

BOARD REPORT FOR THE FINANCIAL YEAR 2024-25

CORPORATE INFORMATION:-

COMPANY IDENTIFICATION NUMBER

U67120MH1996PLC355036

BOARD OF DIRECTORS

Mr. Bhupinder Singh
Mr. Siddharth Parekh
Mr. Venkatesh Vishwanathan
Mr. Vikram Agarwal
Ms. Ambika Bisla
Ms. Shivani Rawat
Mr. Gaurav Maheshwari

COMPANY SECRETARY

Mr. Kunal Sharma (w.e.f. October 1, 2024)

CHIEF FINANCIAL OFFICER

Mr. Prince Kumar Gupta (w.e.f December 4, 2024)

STATUTORY AUDITORS

M S K A & ASSOCIATES
Chartered Accountants
ICAI Firm Registration Number: 105047W

REGISTERED & CORPORATE OFFICE

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

REGISTRAR AND TRANSFER AGENT

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

DEBENTURE TRUSTEE

Axis Trustee Services Limited
2nd Floor, Axis House, Bombay Dyeing Mills Compound,
Pandurang Budhkar Marg, Worli, Mumbai – 400 025, Maharashtra, India
Tel. Nos - +91 22 6226 0054
Email addresses - teamsigma@axistrustee.in
Website - www.axistrustee.com

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

The Directors have pleasure in presenting the 28th Annual Report along with the Audited Financial Statements of your Company for the financial year ended March 31, 2025.

1. FINANCIAL HIGHLIGHTS OF THE COMPANY:

The highlights of the financial statements of the Company for the financial year 2024-2025 are as under:

PARTICULARS	(INR in lakhs)			
	Standalone		Consolidated	
	2024-25	2023-24	2024-25	2023-24
Income from Operations	11,712.03	12,265.21	50,768.35	33,125.10
Other Income	4,779.46	1,069.99	4922.95	2,250.58
Total Income	16,491.49	13,335.20	55,691.34	35,375.68
Expenses	15,355.95	9,872.59	49,449.74	34,900.23
Depreciation & Amortization	996.68	797.29	1644.32	1,143.98
Total Expenses	16,352.63	10,669.88	51,094.06	36,044.21
Share of Loss of Associate	-	-	387.13	(611.72)
Profit before exceptional items and tax	138.86	2,665.32	4,984.37	(1,280.25)
Exceptional Items	-	317	-	(566.57)
Profit after exceptional items and before tax	138.86	2,348.32	4,984.37	(1,846.82)
Tax Expense	10.35	625.41	1,189.72	365.75
Profit After Tax	128.51	1,722.91	3,797.15	(2,212.57)
OCI Income (Net of Tax)	10.79	2.04	(181.19)	(34.93)

OVERVIEW OF THE FY 2024-25

During the year under review, the Company's standalone revenue from operations stood at INR 16,491.49 lakhs as compared to INR 13,335.20 lakhs in previous year. The standalone profit after tax stood at INR 128.51 lakhs as compared to INR 1,722.91 lakhs in previous year.

During the year under review, the Company's consolidated revenue from operations stood at INR 55,691.34 lakhs as compared to INR 35,375.68 lakhs in previous year. The consolidated profit after tax stood at INR 3,797.15 lakhs as compared to INR (2,212.57) lakhs consolidated loss in previous year.

COMPOSITE SCHEME OF ARRANGEMENT

The Board of Directors of the Company, at their meeting held on March 27, 2025, approved a Composite Scheme of Arrangement ("Scheme") under Sections 230 to 232 of the Companies Act, 2013. The Scheme provides for the amalgamation of InCred Wealth Private Limited (IWPL) with the Company, the demerger of the merchant banking undertaking of InCred Capital Wealth Portfolio Managers Private Limited (ICWPMPL) into the Company, and the amalgamation of InCred Research Services Private Limited (IRSPL) with InCred Capital Wealth Portfolio Managers Private Limited.

The Scheme seeks to consolidate the SEBI-regulated businesses of IWPL and its subsidiaries with the Company, demerge the merchant banking undertaking of ICWPMPL into the Company, and merge IRSPL into ICWPMPL. The restructuring is aimed at streamlining the group structure, achieving operational efficiencies, cost savings through elimination of duplication and better use of common resources, and enhancing overall stakeholder value.

The Scheme has been filed with the Hon'ble National Company Law Tribunal (NCLT) on March 31, 2025. The Appointed Date of the Scheme is April 01, 2025.

2. CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of business during the year under review.

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

With effect from November 28, 2024, the Company stood converted into a Public Limited Company and continues its operations under the new constitution and governance framework, in compliance with all applicable regulatory provisions.

3. DIVIDEND

The Board of Directors of the Company has not recommended dividend on the equity shares of the Company for the financial year ended March 31, 2025.

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

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

5. CHANGES IN SHARE CAPITAL

During the year under review, there were no changes in the authorised share capital of the Company.

Pursuant to the approval of the shareholders at the Extraordinary General Meeting held on December 04, 2024, and the subsequent allotment approved by the Finance Committee on December 17, 2024, the Company issued 10,00,000 equity shares of face value INR 10 each at an issue price of INR 3,000 per share (including a premium of INR 2,990 per share) aggregating to INR 300 crores.

In addition, the Company issued 8,33,333 share warrants, each convertible into one equity share of face value ₹10 at a price of ₹3,000 per warrant aggregating to ₹249.99 crores, with 25% of the issue price payable upfront and the balance payable at the time of exercise.

Consequently, the issued, subscribed and paid-up share capital of the Company stood increased to INR 14,21,13,520 (Fourteen Crore Twenty-One Lakh Thirteen Thousand Five Hundred and Twenty) divided into 1,37,57,390 equity shares of INR 10 each aggregating to INR 13,75,73,900 and 4,53,962 Optionally Cumulative Convertible Redeemable Preference Shares aggregating to INR 45,39,620 (Rupees Forty Five Lakh Thirty-Nine Thousand Six Hundred and Twenty)

6. DEBENTURES

The Company has issued Secured Unlisted Unrated Redeemable Non-Convertible Debenture aggregating to INR 3,73,76,00,000 (Rupees Three Hundred and Seventy Three Crore Seventy Six Lakh) during FY 24 - 25. The total debentures outstanding as on March 31, 2025, is INR 6,12,28,71,391 (Six Hundred and Twelve Crore Twenty Eight Lakh Seventy One Thousand Three Hundred And Ninety One) (including interest accrued)

7. EMPLOYEE STOCK OPTION SCHEME

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

In terms of Section 62 of the Act read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014, the disclosures for F.Y. 2024-25, is annexed in **Annexure I** to this report.

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

The Board has adopted in all material respects, an adequate internal financial controls system over financials reporting and such internal financial controls were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company.

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

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

As on March 31, 2025, the Company has six wholly-owned subsidiaries viz. InCred Asset Management Private Limited, InCred Wealth and Investment Services Private Limited, InCred Alternative Investment Services Private Limited, InCred Prime Finance Private Limited (formerly known as InCred Prime Finance Limited) InCred Capital Inc (Foreign Body Corporate) and InCred Overseas Holdings Private Limited (Foreign Body Corporate) and three step down subsidiaries i.e InCred Global Wealth Pte Ltd, InCred Global Wealth Limited and Arrow Capital (DIFC) Limited (Foreign Body Corporates).

During the year under review, InCred Techinvest Private Limited (formerly known as Booth Fintech Private Limited) along with its subsidiary viz., InCred Premier Distribution Private Limited (formerly known as mValu Technology Services Private Limited) and InCred Value Plus Private Limited ceased to be the subsidiaries of the Company w.e.f May 31, 2024

During the year under review, Incred Capital Inc. was incorporated on March 17, 2025, in the United States of America. Subsequently, after the close of the financial year, two additional subsidiaries of Incred Capital Inc., namely Incred Securities Inc. and Incred Wealth Inc., were incorporated on May 13, 2025. Accordingly, as on the date of this report, both entities are step down subsidiaries of the Company.

As on March 31, 2025, in accordance with the meaning of Section 2(6) of the Companies Act, 2013, the Company has one Associate Company viz. Alpha Fintech Private Limited and does not have any joint ventures. Further, ETA Fintech Private Limited is wholly owned subsidiary of Alpha Fintech Private Limited and Oro Financial Consultants Private Limited is the wholly owned subsidiary of ETA Fintech Private Limited.

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

10. PUBLIC DEPOSITS

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

11. STATUTORY AUDITORS AND THEIR REPORT

During the year under review, there were changes in the Statutory Auditors of the Company, as set out below:

M/s. PNAM & Co. LLP, Chartered Accountants (Firm Registration No. 001092N/N500395) resigned as the Statutory Auditors of the Company.

To fill resulting casual vacancy, the Board of Directors, appointed M/s. M S K A & Associates, Chartered Accountants (ICAI Firm Registration Number: 105047W) as Statutory Auditors of the Company until the conclusion of the 27th Annual General Meeting

Thereafter, the members of the Company at the 27th Annual General Meeting held on September 30, 2024 appointed M/s. M S K A & Associates, Chartered Accountants (ICAI Firm Registration Number: 105047W) as Statutory Auditors of the Company for a period of 5 years upto the conclusion of 32nd Annual General Meeting of the Company to be held in the Financial Year 2029 – 2030.

The Auditors' Report for the financial year ended March 31, 2025 does not contain any qualification, reservation, adverse remark. The notes to accounts referred to in Auditor's report are self-explanatory and therefore, in the opinion of the Director's, 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, 2025 form part of the Annual report.

Further, during the year under review, there were no frauds reported under Section 143(12) of the Companies Act, 2013 to the Board

12. MAINTENANCE OF COST RECORDS

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

13. EXTRACT OF THE ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3) (a) of the Act, copy of the Annual Return of the Company prepared in accordance with Section 92(1) of the Act read with Rule 11 of the companies (Management and Administration) Rules, 2014 for FY 2024-25 is placed on the website of the Company and is accessible at the web-link: <https://www.incredcapital.com>.

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

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

FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review, the Company had spent an amount of INR 161.79 lakhs towards foreign exchange whereas foreign earnings were INR 457.30 lakhs.

15. CORPORATE SOCIAL RESPONSIBILITY (CSR)

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

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

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

16. DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP)

As on the date of this report, the Board of Directors of the Company comprises of 4 (four) Non-Executive Directors, 1 (One) Whole Time Director and 2 (two) Non-Executive Independent Directors.

During the year under review, there were certain changes in the composition of the Board of Directors. Mr. Vivek Bansal ceased to be a Director of the Company with effect from September 04, 2024, as he decided to pursue his own entrepreneurial venture. Further, Mr. Saurabh Jhalaria also ceased to be a Director with effect from March 27, 2025, due to pre-occupation.

The Board was further strengthened with the induction of new members. Ms. Ambika Bisla and Ms. Shivani Rawat were appointed as Additional Independent Directors of the Company with effect from December 04, 2024. On the same date, Mr. Vikram Agarwal was appointed as Whole-Time Director of the Company. Subsequently, Mr. Gaurav Maheshwari was appointed as an Additional Non-Executive Director with effect from March 27, 2025.

During the year, Mr. Abhijeet Shinde resigned from the position of Company Secretary with effect from July 24, 2024, and was succeeded by Mr. Kunal Sharma, who was appointed as Company Secretary of the Company with effect from October 01, 2024. Further, Mr. Prince Gupta was appointed as Chief Financial Officer of the Company with effect from December 04, 2024.

The Board places on record its sincere appreciation for the contributions and guidance provided by Mr. Vivek Bansal, Mr. Saurabh Jhalaria, during their association with the Company.

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

17. BOARD OF MEETINGS

The Board met at regular intervals inter-alia to discuss, review, and consider various matters. During the year the Board met 9 (Nine) times. These meetings were held on April 12, 2024, May 09, 2024, June 10, 2024, August 08, 2023, September 04, 2024, September 30, 2024, November 06, 2024, December 04, 2024, and March 27, 2025. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

18. COMMITTEES CONSTITUTED BY THE BOARD

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

The Company has constituted an Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Employee Stock Ownership Plan (ESOP) Committee and Stakeholders Relationship Committee.

The Audit Committee and Corporate Social Responsibility Committee were constituted w.e.f. December 4, 2024, and have held only one meeting to date, each were held on March 27, 2025. The Nomination and Remuneration Committee (NRC) has held 7 (seven) meetings during the financial year 2024-25, June 10, 2024, July 8, 2024, August 14, 2024, September 4, 2024, September 30, 2024, December 4, 2024, and March 27, 2025.

The Company has also constituted Finance Committee. 35 (Thirty-Five) meetings were held during the period under review. These meetings were held on April 10, 2024, April 30, 2024, May 10, 2024, May 31, 2024, July 08, 2024, July 10, 2024, August 01, 2024, August 06, 2024, August 09, 2024, August 21, 2024, August 30, 2024, September 04, 2024, September 27, 2024, October 10, 2024, October 18, 2024, October 29, 2024, November 11, 2024, November 19, 2024, November 29, 2024, December 09, 2024, December 17, 2024, December 27, 2024, January 02, 2025, January 09, 2025, January 16, 2025, January 22, 2025, January 31, 2025, February 05, 2025, February 12, 2025, February 20, 2025, February 28, 2025, March 07, 2025, March 11, 2025, March 20, 2025, March 28, 2025

1. PERFORMANCE EVALUATION

The Board acknowledges its commitment to adopting best practices in governance to fulfil its fiduciary responsibilities to the Company. In line with this commitment, the Board undertakes an annual assessment of its own performance to identify strengths and areas for improvement. The evaluation covers the performance of the Board as a whole, individual directors, and its various Committees. It is conducted using a structured approach, considering criteria such as performance of duties and obligations, independence of judgement, level of engagement and participation, and contribution to enhancing the Board's overall effectiveness. The Board has expressed its satisfaction with the outcomes of the evaluation process.

2. 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.

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

The disclosures regarding, details of loans given, guarantee given, security provided and investments made by the Company are provided under notes forming part of the financial statements of the Company for the year ended March 31, 2025.

4. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

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

5. RISK MANAGEMENT

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

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

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

7. DIRECTORS' RESPONSIBILITY STATEMENT

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

- a. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. We have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and of the profit of the Company for that period;
- c. We had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. We have prepared the annual accounts on a going concern basis; and
- e. We had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

8. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE, PREVENTION, PROHIBITION AND REDRESSAL (ACT 2013)

During the year under review, the Company complied with provisions of the Sexual Harassment of Women at Workplace, Prevention, Prohibition and Redressal (Act 2013) and no complaints of Sexual harassment were received.

9. COMPLIANCE WITH THE MATERNITY BENEFIT ACT 1961

The Company has complied with the provisions of the Maternity Benefit Act, 1961 including all applicable amendments and rules framed thereunder. The Company is committed to ensure a safe, inclusive and supportive workplace for women employees. All eligible women employees are provided with maternity benefits as prescribed under the Maternity Benefit Act, 1961 including paid maternity leave(s), nursing breaks, and protection from dismissal during maternity leave.

The Company is committed to ensuring equal treatment and prohibits any form of discrimination related to maternity. Necessary internal systems and policies are in place to uphold the spirit and letter of the legislation.

10. GENDER WISE COMPOSITION OF EMPLOYEES

In alignment with the principles of diversity, equity, and inclusion (DEI) the Company discloses below the gender composition of its workforce as on March 31, 2025

Male Employees -35
Female Employees - 12
Transgender Employees - 0

11. GENERAL DISCLOSURES

Your Directors state that for the period ended March 31, 2025, no disclosure is required in respect of the following items and accordingly confirm as under:

- a. The Company has neither revised the financial statements nor the Board's report.
- b. There are no material changes or commitments affecting the financial position of the Company between March 31, 2025 and the date of this report.

- c. No significant or material orders which impact the going concern status and Company's operations in future were passed by Regulators/Courts/Tribunals.
- d. There was no issue of equity shares with differential rights as to dividend, voting or otherwise during the period.
- e. The Company has complied with applicable Secretarial Standards issued by the Institute of the Company Secretaries of India.
- f. No petition/application has been admitted under Insolvency & Bankruptcy Code, 2016 by National Company Law Tribunal.

12. ACKNOWLEDGEMENTS

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

For and on behalf of the Board of Directors
InCred Capital Financial Services Limited
(formerly known as InCred Capital Financial Services Private Limited)

Sd/-
Bhupinder Singh
Director
DIN: 07342318

Sd/-
Vikram Agarwal
Whole-Time Director
DIN: 08113532

Place: Mumbai
Date: September 08, 2025

Annexure I

Disclosure under the Employee Stock Option Scheme pursuant to the provisions of Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 as on financial year ended March 31, 2025

Particulars	Disclosures
Number of options granted (in FY 2024-25)	72,890
Number of options vested (in FY 2024-25)	1,41,847
Number of options exercised (in FY 2024-25)	1,65,496
Total number of shares arising as a result of exercise of options	1,65,496
Number of options lapsed / cancelled (in FY 2024-25)– includes both vested and unvested	8,530
Weighted Avg Exercise Price	720.59
Variation of terms of options	-
Money realised by the exercise of options	7,08,77,318
Total number of options in force	4,06,925

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

The Company has granted Employee Stock Options (ESOPs) to Mr. Vikram Agarwal, Whole-Time Director, and Mr. Prince Kumar Gupta, Chief Financial Officer, in line with the ESOP scheme approved by the Board and applicable regulatory requirements.

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

Mr. Anisha Bhagat
Mr. Arjun Badhwar
Mr. Kuber Bhalla
Mr. Prince Kumar Gupta
Mr. Srikantan Selvamani
Mr. Vikram Agarwal

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

NIL

For and on behalf of the Board of Directors
InCred Capital Financial Services Limited
(formerly known as InCred Capital Financial Services Private Limited)

Sd/-

Bhupinder Singh
Director
DIN: 07342318

Sd/-

Vikram Agarwal
Whole-Time Director
DIN: 08113532

Place: Mumbai

Date: September 08, 2025

**Annexure II
Form AOC-1**

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

Part “A”: Subsidiaries

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

1	Sr. No.	1	2	3	4	5	6	5	6	7
2	Name of the Subsidiary / Associate Company	InCred Asset Management Private Limited (Formerly Known as InCred Capital Investment Advisors and Managers Private Limited)	InCred Wealth and Investment Services Private Limited	InCred Alternative Investments Private Limited	InCred Overseas Holdings Private Limited	InCred Prime Finance Private Limited (formerly known as InCred Prime Finance Limited)	InCred Capital Inc.	InCred Techinvest Private Limited (formerly known as Booth Fintech Private Limited)	InCred Value Plus Private Limited	InCred Premier Distribution Private Limited (formerly known as Mvalu Technology Services Private Limited)
3	Registered Office	1203 B Wing, The Capital, C 70, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400051.	1203 B Wing, The Capital, C 70, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400051.	1203 B Wing, The Capital, C 70, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400051.	112 Robinson Road, #12-01/02, Robinson 112, Singapore 068902	1203 B Wing, The Capital, C 70, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400051.	251, Little Falls Drive, County of New Castle, Wilmington, Delaware DE 19808	1203 B Wing, The Capital, C 70, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400051.	1203 B Wing, The Capital, C 70, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400051.	1203 B Wing, The Capital, C 70, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400051.
4	Nature of Business	The Company is acting as Investment Manager to various Alternative Investment Schemes which is registered with SEBI and providing Portfolio Management Services.	The Company is primarily engaged in the business of distribution of financial products by mobilizing funds and assets of various classes of investors. The Company has obtained the registration as Mutual Fund distributor from Association of	The Company is acting as Investment Manager to various Alternative Investment Schemes which is registered with SEBI	The Company is acting as holding Company for overseas subsidiaries in Singapore and Dubai.	The Company is engaged in business of Non-Banking Financial Institution ('NBFC') without accepting public deposits	The Company is acting as holding Company for overseas subsidiaries in the United States of America	The Company is engaged in the business of auxiliary to financial activities	The Company is engaged in the business of auxiliary to financial activities	The Company is registered with Association of Mutual Fund of India (AMFI) and Association of Portfolio Managers (APMI).

