew
1.	Name (s) of the related party	MAPE Securities Private Limited	RL AP: Private Limited (formerly known as MAPE Autocomp holdings Private Limited)	Mathrubutham Ramprasad	Jacob Mathew
2.	Nature of Relationship	Wholly Owned Subsidiary Company	Wholly Owned Subsidiary Company	Whole Time Director	Whole Time Director
3.	Nature of contracts / arrangements / transaction	Loan Taken	Loan Taken	Remuneration	Remuneration
4.	Duration of the contracts / arrangements / transaction	Unsecured Loans payable on demand	Unsecured Loans payable on demand		
5.	Salient terms of the contracts or arrangements or transaction	Rate of Interest @4.50%	Rate of Interest @4.50%	Remuneration & Reimbursement of Expenses	Remuneration & Reimbursement of Expenses
6.	Justification for entering into such contracts or arrangements or transactions	To earn revenue from differential rate of interest and reduce group companies cost of funds.	To earn revenue from differential rate of interest and reduce group companies cost of funds.	For services rendered by him to the Company (employer) as a Whole Time Director (employee).	For services rendered by him to the Company (employer) as a Whole Time Director (employee).
7.	Date of approval by the Board	January 29, 2014	August 20, 2020	Since Incorporation	Since Incorporation
8.	Amount incurred during the year	Addition Loan Taken: Rs. 10,16,85,365 /- Loan Repaid : Rs. 6,11,40,874 /- Interest Expenses : Rs. 53,03,981/- (Net off TDS)	Loan Taken: Rs. 22,40,00,060 /- Loan Repaid: Rs. 13,74,45,091 /- Interest Expenses: Rs. 6,82,096/- (net off TDS)	As per Annexure 2 of the note 29 of standalone Financial Statement	As per Annexure 2 of the note 29 of standalone Financial Statement

Date on which the special resolution was passed in general meeting (if any): - NA

For and on behalf of the Board of Directors
MAPE ADVISORY GROUP PRIVATE LIMITED

Mathrubutham Ramprasad
Mathrubutham Ramprasad
Whole Time Director
DIN: 00004275

Jacob Mathew
Jacob Mathew
Whole Time Director
DIN: 00996521



Place: Bangalore
Date: September 22, 2021

Form AOC-I

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)
(Information in respect of each subsidiary to be presented with amounts in Rs.)

Statement Containing Salient Features of the Financial Statement of Subsidiaries/Associate Companies/Joint Ventures

Part "A": Subsidiaries

Sl. No.	1	2	3	4
Name of the subsidiary company	MAPE Securities Private Limited	Radar Estates Private Limited	RL API Private Limited (formerly known as MAPE Autocomp Holdings Private Limited)	MAPE Consumer Products LLP
The date since when subsidiary was acquired	22/06/2006 (Since Incorporation)	10/12/2007	27/03/2015 (Since Incorporation)	04/12/2014 (Since Incorporation)
Financial year ending on	31-Mar-2021	31-Mar-2021	31-Mar-2021	31-Mar-2021
Reporting currency	Indian Rupee	Indian Rupee	Indian Rupee	Indian Rupee
Exchange rate on the last day of the financial year	-	-	-	-
Share capital/Contribution	6,00,00,000	1,00,000	10,09,99,000	1,74,61,615
Reserves & surplus	20,88,86,153	(6,49,989)	18,80,075	1,61,53,758
Total assets	27,65,05,000	12,95,227	12,41,18,795	5,41,49,323
Total liabilities	27,65,05,000	12,95,227	12,41,18,795	5,41,49,323
Investments	74,17,490	NIL	1,00,00,000	NIL
Turnover	2,25,00,000	NIL	21,28,457	NIL
Other Income	1,93,96,939	NIL	NIL	10,67,05,446
Profit/(loss) before tax	2,07,00,130	9,46,154	(26,32,282)	8,31,77,149
Provision for tax	63,71,381	1,50,000	59,480	1,88,20,000
Profit/(loss) after tax	1,43,28,749	7,96,154	(26,91,762)	6,43,57,149
Proposed dividend @	NA	NA	NA	NA
% of shareholding	100%	100%	100%	99.75%



Handwritten signature

Part "A": Subsidiaries

Sl. No.	5	6	7	8
Name of the subsidiary company	MAPE Pharmascience LLP	MAPE Citrus Developers LLP	MAPE Kapitale LLP	MAPE Advisory Group LLC
The date since when subsidiary was acquired	27/05/2016 (Since Incorporation)	31/10/2017	18/09/2018 (Since Incorporation)	21/05/2007 (Since Incorporation)
Financial year ending on	31-Mar-2021	31-Mar-2021	31-Mar-2021	31-Mar-2021
Reporting currency	Indian Rupee	Indian Rupee	Indian Rupee	US Dollar
Exchange rate on the last day of the financial year	-	-	-	73.50
Share capital/Contribution	26,06,24,700	1,50,00,000	1,95,000	2,00,000
Reserves & surplus	(5,22,302)	(87,101)	(1,48,587)	(99,231)
Total assets	26,03,43,933	1,50,41,389	55,263	1,00,769
Total liabilities	26,03,43,933	1,50,41,389	55,263	1,00,769
Investments	25,99,96,875	1,50,00,000	NIL	1,00,000
Turnover	NIL	NIL	NIL	NIL
Other Income	1,52,944	NIL	NIL	NIL
Profit/(loss) before tax	1,01,371	(32,518)	(36,757)	(120)
Provision for tax	27,000	NIL	NIL	NIL
Profit/(loss) after tax	74,371	(32,518)	(36,757)	(120)
Proposed dividend @	NA	NA	NA	NA
% of shareholding	99%	83.75%	99%	100%

Notes: The following information shall be furnished at the end of the statement:

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



Handwritten signature and initials.

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

Name of Associates/Joint Ventures	Name 1	Name 2	Name 3
1. Latest audited Balance Sheet Date	NA	NA	NA
2. Date on which the Associate or Joint Venture was associated or acquired			
3. Shares of Associate/Joint Ventures held by the company on the year end			
No.			
Amount of Investment in Associates/Joint Venture			
Extend of Holding %			
4. Description of how there is significant influence			
5. Reason why the associate/joint venture is not Consolidated			
6. Networth attributable to Shareholding as per latest audited Balance Sheet			
7. Profit / Loss for the year			
i. Considered in Consolidation			
ii. Not Considered in Consolidation			

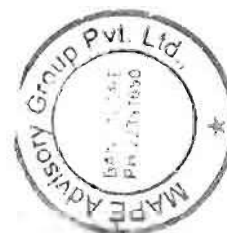
For and on behalf of the Board of Directors
MAPE ADVISORY GROUP PRIVATE LIMITED

222

Mathrubutham Ramprasad
Whole Time Director
DIN: 00004275

berleben

Jacob Mathew
Whole Time Director
DIN: 00996521



Place: Bangalore

Date: September 22, 2021

Corporate Social Responsibility (CSR)

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

1. A brief outline of the Company's CSR policy, including an overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The CSR Policy of the Company covers its scope, constitution and scope of CSR committee, Role of CSR committee and Board in identifying and implementing the CSR activities and monitoring of the project initiated under the CSR Policy.

Some of the important CSR activities identified by the Company are the Promotion of Education, Empowerment of women, Promotion of Health care, livelihood enhancement projects, ensuring environmental sustainability, ecological balance and conservation of natural resources.

The Composition of the CSR Committee as on March 31, 2021.

Pursuant to the amendment in the Provision of CSR in the companies act, 2013, where the amount to be spent by the Company towards CSR does not exceed fifty lakh rupees then this type of company does not require to constitute a CSR Committee. Accordingly, the Board of Director at their meeting held on March 23, 2021 dissolve the CSR committee.

