

NOTICE OF EXTRA ORDINARY GENERAL MEETING

Notice is hereby given that the Extra Ordinary General Meeting of the Members of InCred Financial Services Limited (the "Company") will be held on Friday, March 11, 2022, at 11:00 A.M. at Unit No. 1203, 12th floor, B Wing, The Capital, Plot No. C - 70, G Block, BKC, Mumbai - 400051 to transact the following business:

SPECIAL BUSINESS**ITEM NO.1****Approve borrowings by way of issuance of secured non-convertible debentures**

To consider and, if thought fit, to pass with or without modifications the following resolution as a Special Resolution:

"RESOLVED THAT in supersession to the resolution passed by the Members at the Extra Ordinary General Meeting of the Company held on May 19, 2021 and pursuant to (i) the provisions of Sections 23, 42, 71, 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 read with the applicable Rules framed thereunder including the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force) ("the Act"); (ii) the applicable provisions of the Memorandum of Association and the Articles of Association of the Company; (iii) the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended; and (iv) all other applicable laws, acts, rules, regulations, guidelines, circulars, directions and notifications and subject to such other consent(s) / permission(s) / sanction(s), as may be required, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee constituted / may be constituted by the Board of Directors of the Company or any other person(s), for the time being exercising the powers conferred on the Board of Directors by this resolution and as may be authorised by the Board in this regard) to create / invite / offer / issue / allot upto such number of non-convertible debentures ("NCDs"), under private placement, in one or more modes or combinations thereof and in one or more series or tranches, to such eligible person(s), on such terms and conditions as the Board may determine and think fit, such that the aggregate principal amount of NCDs to be issued during a period of 1 (one) year commencing from the date of passing of this Special Resolution does not exceed INR 1500 crore (Rupees One Thousand Five Hundred Crore only) within the overall borrowing limits of the Company;

RESOLVED FURTHER THAT the Board be and is hereby authorised to undertake all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, expedient, proper or desirable to give full effect to the aforesaid resolution and to settle all questions / doubts / queries / difficulties that may arise in this regard, at any stage without being required to seek any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

INCRD FINANCIAL SERVICES LIMITED

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Registered Office:
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CIN: U74899MH1991PLC340312
Email: care@incred.com
Contact: 1800-102-2192
Website-www.incred.com

ITEM NO.2

Approve issue and offer of Equity Shares on Private Placement/Preferential basis

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT in accordance with the provisions of Sections 42, 62 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the **“Act”**), the Companies (Prospectus and Allotment of Securities), Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made under the Act, the provisions of the Foreign Exchange Management Act, 1999 and the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 issued thereunder, and such other relevant rules, regulations, guidelines, notifications, circulars and clarifications issued from time to time by the Government of India, the Reserve Bank of India, the Ministry of Corporate Affairs, and/or any other competent regulatory/ statutory authorities (hereinafter singly or collectively referred to as **“Applicable Regulatory Authorities”**) under any other applicable law and in accordance with the articles of association of the Company, the approval of the members of the Company be and is hereby accorded to create, issue, offer and allot up to 1,17,64,706 equity shares of INR 10/- each at a premium of INR 75/- per share aggregating to INR 10,00,00,010/- (Indian Rupees One Hundred Crore and Ten only) in one or more tranches, on a private placement/ preferential basis to InCred Capital Financial Services Private Limited (hereinafter referred to as the **“Identified Investor”**) in the manner provided below:

S. No.	Name and address of the Identified Investor	No. of equity shares	Total Subscription Amount Payable (in INR)
1.	Incred Capital Financial Services Private Limited Address: Unit No. 1203, 12th floor, B Wing, The Capital, Plot No. C - 70, G Block, Bandra - Kurla Complex, Mumbai-400051	1,17,64,706	10,00,00,010/-

RESOLVED FURTHER THAT pursuant to the provisions of, Regulation 23 and all other applicable provisions, if any of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called **“the Listing Regulations”**), and all applicable provisions of the Companies Act, 2013 (hereinafter called **“the Act”**) and Rules made there under, (including any statutory modification(s) and/or re-enactment thereof for the time being in force), the Company’s Policy on Related Party Transactions, and pursuant to the consent of the Audit Committee and the consent of the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded to the Company to enter into arrangements/transactions/contracts with Incred Capital Financial Services Private Limited, a related party of the Company, relating to subscription of equity shares on private placement basis, the details of which are more particularly set out in the explanatory statement of this Notice for an amount not exceeding in aggregate INR 10,00,00,010/- (Indian Rupees One Hundred Crore and Ten only), and on such terms and conditions as may be considered appropriate by the Board of Directors (including any authorised Committee thereof);

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RESOLVED FURTHER THAT any one of the directors or the Company Secretary of the Company be and are hereby severally authorised to do all acts and deeds, things and execute all such documents and take all such steps as may be necessary, proper or expedient to give effect to this resolution and for matters connected therewith or incidental thereto.”