			Mutual Fund of India (AMFI)							
5	No. Of Branches	1	9	1	Nil	1	Nil	Nil	1	5
6	Reporting period	1 st April 2024 to 31 st March 2025	1 st April 2024 to 31 st March 2025	1 st April 2024 to 31 st March 2025	1 st April 2024 to 31 st March 2025	2 nd September 2024 to 31 st March 2025	17 th March 2025 to 31 st March 2025	1 st April 2024 to 30 th May 2024	1 st April 2024 to 30 th May 2024	1 st April 2024 to 30 th May 2024
7	Reporting currency	Rupee	Rupee	Rupee	USD	Rupee	USD	Rupee	Rupee	Rupee
8	Exchange rate on the last day of the financial year	Not Applicable	Not Applicable	Not Applicable	85.58	Not Applicable	85.58	Not Applicable	Not Applicable	Not Applicable
9	Share Capital	3,300 lakhs	817.58 lakhs	303 lakhs	2,77,80,051	7,233.07	-	4,503.70 Lakhs	50.00 Lakhs	15.83 Lakhs
10	Reserves and Surplus	(1,127.13) lakhs	39,031.39 lakhs	(3,971.50) lakhs	-4,80,816	(674.22) lakhs	-	1,270.89 lakhs	(39.45) lakhs	1,142.55 lakhs
11	Total assets (Fixed assets + Investments + Other assets)	2,939.82 lakhs	77,160.87 lakhs	3,338.14 lakhs	2,94,11,123	6,617.54 lakhs	-	5,800.20 lakhs	395.10 Lakhs	1,478.36 Lakhs
12	Total liabilities (Deposits + Borrowings + Other liabilities + Provisions)	766.95 lakhs	37,311.9 lakhs	7,006.64 lakhs	21,11,888	58.69 lakhs	-	22.30 Lakhs	348.55 Lakhs	319.99 Lakhs
13	Investments	NA	17,293.57 lakhs	NIL	1,82,40,555	3,395.95 lakhs	-	1,539.71 lakhs	154.40 lakhs	-
14	Turnover	3,282.39 lakhs	35,092.24 lakhs	2,575.17 lakhs	19,416	90.82 lakhs	-	59.59 lakhs	70.45 lakhs	47.88 lakhs
15	Profit/ (Loss) Before Tax	565.82 lakhs	7,825.60 lakhs	(2,396.39) lakhs	(4,73,355)	(66.39) lakhs	-	57.82 lakhs	(23.56) lakhs	(161.34) lakhs
16	Provision for tax	149.32 lakhs	1670.33 lakhs	(605.03) lakhs	-	52.38 lakhs	-	-	-	-

17	Profit/(Loss)After Tax	416.50 lakhs	6155.27 lakhs	(1,791.36) lakhs	(4,73,355)	(120.77) lakhs	-	57.82 lakhs	(23.56) lakhs	(161.34) lakhs
----	------------------------	--------------	---------------	------------------	------------	----------------	---	-------------	---------------	----------------

- Names of subsidiaries which are yet to commence operations: NA
- Names of subsidiaries which have been liquidated or sold during the year: During the financial year 24-25, InCred Techinvest Private Limited, InCred Value Plus Private Limited, InCred Premier Distribution Private Limited ceased to be subsidiaries of the Company.

Part “B”: Associates

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

Name of Associate Companies	Alpha Fintech Private Limited	Oro Financial Consultants Private Limited (wholly owned subsidiary of ETA Fintech Private Limited)	ETA Fintech Private Limited (wholly owned subsidiary of Alpha Fintech Private Limited)
1. Latest audited Balance Sheet Date	March 31, 2025	March 31, 2025	N.A
2. Date on which the Associate or Joint Venture was associated or acquired	January 30, 2023	January 30, 2023	March 01, 2025
3. Shares of Associate/Joint Ventures held by the Company on the year end			
No.	15,797	1,29,50,000	40,000
Amount of Investment in Associates/Joint Venture	INR 1,57,970	INR 12,95,00,000	INR 4,00,000
Extend of Holding%	38.83%	100%	100%
4. Description of how there is significant influence	Associate Company	Step Down subsidiary of Associate Company	Wholly owned subsidiary of Associate Company
5. Reason why the associate/joint venture is not consolidated	N.A.	N.A.	N.A.
6. Net worth attributable to shareholding as per latest audited Balance Sheet			
7. Profit/Loss for the year	162.92 lakhs		

i.	Considered in Consolidation	384.12 lakhs	-	-
ii.	Not Considered in Consolidation	509.38 lakhs	-	-

1. As on March 31,2025, the Company does not have any joint ventures
2. Names of associates or joint ventures which are yet to commence operations: NA
3. Names of associates or joint ventures which have been liquidated or sold during the year: NA

For and on behalf of the Board of Directors
InCred Capital Financial Services Limited
 (formerly known as InCred Capital Financial Services Private Limited)

Sd/-

Bhupinder Singh
Director
DIN: 07342318

Sd/-

Vikram Agarwal
Whole-Time Director
DIN: 08113532

Place: Mumbai
Date: September 08, 2025

ANNEXURE III

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

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

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

2. Composition of CSR Committee
CSR Committee was constituted w.e.f. December 04, 2024

Sr. No	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ms. Ambika Bisla	Independent Director	1	1
2	Ms. Shivani Rawat	Independent Director	1	1
3	Mr. Vikram Agarwal	Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company - <https://www.incredcapital.com/investor-relations/>
4. Impact assessments of CSR Projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014: Not Applicable
5. Amount available for set off in pursuance of sub -rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and the amount required for set off for the financial year:

Sr. No.	Financial Year	Amount available for set off from preceding financial years (in INR)	Amount required to be set-off for the financial year, if any (in INR)
1.	2023-24	33,26,206.67	-
2.	2022-23	-	-
3	2022-22	-	-
	Total		

6. Average net profit of the Company as per section 135(5): INR 1,960.27 lakhs

7. CSR obligation

Sr. No.	Particulars	Amount (INR)
a.	Two percent of average net profits of the company as per section 135(5)	39,20,544.24
b.	Surplus arising out of the CSR Projects or programmes or activity of the previous financial years	NIL
c.	Amount required to be set off for the financial year	33,26,206.67
d.	Total CSR obligation for the financial year (7a + 7b- 7c)	5,94,337.57

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

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Trust	Amount.	Date of transfer.
INR 8,00,000	-----	-----			

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

1	2	3	4	5		6	7	8	9	10	11	
Sr. No.	Name of the project	Items from the list of activities in Schedule VII of the act.	Local Area (Yes/No)	Location of the Project		Project duration	Amount allocated for the project (in INR)	Amount spent in the current financial year (in INR)	Amount transferred to unspent CSR account for the project as per section 135(6) (in INR)	Mode of Implementation Direct (Yes/No)	Mode of Implementation- Through Implementing Agency	
				State	District						Name	CSR Registration No.
NIL												

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

1	2	3	4	5		6	7	8	
Sr. No.	Name of the Project	Items from the list of activities in schedule VII of the act	Local Area (Yes/No)	Location of the project		Amount spent for the project (in INR)	Mode of Implementation on Direct (Yes/No)	Mode of Implementation through Implementing Agency	
				State	District			Name	CSR Registration number
1	Indian Institute of Management, Ahmedabad	Promoting Education	Yes	Ahmedabad	Gujarat	8,00,000	No	Indian Institute of Management, Ahmedabad	CSR00004788

(d) Amount spent in administrative overheads: NA

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

(f) Total amount spent for the financial year (8b + 8c + 8d + 8e): INR 8,00,000

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

Sr. No	Particular	Amount (in Rs.)
i.	Two percent of average net profit of the Company as per section 135(5)	39,20,544.24
ii.	Total amount spent for the Financial Year	41,26,206.67*
iii.	Excess amount spent for the financial year [(ii)-(i)]	2,05,662.43
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	2,05,662.43

*Total amount of ₹41,26,206.67 is sum of ₹33,26,206.67 set off during the year, while ₹8,00,000 was incurred as expenditure during the year.

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.	2023-24	NIL	NIL	-	NIL	-	NIL

2.	2022-23	NIL	NIL	-	NIL	-	NIL
3.	2021-22	NIL	NIL	-	NIL	-	NIL

(b) Details of CSR amount spent in the financial year for **ongoing projects** of preceding financial year(s): NA

10. In case of creation or acquisition of capital asset, furnish the details relating to asset so created or acquired through CSR spent in the financial year. **(asset – wise details).**

(a) Date of creation or acquisition of the capital asset (s): NA

(b) Amount of CSR spent for creation or acquisition of capital asset: NA

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: NA

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):NA

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profits as per section 135(5): NA

For and on behalf of the Board of Directors
InCred Capital Financial Services Limited
(formerly known as InCred Capital Financial Services Private Limited)

Sd/-

Bhupinder Singh
Director
DIN: 07342318

Sd/-

Vikram Agarwal
Whole-Time Director
DIN: 08113532

Place: Mumbai

Date: September 08, 2025

Annexure IV
Form No. AOC-2

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

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

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

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

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

1. Name(s) of the related party and nature of relationship	2. Nature of contracts/arrangements/transactions	3. Duration of contracts/arrangements/transactions-	4. Salient terms of Contracts arrangements/transactions including the value, if any (INR in lakhs)	5. Date of approval by the board of directors	6. Amount paid as advance, if any

For and on behalf of the Board of Directors
InCred Capital Financial Services Limited
(formerly known as InCred Capital Financial Services Private Limited)

Sd/-

Bhupinder Singh
Director
DIN: 07342318

Sd/-

Vikram Agarwal
Whole-Time Director
DIN: 08113532

Place: Mumbai
Date: September 08 , 2025

InCred Capital Financial Services Limited
(formerly "InCred Capital Financial Services Private Limited")

Standalone Financial Statements

For the year ended 31st March 2025

INDEPENDENT AUDITOR'S REPORT

To the Members of InCred Capital Financial Services Limited (Formerly known as InCred Capital Financial Services Private Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of InCred Capital Financial Services Limited (formerly known as InCred Capital Financial Services Private Limited) ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2025, and the Standalone Statement of Profit and Loss, including Other Comprehensive Income, Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including material accounting policy information 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 Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended (" Rules ") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us 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 are responsible for the other information. The other information comprises the Director's report but does not include the Standalone Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity 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 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, the Management and Board of Directors are 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 the Board of Directors 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 Standalone Financial Statements

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

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

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

- Conclude on the appropriateness of Management and Board of Director'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 them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

The Standalone Financial Statements of the Company for the year ended March 31, 2024, were audited by another auditor whose report dated September 09, 2024 expressed an unmodified opinion on those Standalone Financial Statements.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "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 except that in few instances back-up of the books of account and other books and papers maintained in electronic mode was not completed due to system-related reasons. (Refer Note 50 to the financial statements).
 - (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including other comprehensive income, the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2025 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, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative 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.
 - iv.
 - (1) The Management has represented that, to the best of its knowledge and belief, as disclosed in Note 46(vi) to the Standalone Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (2) The Management has represented, that, to the best of its knowledge and belief, as disclosed in Note 46(vii) to the Standalone Financial Statements no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (3) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.
 - v. The Company has neither declared nor paid any dividend during the year.
 - vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior year(s) has been preserved by the Company as per the statutory requirements for record retention.

- vii. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act and the rules thereunder.

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration Number: 105047W

Sd/-

Vaibhav Naik

Partner

Membership Number: 138302

UDIN: 25138302BNUIGS6101

Mumbai

July 22, 2025

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF INCRED CAPITAL FINANCIAL SERVICES LIMITED FOR THE YEAR ENDED MARCH 31, 2025

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of InCred Capital Financial Services Limited (Formerly known as InCred Capital Financial Services Private Limited) on the Standalone Financial Statements for the year ended March 31, 2025]

- i. (a) A The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment, investment property and relevant details of right-of-use assets.
 (a)B The Company has maintained proper records showing full particulars of Intangible Assets.
 (b) Property, Plant and Equipment, and right of use assets have been physically verified by the Management at during the year/ at reasonable intervals and no material discrepancies were identified on such verification.
 (c) According to the information and explanations given to us, there are no immovable properties, and accordingly, the provisions stated under clause 3(i)(c) of the Order are not applicable to the Company.
 (d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) and intangible assets during the year. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.
 (e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause 3(i)(e) of the Order are not applicable to the Company.
- ii. (a) The Company is involved in the business of rendering services and does not hold any inventory. Accordingly, the provisions stated under clause 3(ii)(a) of the Order are not applicable to the Company.
 (b) During any point of time of the year, the Company has not been sanctioned working capital limits from Banks (and financial institutions) on the basis of security of current assets. Accordingly, the provisions stated under clause 3(ii)(b) of the Order is not applicable to the Company.
- iii. (a) According to the information and explanations provided to us, the Company has provided loans, advances in the nature of loans, stood guarantee, and/or provided security(ies) to other entities.

(A) The details of such loans, advances, guarantee or security(ies) to subsidiaries, Joint Ventures and Associates are as follows:

(Rs in Lakhs)

Sr. No		Loans	Guarantee	Security
A.	Aggregate amount granted/provided during the year			
	-Subsidiaries and associates	6567.96	-	-
	-Others	48397.36	7,500	-
B.	Balance Outstanding as at balance sheet date			
	-Subsidiaries and associates	6,878.97	-	-
	-Others	17943.67	17,500	-

- (b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investments made, guarantees provided, securities given and terms and conditions in relation to grant of all loans and advances in the nature of loans, investments made, guarantees provided and securities given are not prejudicial to the interest of the Company.
- (c) In case of the loans and advances in the nature of loan, schedule of repayment of principal and payment of interest have been stipulated and the borrowers have been regular in the repayment of the principal and payment of interest.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no amounts overdue for more than ninety days in respect of the loans and/ or advances in the nature of loans, granted to Company.
- (e) According to the information and explanations provided to us, the loans or advances in the nature of loan granted has not fallen due during the year. Accordingly, the provisions stated under clause 3(iii)(e) of the Order are not applicable to the Company.
- (f) According to the information and explanations provided to us, the Company has not any granted loans and / or advances in the nature of loans, including to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013 either repayable on demand or without specifying any terms or period of repayment during the year. Accordingly, the requirement to report under clause 3(iii)(f) of the Order is not applicable to the Company.
- iv. According to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013, in respect of loans, investments, guarantees and security made.
- v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of the provisions of Sections 73 to 76 of the Companies Act, 2013 and the rules framed there under. Accordingly, the requirement to report under clause 3(iv) of the Order is not applicable to the Company.
- vi. The provisions of sub-Section (1) of Section 148 of the Companies Act, 2013 are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products/ services of the Company. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.
- vii. (a) According to the information and explanations given to us and the records examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, income-tax, cess and other statutory dues have been regularly deposited by the Company with appropriate authorities in all cases during the year. No undisputed amounts payable in respect of these statutory dues were outstanding as at March 31, 2025, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records examined by us, there are no dues relating to goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us, there are no transaction which are not recorded in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment under the Income Tax Act, 1961. Accordingly, the requirement to report as stated under clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.

- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations provided to us, no money was raised by way of term loans. Accordingly, the requirement to report under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the Standalone Financial Statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the Standalone Financial Statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiaries or associates.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies. Accordingly, the requirement to report under Clause 3(ix)(f) of the order is not applicable to the Company.
- x. (a) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting requirement under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly, or optionally convertible) during the year. Accordingly, the requirements to report under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) Based on our examination of the books and records of the Company and according to the information and explanations given to us, we report that no fraud by the Company or no material fraud on the Company has been noticed or reported during the year in the course of our audit.
- (b) During the year no report under Section 143(12) of the Act, has been filed by cost auditor/ secretarial auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company. Accordingly, the provisions stated under clause 3(xii)(a) to (c) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, 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 accounting standards.
- xiv. In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the Companies Act, 2013. Accordingly, requirement to report under clause 3(xiv) of the Order is not applicable to the Company.

- xv. According to the information and explanations given to us, and based on our examination of the records of the Company, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934) and accordingly, the requirements to report under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 3 (xvi)(b) of the Order are not applicable to the Company.
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report under clause 3 (xvi)(c) of the Order is not applicable to the Company.
- (d) The Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company (as part of its group. Accordingly, the requirement to report under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. Based on the overall review of Standalone Financial Statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the requirement to report under clause 3(xvii) of the Order is not applicable to the Company.
- xviii. There has been resignation of the erstwhile statutory auditors during the year. No issues, objections or concerns were raised by the outgoing auditor(s).
- xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 45 to the Standalone Financial Statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a Fund as specified in Schedule VII of the Companies Act, 2013 as disclosed in Note 49 to the Standalone Financial Statements.

(b) There are no ongoing projects and accordingly reporting under Clause 3(xx)(b) of the Order is not applicable to the Company.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said Clause has been included in the report.

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

Sd/-

Vaibhav Naik
Partner
Membership Number: 138302
UDIN: 25138302BNUIGS6101

Mumbai
Date: 22 July 2025

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF INCRED CAPITAL FINANCIAL SERVICES LIMITED FOR THE YEAR ENDED MARCH 31, 2025

Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of InCred Capital Financial Services Limited (Formerly known as InCred Capital Financial Services Private Limited) on the Standalone Financial Statements for the year ended March 31, 2025.

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

We have audited the internal financial controls with reference to Standalone Financial Statements of InCred Capital Financial Services Limited (Formerly known as InCred Capital Financial Services Private Limited) ("the Company") as of March 31, 2025 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2025, based on the internal control with reference to Standalone Financial Statements 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI').