However, Mr. Jacob Mathew (DIN: 00996521), Mr. M Ramprasad (DIN: 00004257) and Mr. R Ramaraj (DIN: 00090279) Directors of the Company were the members of the CSR Committee during the year.

2. Average net profit of the company for the last three financial years:

Net Profit for FY 2017-18	- Rs. 3,28,0,152
Net Profit for FY 2018-19	- Rs. 6,72,68,677
Net Profit for FY 2019-20	- Rs. 6,09,57,690

Average Profit for above 3 years - Rs. 5,36,76,480

Prescribed CSR Expenditure (two percent of the amount as in item 2 above): Rs. 10,73,500

3. Details of CSR spent during the financial year.

(a) Total amount to be spent for the financial year : Rs. 10,73,500

(b) Amount unspent, if any : Nil



R. M.

(c) Manner in which the amount spent during the financial year is detailed below:-

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Project or Programs (1) Local Area or others (2) Specify the state and district where projects or programs was undertaken	Amount Outlay (budget) project or programs wise (Rs.)	Amount spent on the projects or programs Sub heads: 1. Direct expenditure on project or programs 2. Overheads	Cumulative expenditure upto the reporting period (Rs.)	Amount Spent: Direct or through implementing agency
1	Food Distribution	(i) and (xii) of Schedule VII relating to promotion of health care including preventive health care and sanitation, and disaster management	-	7,86,000	Through Implementing Agency	7,86,000	Implementing Agency: Rotary Club of Bombay Queen's Necklace Charitable Trust 14, Embassy Center, Nariman Point, Mumbai 400021 PAN NO- AAATR4200K
2.	Disaster Management	(vii) Contribution to the prime minister's national relief fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central govt. for	-	2,87,500	Direct Expenditure	2,87,500	PM CARES



Q m

		socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;					

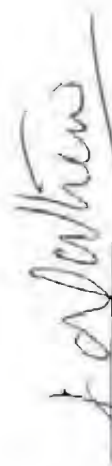
4. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report: .

Not Applicable

5. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company

We hereby confirm that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

For MAPE Advisory Group Private Limited


 Mr. Jacob Mathew
 (DIN: 00996541)
 Whole Time Director


 Mr. Mathrubutham Ramprasad
 (DIN: 00004275)
 Whole Time Director



Date: September 22, 2021
 Place: Bangalore

InCred Wealth and Investment Services Private Limited
Financial Statements for the period
18th November 2020 - 31st March 2021

Independent Auditor's Report

To the Members of InCred Wealth and Investment Services Private Limited

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of InCred Wealth and Investment Services Private Limited ("the Company") which comprises the Balance sheet as at 31st March 2021, the Statement of Profit and Loss including other comprehensive income, the Cash Flows Statement and the Statement of Changes in Equity for the period then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

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 ("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 2021, its loss including other comprehensive income, its cash flows and the changes in equity for the period 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 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 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 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.

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. We have nothing to report in this regard.

Responsibility of Management for the 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 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 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 financial statement 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.

That Board of Directors is 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.

Head Office : 906, 9th Floor, New Delhi House Building, Barakhamba Road, New Delhi – 110001 ; Tel : +91 11 4150 4766

Gurgaon Office : 321, Tower B4, Spaze IT Park, Gurgaon - 122018, Haryana ; Tel : +91 124 4230 900

Email : info@sonichatrath.com web : www.sonichatrath.com



Soni Chatrath & Co.

Chartered Accountants

- 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 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 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. This report does not include a statement on the matters specified in the paragraph 3 and 4 of the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, since in our opinion and according to the information and explanations given to us, the said Order is not applicable to the Company.
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.



Head Office : 906, 9th Floor, New Delhi House Building, Barakhamba Road, New Delhi - 110001 ; Tel : +91 11 4150 4366
Gurgaon Office : 321, Tower B4, Spaze IT Park, Gurgaon - 122018, Haryana ; Tel : +91 124 4230 900
Email : info@sonichatrath.com web : www.sonichatrath.com

Soni Chatrath & Co.

Chartered Accountants

- c. The Balance sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and the 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 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to serial no. 5 of notification no. G.S.R. 583(E) dated 13th June 2017 the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, are not applicable on the company.
- 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 financial position in its 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 close of the year.

For Soni Chatrath & Co.
Chartered Accountants
ICAI Firm Reg. No. 001092N



Nakul Sarda
Partner
Membership No.: 513005

UDIN: 21513005AAAABH2329

Place: Mumbai

Date: 08th May 2021

Harsh

InCred Wealth and Investment Services Private Limited

CIN: U67190MH2020PTC350270

Balance Sheet as at 31st March 2021

(All amount in INR, unless otherwise stated)

Particulars	Note No.	As at 31st March 2021
A. ASSETS		
1. Non-current assets		
(a) Deferred Tax Assets	9.4	13,297
Total non-current assets		13,297
2. Current assets		
(a) Financial assets		
Cash and cash equivalents	3	1,00,000
Total current assets		1,00,000
Total Assets		1,13,297
B. EQUITY AND LIABILITIES		
1. Equity		
(a) Equity share capital	4	1,00,000
(b) Other equity	5	(39,534)
Total equity		60,466
2. Liabilities		
2.1 Current liabilities		
(a) Financial liabilities		
Other financial liabilities	6	49,274
(b) Other current liabilities	7	3,557
Total current liabilities		52,831
Total Equity and Liabilities		1,13,297

The accompanying notes are an integral part of the financial statements

As per our report of even date.

For Soni Chatrah & Co.

Chartered Accountants

ICAI Firm Registration No. 024001092N

Nakul Sarda

Partner

Membership No.: 513005

Place : Mumbai

Date : 08th May 2021

For and on behalf of the Board of Directors of

InCred Wealth and Investment Services Private Limited

B.S.14
Bhupinder Singh

Director

DIN - 07342318

Place : Mumbai

Date : 08th May 2021

Kamlesh Dangi

Director

DIN - 05152439

Place : Mumbai

Date : 08th May 2021

InCred Wealth and Investment Services Private Limited

CIN: U67190MH2020PTC350270

Statement of Profit and Loss for the period 18th November 2020 to 31st March 2021

(All amount in INR, unless otherwise stated)

Particulars	Note No.	For the period ended 31st March 2021
(I) Income		
(i) Revenue From operations		-
(ii) Other income		-
Total income (I = i + ii)		-
(II) Expenses		
(i) Others expenses	8	52,831
Total expenses (II = i)		52,831
(III) Profit/(loss) before exceptional items and tax (III = I - II)		(52,831)
(IV) Exceptional items		-
(V) Profit/(loss) before tax (V = III - IV)		(52,831)
(VI) Tax expense		
(i) Current Tax		-
(ii) Deferred tax expense/ (income)	9.4	(13,297)
Total tax expense (VI = i + ii)		(13,297)
(VII) Profit/(loss) for the period (VII = V - VI)		(39,534)
(VIII) Other comprehensive income		
(i) Items that will not be reclassified to profit or loss		-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-
Total other comprehensive income (VIII = i + ii)		-
(IX) Total comprehensive income for the period (IX = VII + VIII)		(39,534)
(X) Earnings per equity share (EPS)	10	
(Face value of Rs. 10 each)		
Basic (Rs.)		(3.95)
Diluted (Rs.)		(3.95)

The accompanying notes are an integral part of the financial statements

As per our report of even date.