ITEM NO.3

Approve material related party transactions

To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Regulation 23 and all other applicable provisions, if any of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called “the Listing Regulations”), and all applicable provisions of the Companies Act, 2013 (hereinafter called “the Act”) and Rules made there under, (including any statutory modification(s) and/or re-enactment thereof for the time being in force), the Company’s Policy on Related Party Transactions, and pursuant to the consent of the Audit Committee and the consent of the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded to the Company to enter into arrangements/transactions/contracts with below mentioned related parties (“Related Party”), relating to transactions the details of which are more particularly set out in the explanatory statement of this Notice, provided however that the aggregate amount/value of all such arrangements/transactions/contracts that may be entered into by the Company with the Related Party and remaining outstanding at any one point in time shall not exceed the limits mentioned below during any one financial year, provided that the said transactions are entered into/ carried out on arm’s length basis and on such terms and conditions as may be considered appropriate by the Board of Directors (including any authorised Committee thereof);

Name of Related Party	Name of Relationship	Nature of Transaction	Amount (INR in Cr.)
InCred Capital Financial Services Private Limited	Related party as per Companies Act, 2013, Accounting Standards and Listing Regulations	Inter Corporate Deposit – Given / Availed	150.00
InCred Wealth Private Limited	Related party as per Companies Act, 2013, Accounting Standards and Listing Regulations	Subscription to Debentures of the Company	500.00
InCred Capital Financial Services Private Limited	Related party as per Companies Act, 2013, Accounting Standards and Listing Regulations	Sale and Purchase of Investments	100.00
InCred Wealth Private Limited	Related party as per Companies Act, 2013, Accounting Standards and Listing Regulations	Sale and Purchase of Investments	100.00

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RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include any Committee constituted by the Board or any person(s) authorized by the Board in this regard) be and are hereby authorised to do all acts and deeds, things and execute all such documents and take all such steps as may be necessary, proper or expedient to give effect to this resolution and for matters connected therewith or incidental thereto.”

**By Order of the Board of Directors
For InCred Financial Services Limited**

Sd/-

Place: Mumbai

Date: February 09, 2022

**Gajendra Thakur
Company Secretary**

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NOTES:

1. Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at this Extraordinary General Meeting is annexed.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIM AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
3. The instrument appointing proxy duly completed should be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the meeting. A proxy form for the EGM is enclosed.
4. Corporate Members are required to send to the Company Secretary a certified copy of the Board Resolution, pursuant to section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at EGM.
5. Members / proxies / authorized representatives should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
6. Members are requested to:
 - a) Notify immediately any change in their address to the Company.
 - b) Quote their Folio Numbers in all correspondence with the Company.
7. The Notice of the EGM along with the Attendance slip and Proxy form, is being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s), unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the documents are being sent by the permitted mode.
8. Members seeking any detailed information with regard to accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.
9. All documents referred to in the Notice will be available for inspection at the Company's registered office during normal business hours on working days up to the date of the EGM.
10. Shareholders are requested to tender their attendance slips at the registration counters at the venue of the EGM and seek registration before entering the meeting hall. Attendance slip is enclosed.
11. The shareholder needs to furnish the printed 'attendance slip' to enter the EGM venue.
12. In terms of the requirements of the Secretarial Standard on General Meetings (SS-2) a route map of the venue of the EGM is enclosed.

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ANNEXURE TO NOTICE OF EXTRAORDINARY GENERAL MEETING

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following sets out all material facts relating to item under Special Business mentioned in the accompanying Notice for convening the Extra-Ordinary General Meeting of the Company:

Item No.1

Members at the Extra Ordinary General Meeting of the Company held on May 19, 2021, had accorded their approval to create / invite / offer / issue / allot upto such number of Non-Convertible Debentures (“NCDs”), under private placement, in one or more series or tranches, on such terms and conditions as may be determined by the Board, such that the aggregate principal amount of such NCDs issued during a period of 1 (one) year commencing from the date of passing of special resolution at the aforesaid Extra Ordinary General Meeting, does not exceed INR 1500 crore (Rupees One Thousand Five Hundred Crore Only).

Members are requested to note that the aforesaid approval accorded for the issue of NCDs under private placement is valid for a period of one year from the date of approval by the Members of the Company i.e. till May 18, 2022.

Members are requested to note that considering the growth of the Company and to enable the Company to raise funds by way of issuance of NCDs, the Board of Directors of the Company at their meeting held on January 31, 2022, subject to the approval of the Members of the Company, accorded their approval to create / invite / offer / issue / allot upto such number of NCDs, under private placement, in one or more series or tranches, such that the aggregate principal amount of such NCDs to be issued during a period of 1 (one) year commencing from the date of passing of the Special Resolution set out at Item No. 1 of the EGM Notice, does not exceed INR 1500 crore.

Further, the Board of Directors have authorised the Finance Committee to undertake all acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient, proper or desirable, in respect of issuance of NCDs under private placement including but not limited to determine the terms and conditions of the NCDs to be issued, number of NCDs to be issued, issue price, face value, issue size, coupon, tenor, objects of the issue, etc.

Members are requested to note that in terms of Section 42 of the Act read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company shall not make an offer or invitation to subscribe to securities (including NCDs) through private placement unless the proposal has been previously approved by the members of the company, by way of special resolution. Further, in case of offer or invitation to subscribe NCDs it shall be sufficient if the company passes a previous special resolution only once in a year for all the offers or invitations to subscribe NCDs during the year. Accordingly, it is proposed to seek the approval of the Members of the Company in terms of Section 42 of the Act read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, to create / invite / offer / issue / allot upto such number of NCDs, under private placement, in one or more series or tranches, such that the aggregate principal amount of such NCDs to be issued during a period of 1 (one) year from the date of passing of the Special Resolution set out at Item No. 1 of the EGM Notice, does not exceed INR 1500 crore within the overall borrowing limits of the Company.