Management's and Board of Director'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 with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by 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 Act.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and

evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls With reference to Standalone Financial Statements

A Company's internal financial control with reference to Standalone Financial Statements 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 with reference to Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 With reference to financial statements

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

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration Number: 105047W

Sd/-

Vaibhav Naik

Partner

Membership Number:138302

UDIN: 25138302BNUIGS6101

Particulars	Note No.	As at 31st March 2025	As at 31st March 2024
A. ASSETS			
1. Non-current assets			
(a) Property, plant and equipment	3	2,461.10	496.16
(b) Capital work in progress	4	10.79	10.79
(c) Goodwill		1,046.83	1,046.83
(d) Other intangible assets	5	4,041.62	4,619.22
(e) Financial assets			
(i) Non-current investments	6	1,17,106.57	78,239.79
(ii) Other non-current financial assets	7	936.07	508.83
(f) Deferred tax assets (Net)	33	1,122.95	290.20
(g) Other non current assets	8	141.16	78.83
Total non-current assets		1,26,867.09	85,290.65
2. Current assets			
(a) Financial assets			
(i) Current investments	9	28,891.83	5,207.82
(ii) Trade receivables	10	51.43	902.76
(iii) Cash and cash equivalents	11	7,096.31	1,593.47
(iv) Loans	12	24,723.35	32,294.31
(v) Other current financial assets	13	970.74	345.81
(b) Current tax assets (Net)	14	59.20	299.82
(c) Other current assets	15	556.90	161.01
Total current assets		62,349.76	40,805.00
Total Assets		1,89,216.85	1,26,095.65
B. EQUITY AND LIABILITIES			
1. Equity			
(a) Equity share capital	16	1,421.14	1,321.14
(b) Other equity	17	1,00,010.82	62,723.88
Total Equity		1,01,431.96	64,045.02
2. Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Non-current borrowings	18	48,440.44	22,165.18
(ii) Lease liabilities	39	1,940.38	282.21
(iii) Other non-current financial liabilities	19	614.03	13.00
(b) Non-current provisions	20	67.36	59.16
Total non-current liabilities		51,062.21	22,519.55
Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	39	414.27	177.82
(ii) Trade payables	21	-	-
- total outstanding dues of micro and small enterprises		-	-
- total outstanding dues of creditors other than micro and small enterprises		524.91	349.58
(iii) Borrowings	22	34,240.78	36,969.46
(iv) Other current financial liabilities	23	1,213.28	1,935.63
(b) Other current liabilities	24	314.64	91.05
(c) Current provisions	25	14.80	7.54
Total current liabilities		36,722.68	39,531.08
Total Liabilities		87,784.89	62,050.63
Total Equity and Liabilities		1,89,216.85	1,26,095.65

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

As per our report of even date

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Sd/-

Vaibhav Naik
Partner
Membership No.: 138302

Place: Mumbai
Date: 22 July 2025

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

Sd/-

Bhupinder Singh
Director
DIN - 07342318

Sd/-

Prince Kumar Gupta
Chief Financial Officer

Place: Mumbai
Date: 22 July 2025

Sd/-

Gaurav Maheshwari
Director
DIN - 07639132

Sd/-

Kunal Sharma
Company Secretary
Membership No.: A67452

Particulars	Note No.	Year ended 31st March 2025	Year ended 31st March 2024
(I) Income			
(i) Revenue From operations	26	11,712.03	12,265.21
(ii) Other Income	27	4,779.46	1,070.00
Total revenue from operations (I = i + ii)		16,491.49	13,335.21
(II) Expenses			
(i) Employee benefits expenses	28	3,985.90	3,300.00
(ii) Finance costs	29	8,047.37	4,172.66
(iii) Impairment losses	30	-	361.47
(iv) Depreciation and amortization expense	3 & 5	996.68	797.30
(v) Other expenses	31	3,322.68	2,038.46
Total expenses (II = i + ii + iii + iv + v)		16,352.63	10,669.89
(III) Profit before tax and exceptional items (III = I - II)		138.86	2,665.32
(IV) Exceptional items		-	317.00
(V) Profit before tax (V = III - IV)		138.86	2,348.32
(VI) Tax Expense:			
(i) Current tax	32	897.43	461.42
(ii) Deferred tax	33	(834.31)	163.99
(iii) Pertaining to earlier years	32	(52.77)	-
Total tax expense (VI = i + ii + iii)		10.35	625.41
(VII) Profit for the year (VII = V - VI)		128.51	1,722.91
(VIII) Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
(i) Remeasurements of the defined benefit plans		12.35	6.16
(ii) Income tax relating to items that will not be reclassified to profit or loss		(1.56)	(4.12)
Subtotal (A = i + ii)		10.79	2.04
(B) Items that will be reclassified to profit or loss			
(i) Net Gain/ (Loss) on instruments through other comprehensive income		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Subtotal (B = i + ii)		-	-
Total other comprehensive income (VIII = A + B)		10.79	2.04
(IX) Total comprehensive income for the year (IX = VII + VIII)		139.30	1,724.95
(X) Earnings per share (EPS)			
(Face value of INR. 10 each)			
Basic (Rs.)	34	0.98	13.51
Diluted (Rs.)		0.95	13.04

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

As per our report of even date.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

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

Sd/-

Vaibhav Naik
Partner
Membership No.: 138302

Place: Mumbai
Date: 22 July 2025

Sd/-

Bhupinder Singh
Director
DIN - 07342318

Sd/-

Prince Kumar Gupta
Chief Financial Officer

Place: Mumbai
Date: 22 July 2025

Sd/-

Gaurav Maheshwari
Director
DIN - 07639132

Sd/-

Kunal Sharma
Company Secretary
Membership No.: A67452

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
A. Cash flow from operating activities		
Profit before tax	138.86	2,348.32
Adjustments to reconcile profit before tax to net cash flows from operating activities		
- Depreciation and amortisation	996.68	797.30
- Gain on sale and fair valuation of Investments	7,401.66	(5,439.52)
- Interest Income on loans	(2,322.54)	(759.00)
- Rent expense on deferred lease rentals	-	10.78
- Allowance for credit loss	(118.79)	361.47
- Assets written off	19.19	329.08
- Interest on Borrowings	7,902.50	3,983.42
- Finance cost on unwinding of financial liabilities	144.87	48.84
- Interest income on unwinding of financial assets	(17.76)	(10.52)
- Share based payment to employees	778.69	644.51
Operating profit before working capital changes	14,923.36	2,314.68
Adjustments for (increase) / decrease in operating assets:		
- Trade receivables	970.12	429.87
- Other financial assets	(1,034.41)	137.83
- Other non-financial assets	(458.22)	(158.55)
Adjustments for increase / (decrease) in operating liabilities:		
- Trade payables	175.33	(58.65)
- Other financial liabilities	(121.32)	1,215.70
- Other non-financial liabilities	223.59	(21.79)
- Lease liabilities (net of lease payments)	2,164.71	378.72
- Provisions	27.81	11.30
Cash generated from operations	16,870.97	4,249.11
Direct taxes (paid) net of refunds	(604.04)	130.80
Net cash flow from operating activities (A)	16,266.93	4,379.91
B. Cash flows from investing activities		
- Purchase of property, plant and equipment	(2,403.21)	(13.71)
- Proceeds from loans (net)	7,570.96	(32,421.17)
- Interest Income on loans	2,322.54	758.94
- Investment in subsidiary	(28,307.19)	(13,594.59)
- Proceeds from sale of subsidiary/ majority stake in subsidiary	1,539.70	874.81
- Purchase of other investments	(6,93,412.17)	(1,31,316.33)
- Proceeds from sale of other investments	6,50,446.15	1,26,377.78
Net cash flow used in investing activities (B)	(62,243.22)	(49,334.27)
C. Cash flows from financing activities		
- Proceeds from issue of equity share capital	100.00	-
- Proceeds towards securities premium	29,900.00	-
- Proceeds from issue of share warrants	6,250.00	-
- Proceeds from borrowings	1,73,871.86	1,00,249.82
- Repayment of borrowings	(1,50,325.28)	(53,379.30)
- Interest payment on borrowings	(7,902.50)	(822.93)
- Payment of lease liabilities	(414.96)	(259.07)
Net cash flow from financing activities (C)	51,479.12	45,788.52
Net increase in cash and cash equivalents (A + B + C)	5,502.83	834.16
Cash and cash equivalents at the beginning of the year	1,593.47	759.31
Cash and cash equivalents at the end of the year [Refer Note 1 below]	7,096.31	1,593.47
Net increase in cash and cash equivalents during the year	5,502.84	834.16
Notes to Standalone cash flow statement:		
1. Components of cash and cash equivalents		
Cash on hand	-	-
Balances with banks - on current accounts	7,096.31	1,593.47
	7,096.31	1,593.47

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

As per our report of even date

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

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

Sd/-

Vaibhav Naik
Partner
Membership No.: 138302
Place: Mumbai
Date: 22 July 2025

Sd/-

Bhupinder Singh
Director
DIN - 07342318

Sd/-

Prince Kumar Gupta
Chief Financial Officer

Place: Mumbai
Date: 22 July 2025

Sd/-

Gaurav Maheshwari
Director
DIN - 07639132

Sd/-

Kunal Sharma
Company Secretary
Membership No.: A67452

A. Equity share capital

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Issued, subscribed and fully paid-up		
Equity share capital of INR 10 each issued		
Balance at the beginning of the year	1,275.74	1,275.74
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the year	1,275.74	1,275.74
Changes in equity share capital during the year	100.00	-
Balance at the end of the year	1,375.74	1,275.74

B. Preference share capital

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Issued, subscribed and fully paid-up		
Optionally convertible redeemable preference shares of INR 10 each		
Balance at the beginning of the year	45.40	45.40
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the year	45.40	45.40
Changes during the year	-	-
Balance at the end of the year	45.40	45.40
Total	45.40	45.40

C. Other equity								
Particulars	Reserves and Surplus						Total Other Equity	
	Contingency reserve	Share based payment reserve	Share Warrants	Statutory reserve	Securities premium	Debenture Redemption Reserve	Retained earnings	
Balance as at 31st March 2023	0.54	3,017.56	-	915.81	56,714.80	-	(294.32)	60,354.39
Profit for the year	-	-	-	-	-	-	1,722.91	1,722.91
Other comprehensive income for the year	-	-	-	-	-	-	2.04	2.04
Total comprehensive income for the year (net of tax)	-	-	-	-	-	-	1,724.95	1,724.95
Transfers / utilisations:								
Transfer to Debenture Redemption Reserve	-	-	-	-	(420.08)	2,766.52	(2,346.44)	-
Transferred from/to statutory reserve from/to retained earnings	-	-	-	(915.81)	-	-	915.81	-
Employee stock option expense	-	644.54	-	-	-	-	-	644.54
Balance as at 31st March 2024	0.54	3,662.10	-	-	56,294.72	2,766.52	-	62,723.88
Profit for the year	-	-	-	-	-	-	128.51	128.51
Other comprehensive income for the year	-	-	-	-	-	-	10.79	10.79
Total comprehensive income for the year (net of tax)	-	-	-	-	-	-	139.30	139.30
Transfers / utilisations:								
Transfer to retained earnings	(0.54)	-	-	-	-	-	0.54	-
Utilisation on conversion of Share capital	-	(1,793.25)	-	-	1,793.25	-	-	-
Share premium on issue of equity shares	-	-	-	-	29,900.00	-	-	29,900.00
Transfer to Debenture Redemption Reserve	-	-	-	-	(2,625.78)	2,625.78	-	-
Employee stock option expense	-	997.64	-	-	-	-	-	997.64
Vested Options	-	(0.99)	-	-	-	-	0.99	-
Issue of share warrants	-	-	6,250.00	-	-	-	-	6,250.00
Balance as at 31st March 2025	-	2,865.50	6,250.00	-	85,362.19	5,392.30	140.83	1,00,010.82

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

As per our report of even date

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

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

Sd/-
Vaibhav Naik
Partner
Membership No.: 138302

Place: Mumbai
Date: 22 July 2025

Sd/-
Bhupinder Singh
Director
DIN - 07342318

Place : Mumbai
Date: 22 July 2025

Sd/-
Gaurav Maheshwari
Director
DIN - 07639132

Sd/-
Prince Kumar Gupta
Chief Financial Officer

Sd/-
Kunal Sharma
Company Secretary
Membership No.: A67452

InCred Capital Financial Services Limited

CIN: U67120MH1996PLC355036

Notes to standalone financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

Note 3 : Property, plant and equipment

Particulars	ROU Assets	Furniture and fixtures	Leasehold Improvements	Office equipment	Vehicles	Computers & Printers	Total
Gross carrying amount:							
As at 1st April 2023	486.84	46.47	165.22	81.02	65.00	68.93	913.48
Additions during the year	395.71	0.05	-	0.96	-	14.75	411.47
Disposals during the year	28.87	-	-	-	-	-	28.87
Write offs during the year	-	20.55	68.39	46.81	-	23.18	158.93
As at 31st March 2024	853.68	25.97	96.83	35.17	65.00	60.50	1,137.15
Additions during the year	2,177.22	28.98	60.49	77.21	35.44	23.88	2,403.21
Disposals during the year	-	-	-	-	-	-	-
Write offs during the year	18.47	-	-	-	-	-	18.47
As at 31st March 2025	3,012.43	54.95	157.31	112.38	100.44	84.38	3,521.89
Accumulated depreciation:							
As at 1st April 2023	309.40	25.54	126.92	58.29	12.69	50.66	583.50
Depreciation charge during the year	163.51	2.60	22.42	6.41	8.15	15.03	218.12
Accumulated depreciation on disposals	11.88	-	-	-	-	-	11.88
Write offs during the year	-	18.14	68.39	39.11	-	23.11	148.75
As at 31st March 2024	461.03	10.00	80.95	25.59	20.84	42.58	640.99
Depreciation charge during the year	351.06	4.06	24.77	15.29	9.35	14.55	419.08
Accumulated depreciation on disposals	-	-	-	-	-	-	-
Write offs during the year	0.72	-	-	-	-	-	0.72
As at 31st March 2025	812.81	14.06	105.72	40.88	30.19	57.13	1,060.79
Net carrying amount:							
As at 31st March 2025	2,199.62	40.89	51.59	71.50	70.25	27.25	2,461.10
As at 31st March 2024	392.65	15.97	15.88	9.58	44.16	17.92	496.16

Note 4 : Capital work in progress

Particulars	Total
As at 1st April 2023	1.09
Additions during the year	9.70
Capitalized during the year	-
As at 31st March 2024	10.79
Additions during the year	11.01
Capitalized during the year	(11.01)
As at 31st March 2025	10.79

Ageing for CWIP:

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	9.70	1.09	10.79
As at 31st March 2025	-	-	9.70	1.09	10.79

Ageing for CWIP:

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

InCred Capital Financial Services Limited

CIN: U67120MH1996PLC355036

Notes to standalone financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

Note 5 : Other intangible assets

Particulars	Software	Technology Development	Brand Name	Customer Relationships	Total
Gross carrying amount:					
As at 1st April 2023	5.43	2,411.50	575.00	2,789.50	5,781.43
Additions during the year	-	-	-	-	-
Disposals during the year	-	-	-	-	-
As at 31st March 2024	5.43	2,411.50	575.00	2,789.50	5,781.43
Additions during the year	-	-	-	-	-
Disposals during the year	-	-	-	-	-
As at 31st March 2025	5.43	2,411.50	575.00	2,789.50	5,781.43
Accumulated amortisation:					
As at 1st April 2023	5.43	241.15	57.50	278.95	583.03
Amortisation charge during the year	-	241.81	57.66	279.71	579.18
As at 31st March 2024	5.43	482.96	115.16	558.66	1,162.21
Amortisation charge during the year	-	241.15	57.50	278.95	577.60
As at 31st March 2025	5.43	724.11	172.66	837.61	1,739.81
Net carrying amount:					
As at 31st March 2025	-	1,687.39	402.34	1,951.89	4,041.62
As at 31st March 2024	0.00	1,928.54	459.84	2,230.84	4,619.22

Note 1 : General information

1.1. Corporate information

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

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

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

During the financial year ended March 31, 2025, the Company underwent a change in its legal status from a private company to a public limited company under the Companies Act, 2013.

The conversion was effected pursuant to a special resolution passed by the shareholders on September 05, 2024 and was subsequently approved by the Registrar of Companies and a certificate of incorporation pursuant to conversion was issued on November 28, 2024. Following this approval, the Company's name was changed from "InCred Capital Financial Services (Private) Limited" to "InCred Capital Financial Services Limited".

This conversion entails certain changes in the Company's corporate governance and reporting requirements as per the applicable provisions of the Companies Act, 2013 and other relevant statutes.

1.2. Basis of preparation

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

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 indicated.

C. Basis of measurement

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

- (i) Certain financial assets and liabilities that are measured at fair value/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.

Significant judgements

Recognition and measurement of defined benefit obligations

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

Recognition of deferred tax assets/liabilities

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

Recognition and measurement of provisions and contingencies

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

Discounting of long-term financial assets/liabilities

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

Impairment of financial assets

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

Leases

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

E. Presentation of financial statements

These financial statements of the Company are presented as per Schedule III ('Division II') of the Companies Act, 2013 as notified by the Ministry of Corporate Affairs ('MCA'). The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Standards.

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

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

Assets:

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

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

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

Liabilities:

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

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

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

All other liabilities are classified as non-current.

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

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

Note 2 : Material accounting policies

2.1. Measurement of fair values

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

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

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

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

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

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

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

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

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

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

2.2. Financial instruments

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

A. Recognition and initial measurement

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

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

B. Classification of financial assets:

Financial assets:

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

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

Financial assets measured at amortised cost:

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

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

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

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

C. Subsequent recognition of financial assets:

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

Financial assets at amortised cost:

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

Financial assets at FVTPL:

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in 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, borrowings, lease liabilities and other financial liabilities amongst others.

F. Offsetting of financial instruments

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

G. Reclassification of financial assets and financial liabilities

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

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

Further reclassification is not allowed in following cases:

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

2.3. Impairment

A. Impairment of financial assets

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

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

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

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

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

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

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

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

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

Key elements considered for ECL calculation are as under:

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

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

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

B. Impairment of non-financial assets

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

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

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

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

2.4. Cash and cash equivalents

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

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

2.5. Investments**Investment in subsidiaries**

Investments in subsidiaries are carried at cost less impairment if any in the financial statements.

Investments in Mutual Funds, equity shares, AIF and PMS units

The company uses Net Asset Value (NAV) as at year-end to fair value investments in mutual funds. These investments are carried at fair value through profit & loss (FVTPL). Similarly, the company uses Net Asset Value (NAV) as at year-end to fair value investments in equity shares, Alternative Investment Fund ("AIF") and Portfolio Management Scheme ("PMS") units.

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

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

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

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

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

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

2.12. Revenue from operations

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

The Company recognised revenue primarily from various activities as follows:

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

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

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

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

2.13. Earning per share

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

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

2.14. Provisions, contingent liabilities and contingent assets

A. Provisions

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

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

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

B. Onerous contracts

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

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

2.15. Foreign currencies

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

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

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

2.16. Segment reporting

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

2.17. Events after the reporting period

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

2.19. Employee benefits

A. Short-term employee benefits

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

B. Compensated absences

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

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 Limited

CIN: U67120MH1996PLC355036

Notes to standalone financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

Note 16 : Equity share capital

Particulars	As at 31st March 2025		As at 31st March 2024	
	Number	Amount	Number	Amount
Authorised share capital [Refer note 'd' below]				
Equity shares of INR 10/- each	3,41,94,000	3,419.40	3,41,94,000	3,419.40
Compulsorily convertible preference shares of INR 10/- each	7,16,000	71.60	7,16,000	71.60
Optionally convertible redeemable preference shares of INR 10/- each	6,00,000	60.00	6,00,000	60.00
	3,55,10,000	3,551.00	3,55,10,000	3,551.00
Issued, subscribed and paid up capital				
Equity Shares of INR. 10/- each fully paid up	1,37,57,390	1,375.74	1,27,57,390	1,275.74
Optionally convertible redeemable preference shares of INR 10/- each fully paid-up	4,53,962	45.40	4,53,962	45.40
Total issued, subscribed and paid-up share capital	1,42,11,352	1,421.14	1,32,11,352	1,321.14

a. Terms and rights attached to Equity shares

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

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

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

Pursuant to Composite Scheme of Arrangement between Clamant Tech Services Private Limited ('Transferor Company'), InCred Wealth Private Limited ('Demerged Company 1'), MAPE Advisory Group Private Limited ('Demerged Company 2'), InCred Wealth and Investment Services Private Limited ('Resulting Company 1') and InCred Capital Financial Services Private Limited ('Company' or 'Transferee Company' or 'Resulting Company 2') and the Order dated April 26, 2022 passed by the NCLT Mumbai sanctioning the Composite Scheme, the Company had allotted 4,53,962 Class A Optionally convertible redeemable preference shares ("OCRPS). Based on the valuation report of registered valuer the value of liability portion arising out of redemption option is immaterial and therefore not accounted for.