For Soni Charat & Co.
Chartered Accountants
ICAI Firm Registration No. 001092N



Nakul Sarda
Partner
Membership No.: 513005

Place : Mumbai
Date : 08th May 2021

For and on behalf of the Board of Directors of
InCred Wealth and Investment Services Private Limited

B.S.H.

Bhupinder Singh
Director
DIN - 07342318

Place : Mumbai
Date : 08th May 2021



Kamlesh Dangi

Kamlesh Dangi
Director
DIN - 05152439

Place : Mumbai
Date : 08th May 2021

InCred Wealth and Investment Services Private Limited

CIN: U67190MH2020PTC350270

Cash Flow Statement for the period 18th November 2020 to 31st March 2021

(All amount in INR, unless otherwise stated)

Particulars	For the period ended 31st March 2021
A. Cash flow from operating activities	
Profit before tax	(52,831)
Adjustments for non-cash/non-trade items:	
- Depreciation and amortisation	-
- Interest on borrowings	-
Operating cash flow before working capital changes	(52,831)
Changes in working capital	
- Decrease / (increase) in trade receivable	-
- Decrease / (increase) in other current assets	-
- Decrease / (increase) in trade payables	-
- Decrease / (Increase) in other financial liabilities	49,274
- Decrease / (increase) in other non financial liabilities	-
- Increase / (decrease) in provisions	3,557
Cash generated from / (used in) operations	-
- Income taxes (paid) net of refunds	-
Net cash flow from / (used in) operating activities (A)	-
B. Cash flows from investing activities	-
Net cash flow from / (used in) investing activities (B)	-
C. Cash flows from financing activities	
- Proceeds from issuance of share capital	1,00,000
Net cash flow from / (used in) in financing activities (C)	1,00,000
Net increase / (decrease) in cash and cash equivalents (A + B + C)	1,00,000
Cash and cash equivalents at the beginning of the year/period	-
Cash and cash equivalents at the end of the year/period [Note 1 below]	1,00,000
Net Increase/ (decrease) in cash and cash equivalents during the year /period	1,00,000
Notes to cash and cash equivalents	
1. Components of cash & cash equivalents: [Refer note no. 3]	
Cash on hand	-
Balances with Bank	-
- in current accounts	1,00,000
	1,00,000

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

As per our report of even date

For Soni Chatrah & Co.

Chartered Accountants

ICAI Firm Registration No.: 001092N


Nakul Sarda
Partner
Membership No.: 513005

Place: Mumbai

Date : 08th May 2021

For and on behalf of the Board of Directors of

InCred Wealth and Investment Services Private Limited


Bhupinder Singh
Director
DIN - 07342318

Place: Mumbai

Date : 08th May 2021




Kamlesh Dangi
Director
DIN - 05152439

Place: Mumbai

Date : 08th May 2021

InCred Wealth and Investment Services Private Limited

CIN: U67190MH2020PTC350270

Statement of Changes in Equity for the period 18th November 2020 to 31st March 2021

(All amounts in INR, unless otherwise stated)

A. Equity share capital [Refer Note No. 4]

Particulars	Amount
Equity shares of INR 10 each issued, subscribed and fully paid-up	
Balance as at 18th November 2020	1,00,000
Changes in equity share capital during the period	-
Balance as at the 31st March 2021	1,00,000

B. Other equity

Particulars	Reserves and Surplus Retained earnings [Refer Note No. 5]	Total other equity
Balance as at 18th November 2020	-	-
Profit / (loss) for the period	(39,534)	(39,534)
Other comprehensive income for the period, net of income tax	-	-
Total comprehensive income for the period, net of income tax	(39,534)	(39,534)
Balance at 31st March 2021	(39,534)	(39,534)

The accompanying notes are an integral part of the financial statements

As per our report of even date.

For Soni Chatrath & Co.

Chartered Accountants

ICAI Firm Registration No.: 001092N



Nakul Sardar

Partner

Membership No.: 513005

Place : Mumbai

Date : 08th May 2021

For and on behalf of the Board of Directors of

InCred Wealth and Investment Services Private Limited

B. Singh

Bhupinder Singh

Director

DIN - 07342318

Place : Mumbai

Date : 08th May 2021



Kamlesh Dangi

Director

DIN - 05152439

Place : Mumbai

Date : 08th May 2021

InCred Wealth and Investment Services Private Limited

CIN: U67190MH2020PTC350270

Significant accounting policies and notes to the financial statements for the period 18th November 2020 to 31st March 2021

(All amount in INR, unless otherwise stated)

Note 1 : General information

1.1. Corporate information

InCred Wealth and Investment Services Private Limited ("Company") was incorporated in India under the provisions of The Companies Act 2013 dated 18th November 2020. The Company is having its registered office at unit no. 1203, 12th floor, B wing The Capital, Plot No. C-70, G Block, BKC Mumbai 400051 Maharashtra.

The Company is engaged in the business of providing 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 etc.

1.2. Basis of preparation

A. Compliance with Ind-As

Pursuant to the notification dated 16th February 2015, issued by the Ministry of Corporate Affairs, the Company has opted Indian Accounting Standards notified under Section 133 read with Rule 4A of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) (Amendment) Rules, 2016 as amended and the relevant provisions of the Companies Act, 2013 (collectively, "Ind AS").

The financial statement 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 issuance by the Board of Directors on 08th May 2021.

B. Functional and presentation currency

The financial statements are presented in Indian Rupees ("INR"), which is also the Company's functional currency.

C. Basis of measurement

The Financial statement have been prepared on going concern basis using 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 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 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 financial statements are prudent and reasonable.



InCred Wealth and Investment Services Private Limited

CIN: U67190MH12020PTC350270

Significant accounting policies and notes to the financial statements for the period 18th November 2020 to 31st March 2021

(All amount in INR, unless otherwise stated)

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.

Note 2 : Significant 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:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities

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).

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, 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:

- 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.



InCred Wealth and Investment Services Private Limited

CIN: U67190MH2020PTC350270

Significant accounting policies and notes to the financial statements for the period 18th November 2020 to 31st March 2021

(All amount in INR, unless otherwise stated)

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

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

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

Financial assets measured at fair value through profit and loss ('FVTPL'):

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

C. Subsequent recognition of financial assets:

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

Financial assets at amortised cost:

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

Financial assets at FVTPL:

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

Equity investments designated at FVOCI:

These assets are subsequently measured at fair value. Dividends 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. Other net gains and losses are recognised in OCI and are not reclassified to 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. Derecognition of financial assets and financial liabilities

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 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.

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. 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 recognises life time expected credit loss for trade receivables and has adopted the simplified method of computation as per Ind AS 109.

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.



InCred Wealth and Investment Services Private Limited

CIN: U67190MH2020PTC350270

Significant accounting policies and notes to the financial statements for the period 18th November 2020 to 31st March 2021

(All amount in INR, unless otherwise stated)

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 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. 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.

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.

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. 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.

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.

The Company does not have any property, plant & equipments for the period ended 31st March 2021.

2.6. Intangible assets

A. Recognition and measurement

Intangible assets (computer software) 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 if appropriate.

The Company does not have any intangible assets for the period ended 31st March 2021.

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 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.

2.8. 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.

2.9. Leases

Effective 1st April, 2020, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1st April, 2020 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. Comparatives as at and for the year ended 31st March, 2020 have not been retrospectively adjusted.

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.

2.9. Revenue from operations

The Company has adopted Ind AS 115, Revenue from Contracts with Customers, with effect from 18th November 2020.

The Company recognised revenue from various activities as follows:

(i) 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

2.10. 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, net profit / (loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.11. 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 or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

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.