The Board recommends the resolution set out at Item No. 1 of the EGM Notice to the Members for their consideration and approval, by way of Special Resolution. None of the Directors or Key

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Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 1 of the EGM Notice, except to the extent of the NCDs that may be subscribed by any entity in which any of the Directors or Key Managerial Personnel of the Company or their relatives may be concerned or interested in any capacity.

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Item No. 2

The members of the Company are informed that the Company is in process of raising further capital of up to INR 10,00,00,010/- (Indian Rupees One Hundred Crore and Ten only), in one or more tranches, by way of issue of up to 1,17,64,706 equity shares of INR 10/- each at a premium of INR 75/- per share on private placement/ preferential basis to InCred Capital Financial Services Private Limited (hereinafter referred to as the “**Identified Investor**”) in the manner provided below:

S. No.	Name and address of the Identified Investor	No. of equity shares	Total Subscription Amount Payable (in INR)
1.	Incred Capital Financial Services Private Limited Address: Unit No. 1203, 12th floor, B Wing, The Capital, Plot No. C - 70, G Block, Bandra - Kurla Complex, Mumbai-400051	1,17,64,706	10,00,00,010/-

The Board of Directors of the Company in its meeting held on February 8, 2022, has approved the offer and issue of the above-mentioned equity shares to the Identified Investor.

The details of the issue as per Rule 14 of Companies (Prospectus and Allotment of Securities) Rules 2014 and Rule 13 of Companies (Share Capital and Debentures) Rules, 2014 are as follows:

1.	Objects of the issue	To raise additional capital by way of private placement/ preferential basis for the purpose of meeting business requirements and general corporate purposes of the Company.
2.	Nature of shares	Equity shares
3.	Total number of shares or other securities to be issued	1,17,64,706 equity shares
4.	Price at which the allotment is proposed to be made	INR 85/- (INR. 10/- face value and INR 75/- premium) per share as per the valuation report issued by the valuer.
5.	Manner of Issue of shares	Private placement/ preferential basis
6.	Basis on which the price has been arrived at along with report of the registered valuer	Issue price of the equity share has been arrived at on the basis of valuation report dated February 7, 2022. A copy of valuation report is annexed to this Notice.
7.	Name and address of valuer who performed the valuation	M/s Sundae Capital Advisors Private Limited Address: C-11, 3 rd floor, Community Centre, Janak Puri, New Delhi-110 058
8.	Amount which the Company intends to raise by way of securities	INR 10,00,00,010/- (Indian Rupees One Hundred Crore and Ten only)

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9.	Relevant date with reference to which the price has been arrived at	February 7, 2022				
10.	Class or classes of person to whom the allotment is proposed to be made	The equity shares are proposed to be allotted to a Domestic Body Corporate				
11.	The proposed time within which the allotment shall be completed	On or before March 20, 2022				
12.	The name of the proposed allottees and the percentage of the post preferential offer capital held by them	InCred Capital Financial Services Private Limited is the proposed allottee and will hold 4.57% of the equity share capital of the Company upon completion of the private placement/preferential offer.				
13.	Intention of promoters, directors or key managerial personnel to subscribe to the offer	The entire subscription will be made by Incred Capital Financial Services Private Limited an entity wherein Mr. Bhupinder Singh, Promoter and Wholetime Director & CEO and Mr. Vivek Bansal, Wholetime Director & CFO of the Company are also the Non-Executive Directors of InCred Capital Financial Services Private Limited. Mr. Bhupinder Singh, Promoter of the Company holds 41,70,758 equity shares i.e. 42.13% in InCred Capital Financial Services Private Limited as the Promoter of the said entity. Apart from above, none of the Directors or Key Managerial Personnel of the Company intends to subscribe to any shares pursuant to this Preferential Issue of Equity Shares.				
14.	The change in control, if any, in the company that would occur consequent to the preferential offer;	There will not be any change in control of the Company.				
15.	The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price;	None				
16.	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects	Except as mentioned above, no contribution is being made by the other Promoter entity or Directors of the Company either as a part of the Preferential Issue or separately in furtherance of the objects specified herein above.				
17.	Justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer.	Not Applicable				
18.	Pre issue and Post issue shareholding pattern of the Company					
	Sr. No.	Category	Pre-Issue		Post Issue	
			No. of shares	% of share-	No. of shares	% of share-

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			holding		holding
A.	Promoters' holding:				
1	Indian:				
	Individual	55,09,421	1.42	55,09,421	1.38
	Bodies Corporate	64,96,274	1.68	1,82,60,980	4.57
	Sub-total	1,20,05,695	3.10	2,37,70,401	5.95
2	Foreign Promoters (Body Corporate)	23,03,73,125	59.41	23,03,73,125	57.66
	Sub-Total (A)	24,23,78,820	62.51	25,41,43,526	63.61
B.	Non-promoters' holding:				
1	Institutional investors	2,56,39,204	6.61	2,56,39,204	6.42
2	Non-institution:				
	Foreign companies / Body Corporates	2,12,09,243	5.47	2,12,09,243	5.31
	Directors and relatives*	24,30,000	0.63	24,30,000	0.61
	Others (including Indian Bodies Corporate / Indian public / NRIs / Trust/ Partnership)	9,60,98,270	24.78	9,60,98,270	24.05
	Sub-total (B)	14,53,76,717	37.49	14,53,76,717	36.39
	GRAND TOTAL	38,77,55,537	100.00	39,95,20,243	100.00
19.	Material terms of raising such securities	The equity shares proposed to be issued shall be subject to the provisions of the articles of association of the Company and shall, upon allotment, rank <i>pari passu</i> in all respects with the existing equity shares of the Company.			
20.	Principle terms of assets charged as securities	Not Applicable			