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

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

InCred Capital Financial Services Limited

CIN: U67120MH1996PLC355036

Notes to standalone financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

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

Particulars	As at 31st March 2025		As at 31st March 2024	
	Number	Amount	Number	Amount
<u>Equity shares</u>				
At the beginning of the year	1,27,57,390	1,275.74	1,27,57,390	1,275.74
Add: Shares issued on conversion of CCPS and OCRPS during the year	-	-	-	-
Add: Shares issued during the year	10,00,000	100.00	-	-
Less: Bought back during the year	-	-	-	-
Outstanding at the end of the year	1,37,57,390	1,375.74	1,27,57,390	1,275.74
Instruments entirely equity in nature:				
<u>Optionally convertible redeemable preference shares</u>				
At the beginning of the year	4,53,962	45.40	4,53,962	45.40
Add: Shares issued during the year	-	-	-	-
Less: Converted to Equity shares during the year	-	-	-	-
Outstanding at the end of the year	4,53,962	45.40	4,53,962	45.40
Total instruments entirely equity in nature	4,53,962	45.40	4,53,962	45.40

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

Name of the shareholder	As at 31st March 2025		As at 31st March 2024	
	No. of shares held	% Holding	No. of shares held	% Holding
Equity shares				
Bhupinder Singh ¹	53,87,515	39.16%	43,90,180	34.41%
MEMG Family office LLP	9,43,704	6.86%	9,43,704	7.40%
Paragon Partners Growth Fund-I	9,07,408	6.60%	9,07,408	7.11%
InCred Wealth Private Limited	1,55,315	1.13%	9,67,840	7.59%
Optionally convertible redeemable preference shares				
Bhupinder Singh	3,28,962	72.46%	-	-
Ramprasad M	-	-	1,95,955	43.17%
Jacob Mathew	1,03,201	22.73%	1,03,201	22.73%
Anu Jacob	21,799	4.80%	92,753	20.43%

1. 1,07,000 equity shares are held by B Singh Holdings, a company wholly owned and controlled by Mr. Bhupinder Singh.

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

e. Equity shares held by promoters of the company

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

Name of the shareholder	As at 31st March 2025			As at 31st March 2024		
	No. of shares held	% of shares held	% Change during the year	No. of shares held	% of shares held	% Change during the year
Bhupinder Singh ¹	53,87,515	39.16%	22.72%	43,90,180	34.41%	3.63%

1. 1,07,000 equity shares are held by B Singh Holdings, a company wholly owned and controlled by Mr. Bhupinder Singh.

f. Changes in authorized share capital of the Company

There were no changes in authorized share capital of the company.

InCred Capital Financial Services Limited

CIN: U67120MH1996PLC355036

Notes to standalone financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

Note 6 : Non-current investments

Particulars	As at 31st March 2025	As at 31st March 2024
<u>(A) Investments carried at FVTPL</u>		
In Alternate Investment Funds	17,997.83	10,632.10
In Portfolio Management Services	705.95	502.83
In Non Convertible Debentures & Market Linked Debentures	9,266.57	2,055.28
In Unlisted equity shares	2,487.12	-
In Compulsorily Convertible Preference Shares	2,331.72	-
In Partnership firm	1,615.51	-
In Derivative assets	390.45	1,841.97
	34,795.15	15,032.18
<u>(B) Investments carried at cost</u>		
<u>In Subsidiaries (unquoted)</u>		
InCred Asset Management Private Limited	5,088.89	5,049.31
InCred Wealth and Investment Services Private Limited	42,915.61	42,811.40
InCred Alternative Investments Private Limited	1,523.54	1,518.50
InCred TechInvest Private Limited (formerly Booth Fintech Private Limited)*	-	2,464.63
InCred Overseas Holding Private Limited (Singapore)	23,485.47	9,058.43
InCred Prime Finance Private Limited	6,920.68	-
InCred Global Wealth Pte. Ltd. (Deemed investment)	71.89	-
<u>In Associate (unquoted)</u>		
Alpha Fintech Private Limited	2,305.34	2,305.34
	82,311.42	63,207.61
Total - Gross (A + B)	1,17,106.57	78,239.79
Less: Loss allowance	-	-
Total - Net of loss allowance	1,17,106.57	78,239.79
(A) Investments in India	93,549.21	69,181.36
(B) Investments outside India	23,557.36	9,058.43
Total - Gross (A + B)	1,17,106.57	78,239.79
Less: Loss allowance	-	-
Total - Net of loss allowance	1,17,106.57	78,239.79

*The Company holds investment in InCred TechInvest Private Limited ("Booth") of Rs. 160.80 Lakhs as on 31 March 2025. The same is classified under unlisted equity shares as Booth ceased to be a subsidiary of the Company from 31st May 2024.

Note 7 : Other non-current financial assets

Particulars	As at 31st March 2025	As at 31st March 2024
Financial assets carried at amortized cost:		
Rental deposits	245.28	38.10
Other Receivables	0.46	-
Advance to Broker	690.33	470.73
	936.07	508.83
Less: Loss allowance	-	-
Total - Net of loss allowance	936.07	508.83

Note 8 : Other non current assets

Particulars	As at 31st March 2025	As at 31st March 2024
Deferred rent expense	128.18	14.01
Prepaid Expenses	12.98	64.82
Total	141.16	78.83

InCred Capital Financial Services Limited

CIN: U67120MH1996PLC355036

Notes to standalone financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

Note 9 : Current investments

Particulars	As at 31st March 2025	As at 31st March 2024
Investments carried at fair value through profit or loss		
In Mutual Funds	6,566.46	0.29
In Unlisted equity shares	11,233.23	2,435.30
In Non Convertible Debentures & Market Linked Debentures	11,092.14	2,772.23
Total	28,891.83	5,207.82
Aggregate amount of unquoted investments	28,891.83	5,196.31
Aggregate amount of quoted investments	-	11.51

Note 10 : Trade receivables

Particulars	As at 31st March 2025	As at 31st March 2024
Unsecured, considered good	51.43	933.08
Significant increase in credit risk	22.10	-
	73.53	933.08
Less: Loss allowance	(22.10)	(30.32)
Total - Net of loss allowance	51.43	902.76

As at 31st March 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 months - 1 year	1 - 2 years	2 -3 years	More than 3 years	
i) Undisputed Trade Receivables - Considered good	51.43	-	-	-	-	51.43
ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	22.10	-	-	22.10
iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-
iv) Disputed Trade Receivables - Considered goods	-	-	-	-	-	-
v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-
Total	51.43	-	22.10	-	-	73.53
Less: Loss allowance						(22.10)
Total - Net of loss allowance						51.43

As at 31st March 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 months - 1 year	1 - 2 years	2 -3 years	More than 3 years	
i) Undisputed Trade Receivables - Considered good	915.38	17.70	-	-	-	933.08
ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-
iv) Disputed Trade Receivables - Considered good	-	-	-	-	-	-
v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-
Total	915.38	17.70	-	-	-	933.08
Less: Loss allowance						(30.32)
Total - Net of loss allowance						902.76

InCred Capital Financial Services Limited

CIN: U67120MH1996PLC355036

Notes to standalone financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

Note 11 : Cash and cash equivalents

Particulars	As at	As at
	31st March 2025	31st March 2024
Balances with banks (of the nature of cash and cash equivalent)	7,096.31	1,593.47
Total	7,096.31	1,593.47

Note 12 : Loans

Particulars	As at	As at
	31st March 2025	31st March 2024
	Amortised cost	Amortised cost
Unsecured, considered good*		
(i) Intercompany deposits to other than related parties	8,936.07	7,730.99
(ii) Intercompany deposits to related parties	15,886.57	24,693.18
Total - Gross	24,822.64	32,424.17
Less: Loss allowance	(99.29)	(129.86)
Total - Net of loss allowance	24,723.35	32,294.31

*Intercompany deposits have been given for general business purpose.

Note 13 : Other current financial assets

Particulars	As at	As at
	31st March 2025	31st March 2024
Rental Deposits	-	72.11
Merger receivable	306.45	456.44
Other receivables	795.49	28.46
	1,101.94	557.01
Less: Loss allowance	(131.20)	(211.20)
Total	970.74	345.81

Note 14 : Current tax assets (Net)

Particulars	As at	As at
	31st March 2025	31st March 2024
Income tax refundable (net of provision for income tax)	59.20	299.82
Total	59.20	299.82

Note 15 : Other current assets

Particulars	As at	As at
	31st March 2025	31st March 2024
Balances with government authorities	360.55	-
Advance for expenses	103.87	14.26
Prepaid expenses	92.48	142.40
Deferred rent expense	-	4.32
Others	-	0.03
Total	556.90	161.01

Note 17 : Other equity

Particulars	As at 31st March 2025	As at 31st March 2024
Securities premium		
Balance as at the beginning of the year	56,294.71	56,714.79
Add: Additions during the year:		
- Premium of shares issued during the year	29,900.00	-
- Premium of ESOPs exercised during the year (Transfer from SBP Reserve)	1,793.25	-
Less: Utilized during the year:		
- Transfer to Debenture Redemption Reserve	(2,625.78)	(420.08)
Balance as at the end of the year	85,362.18	56,294.71
Contingency reserve fund		
Balance as at the beginning of the year	0.54	0.54
Less: Transfer to Retained Earnings	(0.54)	-
Balance as at the end of the year	-	0.54
Share based payment reserve		
Balance as at the beginning of the year	3,662.06	3,017.55
Add: Addition during the year (ESOP expense)	778.69	644.51
Add: Addition during the year (Deemed investment)	218.95	-
Less: Transferred to Surplus (Expiry of options)	(0.99)	-
Less: Transferred to Securities Premium	(1,793.25)	-
Balance as at the end of the year	2,865.46	3,662.06
Statutory reserve fund (pursuant to Section 45-IC of the RBI Act, 1934)		
Balance as at the beginning of the year	-	915.81
Less: Utilized during the year	-	(915.81)
Balance as at the end of the year	-	-
Debenture Redemption Reserve		
Balance as at the beginning of the year	2,766.57	-
Add: Addition during the year:	2,625.78	2,766.57
Balance as at the end of the year	5,392.35	2,766.57
Share warrants		
Issued during the year	6,250.00	-
Balance as at the end of the year	6,250.00	-
Surplus / (Deficit) in Statement of Profit & Loss		
Balance as at the beginning of the year	-	(294.32)
Add: Profit / (loss) after tax for the year	128.51	1,722.91
Add: Transfer from SBP Reserve	0.99	-
Add: Transfer from Contingency reserve fund	0.54	-
Add: Transfer from Statutory reserve fund	-	915.81
Add: Other comprehensive income for the year, net of income tax	10.79	2.04
Amount available for appropriations	140.83	2,346.44
Less: Appropriations		
- Transfer to Debenture Redemption Reserve	-	(2,346.44)
Balance as at the end of the year	140.83	-
Total	1,00,010.82	62,723.88

Note 18 : Non-current borrowings

Particulars	As at 31st March 2025	As at 31st March 2024
Secured - At amortised cost		
- Market Linked Debentures (including derivative component)	48,440.44	22,165.18
Total	48,440.44	22,165.18

Note 19 : Other non-current financial liabilities

Particulars	As at 31st March 2025	As at 31st March 2024
Derivative liabilities	596.64	-
At amortised cost		
- Security deposit for car	17.39	13.00
Total	614.03	13.00

Note 20 : Non-current provisions

Particulars	As at 31st March 2025	As at 31st March 2024
Provision for employee benefits		
Provision for gratuity	67.36	59.16
Total	67.36	59.16

Note 21 : Trade payables

Particulars	As at 31st March 2025	As at 31st March 2024
Total outstanding dues of micro enterprises and small enterprises		
- Principal amount due	-	-
- Interest amount due	-	-
	-	-
Total outstanding dues other than micro enterprises and small enterprises		
- Principal amount due	524.91	349.58
- Interest amount due	-	-
	524.91	349.58
Total	524.91	349.58

As at 31st March 2025

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 - 2 years	2 -3 years	More than 3 years	
i) MSME	-	-	-	-	-
ii) Others	453.87	71.04	-	-	524.91
iii) Disputed dues – MSME	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-
Total	453.87	71.04	-	-	524.91

As at 31st March 2024

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

Note 22 : Borrowings

Particulars	As at 31st March 2025	As at 31st March 2024
Unsecured At amortised cost		
Related Parties	15,000.00	21,490.20
Other Parties	6,452.53	9,979.26
Secured At amortised cost		
Non-Convertible Debentures	-	5,141.28
Marked Linked Debentures (including derivative component)	12,788.25	358.72
Total	34,240.78	36,969.46

Note 23 : Other current financial liabilities

Particulars	As at 31st March 2025	As at 31st March 2024
Employee benefits expenses payable	1,100.76	743.36
Financial liability on guarantee	-	30.96
Payable to broker	-	0.99
Advance received	33.81	93.29
Other payables	78.71	1,067.03
Total	1,213.28	1,935.63

Note 24 : Other current liabilities

Particulars	As at 31st March 2025	As at 31st March 2024
Statutory dues payable	314.64	91.05
Total	314.64	91.05

Note 25 : Current provisions

Particulars	As at 31st March 2025	As at 31st March 2024
Provision for employee benefits		
Provision for gratuity	14.80	7.54
Total	14.80	7.54

InCred Capital Financial Services Limited

CIN: U67120MH1996PLC355036

Notes to standalone financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

Note 26 : Revenue From operations

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Fees and charges	3,677.15	6,825.69
Gain on sale and fair valuation of Investments	7,401.66	5,439.52
Interest income received on debentures	633.22	-
Total	11,712.03	12,265.21
Geographical Markets:		
Within India	11,254.95	12,244.55
Outside India	457.08	20.66
Total	11,712.03	12,265.21
Timing of revenue recognition:		
Services transferred at a point in time	11,712.03	12,265.21
Services transferred over time	-	-
Total	11,712.03	12,265.21

Note 27 : Other Income

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Interest on loans	2,322.54	759.02
Interest on deposits with banks	42.84	-
Income on unwinding of discount on security deposit	17.76	10.52
Reimbursement Income	2,205.60	120.75
Processing fee income on NCDs	25.00	-
Reversal of allowance for impairment losses	118.79	-
Finance income on guarantee	-	135.27
Miscellaneous income	46.93	44.44
Total	4,779.46	1,070.00

Note 28 : Employee benefits expenses

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Salaries and wages	3,092.16	3,231.86
Contribution to provident and other funds	63.08	45.07
Share Based Payments to employees	778.69	(22.85)
Gratuity expense	27.94	21.72
Staff welfare expenses	24.03	24.20
Total	3,985.90	3,300.00

Note 29 : Finance costs

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Interest on lease liability	144.87	48.84
Interest on Borrowings	7,902.50	3,983.42
Finance Expense on Guarantee	-	140.27
Others	-	0.13
Total	8,047.37	4,172.66

InCred Capital Financial Services Limited

CIN: U67120MH1996PLC355036

Notes to standalone financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

Note 30 : Impairment losses

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Allowance for Impairment losses*	-	361.47
Total	-	361.47

*During the year ended 31 March 2025, there is a reversal of allowance for impairment losses. The same has been classified under Other Income.

Note 31 : Other expenses

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Rent	43.75	54.70
Communication cost	18.26	6.02
Travelling and conveyance	470.13	353.27
Legal, professional and consultancy charges	1,250.16	1,001.13
Membership and subscription	32.03	74.34
Director Sitting Fees	8.00	-
IT expenses	92.94	38.11
Manpower support services	33.99	19.57
Rates and taxes	41.47	6.75
Printing and stationary	8.32	4.58
Referral Fees	199.42	30.41
Payment to auditors*	18.86	13.46
Advertisement, publicity and sales promotion expenses	658.62	130.64
Demat and related charges	87.26	7.03
Office expenses	111.15	69.59
Interest on statutory dues	-	2.29
Recruitment fees	73.23	120.71
Foreign exchange loss	1.42	3.55
GST expenses	144.20	18.23
Corporate Social Responsibility Expense	8.40	55.42
Assets written off	15.18	12.08
Miscellaneous expenses	5.89	16.58
Total	3,322.68	2,038.46

***Payment to auditors:**

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Auditor's remuneration		
- Audit fees	13.31	10.09
In other capacity		
- Certification services	3.65	1.47
- Taxation*	1.90	1.90
Total	18.86	13.46

*This pertains to accrual of tax audit fees payable to other auditor, and not statutory auditor of the Company.