InCred Wealth and Investment Services Private Limited

CIN: U67190MH2020PTC350270

Significant accounting policies and notes to the financial statements for the period 18th November 2020 to 31st March 2021

(All amount in INR, unless otherwise stated)

2.12. 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 on monetary items are recognised in Statement of Profit and Loss.

2.13. 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.

2.14. 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.

2.15. 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.

2.16. 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.



2.17. 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.

C. Post-employment benefits

Defined contribution plans

Eligible employees of the Company receive benefit from a provident fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of covered employee's salary. The Company contributes an equal portion to the provident fund.

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.

2.18. Statement of Cash flows

Cash flows are reported using the indirect method, 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.

2.19. Exceptional items

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



InCred Wealth and Investment Services Private Limited

CIN: U67190MH2020PTC350270

Notes forming part of the financial statements for the period 18th November 2020 to 31st March 2021

(All amount in INR, unless otherwise stated)

Note 3 : Cash and cash equivalents

Particulars	As at 31st March 2021
Cash on hand	-
Balances with banks (of the nature of cash and cash equivalent)	1,00,000
Less: Allowance for impairment loss	-
Total	1,00,000



InCred Wealth and Investment Services Private Limited

CIN: U67190MH2020PTC350270

Notes forming part of the financial statements for the period 18th November 2020 to 31st March 2021

(All amount in INR, unless otherwise stated)

Note 4 : Equity share capital

Particulars	As at 31st March, 2021	
	Number	Amount
Authorised Capital		
Equity shares of Rs. 10/- each	10,000	1,00,000
Issued, subscribed and paid up capital		
Equity shares of Rs. 10/- each fully paid up	10,000	1,00,000
Total issued, subscribed and paid-up share capital	10,000	1,00,000

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 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, 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 31st March, 2021	
	Number	Amount
Equity shares		
At the beginning of the period	10,000	1,00,000
Add: Shares issued during the period	-	-
Less: Bought back during the period	-	-
Outstanding at the end of the period	10,000	1,00,000

c. Details of shares held by Holding Company / Ultimate Holding Company etc.

Name of the shareholder	As at 31st March, 2021	
	No. of shares held	% Holding
Incred Capital Financial Services Private Limited	10,000	100.00

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

Name of the shareholder	As at 31st March, 2021	
	No. of shares held	% Holding
Equity shares		
Incred Capital Financial Services Private Limited*	10,000	100.00

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.

* 1 equity share is held by Prashant Bhonsle as nominee shareholder on behalf of Incred Capital Financial Services Private Limited.



InCred Wealth and Investment Services Private Limited

CIN: U67190MH2020PTC350270

Notes forming part of the financial statements for the period 18th November 2020 to 31st March 2021

(All amount in INR, unless otherwise stated)

Note 5 : Other equity

Particulars	As at 31st March 2021
Retained earnings	
Opening balance	-
Profit / (loss) after tax for the year / period	(39,534)
Other comprehensive income for the year / period, net of income tax	-
Closing balance	(39,534)
Total	(39,534)

Note 6 : Other financial liabilities

Particulars	As at 31st March 2021
Provision for expenses	49,274
Other payable	-
Total	49,274

Note 7 : Other current liabilities

Particulars	As at 31st March 2021
Statutory dues payable	3,557
Total	3,557



InCred Wealth and Investment Services Private Limited

CIN: U67190MH2020PTC350270

Notes forming part of the financial statements for the period 18th November 2020 to 31st March 2021

(All amount in INR, unless otherwise stated)

Note 8 : Others expenses

Particulars	For the period ended 31st March 2021
Legal, professional and consultancy charges	15,000
ROC Filing fees	2,431
Payment to auditors*	35,400
Total	52,831

*** Payment to the auditors:**

Particulars	For the period ended 31st March 2021
Auditor's remuneration - Audit fees	35,400
Total	35,400



InCred Wealth and Investment Services Private Limited

CIN: U67190MH2020PTC350270

Notes forming part of the financial statements for the period 18th November 2020 to 31st March 2021

(All amount in INR, unless otherwise stated)

Note 9 : Tax expense

9.1 Income tax expense / (income) recognised in the statement of profit and loss

Particulars	Period ended 31st March 2021
Current tax expense	
In respect of current year	-
In respect of previous year	-
Minimum alternate credit (MAT)	-
	-
Deferred tax expense / (income)	(13,297)
Tax expense / (income) recognized in the current year	(13,297)

9.2 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	Period ended 31st March 2021
Profit / (loss) before tax as per statement of profit and loss (A)	(52,831)
Statutory income tax rate applicable to the Company (B)	25.17%
Income tax expense using the statutory income tax rate (C = A * B)	(13,297)
Tax effect of:	
Amounts which are not deductible in calculating taxable income	-
Effective tax expense	(13,297)

9.3 Income tax recognized in other comprehensive income

Particulars	Period ended 31st March 2021
Items that will not be reclassified to profit or loss (A)	-
Statutory income tax rate applicable to the Company (B)	25.17%
Income tax relating to items that will not be reclassified to profit or loss (A * B)	-

9.4 Deferred tax

The major components of deferred tax (assets) arising on account of timing differences as on 31st March 2021 are as follows:

Particulars	As at 18th November 2020	Recognized in profit & loss	Recognized in OCI	As at 31st March 2021
Deferred tax assets:				
Temporary disallowance	-	3,509	-	3,509
Carry forward of losses	-	9,788	-	9,788
Total deferred tax assets (A)	-	13,297	-	13,297
Deferred tax liabilities (B)	-	-	-	-
Net deferred tax assets (A - B)	-	13,297	-	13,297



InCred Wealth and Investment Services Private Limited

CIN: U67190MH2020PTC350270

Notes forming part of the financial statements for the period 18th November 2020 to 31st March 2021

(All amount in INR, unless otherwise stated)

Note 10 : Earnings per equity share (EPS)

Basic and diluted 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.

i. Profit attributable to equity shareholders:

Particulars	Period ended 31st March 2021
Profit attributable to equity holders of the Company used in calculating basic earnings per share	(39,534)
Profit attributable to equity holders of the Company used in calculating diluted earnings per share	(39,534)

ii. Weighted average number of ordinary shares

Particulars	As at 31st March 2021
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	10,000
Weighted average number of equity shares used and potential equity shares used as the denominator in calculating diluted earnings per share	10,000

Basic earnings per share	(3.95)
Diluted earnings per share	(3.95)

Note 11: Contingent liabilities and commitments

Particulars	As at March 31, 2021

--There are no contingent liabilities and commitments as on 31st March 2021--

Note 12 : Details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

In accordance with Micro, small and Medium Enterprises Development Act, 2006 the Company is required to identify the Micro, small and Medium suppliers and pay them interest on overdue beyond the specified period irrespective of the terms agreed with the suppliers. Based on information available with the management, there are no dues outstanding to micro and small enterprises covered under the Micro, small and Medium Enterprises Development Act, 2006.

Note 13 : Employee benefits**13.1 Defined contribution plan**

The Company has provident fund as defined contribution plan, where in both eligible employees and the Company contributes a specified sum of money to the recognized provident fund. The Company has however not recognized any amounts under defined contribution plan during the period ended 31st March 2021 as the same is not applicable to the Company for the period ended 31st March 2021.

13.2 Defined benefit plan

The Company has a defined benefit plan i.e. Gratuity. However the Company has not recognized any expense towards defined benefit plans for the period ended 31st March 2021 as the provisions of the Payments of Gratuity Act, 2000 is not applicable to the Company on account of threshold number of employees.