Further, in terms of applicable SEBI Circulars the members are requested to take note of the following:

Sr. No.	Particulars	Details
a.	A summary of the information provided by	The details of the proposed transactions including the number of shares proposed to be subscribed, price, the

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	the management to the Audit Committee	purpose of issue, the valuation report etc were placed to the Audit Committee at its meeting held on February 8, 2022. The said details have been captured in this explanatory statement.
b.	Justification for why the proposed transactions is in the interest of the Company	The funds raised will be utilized for meeting the business requirements and general corporate purposes which is in the interest of the Company.
c.	A statement that the valuation or other external report relied upon by the Company in relation to the proposed transaction	Copy of Valuation Report annexed herewith.

The Board recommends the resolution set out at Item No. 2 of the EGM Notice to the Members for their consideration and approval, by way of Special Resolution. None of the other Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 2 of the EGM Notice, except as mentioned above, Mr. Bhupinder Singh, Promoter and Wholetime Director & CEO and Mr. Vivek Bansal, Wholetime Director & CFO of the Company and their relatives are deemed to be concerned or interested in the aforesaid resolution.

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Item No. 3

Pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called as “the Listing Regulations”), all Related Party Transactions shall require prior approval of the Audit Committee and all material transactions with related parties shall require approval of the Members of the Company through a resolution and all related parties shall abstain from voting on such resolution.

“Material Related Party Transaction” under the Listing Regulations means any transaction(s) entered into individually or taken together with previous transactions during a financial year exceeding 10% of the annual consolidated turnover of a company as per its last audited financial statements.

The annual consolidated turnover of the Company for the financial year 2020-21 is INR 392.70 Crores. Accordingly, any transaction(s) by the Company with its related party exceeding INR 39.27 Crores (10% of the Company’s annual consolidated turnover) shall be considered as material transaction and hence, the approval of the Members will be required for the same. It is therefore proposed to obtain the Members’ approval for the following arrangements/transactions/ contracts which may be entered into by the Company with its related parties from time to time:

Name of Related Party	Nature of Relationship	Nature of Transaction	Amount (INR in Cr.)*
InCred Capital Financial Services Private Limited	Related party as per Companies Act, 2013, Accounting Standards and Listing Regulations	Inter Corporate Deposit – Given / Availed	150.00
InCred Wealth Private Limited	Related party as per Companies Act, 2013, Accounting Standards and Listing Regulations	Subscription to Debentures	500.00
InCred Capital Financial Services Private Limited	Related party as per Companies Act, 2013, Accounting Standards and Listing Regulations	Sale and Purchase of Investments	100.00
InCred Wealth Private Limited	Related party as per Companies Act, 2013, Accounting Standards and Listing Regulations	Sale and Purchase of Investments	100.00

**The ceiling on the amounts of the transactions specified as above would mean the transactions entered into and the remaining outstanding at any point of time.*

The aforesaid Related Party Transactions do not fall under the purview of Section 188 of the Companies Act, 2013 being in the ordinary course of business and at arms’ length. However, the same are covered under the provisions of Regulation 23 of the SEBI Listing Regulations and accordingly the approval of the Shareholders is sought by way of Ordinary Resolution.

The Audit Committee and Board have approved the aforesaid Related Party Transactions at their meetings held on February 8, 2022, in terms of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and noted that these transactions shall be in the

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Maharashtra, India, 400051

CIN: U74899MH1991PLC340312
Email: care@incred.com
Contact: 1800-102-2192
Website-www.incred.com

Ordinary Course of Business and at arm's length basis. With respect to the above matter, the Shareholders/Members are requested to note following disclosures of Interest:

S. No.	Name of the Related Party	Nature of Concern or Interest
1.	InCred Capital Financial Services Private Limited	Mr. Bhupinder Singh, Wholetime Director & CEO and Mr. Vivek Bansal, Wholetime Director & CFO of the Company are also the Non-Executive Directors of InCred Capital Financial Services Private Limited. Mr. Bhupinder Singh, Promoter of the Company holds 41,70,758 equity shares i.e. 42.13% in InCred Capital Financial Services Private Limited as the Promoter of the said Company.
2.	InCred Wealth Private Limited	Mr. Bhupinder Singh, Wholetime Director & CEO of the Company is also the Non-Executive Director on the Board of InCred Wealth Private Limited. Mr. Bhupinder Singh, Promoter of the Company holds 9,999 equity shares with 51% voting rights as the Promoter of the said Company.