Note 32 : Current tax**32.1 Amounts recognised in profit and loss**

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Current tax expense		
In respect of current year	897.43	461.42
Earlier years	(52.77)	-
	844.66	461.42
Deferred tax expense / (income)	(834.31)	163.99
Tax expense for the year	10.35	625.41

32.2 Amounts recognised in other comprehensive income

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Income tax related to items recognised in Other Comprehensive Income during the year		
Remeasurements of defined benefit plans	12.35	6.16
Net Gain/ (Loss) on instruments through other comprehensive income	(1.56)	(4.12)
Total Income tax recognised in Other Comprehensive Income	10.79	2.04

32.3 Reconciliation of effective tax rate

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Profit before tax as per Statement of profit and loss (A)	138.86	2,348.32
Statutory tax rate (B)	25.17%	25.17%
Tax using the Company's domestic tax rate (C = A * B)	34.95	591.03
Tax effect of:		
Tax effect of amounts which are not deductible in calculating taxable income	(46.76)	95.57
Tax effect on MLD for previous year 22-23	-	63.37
Tax impact on Brought forward losses	81.79	-
Loss of Mape on which deferred tax was not created in earlier years	-	(113.73)
Bonus of Mape on which deferred tax was not created in earlier years	(44.04)	-
Tax effect on Fair Value of Investments	1,318.05	-
Others	(1,335.00)	(10.82)
Effective tax expense	8.98	625.41

InCred Capital Financial Services Limited

CIN: U67120MH1996PLC355036

Notes to standalone financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

Note 33 : Deferred tax

The major components of deferred tax (liabilities) arising on account of timing differences as at 31st March 2025 are as follows:

Particulars	As at 31st March 2024	Recognised in profit or loss	Recognised in OCI	As at 31st March 2025
Deferred tax assets:				
Brought forward losses	433.39	(81.79)	-	351.60
Retirement benefit plans	16.79	5.45	(1.56)	20.68
Provision for Expenses	86.25	45.83	-	132.08
Provision for Bonus	-	44.04	-	44.04
Interest on MLDs	223.58	1,615.30	-	1,838.88
Impairment loss on Loans	93.47	(29.90)	-	63.57
Restructuring related expenses	8.57	(4.41)	-	4.16
Leases	16.96	22.06	-	39.02
Difference in WDV of fixed assets as per books of accounts and income tax	30.60	-	-	30.60
Total Deferred tax assets (A)	909.61	1,616.58	(1.56)	2,524.63
Deferred tax liabilities:				
Difference between written down value of fixed assets as per the books of accounts and income tax	333.79	58.38	-	392.17
Fair value of investments measured at FVTPL	285.62	723.89	-	1,009.51
Total Deferred tax liabilities (B)	619.41	782.27	-	1,401.68
Net Deferred tax assets (A-B)	290.20	834.31	(1.56)	1,122.95

InCred Capital Financial Services Limited

CIN: U67120MH1996PLC355036

Notes to standalone financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

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

Particulars	As at 31st March 2023	Recognised in profit or loss	Recognised in OCI	As at 31st March 2024
Deferred tax assets:				
Brought forward losses	547.12	(113.73)	-	433.39
Retirement benefit plans	18.07	2.84	(4.12)	16.79
Provision for Expenses	25.92	60.33	-	86.25
Interest on MLDs	-	223.58	-	223.58
Impairment loss on Loans	18.98	74.49	-	93.47
Restructuring related expenses	17.53	(8.96)	-	8.57
Leases	28.72	(11.76)	-	16.96
Difference between written down value of fixed assets as per the books of accounts and income tax	30.60	-	-	30.60
Total Deferred tax assets (A)	686.94	226.79	(4.12)	909.61
Deferred tax liabilities:				
Difference between written down value of fixed assets as per the books of accounts and income tax	211.63	122.16	-	333.79
Fair value of investments measured at FVTPL	17.00	268.62	-	285.62
Total Deferred tax liabilities (B)	228.63	390.78	-	619.41
Net Deferred tax assets (A-B)	458.31	(163.99)	(4.12)	290.20

Note 34 : 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 2025	Year ended 31st March 2024
Profit attributable to equity holders of the Company used in calculating basic & dilutive earnings per share	128.51	1,722.91
ii. Weighted average number of ordinary shares		
Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	1,30,77,938	1,27,57,390
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share*	1,35,31,900	1,32,11,352
Basic earnings per share	0.98	13.51
Diluted earnings per share	0.95	13.04

Note 35 : Contingent liabilities and commitments

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for:		
- Investment commitments	5,237.50	5,372.50
- Loan commitments	58,944.56	16,305.00
Contingent liabilities		
- Corporate Guarantee for Group Company	17,500.00	13,500.00

Note 36 : Employee benefits

36.1 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 2025	Year ended 31st March 2024
Provident fund	63.08	45.07

36.2 Defined benefit Plan - Gratuity

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

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

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Change in benefit obligations		
Present value of benefit obligation at the beginning of the year	66.70	61.56
Interest cost	4.79	4.49
Current service cost	23.16	15.23
Past Service Cost - Incurred During the Period	-	2.01
Liability Transferred In/ Acquisitions	-	0.03
(Liability Transferred Out/ Divestments)	(0.13)	(8.76)
(Benefit paid directly by the employer)	-	(1.69)
Actuarial (Gains) / Losses on Obligations - Due to Change in Demographic Assumptions	(12.66)	4.06
Actuarial (Gains) / Losses on Obligations - Due to Change in Financial Assumptions	1.45	3.35
Actuarial (Gains) / Losses on Obligations - Due to Experience	(1.14)	(13.57)
Present value of benefit obligation at the end of the year	82.17	66.70

Amount recognized in the Standalone balance sheet:

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
(Present value of benefit obligation)	(82.17)	(66.70)
Fair value of plan assets at the end of the year	-	-
Funded Status (Deficit)	(82.17)	(66.70)
Net (Liability) /Asset Recognized in the Balance Sheet	(82.17)	(66.70)

Expenses recognized in the Standalone statement of profit and loss

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Current service cost	23.16	15.23
Net Interest cost	4.79	4.49
Past Service Cost	-	2.01
Expenses recognised	27.95	21.72

Expenses recognized in the Other comprehensive income (OCI)

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Actuarial (Gains) on obligation for the year	(12.35)	(6.16)
Return on Plan Assets, Excluding Interest Income	-	-
Net (Income) for the year recognized in OCI	(12.35)	(6.16)

The actuarial assumptions used to determine benefit obligations as at 31st March 2025 and 31st March 2024 are as follows:

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Discount Rate	6.55%	7.18%
Salary escalation rate	9%	9%
Expected Rate of return on Plan Assets	NA	NA
Rate of Employee Turnover	30%	20%
Mortality Rate during employment	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

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

Standalone balance sheet reconciliation:

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Opening net liability	66.70	61.56
Expenses recognized in Statement of Profit and Loss	27.95	21.72
Expenses recognized in OCI	(12.35)	(6.16)
Net Liability/(Asset) Transfer In	-	0.03
Net (Liability)/Asset Transfer Out	(0.13)	(8.76)
(Benefit Paid Directly by the Employer)	-	(1.69)
(Employer's Contribution)	-	-
Net liability recognized in the Standalone balance sheet	82.17	66.70

Other details:

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Active Members (Absolute number)	46	40
Per Month Salary For Active Members (Rs. In Lakhs)	74.85	70.84
Weighted Average Duration of the Projected Benefit Obligation	2.00	4.00
Average Expected Future Service (in years)	4.00	7.00
Projected Benefit Obligation (PBO) (Rs. In Lakhs)	82.16	66.70
Non Vested Employees (Rs. In Lakhs)	42.57	27.84
Vested Employees (Rs. In Lakhs)	39.60	38.86

Cash flow projections:

Maturity analysis of the benefit payments: From the employer

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Projected benefits payable in future years from the date of reporting		
1st following year	14.80	7.54
2nd following year	14.90	8.16
3rd following year	12.89	8.78
4th following year	17.58	8.33
5th following year	10.29	12.11
Sum of years 6 To 10	24.60	30.45
Sum of years 11 and above	6.29	21.48

Sensitivity analysis:

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Projected benefit obligation on current assumptions	82.16	66.70
Delta effect of +1% change in rate of discounting	(2.27)	(2.82)
Delta effect of -1% change in rate of discounting	2.41	3.07
Delta effect of +1% change in rate of salary increase	3.05	3.27
Delta effect of -1% change in rate of salary increase	(2.92)	(3.05)
Delta effect of +1% change in rate of employee turnover	(1.13)	(1.05)
Delta effect of -1% change in rate of employee turnover	1.17	1.10

Risk analysis:

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

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

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

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

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

Note 37 : Restructuring

a. The Board of Directors of InCred Capital Financial Services Limited ("Company"), at its meeting held on March 27, 2025, approved a Composite Scheme of Arrangement ("Scheme") under Sections 230 to 232 of the Companies Act, 2013. The Scheme provides for the amalgamation of InCred Wealth Private Limited with the Company, the demerger of the merchant banking undertaking of InCred Capital Wealth Portfolio Managers Private Limited into the Company, and the amalgamation of InCred Research Services Private Limited with InCred Capital Wealth Portfolio Managers Private Limited.

The Scheme has been filed with the Hon'ble National Company Law Tribunal (NCLT) on March 31, 2025. The Appointed Date of the Scheme is April 01, 2025, and the accounting effect will be given upon the Scheme becoming effective, in accordance with applicable Indian Accounting Standards.

b. Pursuant to the Board Resolution dated September 23, 2024, and the Special Resolution dated September 29, 2024, InCred Prime Finance Private Limited (formerly known as InCred Prime Finance Limited), a wholly owned subsidiary of the Company, had approved the conversion of the loan taken from the Company into equity for an aggregate amount of Rs. 3,21,82,267 (Rupees Three Crore Twenty-One Lakh Eighty-Two Thousand Two Hundred Sixty-Seven only). Pursuant to the said approval, the Company was allotted 3,21,82,267 equity shares having a face value of Re. 1/- each, amounting to Rs. 3,21,82,267 (Rupees Three Crore Twenty-One Lakh Eighty-Two Thousand Two Hundred Sixty-Seven only) by InCred Prime Finance Private Limited (formerly known as InCred Prime Finance Limited).

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

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

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

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

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

ROU Assets

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

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

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

Particulars	As at 31st March 2025	As at 31st March 2024
Balance at the beginning of the year	392.65	177.44
Addition during the year	2,177.22	395.71
Deletions/prior period adjustments during the year	(19.19)	(16.99)
Depreciation for the year	(351.06)	(163.51)
Balance as at the end of the year	2,199.62	392.65

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

Lease liability

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

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

Particulars	As at 31st March 2025	As at 31st March 2024
Balance as at the beginning of the year	460.04	291.55
Addition during the year	2,177.22	396.53
Finance cost accrued during the year	144.87	48.84
Deletions/prior period adjustments during the year	(12.51)	(17.81)
Payment of lease liabilities made during the year	(414.96)	(259.07)
Balance as at the end of the year	2,354.66	460.04

InCred Capital Financial Services Limited

CIN: U67120MH1996PLC355036

Notes to standalone financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

The break-up of current and non-current lease liabilities is as follows:

Particulars	As at 31st March 2025	As at 31st March 2024
Current lease liabilities	414.27	177.82
Non-current lease liabilities	1,940.38	282.21
Total	2,354.65	460.03

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31st March 2025	As at 31st March 2024
Less than one year	640.87	214.10
Between one and five years	2,319.63	326.11
Total	2,960.50	540.21

Expenses recognized in the Standalone statement of profit & loss:

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Depreciation expense on ROU Asset [Refer Note No. 3]	351.06	163.51
Interest on lease liability [Refer Note No. 29]	144.87	48.84
Expense relating to short-term leases and low value leases [Refer Note No. 30]	43.75	54.70
Total	539.68	267.05

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.

Note 39 : Employee Stock Option Plan

Description of share-based payment arrangements

Share option plans (equity-settled)

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

A. Measurement of fair values

Equity-settled share-based payment arrangements

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

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

The model inputs for options granted during

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Grant date	1st July 2024 5th September 2024 1st October 2024 1st January 2025	1st April 2023 1st January 2024
Option Price Model	Black Scholes Model	Black Scholes Model
Fair value of ESOP on Grant date	INR 592.63 - INR 1659.81	INR 780.10 - INR 1848.19
Share price as on grant date	INR. 1,666.40	INR. 1854.64
Exercise price	INR 10 to INR 1650	INR. 10 and INR.1,568
Expected volatility (weighted average volatility)	40%	40%
Expected time to exercise shares	2 years from vesting	2 years from vesting
Risk- free interest rate (based on government bonds)	6.77% to 7.18%	7.22% to 7.36%
Dividend yield	0%	0%
Weighted Average Fair Value of ESOP on Grant date	INR 1158.28	INR 1387.32
Method used to determine expected volatility	The expected volatility is based on price volatility of listed companies in same industry.	The expected volatility is based on price volatility of listed companies in same industry.

B. Reconciliation of outstanding share options

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

Particulars	Weighted-average exercise prices of options (in Rs.)	Number of options	
		As at 31st March, 2025	As at 31st March, 2024
Opening balance	599.38	5,08,061	6,10,698
Add: Options granted during the year	839.63	72,890	52,778
Less: Options forfeited during the year	551.02	(8,530)	(45,659)
Less: Options exercised during the year	428.27	(1,65,496)	(1,09,756)
Less: Options lapsed during the year	NA	-	-
Options outstanding as at the year end	713.02	4,06,925	5,08,061
Option exercisable of the above	662.23	2,17,848	2,36,159
Weighted average remaining contractual life of options outstanding at end of the year		7.68	8.20

C. Expenses arising from share-based payment transactions

Refer Note 28 for details of share based payment expense charged to Standalone Statement of Profit and Loss.

InCred Capital Financial Services Limited

CIN: U67120MH1996PLC355036

Notes to standalone financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

Note 40 : Capital Management

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

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

Note 41 : Financial instruments**41.1 Financial instruments by category**

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

As at 31st March 2025	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							
Investments	-	63,686.98	63,686.98	25,660.69	-	38,026.29	63,686.98
Investments in subsidiaries and associate	82,311.42	-	82,311.42	-	-	82,311.42	82,311.42
Trade receivables	51.43	-	51.43	-	-	51.43	51.43
Cash and cash equivalents	7,096.31	-	7,096.31	7,096.31	-	-	7,096.31
Loans	24,723.35	-	24,723.35	-	-	24,723.35	24,723.35
Other financial assets	1,906.81	-	1,906.81	-	-	1,906.81	1,906.81
Total Financial assets	1,16,089.32	63,686.98	1,79,776.30	32,757.00	-	1,47,019.30	1,79,776.30
Financial liabilities							
Borrowings	82,681.22	-	82,681.22	-	-	82,681.22	82,681.22
Lease Liability	2,354.65	-	2,354.65	-	-	2,354.65	2,354.65
Trade payables	524.91	-	524.91	-	-	524.91	524.91
Other financial liabilities	1,827.31	-	1,827.31	-	-	1,827.31	1,827.31
Total Financial liabilities	87,388.09	-	87,388.09	-	-	87,388.09	87,388.09

InCred Capital Financial Services Limited

CIN: U67120MH1996PLC355036

Notes to standalone financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

As at 31st March 2024	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							
Investments	-	20,240.00	20,240.00	13,673.61	4,395.84	2,170.55	20,240.00
Investments in subsidiaries and associate	63,207.61	-	63,207.61	-	-	63,207.61	63,207.61
Trade receivables	902.76	-	902.76	-	-	902.76	902.76
Cash and cash equivalents	1,593.47	-	1,593.47	1,593.47	-	-	1,593.47
Loans	32,294.31	-	32,294.31	-	-	32,294.31	32,294.31
Other financial assets	854.64	-	854.64	-	-	854.64	854.64
Total Financial assets	98,852.79	20,240.00	1,19,092.79	15,267.08	4,395.84	99,429.87	1,19,092.79
Financial liabilities							
Borrowings	59,134.64	-	59,134.64	-	-	59,134.64	59,134.64
Lease Liability	460.03	-	460.03	-	-	460.03	460.03
Trade payables	349.58	-	349.58	-	-	349.58	349.58
Other financial liabilities	1,948.63	-	1,948.63	-	-	1,948.63	1,948.63
Total Financial liabilities	61,892.88	-	61,892.88	-	-	61,892.88	61,892.88

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

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

There have been no transfers between Level 1, Level 2 and Level 3 for the financials years ended 31 March 2025 and 31 March 2024.

Note 42 : Financial Risk management

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

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

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

The company's activities expose it to a variety of financial risk namely market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's board of directors reviews and

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 2025	As at 31st March 2024
Borrowings:		
Fixed rate borrowings	82,681.22	59,134.64
Loans:		
Fixed Rate Loans	24,723.35	32,294.31

All instruments are fixed rate instruments

Fair value sensitivity analysis for fixed-rate instruments

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

B. Credit risk

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

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

Measurement of Expected Credit Losses ('ECL')

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

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

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

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

InCred Capital Financial Services Limited

CIN: U67120MH1996PLC355036

Notes to standalone financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

Based on management estimation and calculation, ECL allowance has been fully made on Trade Receivables outstanding for more than 90 days and at 0.4% on Loans.

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

Particulars	As at 31st March 2025	As at 31st March 2024
Trade receivables	73.53	933.08
Loans	24,822.64	32,424.17
Total	24,896.17	33,357.25

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

Particulars	As at 31st March 2025	As at 31st March 2024
Loss allowance		
Gross carrying amount of financial assets	24,822.64	32,424.17
Expected credit Loss	(99.29)	(129.86)
Carrying amount net of impairment provision	24,723.35	32,294.31

Following table provides exposure to credit risk for trade receivables:

Particulars	As at 31st March 2025	As at 31st March 2024
Loss allowance - Trade receivable		
Gross carrying amount of financial assets	73.53	933.08
Expected credit Loss	(22.10)	(30.32)
Carrying amount net of loss allowance	51.43	902.76

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

Particulars	As at 31st March 2025	As at 31st March 2024
Opening balance	160.18	6.91
Release of Provision	(160.18)	(6.91)
Additional Provision	121.39	160.18
Closing balance	121.39	160.18

C. Liquidity risk:

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

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

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

InCred Capital Financial Services Limited

CIN: U67120MH1996PLC355036

Notes to standalone financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

As at 31 March 2025:

Particulars	Note No.	Carrying amount	Undiscounted contractual cash flows					
			Gross nominal inflow/(outflow)	On Demand	Less than 1 year	1-3 years	3-5 years	After 5 years
Maturities of financial liabilities								
Borrowings	18 & 22	82,681.22	(82,681.25)	-	34,240.78	37,739.20	10,701.27	-
Lease Liabilities	39	2,354.65	(2,960.50)	-	640.87	2,319.63	-	-
Trade payables	21	524.91	(524.91)	-	524.91	-	-	-
Other financial liabilities	19 & 23	1,827.31	(1,827.31)	-	1,827.31	-	-	-
Total		87,388.09	(87,993.97)	-	37,233.87	40,058.83	10,701.27	-

As at 31 March 2024:

Particulars	Note No.	Carrying amount	Undiscounted contractual cash flows					
			Gross nominal inflow/(outflow)	On Demand	Less than 1 year	1-3 years	3-5 years	After 5 years
Maturities of financial liabilities								
Borrowings	18 & 22	59,134.64	(48,612.66)	11,490.20	25,479.26	11,643.20	-	-
Lease Liabilities	39	460.03	(540.22)	-	214.10	319.92	6.20	-
Trade payables	21	349.58	(349.58)	-	349.58	-	-	-
Other financial liabilities	19 & 23	1,948.63	(1,947.67)	-	1,920.76	26.91	-	-
Total		61,892.88	(51,450.13)	11,490.20	27,963.70	11,990.03	6.20	-

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 Capital Financial Services Limited

CIN: U67120MH1996PLC355036

Notes to standalone financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

As at 31 March 2025:

Particulars	Note No.	Carrying amount	Undiscounted contractual cash flows					
			Gross nominal inflow/(outflow)	On Demand	Less than 1 year	1-3 years	3-5 years	After 5 years
Maturities of financial assets								
Investments	6 & 9	1,45,998.40	1,45,998.40	-	28,891.83	-	34,795.15	82,311.42
Trade receivables	10	51.43	51.43	-	51.43	-	-	-
Cash and cash equivalents	11	7,096.31	7,096.31	7,096.31	-	-	-	-
Loans	12	24,723.35	24,822.64	-	24,822.64	-	-	-
Other financial assets	7 & 13	1,906.81	1,906.81	-	970.74	936.07	-	-
Total		1,79,776.30	1,79,875.59	7,096.31	54,736.64	936.07	34,795.15	82,311.42

As at 31 March 2024:

Particulars	Note No.	Carrying amount	Undiscounted contractual cash flows					
			Gross nominal inflow/(outflow)	On Demand	Less than 1 year	1-3 years	3-5 years	After 5 years
Maturities of financial assets								
Investments	6 & 9	83,447.61	83,447.61	-	5,207.82	-	15,032.18	63,207.61
Trade receivables	10	902.76	902.76	-	902.76	-	-	-
Cash and cash equivalents	11	1,593.47	1,593.47	1,593.47	-	-	-	-
Loans	12	32,294.31	32,423.99	24,693.00	7,730.99	-	-	-
Other financial assets	7 & 13	854.64	854.64	-	807.40	-	47.24	-
Total		1,19,092.79	1,19,222.46	26,286.47	14,648.97	-	15,079.42	63,207.61

Note 43 : Related Party Transactions Disclosure

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

a. List of Related parties where control exists and/or with whom transactions have taken place and relationships:

Nature of Relationship	Name of the related party
Subsidiaries	a. InCred Asset Management Private Limited b. InCred Wealth and Investment Services Private Limited c. Incred Alternative Investments Private Limited d. InCred TechInvest Private Limited (formerly Booth Fintech Private Limited) (subsidiary w.e.f 11th July 2023 till 30th May 2024) e. InCred Overseas Holdings Private Limited f. InCred Prime Finance Private Limited (formerly InCred Prime Finance Limited) (w.e.f. 2nd September 2024)
Step-down Subsidiaries	a. Incred Premier Distribution Private Limited (formerly mValu Technology Services Private Limited) (step-down subsidiairy w.e.f 11th July 2023 till 30th May 2024) b. InCred Value Plus Private Limited (step-down subsidiary till 30th May 2024) c. InCred Global Wealth Pte Limited (Singapore) d. InCred Global Wealth Private Limited (Dubai) e. InCred Capital Inc (USA) (w.e.f. 17th March 2025) f. InCred Securities Inc (USA) (w.e.f. 13th May 2025) g. InCred Wealth Inc (USA) (w.e.f. 13th May 2025) h. Arrow Capital (DIFC) Limited
Associate	a. Alpha Fintech Private Limited
Subsidiary/Step-down subsidiary of Associate	a. Oro Financial Consultants Private Limited b. ETA Fintech Private Limited (incorporated on 1st March 2025)
Key managerial personnel ('KMP') and Relatives	a. Bhupinder Singh, Director b. Venkatesh Vishwanathan, Director c. Saurabh Jhalaria , Director (till 27th March 2025) d. Vivek Bansal, Director (till 4 September 2024) e. Siddharth Parekh, Director f. Vikram Agarwal, Director (from 4 December 2024) f. Prince Kumar Gupta, Chief Financial Officer (from 4 December 2024) g. Kunal Sharma, Company Secretary (from 1 October 2024) h. Varun Shah, Company Secretary (upto 24th April 2023) i. Mitesh Kamariya, Company Secretary (w.e.f 25th April 2023 till 17 January 2024) j. Abhijeet Shinde, Company Secretary (w.e.f 17 January 2024 to 24th July 2024) k. Ambika Bisla, Independent Director (w.e.f. 4 December 2024) l. Shivani Rawat, Independent Director (w.e.f. 4 December 2024)

Enterprises over which KMP are able to exercise significant influence (only those with whom there have been transactions during the year or there have been any balances as at balance sheet date)

- a. InCred Management and Technology Services Private Limited
- b. InCred Financial Services Limited
- c. InCred Wealth Private Limited
- d. InCred Research Services Private Limited
- e. InCred Capital Wealth Portfolio Managers Private Limited
- f. InCred Employees Welfare Trust
- g. InCred Holdings Limited
- h. InCred Global Insights Partners Private Limited
- i. InCred Systems (India) Private Limited

b. Transactions during the year with related parties

Transactions	KMP		Relatives of KMP		Enterprise over which KMP are able to exercise significant influence		Subsidiaries and Associate		Total	
	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024
Loan & advances given:										
InCred Wealth Private Limited	-	-	-	-	17,052.00	24,645.00	-	-	17,052.00	24,645.00
InCred Asset Management Private Limited	-	-	-	-	-	-	-	188.08	-	188.08
InCred Prime Finance Private Limited	-	-	-	-	-	-	260.00	360.00	260.00	360.00
InCred Premier Distribution Private Limited	-	-	-	-	-	789.00	-	-	-	789.00
InCred TechInvest Private Limited	-	-	-	-	-	420.00	-	-	-	420.00
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	3,000.00	13,639.85	3,000.00	13,639.85
InCred Alternative Investments Private Limited	-	-	-	-	-	-	4,830.56	2,806.08	4,830.56	2,806.08
InCred Financial Services Limited	-	-	-	-	15,000.00	-	-	-	15,000.00	-
InCred Overseas Holdings Private Limited	-	-	-	-	-	-	1,737.40	-	1,737.40	-
InCred Research Services Private Limited	-	-	-	-	6,300.00	-	-	-	6,300.00	-
InCred Employees Welfare Trust	-	-	-	-	5,500.00	-	-	-	5,500.00	-
	-	-	-	-	43,852.00	25,854.00	9,827.96	16,994.01	53,679.96	42,848.01
Loans & advances repayment received:										
InCred Wealth Private Limited	-	-	-	-	39,172.00	2,525.00	-	-	39,172.00	2,525.00
InCred Asset Management Private Limited	-	-	-	-	-	-	-	188.08	-	188.08
InCred Prime Finance Private Limited	-	-	-	-	-	-	620.00	-	620.00	-
InCred TechInvest Private Limited	-	-	-	-	-	420.00	-	-	-	420.00
InCred Premier Distribution Private Limited	-	-	-	-	-	789.00	-	-	-	789.00
InCred Financial Services Limited	-	-	-	-	15,000.00	-	-	-	15,000.00	-
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	3,000.00	13,639.85	3,000.00	13,639.85
InCred Alternative Investments Private Limited	-	-	-	-	-	-	1,800.00	731.08	1,800.00	731.08
InCred Research Services Private Limited	-	-	-	-	2,800.00	-	-	-	2,800.00	-
	-	-	-	-	56,972.00	3,734.00	5,420.00	14,559.01	62,392.00	18,293.01
MLD Borrowings (Issuance):										
InCred Premier Distribution Private Limited	-	-	-	-	-	307.00	-	-	-	307.00
InCred Value Plus Private Limited	-	-	-	-	300.00	-	-	300.00	300.00	300.00
InCred Financial Services Limited	-	-	-	-	493.00	1,150.00	-	-	493.00	1,150.00
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	1,210.00	7,540.00	1,210.00	7,540.00
	-	-	-	-	793.00	1,457.00	1,210.00	7,840.00	2,003.00	9,297.00

InCred Capital Financial Services Limited

CIN: U67120MH1996PLC355036

Notes to standalone financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

MLD Borrowings (Redemption):

InCred Financial Services Limited	-	-	-	-	392.25	-	-	-	392.25	-
	-	-	-	-	392.25	-	-	-	392.25	-

Borrowings taken:

InCred Research Services Private Limited	-	-	-	-	10,585.43	6,000.00	-	-	10,585.43	6,000.00
InCred Financial Services Limited	-	-	-	-	35,000.00	10,000.00	-	-	35,000.00	10,000.00
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	42,694.51	44,002.82	42,694.51	44,002.82
	-	-	-	-	45,585.43	16,000.00	42,694.51	44,002.82	88,279.94	60,002.82

Borrowings repaid:

InCred Research Services Private Limited	-	-	-	-	16,585.43	-	-	-	16,585.43	-
InCred Financial Services Limited	-	-	-	-	30,000.00	-	-	-	30,000.00	-
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	48,118.03	38,579.30	48,118.03	38,579.30
	-	-	-	-	46,585.43	-	48,118.03	38,579.30	94,703.46	38,579.30

Transactions	KMP		Relatives of KMP		Enterprise over which KMP are able to exercise significant influence		Subsidiaries and Associate		Total	
	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024
Purchase of MLD (investment):										
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	-	9,900.00	-	9,900.00
InCred Financial Services Limited	-	-	-	-	5,880.00	-	-	-	5,880.00	-
	-	-	-	-	5,880.00	-	-	9,900.00	5,880.00	9,900.00
Sale of MLD investment:										
Alpha Fintech Private Limited	-	-	-	-	-	-	438.26	-	438.26	-
InCred Premier Distribution Private Limited	-	-	-	-	146.90	-	-	-	146.90	-
InCred Value Plus Private Limited	-	-	-	-	107.03	-	-	-	107.03	-
	-	-	-	-	253.93	-	438.26	-	692.19	-
Proceeds from redemption of MLD investment:										
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	38.10	-	38.10	-
	-	-	-	-	-	-	38.10	-	38.10	-
Purchase of NCD:										
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	-	-	3,031.16	-	-	-	3,031.16
InCred Financial Services Limited	-	-	-	-	-	150.00	-	-	-	150.00
Alpha Fintech Private Limited	-	-	-	-	-	-	-	403.87	-	403.87
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	6,066.36	5,749.61	6,066.36	5,749.61
	-	-	-	-	-	3,181.16	6,066.36	6,153.48	6,066.36	9,334.64
Sale of NCD:										
InCred Financial Services Limited	-	-	-	-	-	1,293.88	-	-	-	1,293.88
Saurabh Jhalaria	-	30.00	-	-	-	-	-	-	-	30.00
Alpha Fintech Private Limited	-	-	-	-	-	-	-	50.60	-	50.60
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	4,026.81	5,056.68	4,026.81	5,056.68
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	-	200.32	-	-	-	200.32	-
	-	30.00	-	-	200.32	1,293.88	4,026.81	5,107.28	4,227.14	6,431.16

InCred Capital Financial Services Limited

CIN: U67120MH1996PLC355036

Notes to standalone financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

Purchase of CCPS of Subsidiary Booth:

InCred Wealth and Investment Services Private Limited

-	-	-	-	-	-	-	1,047.13	-	1,047.13
-	-	-	-	-	-	-	1,047.13	-	1,047.13

Subscription of eInCred CCPS:

eInCred Systems (India) Private Limited

-	-	-	-	1,679.40	-	-	-	1,679.40	-
-	-	-	-	1,679.40	-	-	-	1,679.40	-

Issuance of Equity shares:

InCred Wealth Private Limited

-	-	-	-	17,806.29	-	-	-	17,806.29	-
-	-	-	-	17,806.29	-	-	-	17,806.29	-

Issuance of share warrants:

Bhupinder Singh

6,250.00	-	-	-	-	-	-	-	6,250.00	-
6,250.00	-	-	-	-	-	-	-	6,250.00	-

Sale of CCPS of Associate:

InCred TechInvest Private Limited

-	-	-	-	-	-	-	1,047.13	-	1,047.13
-	-	-	-	-	-	-	1,047.13	-	1,047.13

Investment in Subsidiary:

InCred Prime Finance Private Limited

InCred Overseas Holdings Private Limited

-	-	-	-	-	-	6,823.54	-	6,823.54	-
-	-	-	-	-	-	14,427.40	9,058.43	14,427.40	9,058.43
-	-	-	-	-	-	21,250.94	9,058.43	21,250.94	9,058.43

Employee Stock Options Expense:

InCred Research Services Private Limited

-	-	-	-	-	2.75	-	-	-	2.75
-	-	-	-	-	2.75	-	-	-	2.75

Investment in Market Linked Debentures:

InCred Wealth and Investment Services Private Limited

-	-	-	-	-	-	-	9,900.00	-	9,900.00
-	-	-	-	-	-	-	9,900.00	-	9,900.00

Purchase of Investments:

InCred Capital Wealth Portfolio Managers Private Limited

InCred Wealth and Investment Services Private Limited

InCred Financial Services Limited

Alpha Fintech Private Limited

-	-	-	-	-	3,031.16	-	-	-	3,031.16
-	-	-	-	-	-	-	5,749.61	-	5,749.61
-	-	-	-	-	150.00	-	-	-	150.00
-	-	-	-	-	-	-	403.87	-	403.87
-	-	-	-	-	3,181.16	-	6,153.48	-	9,334.64

(All amounts in INR Lakhs, unless otherwise stated)

[illegible]

InCred Capital Financial Services Limited

CIN: U67120MH1996PLC355036

Notes to standalone financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

Transactions	KMP		Relatives of KMP		Enterprise over which KMP are able to exercise significant influence		Subsidiaries and Associate		Total	
	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024
Interest expense on Borrowings:										
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	843.29	273.86	843.29	273.86
InCred Financial Services Limited	-	-	-	-	805.48	196.64	-	-	805.48	196.64
InCred Research Services Private Limited	-	-	-	-	178.53	11.90	-	-	178.53	11.90
	-	-	-	-	984.01	208.54	843.29	273.86	1,827.30	482.40
Interest income on Loan and Advances:										
InCred Wealth Private Limited	-	-	-	-	988.09	322.16	-	-	988.09	322.16
InCred Asset Management Private Limited	-	-	-	-	-	-	-	0.19	-	0.19
InCred Prime Finance Private Limited	-	-	-	-	-	-	12.78	0.49	12.78	0.49
InCred Financial Services Limited	-	-	-	-	157.79	-	-	-	157.79	-
InCred Research Services Private Limited	-	-	-	-	8.45	-	-	-	8.45	-
InCred Premier Distribution Private Limited	-	-	-	-	-	3.60	-	-	-	3.60
InCred TechInvest Private Limited	-	-	-	-	-	0.50	-	-	-	0.50
InCred Alternative Investments Private Limited	-	-	-	-	-	-	340.17	46.80	340.17	46.80
InCred Overseas Holdings Private Limited	-	-	-	-	-	-	3.23	-	3.23	-
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	6.29	350.82	6.29	350.82
	-	-	-	-	1,154.33	326.26	362.47	398.30	1,516.80	724.56
Referral Expenses:										
InCred Wealth Private Limited	-	-	-	-	-	0.25	-	-	-	0.25
	-	-	-	-	-	0.25	-	-	-	0.25
Transactions										
Transactions	KMP		Relatives of KMP		Enterprise over which KMP are able to exercise significant influence		Subsidiaries and Associate		Total	
	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024
Expenses Reimbursement:										
Alpha Fintech Private Limited	-	-	-	-	-	-	30.90	-	30.90	-
InCred Alternative Investments Private Limited	-	-	-	-	-	-	36.20	-	36.20	-
InCred Asset Management Private Limited	-	-	-	-	-	-	54.30	-	54.30	-
InCred Financial Services Limited	-	-	-	-	-	1.42	-	-	-	1.42
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	-	4.11	20.27	-	-	4.11	20.27
InCred Premier Distribution Private Limited	-	-	-	-	40.30	-	-	-	40.30	-
ORO Financial Consultants Private Limited	-	-	-	-	30.90	-	-	-	30.90	-
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	87.97	-	87.97	-
	-	-	-	-	75.31	21.69	209.37	-	284.68	21.69

Business Support Services (Reimbursement Income):

InCred Asset Management Private Limited	-	-	-	-	-	-	-	54.30	-	54.30
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	457.28	11.03	457.28	11.03
InCred Alternative Investments Private Limited	-	-	-	-	-	-	-	36.20	-	36.20
	-	-	-	-	-	-	457.28	101.53	457.28	101.53

Reimbursement of ESOP expense (income):

InCred Alternative Investments Private Limited	-	-	-	-	-	-	101.11	-	101.11	-
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	396.05	-	396.05	-
	-	-	-	-	-	-	497.16	-	497.16	-

Reimbursement of salary expense (income):

InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	301.04	-	301.04	-
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	-	98.00	-	-	-	98.00	-
InCred Alternative Investments Private Limited	-	-	-	-	-	-	120.00	-	120.00	-
	-	-	-	-	98.00	-	421.04	-	519.04	-

Advisory Fees:

InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	-	971.00	-	-	-	971.00	-
	-	-	-	-	971.00	-	-	-	971.00	-

Cost Sharing Recharge

InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	-	480.00	-	-	-	480.00	-
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	100.19	-	100.19	-
	-	-	-	-	480.00	-	100.19	-	580.19	-

Terms and conditions of transactions with related parties:

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

c. Closing balances with Related parties as at 31st March 2025 and 31st March 2024:

Closing balances	KMP		Relatives of KMP		Enterprise over which KMP are able to exercise significant influence		Subsidiaries and Associate		Total	
	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024
Trade payables:										
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	-	-	8.31	-	-	-	8.31
	-	-	-	-	-	8.31	-	-	-	8.31

InCred Capital Financial Services Limited

CIN: U67120MH1996PLC355036

Notes to standalone financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

Other Receivables:

InCred Research Services Private Limited	-	-	-	-	-	2.70	-	-	-	2.70
InCred Global Insights Partners Private Limited	-	-	-	-	4.50	18.59	-	-	4.50	18.59
InCred Holdings Limited	-	-	-	-	-	0.59	-	-	-	0.59
Oro Financial Consultants Private Limited	-	-	-	-	0.32	-	-	-	0.32	-
InCred TechInvest Private Limited	-	-	-	-	0.77	-	-	-	0.77	-
InCred Alternative Investments Private Limited	-	-	-	-	-	-	3.55	-	3.55	-
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	-	551.55	-	-	-	551.55	-
eInCred Systems (India) Private Limited	-	-	-	-	3.32	-	-	-	3.32	-
InCred Asset Management Private Limited	-	-	-	-	-	-	5.34	-	5.34	-
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	1.08	-	1.08	-
InCred Value Plus Private Limited	-	-	-	-	1.08	-	-	0.47	1.08	0.47
	-	-	-	-	561.54	21.88	9.97	0.47	571.51	22.35

Other Payables:

InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	-	9.73	0.99	-	-	9.73	0.99
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	0.33	1,048.34	0.33	1,048.34
Bhupinder Singh	12.73	-	-	-	-	-	-	-	12.73	-
InCred Holdings Limited	-	-	-	-	-	0.30	-	-	-	0.30
InCred Management and Technology Services Private Limited	-	-	-	-	-	0.11	-	-	-	0.11
InCred Financial Services Limited	-	-	-	-	32.34	2.03	-	-	32.34	2.03
	12.73	-	-	-	42.07	3.43	0.33	1,048.34	55.13	1,051.77

Closing balances

	KMP		Relatives of KMP		Enterprise over which KMP are able to exercise significant influence		Subsidiaries and Associate		Total	
	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024
Borrowings (Including interest accrued):										
InCred Financial Services Limited	-	-	-	-	15,000.00	10,000.00	-	-	15,000.00	10,000.00
InCred Research Services Private Limited	-	-	-	-	-	6,010.71	-	-	-	6,010.71
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	-	5,479.49	-	5,479.49
	-	-	-	-	15,000.00	16,010.71	-	5,479.49	15,000.00	21,490.20
MLD Borrowings (at face value):										
InCred Financial Services Limited	-	-	-	-	1,373.00	-	-	-	1,373.00	-
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	100.00	-	100.00	-
	-	-	-	-	1,373.00	-	100.00	-	1,473.00	-

InCred Capital Financial Services Limited

CIN: U67120MH1996PLC355036

Notes to standalone financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

Loans given (including interest accrued):