InCred Wealth and Investment Services Private Limited

CIN: U67190MH2020PTC350270

Notes forming part of the financial statements for the period 18th November 2020 to 31st March 2021

(All amount in INR, unless otherwise stated)

Note 14 : Related party transactions

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 (w.e.f 18th November 2020) Karandeep Dangi, Director (w.e.f 18th November 2020) Prashant Bhonsle, Director (w.e.f 18th November 2020)
Holding company	InCred Capital Financial Services Private Limited (formerly known as Proud Securities and Credits Private Limited) (w.e.f 18th November 2020)

b. Transactions during the period with related parties :

Transactions	Holding company	Total
Issue of equity shares		
InCred Capital Financial Services Private Limited	1,00,000	1,00,000
(formerly known as Proud Securities and Credits Private Limited)	1,00,000	1,00,000

c. Closing balances with related parties as at 31st March 2021: Nil



InCred Wealth and Investment Services Private Limited

CIN: U67190MH2020PTC350270

Notes forming part of the financial statements for the period 18th November 2020 to 31st March 2021

(All amount in INR, unless otherwise stated)

Note 15 : 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 16 : Financial instruments**16.1 Fair instruments by category**

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:

Parti	As at 31st March 2021	
	Carrying value	Amortized cost
Financial assets		
Cash and cash equivalents	1,00,000	1,00,000
Total financial assets	1,00,000	1,00,000
Financial liabilities		
Others	49,274	49,274
Total financial liabilities	49,274	49,274

The management of the Company assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, short-term borrowings, other current financial assets and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

16.2 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:

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.

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.

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.



InCred Wealth and Investment Services Private Limited

CIN: U67190MH2020PTC350270

Notes forming part of the financial statements for the period 18th November 2020 to 31st March 2021

(All amount in INR, unless otherwise stated)

The following table provides quantitative disclosure of the fair value measurement hierarchy of the asset and liabilities of the Company:-

Particulars	Level of fair	As at 31st March 2021	
		Carrying value	Fair value
Financial assets			
Cash and cash equivalents	Level 1	1,00,000	1,00,000
Total financial assets		1,00,000	1,00,000
Financial liabilities			
Others	Level 3	49,274	49,274
Total financial liabilities		49,274	49,274

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, short-term borrowings, 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.



Note 17: 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 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, 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.

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 2021
Other advances:	-
Total	-

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 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.



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 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.

C. Liquidity risk:

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

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

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



InCred Wealth and Investment Services Private Limited

CIN: U67190NH12020PTC350270

Notes forming part of the financial statements for the period 18th November 2020 to 31st March 2021

(All amount in INR, unless otherwise stated)

As at 31st March 2021:-

Particulars	Note No.	Carrying amount	Gross nominal inflow/(outflow)	Contractual cash flows				
				On Demand	Less than 1 year	1-3 years	3-5 years	After 5 years
Maturities of financial liabilities								
Other financial liabilities	6	49,274	49,274	-	49,274	-	-	-
Total		49,274	49,274	-	49,274	-	-	-

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 non-derivative 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 31st March 2020:-

Particulars	Note No.	Carrying amount	Gross nominal inflow/(outflow)	Contractual cash flows				
				On Demand	Less than 1 year	1-3 years	3-5 years	After 5 years
Maturities of financial assets								
Cash and cash equivalents	3	1,00,000	1,00,000	1,00,000	-	-	-	-
Total		1,00,000	1,00,000	1,00,000	-	-	-	-



InCred Wealth and Investment Services Private Limited

CIN: U67190MH2020PTC350270

Notes forming part of the financial statements for the period 18th November 2020 to 31st March 2021

(All amount in INR, unless otherwise stated)

Note 18 : 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 under 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. First financial statements of the Company

The Company was incorporated on 18th November, 2020, therefore the first financial statements of the Company are prepared for the period 18th November, 2020 to 31st March 2021. For the period beginning from 01st April 2021, the financial statements shall be prepared for a period of 12 months ending of 31st March.

As per our report of even date.

For **Soni Chatrah & Co.**

Chartered Accountants

ICAI Firm Registration No. 001092N



Nakul Sarda

Partner

Membership No.: 513005

Place : Mumbai

Date : 08th May 2021

For and on behalf of the Board of Directors of

InCred Wealth and Investment Services Private Limited

B. Singh

Bhupinder Singh

Director

DIN - 07342318

Place : Mumbai

Date : 08th May 2021



Kamlesh Dangi

Kamlesh Dangi

Director

DIN - 05152439

Place : Mumbai

Date : 08th May 2021

INCRD WEALTH AND INVESTMENT SERVICES PRIVATE LIMITED

Registered and 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; Tel No: 022- 41611500
CIN: U67190MH2020PTC350270

DIRECTOR'S REPORT

TO THE MEMBERS OF

INCRD WEALTH AND INVESTMENT SERVICES PRIVATE LIMITED

The Directors have pleasure in presenting the First Annual Report on the business and operations and the Audited Financial Statements of the Company for the period November 18,2020 to March 31, 2021.

1. FINANCIAL HIGHLIGHTS OF THE COMPANY

The highlights of the financial statements of the Company for the financial year ended March 31,2021 are as under:

Particulars	For the period November 18,2020 to March 31, 2021
Profit/(Loss) before Depreciation & Tax	(52831)
Depreciation	-
Profit/(Loss) before Tax	(52831)
Tax Provision/MAT	
Deferred Tax Provision for the year	(13297)
Tax Expenses for previous years	-
Profit/(Loss) after Tax	(39,534)
Appropriation for earlier years	-
Profit/(Loss) transferred to Balance Sheet	(39,534)

2. DIVIDEND & TRANSFER OF GENERAL RESERVES

The Board of Directors of the Company do not recommend payment of dividend and no amount was transferred to the general reserves.

3. STATE OF THE COMPANY AFFAIRS

The total revenue from operations of the company for the financial year under review was NIL and after meeting all the expenses the company has incurred a loss of INR 39,534.

4. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in nature of the business of the Company during the year under review

During the year under review, the Company has not yet commenced its business, however the company is engaged in the business of providing 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 etc.

INCRD WEALTH AND INVESTMENT SERVICES PRIVATE LIMITED

Registered and 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; Tel No: 022- 41611500
CIN: U67190MH2020PTC350270

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

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 OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There were no significant and material orders passed by the regulators or courts or tribunals, which can impact the going concern status and Company's operations in future.

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

The Company was not required to disclose the adequacy of internal financial controls with reference to the financial statements 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

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

During the year under review, M/s. PNAM and Co. (formerly known as M/s Soni Chatrath & Co.), Chartered Accountant, ICAI Firm Registration Number 001092N were appointed as First Auditors of the Company up to the ensuing annual general meeting of the Company.

Further, the Board at its meeting held on October 11,2021 had appointed of M/s. S. R. Batliboi & Associates LLP., Chartered Accountants (ICAI Firm Registration No. 101049W/E300004) as Statutory Auditors of the Company under section 139 of the Companies Act, 2013 for a period of 5 years. The Company has received a confirmation from M/s. S. R. Batliboi & Associates LLP., Chartered Accountants to the effect that their appointment would be in terms of Section 139 and 141 of the Companies Act, 2013 and rules made thereunder. Appropriate resolution seeking Members' approval for the appointment of M/s. S. R. Batliboi & Associates LLP, Chartered Accountants as the Statutory Auditors of the Company is appearing in the Notice convening the ensuing AGM of the Company.

The Board also placed on record its appreciation to M/s. PNAM and Co., Chartered Accountants for their contribution to the Company with their audit processes and standards of auditing

INCRD WEALTH AND INVESTMENT SERVICES PRIVATE LIMITED

Registered and 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; Tel No: 022- 41611500
CIN: U67190MH2020PTC350270

The Audit for FY 2020-21 was conducted by M/s. PNAM and Co. and there are no qualifications, reservations, adverse remarks or disclaimers made by the Statutory Auditor in their Audit Report. The notes on financial statements referred to in the Auditors Report are self-explanatory and therefore do not call for any comments. There were no frauds reported under Section 143 (12) of the Companies Act, 2013 to the Board.