Further, in terms of applicable SEBI Circulars the members are requested to take note of the following:

Sr. No.	Particulars	Details												
a.	A summary of the information provided by the management to the Audit Committee	The details of the proposed transactions including the nature, terms, value percentage of the Company's annual consolidated turnover, tenure and proposed limits etc. were placed to the Audit Committee at its meeting held on February 8, 2022.												
b.	Justification for why the proposed transactions is in the interest of the Company	The funds raised through Inter corporate Deposits / Issue of debentures / sale of investments will be utilized for meeting the business requirements, repayment of existing loans and general corporate purposes and investments would be made for maximizing the yield on available surplus funds which is in the interest of the Company.												
c.	transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary													
i.	nature of indebtedness	Inter Corporate Deposit												
ii.	Tenure	upto 1 year												
iii.	applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	<table border="1"> <thead> <tr> <th>Particulars</th> <th>ICD availed by IFSL</th> <th>ICD given by IFSL</th> </tr> </thead> <tbody> <tr> <td>Interest Rate</td> <td>7.75%-9.50% p.a.</td> <td>9.25%-10.50% p.a.</td> </tr> <tr> <td>Tenure</td> <td>Up to 1 year</td> <td>Up to 1 year</td> </tr> <tr> <td>Repayment</td> <td>Generally Bullet</td> <td>Generally Bullet</td> </tr> </tbody> </table>	Particulars	ICD availed by IFSL	ICD given by IFSL	Interest Rate	7.75%-9.50% p.a.	9.25%-10.50% p.a.	Tenure	Up to 1 year	Up to 1 year	Repayment	Generally Bullet	Generally Bullet
Particulars	ICD availed by IFSL	ICD given by IFSL												
Interest Rate	7.75%-9.50% p.a.	9.25%-10.50% p.a.												
Tenure	Up to 1 year	Up to 1 year												
Repayment	Generally Bullet	Generally Bullet												

INCRD FINANCIAL SERVICES LIMITED

Corporate Office:
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Maharashtra, India, 400051

Registered Office:
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		Security (Secured / Unsecured)	Generally Unsecured	Generally Unsecured
iv.	the purpose for which the funds will be utilized by the ultimate beneficiary of such funds.	<p>For the Company: Onward lending, repayment of existing loans and general corporate purpose</p> <p>For Other Companies: Repayment of existing loans and general corporate purpose</p>		

The Board recommends the resolution set out at Item No. 3 of the EGM Notice to the Members for their consideration and approval, by way of Ordinary Resolution. Except to the extent of shareholding of the Promoters / Directors their Relatives and Key Managerial Personnel in the abovementioned related parties which is duly disclosed above, none of the other Directors/ Key Managerial Personnel/ their Relatives is, in any way, concerned or interested, financially or otherwise in the Ordinary Resolution set out at Item Nos. 3 respectively.

**By Order of the Board of Directors
For InCred Financial Services Limited**

Sd/-

Place: Mumbai

Date: February 09, 2022

**Gajendra Thakur
Company Secretary**

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Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s)	
Registered Address	
E-mail Id	
Folio No /Client ID	DP ID

I/We, being the member(s) of _____ shares of the abovenamed company hereby appoint

Name :	E-mail Id:
Address:	
Signature, or failing him	
Name :	E-mail Id:
Address:	
Signature, or failing him	

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Extraordinary General Meeting of the company, to be held on Friday, March 11, 2022, at 11:00 A.M. at Unit No. 1203, 12th floor, B Wing, The Capital Plot No. C – 70, G Block, BKC Mumbai 400051 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolution(s)	Vote	
		For	Against
	SPECIAL BUSINESS		
1.	To approve borrowings by way of issuance of secured non-convertible debentures		
2.	To approve issue and offer of Equity Shares on Private Placement/Preferential basis		
3.	To approve material Related Party Transactions.		

Signed this ____ day of ____ 20__

Affix Revenue Stamps

Signature of Shareholder

Signature of Proxy holder

Signature of the shareholder

across Revenue Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting

INCRED FINANCIAL SERVICES LIMITED

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ATTENDANCE SLIP

PLEASE FILL THE ATTENDANCE SLIP AND HAND IT OVER AT THE
ENTRANCE OF THE MEETING HALL.

Joint shareholders may obtain additional slips on request.

Master Folio No:	
------------------	--

NAME AND ADDRESS OF SHAREHOLDER: _____

NAME OF PROXYHOLDER: _____

NO. OF SHARES HELD: _____

I hereby record my presence at the Extraordinary General Meeting of the Members of InCred Financial Services Limited to be held Friday, March 11, 2022, at 11:00 A.M at Unit No. 1203, 12th floor, B Wing, The Capital Plot No. C - 70, G Block, BKC Mumbai 400051.

Signature of the Shareholder or Proxy:

NOTES:

(1) Members/Proxy holders are requested to produce the attendance slip duly signed for admission to the Meeting hall.

(2) In the case of joint holders, the votes of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Registers of Members.