InCred Wealth Private Limited	-	-	-	-	-	22,245.11	-	-	-	22,245.11
InCred Alternative Investments Private Limited	-	-	-	-	-	-	5,138.33	2,088.07	5,138.33	2,088.07
InCred Prime Finance Private Limited	-	-	-	-	-	360.00	-	-	-	360.00
InCred Research Services Private Limited	-	-	-	-	3,507.61	-	-	-	3,507.61	-
InCred Overseas Holdings Private Limited	-	-	-	-	-	-	1,740.63	-	1,740.63	-
InCred Employees Welfare Trust	-	-	-	-	5,500.00	-	-	-	5,500.00	-
	-	-	-	-	9,007.61	22,605.11	6,878.96	2,088.07	15,886.57	24,693.18

Investment in Subsidiaries and Associate:

InCred Asset Management Private Limited	-	-	-	-	-	-	5,088.89	5,049.31	5,088.89	5,049.31
InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	42,915.61	42,811.40	42,915.61	42,811.40
InCred Alternative Investments Private Limited	-	-	-	-	-	-	1,523.54	1,518.50	1,523.54	1,518.50
InCred Global Wealth Pte Limited	-	-	-	-	-	-	71.89	-	71.89	-
Alpha Fintech Private Limited	-	-	-	-	-	-	2,305.34	2,305.34	2,305.34	2,305.34
InCred TechInvest Private Limited	-	-	-	-	-	-	160.80	2,464.63	160.80	2,464.63
inCred Prime Finance Private Limited	-	-	-	-	-	-	6,920.68	-	6,920.68	-
InCred Overseas Holdings Private Limited	-	-	-	-	-	-	23,485.47	9,058.43	23,485.47	9,058.43
	-	-	-	-	-	-	82,472.22	63,207.61	82,472.22	63,207.61

Investment in Market Linked Debentures:

InCred Wealth and Investment Services Private Limited	-	-	-	-	-	-	-	89.00	-	89.00
InCred Financial Services Limited	-	-	-	-	5,880.00	-	-	-	5,880.00	-
	-	-	-	-	5,880.00	-	-	89.00	5,880.00	89.00

Corporate guarantee given on behalf of:

InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	-	17,500.00	13,500.00	-	-	17,500.00	13,500.00
	-	-	-	-	17,500.00	13,500.00	-	-	17,500.00	13,500.00

Note 44 : Ratio Analysis and its elements

Ratio	Numerator	Denominator	Year ended 31st March 2025	Year ended 31st March 2024	% change	Remarks
Current ratio	Current Assets	Current Liabilities	1.70	1.03	64.48%	Increase mainly due to higher current investments & cash and cash equivalents as at 31 March 2025
Debt-Equity Ratio	Borrowings	Shareholders Equity	0.82	0.92	-11.72%	None
Debt Service Coverage ratio	Earnings available for Debt Service	Debt Service	0.18	0.04	361.12%	Increase due to higher earnings available for debt service during the year ended 31 March 2025
Return on Equity ratio	Net Profits after taxes	Shareholder's Equity	0.13%	2.69%	-95.29%	Decrease in Net Profits after Taxes
Inventory Turnover ratio	Cost of goods sold OR sales	Average Inventory	-	-	NA	NA - The company does not hold any inventory.
Trade Receivable Turnover Ratio	Net credit sales	Average Trade Receivable	24.55	10.86	126.05%	Increase due to lower trade receivables as at 31 March 2025
Trade Payable Turnover Ratio	Net credit purchases	Average Trade Payables	7.60	5.39	40.90%	Increase due to increase in other expenses during the year ended 31 March 2025
Net Capital Turnover Ratio	Net sales	Working capital = Current assets – Current liabilities	0.46	9.63	-95.25%	Decrease due to higher working capital as on 31 March 2025
Net Profit ratio	Net Profit	Net Sales	0.01	0.13	-93.97%	Decrease in Net Profit
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.05	0.06	-21.18%	None
Return on Investment	Profit on Sale of Investments	Investments	0.05	0.07	-22.23%	None

Note 45 : Oher Statutory Information

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

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

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

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

(v) The Company does not have borrowings from banks or financial institutions on the basis of security of current assets.

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

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries:

(vii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

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

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

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

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

The Board of Directors of InCred Capital Financial Services Limited, at its meeting held on March 27, 2025, approved a Composite Scheme of Arrangement ("Scheme") under Sections 230 to 232 of the Companies Act, 2013. The Scheme provides for the amalgamation of InCred Wealth Private Limited with the Company, the demerger of the merchant banking and investment advisory business of InCred Capital Wealth Portfolio Managers Private Limited into the Company, and the amalgamation of InCred Research Services Private Limited with InCred Capital Wealth Portfolio Managers Private Limited.

The Scheme has been filed with the Hon'ble National Company Law Tribunal (NCLT) and other regulatory authorities for approval. The Appointed Date of the Scheme is April 1, 2025. The accounting effects of the Scheme shall be given in the financial statements upon it becoming effective in accordance with applicable accounting standards. There is no impact of this event on these standalone financial statements.

(x) The Company has complied with the number of layers prescribed under Companies Act, 2013.

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

(xii) The Company has not revalued any property, plant and equipment or intangible assets or both during the year.

InCred Capital Financial Services Limited

CIN: U67120MH1996PLC355036

Notes to standalone financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

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

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
A. Expenditure in foreign currency		
Legal, professional and consultancy charges	137.08	67.51
Travel Expenses	22.37	-
Advertisement, publicity and sales promotion expenses	2.35	-
Recruitment Charges	-	11.08
Membership and subscription	-	21.25
	161.80	99.84
B. Earnings in foreign currency		
Fees and charges	457.08	20.66
Reimbursement Income	0.22	-
	457.30	20.66

Note 47 : Interest in other entities**Subsidiaries:**

The Company has the following subsidiaries. Following are the details of the shareholding in the subsidiaries:

Name of the Company	Principal business activities	Country of Incorporation	% of ownership interest 31st March 2025
InCred Asset Management Private Limited	Financial services, Investment manager for Category - II AIF "InCred Impact Corporate Debt Fund" & Category - III AIF "India Value Growth Fund" & "Emerging Business Fund"	India	100.00%
InCred Wealth and Investment Services Private Limited	Financial and advisory services	India	100.00%
InCred Alternative Investments Private Limited	Financial services and anillary services	India	100.00%
InCred Overseas Holding Private Limited	Financial and advisory services	Singapore	100.00%
InCred Prime Finance Private Limited	Non-Banking Financial activities	India	100.00%
InCred Capital Inc	Investment Holding Company	USA	100.00%

Associate

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

Name of the Company	Principal business activities	Country of Incorporation	% of ownership interest 31st March 2025
Alpha Fintech Private Limited	Engaged in the business of selling of third party financial products like bonds, sovereign gold bonds, invoice discounting, fixed deposits, private equity, market linked debentures, etc.	India	38.83%

Details of subsidiaries and associate as on 31 March 2024:

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

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

Note 48 : Corporate Social Responsibility

The gross amount required to be spent by the Company during the year ended 31 March 2025 is INR 39.11 lakhs (31st March 2024: INR 21.75 lakhs).

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Amount required to be spent as per section 135 of the Companies Act, 2013:	39.11	21.75
Amount spent during the year		
(i) Construction/ acquisition of any asset	-	-
(ii) On purposes other than (i) above:		
Excess amount spent in earlier years set off	33.27	-
In cash spent during the year	8.40	-
Deposited in specified fund*	-	55.02
Nature of CSR activities	Improvement in education among children, women, and livelihood enhancement projects	
Excess spent during the year	2.56	33.27

* The company has transferred unspent amount to a Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to sub-section (5) of section 135 of the said Act.

Note 49 : Backup of Books of accounts and Audit Trail

a. As per the MCA notification dated August 05, 2022, the Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, back-up of the books of account/other books & papers maintained in electronic mode, including at a place outside India, shall be kept in servers physically located in India on a daily basis. The Company's servers are physically located in India and the data backup for the accounting software is performed on a daily basis, except for the few instances wherein the data back-up was not completed due to the time zone related issue in the backup scheduler. The Company has taken appropriate measures so that such instances are avoided.

b. The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

Note 50 : Other notes to accounts

a. Segment reporting

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

For the financial year ended March 31, 2025, the Company identified one operating segment, "Investment Banking Service," in accordance with Ind AS 108 - Operating Segments.

Consequently, as the Company has only one operating segment, it has elected to not present segment reporting disclosures in its standalone financial statements, availing the exemption provided by Ind AS 108.

b. Previous year figures

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

c. Rounding off

The financial statements presented are in INR lakhs. Due to rounding, certain figures may appear as '0.00' where the underlying amount is greater than zero but less than INR 500.

d. Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W

For and on behalf of the Board of Directors of

InCred Capital Financial Services Limited

Sd/-

Vaibhav Naik

Partner

Membership No.: 138302

Place: Mumbai

Date: 22 July 2025

Sd/-

Bhupinder Singh

Director

DIN - 07342318

Sd/-

Prince Kumar Gupta

Chief Financial Officer

Place: Mumbai

Date: 22 July 2025

Sd/-

Gaurav Maheshwari

Director

DIN - 07639132

Sd/-

Kunal Sharma

Company Secretary

Membership No.: A67452

InCred Capital Financial Services Limited
(formerly "InCred Capital Financial Services Private Limited")

Consolidated financial statements

For the year ended 31 March 2025

INDEPENDENT AUDITOR'S REPORT

To the Members of Incred Capital Financial Services Limited (Formerly known as Incred Capital Financial Services Private Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **Incred Capital Financial Services Limited (Formerly known as Incred Capital Financial Services Private Limited)** (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company, and its subsidiaries together referred to as "the Group") its associate which comprise the Consolidated Balance Sheet as at March 31, 2025, the Consolidated Statement of Profit and Loss including Other Comprehensive loss, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on consolidated financial statements and on the other financial information of subsidiaries and associate, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Rules") and other accounting principles generally accepted in India, of their Consolidated state of affairs of the Group and its associate as at March 31, 2025, and of Consolidated profit (including other comprehensive loss), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and on consideration of audit reports of other auditors referred to in paragraph (a) of the "Other Matters" section below is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the Consolidated Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group including its Associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its associate for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Management and Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

- Conclude on the appropriateness of the management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Financial Statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities or business activities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

Other Matters

1. We did not audit the Financial Statements of two subsidiaries, whose Financial Statements reflect total assets of Rs.31,787.99 Lakhs (before consolidation adjustments) as at March 31, 2025, total revenue of Rs.100.12 Lakhs (before consolidation adjustments) and net cash inflows amounting to Rs.3,589.08 Lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.
2. We did not audit the Financial Statements of two subsidiaries, whose Financial Statements reflect total assets of Rs.5,173.66 Lakhs (before consolidation adjustments) as at March 31, 2025, total revenue of Rs.5,529.78 Lakhs (before consolidation adjustments) and net cash outflows amounting to Rs.474.06 Lakhs for the period during which these entities became subsidiaries, as considered in the Consolidated Financial Statements. The financial statements for these two subsidiaries for the year ended March 31, 2025 have been audited by the respective auditors. Since these entities became subsidiaries of the group during the year, the management of these entities have prepared financial statements for period starting from the date on which these entities became subsidiaries till March 31, 2025. These broken period Financial Statements are unaudited and have been furnished to us by the Management of the subsidiary and our opinion on the Consolidated Financial Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and

our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited Financial Statements.

3. Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements and other financial information of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India and relied upon by us.
4. The Consolidated Financial Statements of the Holding Company for the year ended March 31, 2024, were audited by another auditor whose report dated September 4, 2024 expressed an unmodified opinion on those statements.

Our opinion on the consolidated financial statements is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the Financial Statements of the subsidiaries and associate referred to in the Other Matters section above we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books except that in few instances back-up of the books of account and other books and papers maintained in electronic mode was not completed due to system-related reasons. (Refer Note 49 to the Consolidated Financial Statements).
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
 - d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company and its subsidiary companies, associate company none of the directors of the Group companies are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of internal financial controls with reference to Consolidated Financial Statements of the Group, its associate companies and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
 - 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. There were no pending litigations which would impact the consolidated financial position of the Group and its associate.

- ii. The Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies.
 - iv.
 - (1) The respective Management of the Holding Company, its subsidiaries and associates which are incorporated in India whose Financial Statement have been audited under the Act have represented to us and the other auditors of such subsidiaries and associate respectively that, to the best of its knowledge and belief, as disclosed in Note 47(vi) to the Consolidated Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries and associate to or in any other person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that such parties shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries and associate (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (2) The respective Managements of the Holding Company, its subsidiaries and associate which are companies incorporated in India whose Financial Statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in Note 47(vii) to the Consolidated Financial Statements, no funds have been received by the Holding Company or any of such subsidiaries and associate, from any person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Holding Company or any of such subsidiaries and associate shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (3) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose Financial Statements have been audited under the Act, and according to the information and explanations provided to us by the Management of the Holding company in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.
 - v. The Holding Company has neither declared nor paid any dividend during the year.
 - vi. Based on our examination, which included test checks, the Holding Company, its subsidiary companies and associate company have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior year(s) has been preserved by the Group and its associate as per the statutory requirements for record retention.
2. In our opinion, according to information, explanations given to us, the remuneration paid by the Holding Company, to its directors is within the limits laid prescribed under Section

197 of the Act and the rules thereunder except in case of 5 subsidiaries and 1 associate, as the provisions of the aforesaid section is not applicable to private companies.

3. According to the information and explanations given to us and based on the CARO reports issued by us for the Holding Company and on consideration of CARO reports issued by the statutory auditors of subsidiaries and associate included in the Consolidated Financial Statements of the Group to which reporting under CARO is applicable, we report that there are no Qualifications/adverse remarks.

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration Number: 105047W

Sd/-

Vaibhav Naik

Partner

Membership Number: 138302

UDIN:

Mumbai

September 08, 2025

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF INCRED CAPITAL FINANCIAL SERVICES LIMITED (FORMERLY KNOWN AS INCRED CAPITAL FINANCIAL SERVICES PRIVATE LIMITED)

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of Incred Capital Financial Services Limited (Formerly known as Incred Capital Financial Services Private Limited) on the Consolidated Financial Statements for the year ended March 31, 2025.

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

Opinion

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended March 31, 2025, we have audited the internal financial controls reference to Consolidated Financial Statements of Incred Capital Financial Services Limited (Formerly known as Incred Capital Financial Services Private Limited) (hereinafter referred to as "the Holding Company") which includes the internal financial controls over financial reporting of the Holding Company's and its subsidiary companies (the Holding Company and its subsidiaries together referred to as "the Group") and its associate company, which are companies incorporated in India, as of that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Group and its associate company which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2025, based on the internal financial controls with reference to Consolidated Financial Statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

Management's and Board of Director's Responsibility for Internal Financial Controls

The respective Management and the Board of Directors of the Group and its associate company which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to Consolidated Financial Statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated Financial Statements of the Group and its associate company which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Consolidated Financial Statements of the Group and its associate company which are companies incorporated in India.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

A Company's internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated 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 Consolidated Financial Statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

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

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration Number: 105047W

Sd/-

Vaibhav Naik

Partner

Membership Number: 138302

UDIN:

Mumbai

September 08, 2025

Particulars	Note No.	As at 31 March 2025	As at 31 March 2024
A. ASSETS			
1. Non-current assets			
(a) Property, plant and equipment	3	5,462.81	1,777.95
(b) Capital work in Progress	3A	11.47	38.29
(c) Goodwill		5,380.39	1,046.84
(d) Other intangible assets	4	4,041.14	4,620.48
(e) Intangible assets under development	4A	11.09	17.09
(f) Financial assets			
Non Current Investments	5	43,387.05	19,877.31
Loans	6	15,176.89	3,899.31
Others non-current financial assets	7	1,101.09	911.29
(g) Deferred tax assets (Net)	32.4	5,823.13	5,634.99
(h) Other non current assets	8	155.21	416.62
Total non-current assets		80,550.26	38,240.18
2. Current assets			
(a) Financial assets			
Current Investments	9	48,750.52	15,919.75
Trade receivables	10	4,668.03	2,190.81
Cash and cash equivalents	11	48,896.79	23,068.01
Bank balance other than cash and cash equivalents	12	782.14	7,505.36
Loans	13	25,563.32	51,685.05
Other financial assets	14	1,826.25	984.85
(b) Current tax assets (Net)	15	1,261.99	449.72
(c) Other current assets	16	2,266.95	883.41
Total current assets		1,34,015.99	1,02,686.96
Total Assets		2,14,566.25	1,40,927.14
B. LIABILITIES AND EQUITY			
1. Equity			
(a) Equity share capital	17	1,421.14	1,321.14
(b) Other equity	18	83,853.37	44,715.33
Equity attributable to owners of the parent		85,274.50	46,036.47
Equity attributable to non-controlling interest		46.87	4,246.00
Total Equity		85,321.37	50,282.47
2. Liabilities			
Non Current liabilities			
(a) Financial liabilities			
Non-current borrowings	19	58,238.64	42,545.29
Other financial liabilities	20	4,259.89	580.88
(b) Non-current provisions	21	743.76	364.43
Total non-current liabilities		63,242.29	43,490.60
Current liabilities			
(a) Financial liabilities			
Trade payables	22	-	-
(i) total outstanding dues of micro and small enterprises		2,779.92	2,374.28
(ii) total outstanding dues of creditors other than micro and small enterprises		50,307.24	36,465.31
Borrowings	23	10,440.86	7,715.28
Other current financial liabilities	24	1,652.49	12.03
(b) Current provisions	25	822.08	587.17
(c) Other current liabilities	26	66,002.59	47,154.07
Total current liabilities		66,002.59	47,154.07
Total Liabilities		1,29,244.88	90,644.67
Total Liabilities and Equity		2,14,566.25	1,40,927.14

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

As per our report of even date

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

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

Sd/-
Vaibhav Naik
Partner
Membership No.: 138302

Sd/-
Bhupinder Singh
Director
DIN - 07342318

Sd/-
Gaurav Maheshwari
Director
DIN - 07639132

Place: Mumbai
Date : 8 September 2025

Sd/-
Prince Kumar Gupta
Chief Financial Officer
Place: Mumbai
Date : 8 September 2025