11. SHARE CAPITAL

As on March 31, 2021, the capital structure of the Company stands as follows:

1. Authorized capital- Rs. 1,00,000 (Rupees One Lakh) divided into 10,000 (Ten Thousand) Equity Shares of Rs.10/- (Rupees Ten)
2. Issued, subscribed and paid up capital - Rs. 1,00,000 (Rupees One Lakh) divided into 10,000 (Ten Thousand) Equity Shares of Rs.10/- (Rupees Ten)

12. SECRETARIAL STANDARDS

The Company has complied with all the applicable Standards of Secretarial Standard-1 on meeting of Board of Directors during the period under review.

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

(A) Conservation of energy:

Since the Company does not carry out any manufacturing activity, the particulars as prescribed under section 134(1) (m) of the Act in relation to conservation of energy are not applicable to your company.

(B) Technology absorption:

The particulars as prescribed under section 134(1) (m) of the Act, in relation to technology absorption are not applicable to your company.

(C) Foreign exchange earnings and Outgo:

During the year, foreign exchange earnings and foreign exchange utilizations were nil.

14. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The company does not attract the provisions of Section 135 of the Companies Act, 2013.

15. DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP)

Appointments/Resignations of Directors from the Board during the financial year

During the year under review, there were no change in the Board of Directors.

Mr. Bhupinder Singh and Mr. Kamlesh Dangi continue to act as Directors as at March 31, 2021.

16. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year the Board met Two times during the financial year 2020-2021 viz. on December 18, 2020 and January 15, 2021. The intervening gap between the meetings

INCRD WEALTH AND INVESTMENT SERVICES PRIVATE LIMITED

Registered and 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; Tel No: 022- 41611500
CIN: U67190MH2020PTC350270

was within the period prescribed under the Companies Act, 2013.

In accordance with standard 9 of the Secretarial Standards I on the "Meetings of the Board of Directors", the details on the number of board meetings of the Company attended by the each of the directors during the last financial year are as follows:

Sr. No	Name of the Director	Category	Number of meetings during the financial year		
			Held	Entitled	Attended
1.	Mr. Bhupinder Singh	Non-Independent Director	2	2	2
2.	Mr. Kamlesh Dangi	Non-Independent Director	2	2	2

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

As per the requirements of section 177(9) of the Companies Act 2013, our company is not mandatorily required to establish vigil mechanism for the directors and employees to report their genuine concerns or grievances

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

The company has not advanced any loan or made any investments or gave any guarantee during the financial year under review.

19. 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 A** in terms of the provisions of Section 134(3)(h) read with rule 8(2) of the Companies (Accounts) Rules, 2014.

20. MANAGERIAL REMUNERATION

The provision related to appointment and remuneration of managerial remuneration is not applicable on our company. During the year, the Company has not paid remuneration to its Directors.

21. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013 READ WITH RULES

Pursuant to the requirements of Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013 read with rules framed there under, the Company has not received any complaint of sexual harassment during the year under review.

22. 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

INCRED WEALTH AND INVESTMENT SERVICES PRIVATE LIMITED

Registered and 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; Tel No: 022- 41611500
CIN: U67190MH2020PTC350270

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. DIRECTORS' RESPONSIBILITY STATEMENT

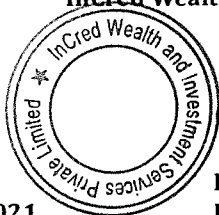
The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

- (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 end of the financial year and of the loss 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.

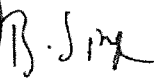
24. ACKNOWLEDGEMENTS

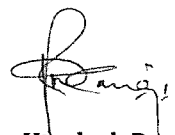
Your Board of Directors wish to thank and place on record their appreciation for the co-operation and support extended to the Company by bankers, customers, employees and all other stakeholders. The Board of Directors also expresses its sincere gratitude to all the shareholders for their continuous support and trust they have shown in the management. The dedication and sense of commitment shown by the employees at all levels during the year deserve special mention.

For and on behalf of board
InCred Wealth and Investment Services Private Limited



Place: Mumbai
Date: October 11, 2021


Bhupinder Singh
Director
DIN:07342318


Kamlesh Dangi
Director
DIN:05152439

INCRED WEALTH AND INVESTMENT SERVICES PRIVATE LIMITED

Registered and 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; Tel No: 022- 41611500
CIN: U67190MH2020PTC350270

Annexure-A

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)

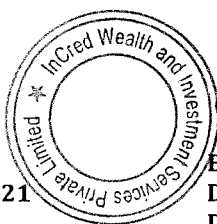
1. Details of contracts or arrangements or transactions not at arm's length basis:

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						

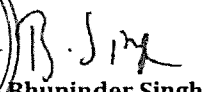
2. Details of material contracts or arrangements or transactions at arm's length basis:

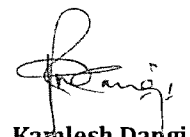
1. Name(s) of the related party and nature of relationship	2. Nature of contracts/ arrangements/ transactions	3. Duration of contracts/ arrangements/ transactions	4. Salient terms of contracts /arrangements/ transactions including the value, if any	5. Date of approval by the board of directors	6. Amount paid as advance, if any
InCred capital Financial Services Private Limited	Issue of share capital	FY 20 21	Rs. 100,000	NA	NA

For and on behalf of board
InCred Wealth and Investment Services Private Limited



Place: Mumbai
Date: October 11, 2021


Bhupinder Singh
Director
DIN:07342318


Kamlesh Dangi
Director
DIN:05152439

InCred Capital Financial Services Private Limited
(Formerly known As Proud Securities And Credits Private Limited)
CIN: U67120MH1996PTC355036
Provisional Standalone Balance Sheet as at 31st October 2021
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	As at 31st October 2021	As at 31st March 2021
A. ASSETS			
1. Financial assets			
(a) Cash and cash equivalents	3	3,202.86	4,094.06
(b) Bank balance other than cash and cash equivalents	4	-	-
(c) Trade receivables	5	518.36	3.30
(d) Loans	6	23,313.97	20,951.30
(e) Investments	7	12,201.88	4,231.06
(f) Other financial assets	8	59.75	59.59
Total financial assets		39,296.83	29,339.32
2. Non-financial assets			
(a) Current tax assets (Net)	9	-	381.20
(b) Deferred tax assets (Net)	28	836.70	836.70
(c) Property, plant and equipment	10	428.42	456.65
(d) Capital work in Progress		66.82	5.36
(e) Other intangible assets	11	1.04	2.10
(f) Other non-financial assets	12	2,869.31	2,192.43
Total non-financial assets		4,202.29	3,874.44
Total Assets		43,499.12	33,213.75
B. LIABILITIES AND EQUITY			
1. Liabilities			
1.1 Financial liabilities			
(a) Borrowings	13	3,800.00	-
(b) Trade payables	14		
(i) total outstanding dues of micro and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro and small enterprises		187.19	90.80
(c) Deposits	15	15.44	2.44
(d) Other financial liabilities	16	1,183.21	572.13
Total financial liabilities		5,185.84	665.37
1.2 Non-financial liabilities			
(a) Current Tax Liabilities (net)	17	342.33	-
(b) Provisions	18	12.40	12.40
(c) Other non-financial liabilities	19	88.24	212.36
Total non-financial liabilities		442.96	224.76
Total Liabilities		5,628.80	890.13
2. Equity			
(a) Equity share capital	20	989.98	920.86
(b) Other equity	21	36,880.35	31,402.77
Total Equity		37,870.33	32,323.63
Total Liabilities and Equity		43,499.12	33,213.75