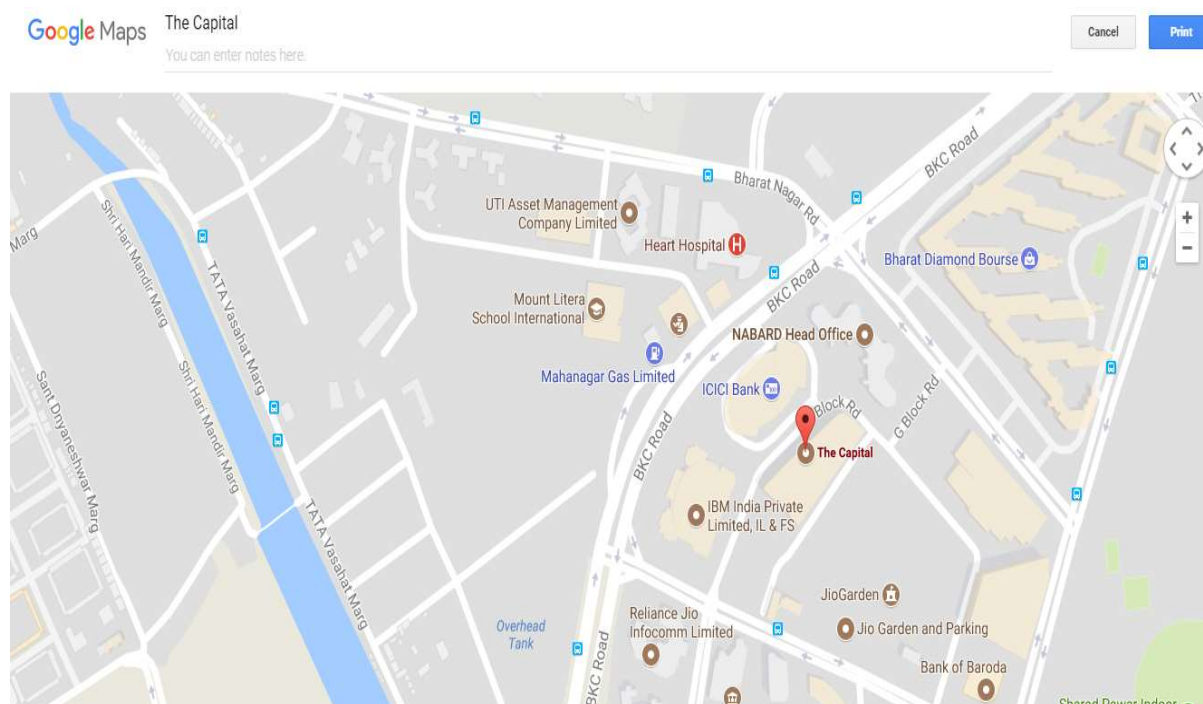
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Route Map for venue of Extra Ordinary General Meeting



- **InCred Financial Services Limited**
Unit No. 1203, 12th floor, B Wing, The Capital Plot No. C - 70, G Block, BKC Mumbai 400051.

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February 07, 2022

To,
The Board of Directors
InCred Financial Services Ltd
Unit No. 1203, 12th floor, B Wing, The Capital
Plot No. C - 70, G Block, Bandra Kurla Complex
Mumbai, 400 051, Maharashtra, India

Subject: Report on Fair valuation of Shares of InCred Financial Services Limited

Dear Members,

This is in accordance with the terms of reference set out in our Engagement letter dated January 24, 2022 (referred to as "EL"), wherein Sundae Capital Advisors Private Limited (referred to as "Sundae" or "We") has been requested by InCred Financial Services Limited (the "Client") to provide a report on the fair valuation of the shares of InCred Financial Services Limited ("IFSL" or the "Company").

INTRODUCTION: SUNDAE CAPITAL ADVISORS PRIVATE LIMITED

Sundae Capital Advisors Private Limited is registered with SEBI as **Category I Merchant Banker "Merchant Banker"** and with IBBI as **Registered Valuer (Securities or Financial Assets) "Registered Valuer"**. We are engaged in providing Merchant Banking, Valuation, Corporate Advisory and Transaction services and Stock Incentive Plan Advisory services to our clients.

PURPOSE OF VALUATION AND APPOINTING AUTHORITY

With reference to discussion with Management of the Company, we have been appointed in the capacity of Merchant Banker and Registered Valuer to derive the fair value of Shares of the Company. We understand that the management requires the valuation report for the purpose of calculating fair market value of its securities in terms of the provisions of Section 56(2)(viib) of the Income Tax Act, 1961 read with Rule 11UA(2)(b) of the Income Tax Rules, 1962, Rule 21 of Foreign Exchange Management (Non Debt Instruments) Rules framed by RBI and the provisions of Section 62 of the Companies Act, 2013 "CA-2013" and the rules issued thereunder.

BACKGROUND INFORMATION OF THE COMPANY BEING VALUED

InCred is a new-age financial services platform that leverages technology and data-science to make lending quick and easy. InCred is credit for Incredible India. They use technology and data-science to make lending quick, simple and hassle-free. They believe traditional ways of lending can exclude those most in need because of outdated, rigid and often inefficient processes. At InCred, they have simplified the lending process with a sharp focus on serving our borrowers' unique needs and circumstances thereby offering their customers a truly superior borrowing experience. The company operates three businesses as part of the InCred group viz. Personal Loans, Education Loans and SME Business Loans. The total loan book as of December 31, 2021 of the company stood at around INR 3,200+ Crores.

BASES & PREMISE OF VALUE

This Valuation is based on “Fair Value” as at the Valuation Date and the Premise of Value is “Going concern”.

The basis of value describes the type of value being measured and considers the perspectives of the parties to the assumed transaction.

The premise of value is driven by the purpose of the valuation and basis of value used, and generally falls into the following categories:

- A going concern premise is the most common premise of value; it presumes the continued use of the assets, and that the company would continue to operate as a business.
- An orderly or forced liquidation premise incorporates an in-exchange assumption (i.e., the assets are operated or sold individually or as a group, not as part of the existing business).

The generally accepted definition of “Fair Value” or “Market Value” is the value as applied between a hypothetical willing vendor and a hypothetical willing prudent buyer in an open market and with access to all relevant information.

DISCLOSURE AND VALUER INTEREST / CONFLICT, IF ANY

We do not have any interest or conflict of interest of any kind with the Company, with respect to the valuation being undertaken by us, except the shareholding of our Company / the Director signing this report in the Client as under:

Name	No. of shares held
Sundae Capital Advisors Private Limited	N/A
Sourabh Garg	N/A

Our fee for this assignment is based on the engagement with the Client and not contingent upon the result or the value of business or in any other manner.

