

To,
The Board of Directors,
KKR Capital Markets India Private Limited,
2nd Floor, Piramal Towers,
Peninsula Corporate Park,
Ganpatrao Kadam Marg,
Lower Parel (W),
Mumbai 400013.

Independent Auditor's Certificate on Accounting Treatment stipulated under the proposed composite scheme of amalgamation and arrangement among Bee Finance Limited ('Transferor Company'), KKR Capital Markets India Private Limited ('Company' or 'Transferee Company'), InCred Financial Services Limited ('Demerged Company'), KKR India Financial Services Limited ('Resulting Company') and their respective shareholders under Sections 230 to 232, 66, 234 and other applicable provisions of the Companies Act, 2013 ('Scheme').

This certificate is issued in accordance with the provisions of section 230 of the Companies Act, 2013 ('Act') read with Rule 6(3)(ix)(e) of The Companies (Compromises, Arrangements and Amalgamations) Rule, 2016 ('Rules') and in terms of our engagement letter dated August 02, 2021.

We have been requested by the Company having its registered office at 2nd Floor, Piramal Towers, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel (W), Mumbai 400013 vide letter dated August 02, 2021 to examine that the proposed accounting treatment as specified under clause 11 and clause 17.2 of the Scheme envisaging *inter alia* the merger of Transferor Company with the Company, whereby the Transferee Company has acquired the identifiable assets and liabilities of the Transferor Company under Section 230 of the Act, is in compliance with the relevant standards of accounting specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules 2015, or any other relevant or related requirements under the Act, as applicable including General Circular No. 09/2019 dated August 21, 2019 issued by Ministry of Corporate Affairs, and other generally accepted accounting principles.

Management's Responsibility for the certificate

The responsibility for the preparation of the Scheme and its compliance with relevant laws and regulations including the relevant standards of accounting specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules 2015, or any other relevant or related requirements under the Act, as applicable and other generally accepted accounting principles as aforesaid, is that of the Management of the Company. This responsibility includes the designing, implementation and maintenance of internal control relevant to the preparation and presentation of the Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

The Management is also responsible for ensuring that the Company complies with the requirements as mentioned above and for providing all relevant information to the National Company Law Tribunal ('Tribunal') in relation to the Scheme.

Auditor's Responsibility

Pursuant to the provisions of section 230 of the Act read with the Rules made thereunder, our responsibility is to obtain reasonable assurance and form an opinion as to whether the accounting treatment as specified under clause 11 and clause 17.2 of the Scheme in the books of the Transferee Company is in conformity with the relevant standards of accounting specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules 2015, or any other relevant or related requirements under the Act, as applicable, and other generally accepted accounting principles.

We have examined the following documents of the Company:

- a) Accounting treatment as described in clause 11 and clause 17.2 of the Scheme with accounting treatment as per relevant standards of accounting specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules 2015, or any other relevant or related requirements under the Act, as applicable and other generally accepted accounting principles.
- b) Board resolution dated September 9, 2021 approving the Scheme.

We conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' 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.

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

Opinion

Based on our examination and according to the information, explanations provided to us, we certify that the accounting treatment as specified under clause 11 and clause 17.2 of the Scheme in the books of the Transferee Company is in conformity with the relevant standards of accounting specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules 2015, or any other relevant or related requirements under the Act, General Circular No. 09/2019 dated August 21, 2019 issued by Ministry of Corporate Affairs, as applicable, and other generally accepted accounting principles. In accordance with section 232(6) of the Act, the Company has identified April 1, 2022 as the 'Appointed Date' vide 'Definitions' covered in Part I of the Scheme.

For ease of references, clause 11, clause 17.2 and 'Appointed Date' covered in 'Definitions' in Part I of the Scheme, duly certified by Chief Financial Officer on behalf of the Company, is included in 'Annexure 1' (Attached herewith) to the certificate and is initialed by us only for the purposes of identification.



MSKA

& Associates

Chartered Accountants

Restriction on Use

This certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of enabling it to comply with the provisions of Section 230 of the Act read with the rules made thereunder and for onward submission to the Tribunal at Mumbai in accordance with the Act.

It should not be used by any other person or for any other purpose. MSKA & Associates shall not be liable to the Company or to any other concerned for any claims, liabilities or expenses relating to this assignment.

Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

MSKA & Associates
Chartered Accountants
Firm Registration No. 105047W

Srividya Vaidison



Srividya Vaidison
Partner
Membership No.207132
UDIN: 21207132AAAABN8215

Place: Mumbai
Date: September 13, 2021

Annexure 1

Relevant extract of scheme of amalgamation and arrangement among Bee Finance Limited ('Transferor Company'), KKR Capital Markets India Private Limited ('Company' or 'Transferee Company'), InCred Financial Services Limited ('Demerged Company'), KKR India Financial Services Limited ('Resulting Company') and their respective shareholders under Sections 230 to 232, 66, 234 and other applicable provisions of the Companies Act, 2013

PART I**DEFINITIONS, INTERPRETATIONS, SHARE CAPITAL AND OPERATION OF SCHEME****1. DEFINITIONS**

"Appointed Date" shall mean 1 April 2022, or such other date as may be agreed by the Boards of the respective Parties;

CLAUSE**11. ACCOUNTING TREATMENT**

Upon effectiveness of the Scheme and with effect from the Appointed Date, the Transferee Company shall account for the merger of the Transferor Company into the Transferee Company as under:

- 11.1 The Transferee Company shall recognise the CCPS issued by the Transferee Company to the shareholders of Transferor Company at fair value in accordance with applicable Accounting Standards.
- 11.2 The Transferee Company shall allocate the consideration paid in Clause 8.1 of the Scheme to identifiable assets and liabilities of the Transferor Company based on their relative fair values as on the date of acquisition.

Notwithstanding anything to the contrary herein, upon the Scheme becoming effective, the Transferee Company and Transferor Company shall give effect to the accounting treatment in their books of accounts in accordance with and pursuant to Accounting Standards as specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 applicable, as on the Appointed Date.



KKR Capital Markets India Private Limited

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CIN No. U67190MH2011PTC211738

17. ACCOUNTING TREATMENT

In the books of the Transferee Company

17.2 The consideration paid by the Transferee Company on account of demerger shall be recognised at fair value in accordance with the applicable Accounting Standards, with a corresponding debit to “Investment in Subsidiary”.

For KKR Capital Markets India Private Limited


Anil Nagu

Chief Financial Officer



KKR Capital Markets India Private Limited

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