InCred Capital Financial Services Private Limited
(Formerly known As Proud Securities And Credits Private Limited)
CIN: U67120MH1996PTC355036
Provisional Standalone Statement of Profit & Loss period ended 31st October 2021
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	Year ended 31st October 2021	Year ended 31st March 2021
(I) Revenue From operations			
(i) Interest income	22	1,630.12	3,295.14
(ii) Fees and commission income	23	675.54	156.52
(iii) Net gain on fair value changes	24	2,816.72	183.48
Total revenue from operations (I = i + ii + iii)		5,122.39	3,635.15
(II) Other income	25	105.47	19.95
(III) Total income (III = I + II)		5,227.86	3,655.10
(IV) Expenses			
(i) Finance costs	26	88.38	58.86
(ii) Impairment on financial instruments	27	(4.38)	567.96
(iii) Employee benefits expenses	28	958.13	1,722.95
(iv) Depreciation, amortization and impairment	10 & 11	88.46	165.37
(v) Others expenses	29	680.09	2,817.97
Total expenses (IV = i + ii + iii + iv + v)		1,810.68	5,333.12
(V) Profit/ (Loss) before exceptional items and tax (V = III - IV)		3,417.17	(1,678.02)
(VI) Exceptional items		-	-
(VII) Profit/ (Loss) before tax (VII = V - VI)		3,417.17	(1,678.02)
(VIII) Tax Expense:	30		
(i) Current tax		860.10	-
(ii) Deferred tax		-	(420.43)
(iii) Pertaining to earlier years		-	(1.22)
Total tax expense (VIII = i + ii)		860.10	(421.65)
(IX) Profit/ (Loss) for the year (IX = VII - VIII)		2,557.07	(1,256.37)
(X) Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
(i) Remeasurements of the defined benefit plans		-	11.94
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	(3.01)
Subtotal (A = i + ii)		-	8.93
(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 (X = A + B)		-	8.93
(XI) Total comprehensive income for the period (XI = IX + X)		2,557.07	(1,247.44)

Clamant Tech Services Private Limited
CIN: U72900MH2020PTC349941
Provisional Balance Sheet as at 31st October 2021
(All amount in INR, unless otherwise stated)

Particulars	Note No.	As at 31st October 2021	As at 31st March 2021
A. ASSETS			
1. Non-current assets			
(a) Deferred tax assets	11.4	10,35,246	1,53,377
Total non-current assets		10,35,246	1,53,377
2. Current assets			
(a) Financial assets			
Cash and cash equivalents	3	4,89,954	45,52,656
(b) Other non-financial assets	4	56,392	40,989
Total current assets		5,46,346	45,93,645
Total Assets		15,81,592	47,47,022
B. EQUITY AND LIABILITIES			
1. Equity			
(a) Equity share capital	5	41,54,000	41,54,000
(b) Other equity	6	(32,44,111)	(6,22,335)
Total equity		9,09,889	35,31,665
2. Liabilities			
2.1 Current liabilities			
(a) Financial liabilities			
Borrowings	7	5,00,000	
Trade Payable	8		
(i) total outstanding dues of micro and small enterprises		10,783	
(ii) total outstanding dues of creditors other than micro and small enterprises		99,569	10,87,961
Other financial liabilities	9	61,351	1,27,396
(b) Other current liabilities	10		
Total current liabilities		6,71,703	12,15,357
Total Equity and Liabilities		15,81,592	47,47,022

Clamant Tech Services Private Limited

CIN: U72900MH2020PTC349941

Provisional Statement of Profit and Loss for the period ended 31st October 2021

(All amount in INR, unless otherwise stated)

Particulars	Note No.	For the period ended 31st October 2021	For the period ended 31st March 2021
(I) Income			
(i) Revenue From operations			-
(ii) Other income			-
Total income (I = i + ii)		-	-
(II) Expenses			
(i) Finance cost	11	678	0
(ii) Employee benefits expenses	12	32,44,674	4,20,946
(iii) Others expenses	13	2,58,293	3,54,766
Total expenses (II = i + ii)		35,03,645	7,75,712
(III) Profit/(loss) before exceptional items and tax (III= I - II)		(35,03,645)	(7,75,712)
(IV) Exceptional items		-	-
(V) Profit/(loss) before tax (V = III - IV)		(35,03,645)	(7,75,712)
(VI) Tax expense			
(i) Current Tax		-	-
(ii) Deferred tax expense/ (income)	14.4	(8,81,869)	(1,53,377)
Total tax expense (VI = i + ii)		(8,81,869)	(1,53,377)
(VII) Profit/(loss) for the period (VII = V - VI)		(26,21,776)	(6,22,335)
(VIII) Other comprehensive income			
(i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
Total other comprehensive income (VIII = i + ii)		-	-
(IX) Total comprehensive income for the period (IX = VII + VIII)		(26,21,776)	(6,22,335)
(X) Earnings per equity share (EPS)			
(Face value of Rs. 10 each)			
Basic (Rs.)	15	-	(25.53)
Diluted (Rs.)		-	(25.53)

InCred Wealth Private Limited
(formerly known as InCred Capital Inclusion Advisory Services Private Limited)
CIN: U67190MH2019PTC325577
Provisional Standalone Balance Sheet as at 31st Oct 2021
(All amounts in INR, unless otherwise stated)

0

0

Particulars	Note No.	As at 31st Oct 2021	As at 31st March 2021
A. ASSETS			
1. Non-current assets			
(a) Property, plant and equipment	3	4,52,46,767	4,89,28,157
(b) Capital work-in-progress	4	11,91,382	5,95,135
(c) Other intangible assets	5	13,42,786	2,92,329
(d) Financial assets			
Non-current investments	6	28,50,00,000	28,50,00,000
Others non-current financial assets	7	43,76,573	42,79,121
(e) Deferred tax assets (net)	29.4	27,05,57,654	23,42,44,067
(f) Other non-current assets	8	18,75,526	16,42,718
Total non-current assets		60,95,90,687	57,49,81,526
2. Current assets			
(a) Financial assets			
Current Investments	9	21,54,63,532	16,87,76,548
Trade receivables	10	9,41,64,386	4,26,49,057
Cash and cash equivalents	11	39,14,91,704	5,52,49,930
Loans	12	24,44,85,500	6,62,35,098
(b) Current tax assets (net)	13	2,97,22,424	1,70,98,387
(c) Other current assets	14	6,98,34,001	10,04,49,702
Total current assets		1,04,51,61,547	45,04,58,721
Total Assets		1,65,47,52,234	1,02,54,40,247
B. EQUITY AND LIABILITIES			
1. Equity			
(a) Equity share capital	15	5,15,460	1,00,000
(b) Other equity	16	(80,69,07,764)	(69,69,34,902)
Total Equity		(80,63,92,304)	(69,68,34,902)
2. Liabilities			
2.1 Non-current liabilities			
(a) Financial liabilities			
Non-current borrowings	17	2,29,48,18,181	1,59,99,50,000
Other non-current financial liabilities	18	3,53,46,874	3,09,54,741
(b) Non-current provisions	19	16,18,096	16,03,408
Total non-current liabilities		2,33,17,83,151	1,63,25,08,149
2.2 Current liabilities			
(a) Financial liabilities			
Trade payables	20		
(i) total outstanding dues of micro and small enterprises		3,91,26,400	96,28,539
(ii) total outstanding dues of creditors other than micro and small enterprises		6,73,19,814	5,76,29,764
Other current financial liabilities	21	2,29,15,173	2,24,94,010
(b) Other current liabilities	22		
(c) Current provisions	23	-	14,688
Total current liabilities		12,93,61,387	8,97,67,000
Total Liabilities		2,46,11,44,538	1,72,22,75,149
Total Equity and Liabilities		1,65,47,52,234	1,02,54,40,247