DATE OF APPOINTMENT, VALUATION AND REPORT.

Date of Engagement	January 24, 2022
Date of Valuation	December 31, 2021
Date of Report	February 07, 2022

SOURCE OF INFORMATION AND REPRESENTATIONS

For the purpose of deriving the fair value of Shares of the Company, we have relied on the discussions with the Management of the Company and the following information and documents made available to us:

- Provisional financials of the company as on December 31, 2021
- Projected Financial Statements of the Company till FY2027.
- Shareholding of the company on fully diluted basis as on December 31, 2021.

- Information and explanations given by management.
- Other information as required and available in public domain

We have appropriately reviewed, obtained explanations and information considered reasonably necessary for exercise from the executives and representatives of the Company. We have also obtained explanations on the basis of key assumptions used in financial projections of the Company.

The Company has been provided with the opportunity to review the draft valuation report for this engagement to make sure that factual inaccuracies are avoided in our final valuation report. Our analysis considers those facts and circumstances present at the Company at the valuation date. Our opinion would most likely be different if another valuation date was used.

Further, this report is subject to the scope, assumptions, exclusions, caveats, limitations and disclaimers detailed hereinafter in Annexure A. As such, the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.

INSPECTIONS AND /OR INVESTIGATIONS UNDERTAKEN INCLUDES

- Review of general financial market conditions, including those for its industry;
- Review of its website;
- Such other information we considered relevant to forming our opinion.

The investigation also included discussions with the Company's management concerning the history and nature of the business, its financial condition, and its future prospects. In the course of the study, we used financial and other information provided by the Company, or obtained from private and public sources we believe to be reliable. Our conclusions are dependent on such information being complete and accurate in all material respects. However, we have not examined such information and, accordingly, do not express an opinion or any other form of assurance thereon.

PROCEDURE ADOPTED IN CARRYING OUT THE VALUATION AND VALUATION STANDARDS

We performed the following procedures and relied upon International Valuation standards and ICAI Valuation Standards to arrive at the value of the Company

- Identified the nature of the business and reviewed the history of the Company.
- Researched the general economic outlook and the outlook for the specific industry at the date of the valuation.
- Collected the Company's relevant financial statements.
- Compared the Company's financial ratios and common-size financial statements to industry guideline data to identify any significant variances.
- In the absence of Audited Financials of the Company, the reports as provided by the management of the Company was relied upon.
- Developed risk-adjusted Capitalization and Discount Rates to apply to the Company's historic and projected earnings, respectively.

APPROACHES TO VALUATION

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.

SELECTION OF APPROACH AND VALUATION METHOD

Our estimate of the valuation of the company was on the basic assumption of a going concern entity and is based on Income Approach using Discounted Free Cash Flow Method 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. The calculation for the same is enclosed as Annexure B to this report. The said valuation is based on the generally accepted principles and methods followed internationally and on arms-length basis.

CONCLUSION

Based on our analysis, as described in this valuation report, and subject to the assumptions presented herein, in our opinion the estimated fair value per share of **InCred Financial Services Limited** on fully diluted basis as on **December 31, 2021** is **INR 84.85 (Indian Rupees Eighty-Four and Paise Eighty-Five only)**. We have no obligation to update this report or our conclusion of value for information that comes to our attention after the date of report.

for Sunda Capital Advisors Private Limited
(SEBI Registration No. INM000012494)
(IBBI Regn. No. IBBI/RV-E/03/2021/136)

SUNDAE

Digitally signed by
 SOURABH GARG
 Date: 2022.02.07 15:21:37
 +05'30'

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

Caveats, Limitations and Disclaimers

- This is only a valuation report and not to be used for undertaking any buy or sell decision.
- While carrying out the valuation We have relied upon and considered the information and representations made available by the management.
- We have assumed such representations to be reliable and our conclusions are dependent on such information being complete and accurate in all material respects and nothing has come to our attention to cause us to believe that the facts and data taken for the purpose are not correct. We neither required, nor have independently verified, or carried out a due diligence or detailed appraisal of the management's information, explanations and data submitted to us for the purpose of this valuation. We have reviewed these information & data for broad consistency.
- While our work has involved an analysis of financial information and accounting records, our engagement does not include an audit in accordance with generally accepted auditing standards of the client existing business records. Accordingly, we express no audit opinion or any other form of assurance on this information.
- The conclusion of value arrived at herein is based on the assumption that the current level of management expertise and effectiveness would continue to be maintained, and that the character and integrity of the enterprise through any sale, reorganization, exchange, or diminution of the owners' participation would not be materially or significantly changed. We do not provide assurance on the achievability of the results forecasted by the client because events and circumstances frequently do not occur as expected; differences between actual and expected results may be material; and achievement of the forecasted results is dependent on actions, plans, and assumptions of management.
- It has been confirmed to us that there are no events and / or demands, decisions - legal or otherwise against the company, which are likely to affect materially the state of the balances of accounts as on the valuation date and/or the future profits of the Companies.
- This report has been prepared on the understanding that the management has drawn our attention to all the matters concerning the company's financial position and other matters, which may have an impact on the company's future business.
- Our views are necessarily based on economic, market, and other conditions currently in effect, and the information made available to us, as of the date hereof. It should be understood that subsequent developments may affect our views and that we do not have any obligation to update, revise, or reaffirm the views expressed in the Report. Nothing contained within the Report is or should be relied upon as a promise or representation as to the future. Due to possible changes in market forces and circumstances, this valuation report can only be regarded as relevant as at the Valuation date.
- For the purpose of this assignment, we have not attempted a detailed due diligence review for various aspects i.e., commercial, operational, financial, legal, environmental, etc.
- We have not audited or carried out any detailed analysis of the profitability and cash flow projections as made available to us by the management.
- No investigation of the title of the assets and liens / encumbrances thereon has been made and owner's claim to the assets has been assumed to be valid.
- This report does not constitute an offer or invitation to any section of the public to subscribe for or to purchase any securities in or assets or liabilities of the above-mentioned companies.

- While we have provided the valuation report based on information available to us and within the scope of our limitations solely for the purpose as mentioned in the report. The decision to agree upon the final valuation lies solely with the Company.
- We have acted as independent entity for this engagement and will receive professional fees for our services. In the ordinary course of business, Sundae is engaged in merchant banking business including corporate advisory, re-structuring, etc and valuations. We may be providing various other unrelated independent professional advisory services to the Client in the ordinary course of our business.
- This report is confidential for use of the persons to whom it is issued and may be produced before regulatory authorities, as may be required, in connection with the purpose outlined above. It must not be copied, disclosed, circulated or quoted without my prior consent. We hereby give consent to such disclosure of my report to them on the basis that i) We owe responsibility to only the Board of Directors of the Company that have engaged us and no other person; ii) to the fullest extent permitted by law, we accept no responsibility or liability to any other party, in connection with this report.
- 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 client or companies, their directors, employees or agents, We have relied on data from external sources also to conclude the valuation. These sources are believed to be reliable and therefore, We assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and /or reproduced in its proper form and context.
- The report assumes that the company complies fully with relevant laws and regulations applicable in its area of operations and usage unless otherwise stated, and that the companies will be managed in a competent and responsible manner. Further, as specifically stated to the contrary, this report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigations and other contingent liabilities that are not recorded/reflected in the balance sheet provided to me.
- We are fully aware that based on the opinion of value expressed in this report, We may be required to give testimony or attend court / judicial proceedings with regard to the subject assets, although it is out of scope of the assignment, unless specific arrangements to do so have been made in advance, or as otherwise required by law. In such event, the party seeking our evidence in the proceedings shall bear the cost/professional fee of attending court / judicial proceedings and our tendering evidence before such authority shall be under the applicable laws.
- The Fair Valuation have been performed on the basis of financial information provided by management. In the absence of financials as of the valuation date and based on representation given by the management, we have considered financials as on the last available financial statements as a base year for the valuation, valuation report may change post availability of financials as on the valuation date or such information.
- The valuation report is tempered by the exercise of judicious discretion by us and judgment taking into account the relevant factors. There will always be several factors, e.g. management capability, present and prospective competition, yield on comparable securities, market sentiment, etc. which may not be apparent from the Balance Sheet but could strongly influence the value

Annexure B

All figures in (INR Crores)

Particular	01-Jan-22 to 31-Mar-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2025-26	Sustainable Annualized Cash flows
						Perpetuity Growth Rate	5.0%
Profit after Tax (PAT)	22.73	128.68	263.44	543.03	652.63	896.19	941.00
Changes in Fixed Assets & DTA	-21.20	-15.55	-18.66	-22.40	-26.87	-32.25	-6.50
Changes in Loan & Advances	-964.02	-3,684.20	-2,983.30	-5,271.20	-6,061.10	-6,675.84	-6,170.21
Changes in Loan (Borrowings)	1,846.58	2,756.20	3,028.50	3,218.40	6,059.70	5,832.24	5,800.00
Changes in Non-cash working Capital	118.48	61.00	77.29	116.30	287.52	738.46	76.00
Changes in Cash flows	1,002.57	-753.87	367.27	-1,415.87	911.87	758.81	5,248.28
Discount Rate (Ke)	17.20%	17.20%	17.20%	17.20%	17.20%	17.20%	17.20%
Discounting Factor - Mid Year	0.980	0.888	0.757	0.646	0.551	0.471	0.471
Discounted Cash Flows	982.87	-669.27	278.21	-915.11	502.87	357.05	2,469.51
Sum of Discounted Cash Flows	3,006.13						
Add: Cash and Cash Equivalents	246.95						
Add: Non-Current Investments^	36.98						
Equity Value (INR Crores)	3,290.06						
Number of Shares on fully diluted basis	38,77,39,387						
Equity Value per Share (INR)	84.85						

^ Under Non-Current Investments, Fair Value of mValu Technology Services Private Limited as on December 31, 2021 has been provided to us by the management of company

Calculation of Cost of Equity (Ke)

Particulars

Risk-Free Rate for 10 years (Rf) taken from https://www.ccilindia.com	6.80%
Equity Risk Premium (Rp) implied ERP for India as per Prof. Aswath Damodaran	6.42%
Re-levered Beta (B) computed basis Average Unlevered beta of Financial Svcs. (Non-bank & Insurance) industry as classified by professor Aswath Damodaran on his website http://pages.stern.nyu.edu/~adamodar/ and company's own D/E and Tax rate	0.99
Cost of Equity (A) = (Rf + Rp*(B))	13.16%
Company specific risk premium (C)	4.0%
Cost of Equity (Ke) = ((A)+(C)) – (Rounded off)	17.20%