InCred Wealth Private Limited
(formerly known as InCred Capital Inclusion Advisory Services Private Limited)
CIN: U67190MH2019PTC325577
Provisional Standalone Statement of Profit and Loss for the period ended 31st Oct 2021
(All amounts in INR, unless otherwise stated)

Particulars	Note No	For the period ended 31st Oct 2021	For the period ended 31st March 2021
(I) INCOME			
(i) Revenue from operations	24	22,65,21,328	14,45,69,590
(ii) Other income	25	13,64,58,056	8,84,23,521
Total income (I = i + ii)		36,29,79,383	23,29,93,111
(II) EXPENSES			
(i) Employee benefits expenses	26	30,26,59,174	36,18,17,020
(ii) Finance cost	27	12,81,04,972	18,29,61,482
(iii) Depreciation, amortization and impairment	3	90,56,653	1,22,05,209
(iv) Other expenses	28	6,94,44,477	5,59,64,512
Total expenses (II = i + ii + iii + iv)		50,92,65,276	61,29,48,223
(III) Profit / (loss) before exceptional items and tax (III = I - II)		(14,62,85,893)	(37,99,55,112)
(IV) Exceptional items			-
(V) Profit / (loss) before tax (V = III - IV)		(14,62,85,893)	(37,99,55,112)
(VI) Tax expense:			
(i) Current Tax	29.1	-	-
(ii) Deferred tax expense / (income)	29.4	(3,63,13,032)	(9,55,97,214)
Total tax expense (VI = i + ii)		(3,63,13,032)	(9,55,97,214)
(VII) Profit / (loss) for the period (V - VI)		(10,99,72,861)	(28,43,57,898)
(VIII) Other comprehensive income			
(i) Items that will not be reclassified to profit or loss		-	7,85,153
(ii) Income tax relating to items that will not be reclassified to profit or loss	29.3	-	(1,97,623)
Total other comprehensive income (VIII = i - ii)		-	5,87,530
(IX) Total comprehensive income for the period (VII + VIII)		(10,99,72,861)	(28,37,70,368)

MAPE ADVISORY GROUP PRIVATE LIMITED
BALANCE SHEET AS AT OCTOBER 31, 2021

	Notes	As at October 31, 2021 (Rupees)	March 31, 2021 (Rupees)
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	53,49,540	53,49,540
Reserves and Surplus	2	14,51,57,609	22,41,08,766
Non-Current Liabilities			
Long-Term Borrowings	3	23,85,569	31,39,703
Long-Term Provisions	4	87,47,696	87,47,696
Current Liabilities			
Short-Term Borrowings	5	22,83,83,101	21,43,19,811
Trade Payables	6		
Total outstanding dues of micro enterprises and small enterprises and		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		86,93,925	1,05,27,159
Other Current Liabilities	7	27,91,12,315	26,78,55,289
Short-Term Provisions	8	3,26,027	3,26,027
TOTAL		67,81,55,782	73,43,73,991
ASSETS			
Non-Current Assets			
Property, Plant and Equipments	9	63,61,092	78,76,160
Non-Current Investments	10	35,12,59,294	62,89,42,819
Deferred Tax Assets (Net)	11	52,26,740	52,26,740
Long-Term Loans and Advances	12	41,49,656	1,31,20,500
Current Assets			
Trade Receivables	13	20,34,509	9,39,997
Cash and Cash Equivalents	14	2,33,82,040	6,10,66,758
Short-Term Loans and Advances	15	27,99,74,162	1,18,82,359
Other Current Assets	16	57,68,289	53,18,658
TOTAL		67,81,55,782	73,43,73,991

MAPE ADVISORY GROUP PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED ON OCTOBER 31, 2021

	Notes	Period ended October 31, 2021 (Rupees)	Year ended March 31, 2021 (Rupees)
INCOME			
Revenue from Operations (Gross)	17	24,54,131	6,66,94,032
Less: Goods and Service Tax		2,62,500	99,51,000
Revenue from Operations (Net)		21,91,631	5,67,43,032
Other Income	18	16,71,784	5,51,52,873
Total Income		38,63,415	11,18,95,905
EXPENSES			
Employee Benefits Expenses	19	5,02,08,659	18,00,14,830
Interest and Other Financial Costs	20	53,38,627	70,89,422
Depreciation	21	15,15,068	43,12,566
Other Expenses	22	2,57,52,218	6,85,05,643
Total Expenses		8,28,14,572	25,99,22,461
(Loss) Before Tax		(7,89,51,157)	(14,80,26,556)
Tax Expense			
Current Tax		-	(12,63,006)
Deferred Tax		-	6,22,749
(Loss) for the year		(7,89,51,157)	(14,73,86,299)

InCred Wealth and Investment Services Private Limited

CIN: U67190MH2020PTC350270

Provisional Balance Sheet as at 31st October 2021

(All amount in INR, unless otherwise stated)

Particulars	Note No.	As at 31st October 2021	As at 31st March 2021
A. ASSETS			
1. Non-current assets			
(a) Deferred Tax Assets	-	2,85,944	13,297
Total non-current assets		2,85,944	13,297
2. Current assets			
(a) Financial assets			
Cash and cash equivalents	3	62,47,820	1,00,000
(b) Other non-financial assets	4	19,710	-
Total current assets		62,67,530	1,00,000
Total Assets		65,53,474	1,13,297
B. EQUITY AND LIABILITIES			
1. Equity			
(a) Equity share capital	5	71,00,000	1,00,000
(b) Other equity	6	(8,48,509)	(39,534)
Total equity		62,51,491	60,466
2. Liabilities			
2.1 Current liabilities			
(a) Financial liabilities			
Trade Payable	7		
(i) total outstanding dues of micro and small enterprises			
(ii) total outstanding dues of creditors other than micro and small enterprises		2,96,533	49,274
Other financial liabilities	8	-	-
(b) Other current liabilities	9	5,450	3,557
Total current liabilities		3,01,983	52,831
Total Equity and Liabilities		65,53,474	1,13,297

InCred Wealth and Investment Services Private Limited

CIN: U67190MH2020PTC350270

Provisional Statement of Profit and Loss for the period ended 31st October 2021

(All amount in INR, unless otherwise stated)

Particulars	Note No.	For the period ended 31st October 2021	For the period ended 31st March 2021
(I) Income			
(i) Revenue From operations			-
(ii) Other income			-
Total income (I = i + ii)		-	-
(II) Expenses			
(i) Others expenses	10	10,81,621	52,831
Total expenses (II = i)		10,81,621	52,831
(III) Profit/(loss) before exceptional items and tax (III= I - II)		(10,81,621)	(52,831)
(IV) Exceptional items		-	-
(V) Profit/(loss) before tax (V = III - IV)		(10,81,621)	(52,831)
(VI) Tax expense			
(i) Current Tax			-
(ii) Deferred tax expense/ (income)		(2,72,646)	(13,297)
Total tax expense (VI = i + ii)		(2,72,646)	(13,297)
(VII) Profit/(loss) for the period (VII = V - VI)		(8,08,975)	(39,534)
(VIII) Other comprehensive income			
(i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
Total other comprehensive income (VIII = i + ii)		-	-
(IX) Total comprehensive income for the period (IX = VII + VIII)		(8,08,975)	(39,534)