Sd/-
Kunal Sharma
Company Secretary
Membership No.: A67452

Particulars	Note No.	Year ended 31st March 2025	Year ended 31st March 2024
(I) Income			
(i) Revenue From operations	27	50,768.35	33,125.10
(ii) Other income	28	4,922.99	2,250.58
Total revenue from operations (I = i + ii)		55,691.34	35,375.68
(II) Expenses			
(i) Employee benefits expenses	29	30,060.69	19,731.84
(ii) Finance costs	30	9,011.09	7,188.44
(iii) Purchase of Commodity		-	794.77
(iv) Depreciation, amortization and impairment	3 & 4	1,643.51	1,143.98
(v) Others expenses	31	10,375.97	7,185.18
Total expenses (II = i + ii + iii + iv + v)		51,091.26	36,044.21
(III) Profit/ (Loss) before share of profit/(loss) of associate (III = I - II)		4,600.08	(668.53)
(IV) Share of Profit/(Loss) of Associate		387.13	(611.72)
(V) Profit/ (Loss) before exceptional items and tax (V = III - IV)		4,987.21	(1,280.25)
(VI) Exceptional items		-	(566.57)
(VII) Profit/ (Loss) before tax (VII = V - VI)		4,987.21	(1,846.82)
(VIII) Tax Expense:	32		
(i) Current tax		1,533.24	1,054.79
(ii) Deferred tax		4.67	(719.21)
(iii) Pertaining to earlier years		(347.85)	30.17
Total tax expense (VIII = i + ii + iii)		1,190.06	365.75
(IX) Profit/ (Loss) for the year (IX = VII - VIII)		3,797.15	(2,212.57)
(X) Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
(i) Remeasurements of the defined benefit plans		(240.15)	(36.47)
(ii) Income tax relating to items that will not be reclassified to profit or loss		61.98	6.61
(iii) Share of Loss of Associate		(3.02)	0.29
Subtotal (A = i + ii + iii)		(181.19)	(29.57)
(B) Items that will be reclassified to profit or loss			
(i) Net Gain/ (Loss) on instruments through other comprehensive income		-	(5.36)
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Subtotal (B = i + ii)		-	(5.36)
Total other comprehensive income (X = A + B)		(181.19)	(34.93)
(XI) Total comprehensive income for the year (XI = IX + X)		3,615.96	(2,247.50)
Profit for the year attributable to :			
Owners of the parent		3,841.02	(1,976.01)
Non Controlling Interests		(43.87)	(236.56)
		3,797.15	(2,212.57)
Other Comprehensive Income for the year attributable to :			
Owners of the parent		(181.19)	(34.93)
Non Controlling Interests		-	-
		(181.19)	(34.93)
Total Comprehensive Income for the year attributable to :			
Owners of the parent		3,659.83	(2,010.94)
Non Controlling Interests		(43.87)	(236.56)
		3,615.96	(2,247.50)
(XII) Earnings per share (EPS)			
(Face value of INR. 10 each)			
Basic (INR.)	33	29.03	(17.34)
Diluted (INR.)		28.06	(17.34)

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

As per our report of even date

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

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

Sd/-

Vaibhav Naik
Partner
Membership No.: 138302

Place: Mumbai
Date : 8 September 2025

Sd/-

Bhupinder Singh
Director
DIN - 07342318

Sd/-

Prince Kumar Gupta
Chief Financial Officer

Place: Mumbai
Date : 8 September 2025

Sd/-

Gaurav Maheshwari
Director
DIN - 07639132

Sd/-

Kunal Sharma
Company Secretary
Membership No.: A67452

Particulars	Year ended 31 March 2025	Year ended 31 March 2024	
A. Cash flow from operating activities			
Profit/ (Loss) before tax	4,987.21	(1,280.25)	
Adjustments to reconcile profit before tax to net cash flows from operating activities			
- Depreciation and amortisation	1,643.51	1,143.98	
- Profit/(loss) on sale of investments	(31,524.70)	(18,921.70)	
- Interest Income on Loans	(3,443.98)	(1,967.18)	
- Interest Income on Investments	-1,855.31	-	
- Share based payment to employees	1,490.81	2,381.32	
- Rent expense on deferred lease rentals	151.10	18.01	
- Allowance for credit loss	32.27	662.01	
- Loss on change in control in subsidiary	127.07	-	
- Loss on sale of fixed assets	-	0.02	
- Movement in reserves	(3,703.23)	-	
- Interest on unwinding of financial liabilities	223.78	95.12	
- Interest on unwinding of financial assets	(26.75)	(18.61)	
Operating profit/loss before working capital changes	(31,898.22)	(17,887.26)	
Adjustments for (increase) / decrease in operating assets:			
- Trade receivables	(2,509.49)	494.84	
- Other financial assets	(1,004.45)	4,483.39	
- Deferred Tax Assets	(188.14)	-	
- Other non-financial assets	(1,122.13)	(645.88)	
Adjustments for increase / (decrease) in operating liabilities:			
- Trade payables	405.64	1,471.50	
- Other financial liabilities	6,029.71	5,130.48	
- Other non-financial liabilities	234.91	239.13	
- Provisions	2,019.79	157.78	
Cash generated from / (used in) operations	(28,032.38)	(6,556.02)	
Direct taxes (paid) net of refunds	(812.27)	1,758.74	
Net cash flow from (used in) operating activities	(A)	(28,844.65)	(4,797.28)
B. Cash flows from investing activities			
- Purchase of Property, Plant and Equipment (net)	(5,328.37)	(1,045.37)	
- Purchase of Intangible assets (including under development) (net)	(3,748.21)	(5.75)	
- Capital work in progress movement (net)	26.82	(10.18)	
- Purchase of Associate company	-	(1,311.06)	
- Purchase of investments (net)	(24,942.88)	(13,71,767.71)	
- Sale of majority stake in subsidiary	-	-	
- Proceeds from sale of investments	-	13,83,426.20	
- Net Proceeds from Loans	14,844.15	(42,919.07)	
- Interest Income on Investments	1,855.31	-	
- Interest Income on Loans	3,443.98	1,967.18	
- Investment in fixed deposits with maturity of more than 3 months	6,723.22	-7,505.36	
Net cash flow from / (used in) investing activities	(B)	(7,125.98)	(39,171.12)
C. Cash flows from financing activities			
- Borrowings	29,535.28	65,899.87	
- Proceeds from issue of share warrants	6,250.00	-	
- ESOP expense	-2,027.37	-	
- Proceeds from issuance of equity share capital	100.00	-	
- Securities premium (Net of Share issue expenses)	27,941.47	-270.00	
- Others	0.03	(455.66)	
Net cash flow from / (used in) in financing activities	(C)	61,799.41	65,174.21
Net increase / (decrease) in cash and cash equivalents	(A + B + C)	25,828.78	21,205.81
Cash and cash equivalents at the beginning of the year	23,068.01	1,862.22	
Cash and cash equivalents at the end of the year [Refer footnote 1 below]	48,896.79	23,068.01	
Net increase / (decrease) in cash and cash equivalents during the year	25,828.78	21,205.79	

Footnote to Consolidated cash flow statement:

1. Components of cash and cash equivalents:

Balances with banks - on current account & fixed deposits

48,896.79	23,068.01
48,896.79	23,068.01

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

As per our report of even date

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

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

Sd/-

Vaibhav Naik
Partner
Membership No.: 138302

Sd/-

Bhupinder Singh
Director
DIN - 07342318

Sd/-

Gaurav Maheshwari
Director
DIN - 07639132

Place: Mumbai
Date : 8 September 2025

Sd/-

Prince Kumar Gupta
Chief Financial Officer

Sd/-

Kunal Sharma
Company Secretary
Membership No.: A67452

Note 3 : Property, plant and equipment

Particulars	ROU Assets	Furniture and fixtures	Leasehold Improvements	Office equipment	Vehicle	Computer & Printer	Total
Gross carrying amount:							
As at 31 March 2023	1,132.97	122.30	422.51	145.10	354.08	266.45	2,443.41
Additions during the year	588.78	15.63	100.90	12.30	256.90	103.77	1,078.27
Acquisitions during the year	-	-	-	-	-	21.97	21.97
Transfers during the year	-	-	-	-	-	1.87	1.87
Write offs during the year	-	20.55	68.39	46.70	-	23.29	158.93
Disposals during the year	28.87	-	-	-	7.10	-	35.97
As at 31 March 2024	1,692.88	117.38	455.01	110.70	603.88	370.77	3,350.62
Opening Balance of Subsidiaries acquired	660.60	25.43	-	46.80	-	33.61	766.44
Additions during the year	3,964.33	115.87	183.73	113.29	380.60	125.29	4,883.11
Disposals during the year	660.60	-	-	-	-	-	660.60
Opening Balance of Subsidiaries Disposed	111.71	3.54	-	1.30	-	65.34	181.89
Write offs during the year	18.47	23.32	-	6.87	-	-	48.66
As at 31 March 2025	5,527.03	231.82	638.74	262.62	984.48	464.33	8,109.02
Accumulated depreciation:							
As at 31 March 2023	622.82	39.92	217.07	76.23	35.53	159.23	1,150.83
Depreciation charge during the year	297.30	10.70	89.71	19.97	59.93	82.40	560.01
Acquisitions during the year	-	-	-	-	-	21.05	21.05
Transfers during the year	-	-	-	-	-	1.87	1.87
Write offs during the year	-	18.14	68.39	39.11	-	23.11	148.75
Accumulated depreciation on disposals	11.88	-	-	-	0.42	-	12.30
As at 31 March 2024	908.23	32.48	238.39	57.10	95.04	241.45	1,572.71
Opening Balance of Depreciation charge for subsidiaries acquired	446.88	13.18	-	27.36	-	17.21	504.63
Depreciation charge during the year	848.15	33.34	114.47	45.15	104.52	92.15	1,237.78
Write offs during the year	0.72	18.13	-	-	-	-	18.85
Opening Balance of Subsidiaries Disposed	4.10	0.03	-	0.03	-	25.30	29.46
Reversals during the year							
Accumulated depreciation on disposals	615.44	-	-	5.14	-	-	620.58
As at 31 March 2025	1,583.00	60.84	352.86	124.44	199.56	325.51	2,646.21
Net carrying amount:							
As at 31 March 2025	3,944.03	170.98	285.88	138.18	784.92	138.82	5,462.81
As at 31 March 2024	784.65	84.90	216.62	53.60	508.84	129.32	1,777.95

Note 3A : Capital work in Progress

Particulars	Total
As at 31 March 2023	28.11
Additions during the year	177.06
Adquired via merger	-
Capitalized during the year	(166.88)
As at 31 March 2024	38.29
Additions during the year	18.92
Reversed during the year	(26.82)
Capitalized during the year	(18.92)
As at 31 March 2025	11.47

Note 4 : Other intangible assets

Particulars	Software	Technology Development	Brand	Customer Relationships	Website	Goodwill (acquired via merger)	Total
Gross carrying amount:							
As at 31 March 2023	21.43	2,411.50	575.00	2,789.50	2.00	-	5,799.43
Additions during the year	-	-	-	-	0.75	-	0.75
Acquired via merger	-	-	-	-	-	249.57	249.57
As at 31 March 2024	21.43	2,411.50	575.00	2,789.50	2.75	249.57	6,049.75
Additions during the year	-	-	-	-	-	-	-
Disposals during the year	-	-	-	-	-	-	-
As at 31 March 2025	21.43	2,411.50	575.00	2,789.50	2.75	249.57	6,049.75

Accumulated amortisation and impairment:

As at 31 March 2023	16.28	241.15	57.50	278.95	1.86	-	595.73
Amortisation charge during the year	4.54	241.81	57.66	279.71	0.25	-	583.97
Write off	-	-	-	-	-	249.57	249.57
As at 31 March 2024	20.82	482.96	115.16	558.66	2.11	249.57	1,429.27
Amortisation charge during the year	0.62	241.40	58.12	279.20	-	-	579.34
Additions during the year	-	-	-	-	-	-	-
Write off	-	-	-	-	-	-	-
Disposals during the year	-	-	-	-	-	-	-
As at 31 March 2025	21.44	724.36	173.28	837.86	2.11	249.57	2,008.61
Net carrying amount as at 31 March 2025	-0.01	1,687.14	401.72	1,951.64	0.64	-	4,041.14
Net carrying amount as at 31 March 2024	0.61	1,928.54	459.84	2,230.84	0.64	-	4,620.48

Note 4A : Intangible assets under development

Particulars	Total
Gross carrying amount:	
As at 31 March 2023	11.34
Additions during the year	6.00
Capitalised during the year	-0.25
As at 31 March 2024	17.09
Additions during the year	-
Capitalised during the year	-
Reversed during the year	-6.00
As at 31 March 2025	11.09

InCred Capital Financial Services Limited (formerly InCred Capital Financial Services Private Limited)

CIN: U67120MH1996PLC355036

Notes to the consolidated financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

Note 5 : Non Current Investments

Particulars	As at 31 March 2025	As at 31 March 2024
(A) Investments carried at fair value through profit or loss		
In Alternate Investment Fund	17,997.83	10,632.10
In Unlisted Equity Shares	2,487.12	-
In Portfolio Management Services	705.95	502.83
In Non Convertible Debentures & Market Linked Debentures	9,266.57	2,516.08
In Derivative assets	783.50	2,225.32
In Compulsorily Convertible Preference shares	2,331.72	1,544.43
In Partnership firm	1,615.51	-
in Variable Capital Companies	62.07	-
TOPWATER PARTNERS OFFSHORE LTD.	2,139.54	-
(B) Investments carried at cost		
Arrow Capital DIFC Limited	2,866.98	-
In Associate (unquoted)		
Alpha Fintech Private Limited	2,743.13	2,456.56
Add: Profit for the year	387.13	-
Total - Gross (A + B)	43,387.05	19,877.31
Less: Impairment loss allowance		-
Total - Net of impairment loss allowance	43,387.05	19,877.31
(A) Investments in India		
(B) Investments outside India		
Total - Gross (A + B)	43,387.05	19,877.31
Less: Impairment loss allowance		-
Total - Net of impairment loss allowance	43,387.05	19,877.31

Note 6 : Loans

Particulars	As at 31 March 2025 Amortised cost	As at 31 March 2024 Amortised cost
(A) At amortised cost		
(i) Term loans	1,420.44	300.00
(ii) Term loans to related party	13,816.97	3,615.00
Total - Gross	15,237.41	3,915.00
Less: Impairment loss allowance	-60.52	(15.69)

InCred Capital Financial Services Limited (formerly InCred Capital Financial Services Private Limited)

CIN: U67120MH1996PLC355036

Notes to the consolidated financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

Total - Net of impairment loss allowance (A)	15,176.89	3,899.31
---	------------------	-----------------

Note 7 : Others non-current financial assets

Particulars	As at 31 March 2025	As at 31st March 2024
Financial assets carried at amortized cost:		
Rental deposits	358.35	129.15
Other Receivables	0.46	-
Bank deposits with more than 12 months maturity	-	310.14
Advance to broker	690.33	469.74
Receivable from Fund	27.28	-
Other deposits	28.76	6.35
	1,105.18	915.38
Less: Allowance for impairment loss	-4.09	(4.09)
Total	1,101.09	911.29

Note 8 : Other non current assets

Particulars	As at 31 March 2025	As at 31 March 2024
Balance with government authorities	-	329.55
Deferred rent expense	128.18	16.09
Prepaid expenses	27.03	70.98
Total	155.21	416.62

InCred Capital Financial Services Limited (formerly InCred Capital Financial Services Private Limited)

CIN: U67120MH1996PLC355036

Notes to the consolidated financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

Note 9 : Current Investments

Particulars	As at 31 March 2025	As at 31 March 2024
Investments carried at fair value through profit or loss		
In Mutual Funds	8,476.58	1,550.68
In Equity Shares	18,992.43	5,848.08
In Non Convertible Debentures & Market Linked Debentures	18,277.55	4,016.72
In Compulsorily Convertible Preference Shares	3,003.96	4,547.50
In Compulsorily Convertible Debentures	300.00	300.00
In Option assets	-	(43.23)
	49,050.52	16,219.75
Less: Impairment loss allowance	-300.00	(300.00)
Total	48,750.52	15,919.75

Note 10 : Trade receivables

Particulars	As at 31 March 2025	As at 31 March 2024
Secured, considered good	-	-
Unsecured, considered good	4,716.42	2,239.73
Significant increase in credit risk	22.10	-
Credit impaired	-	-
	4,738.52	2,239.73
Less: Allowance for impairment loss	(70.49)	(48.92)
Total	4,668.03	2,190.81

Note 11 : Cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
Balances with banks (of the nature of cash and cash equivalents)	27,820.18	14,963.34
Fixed deposit with bank (original maturity of less than 3 months)	21,076.61	8,104.67
Total	48,896.79	23,068.01

Note 12 : Bank balance other than cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
Fixed deposits with bank (original maturity of more than 3 months)	782.14	7,505.36
	782.14	7,505.36
Less : Expected credit Losses	-	-
Total	782.14	7,505.36

InCred Capital Financial Services Limited (formerly InCred Capital Financial Services Private Limited)

CIN: U67120MH1996PLC355036

Notes to the consolidated financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

Note 13 : Loans

Particulars	As at	As at
	31 March 2025	31 March 2024
	Amortised cost	Amortised cost
At amortised cost		
(i) Term loans	9,336.07	9,338.08
(ii) Term loans to related party	16,331.72	42,555.90
Total - Gross	25,667.79	51,893.98
Less: Impairment loss allowance	-104.47	(208.93)
Total - Net of impairment loss allowance	25,563.32	51,685.05

Note 14 : Other financial assets

Particulars	As at	As at
	31 March 2025	31 March 2024
Carried at amortised cost		
Advance to Broker	176.15	592.78
Rental deposits	-	72.11
Other deposits	87.71	-
Advances to vendor	-	-
Receivables From Fund	368.87	39.76
Receivables From Group Companies	4.63	-
Receivable from Government	45.28	-
Advance receivable for investments	171.31	-
Others	1,103.50	491.40
Total - Gross	1,957.45	1,196.05
Less: Impairment loss allowance	-131.20	(211.20)
Total - Net of impairment loss allowance	1,826.25	984.85

Note 15 : Current tax assets (Net)

Particulars	As at	As at
	31 March 2025	31 March 2024
Income tax refundable (net of provision for income tax)	1,261.99	449.72
Total	1,261.99	449.72

Note 16 : Other current assets

Particulars	As at	As at
	31 March 2025	31 March 2024
Prepaid expenses	285.70	223.12
Balances with government authorities	1,174.54	503.73
Deferred rent expense	-	4.32
Advance to vendor	804.04	93.08
Others	2.67	59.16
Total	2,266.95	883.41

Note 19 : Non-current borrowings

Particulars	As at 31 March 2025	As at 31 March 2024
At amortised cost		
- Market Linked Debentures	58,238.64	42,545.29
- Loan to shareholders	-	-
Total	58,238.64	42,545.29

Note 20 : Other financial liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Lease liabilities	3,229.30	580.88
Security deposit	172.00	-
Others	261.95	-
Derivative liability	596.64	-
Total	4,259.89	580.88

Note 21 : Non-current provisions

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits		
Provision for gratuity	743.76	364.43
Total	743.76	364.43

Note 22 : Trade payables

Particulars	As at 31 March 2025	As at 31 March 2024
Total outstanding dues other than micro enterprises and small enterprises		
- Principal amount due	2,779.92	2,374.28
- Interest amount due	-	-
	2,779.92	2,374.28
Total	2,779.92	2,374.28

Note 23 : Borrowings

Particulars	As at 31 March 2025	As at 31 March 2024
Unsecured At amortised cost		
Related Parties [Refer Note No. 42]	15,003.45	19,844.09
Other Parties	6,482.01	9,979.26
Secured At amortised cost		
Non Convertible Debentures	-	5,141.28
Marked Linked Debentures	18,010.14	-
Bank overdraft	10,811.64	1,500.68
Total	50,307.24	36,465.31

Note 24 : Other current financial liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Employee expenses payable	8,799.55	4,255.27
Lease liability [Refer Note No. 38]	893.12	333.90
Financial Liability on Guarantee	-	30.96
Others	244.74	2,893.99
Payable to Fund	9.66	24.12
Advance received from customers	471.44	177.03
Advance received towards investments	-	-
Payable towards capital reduction	17.41	-
Total	10,435.92	7,715.27

Note 25 : Current provisions

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits		
Provision for gratuity	945.54	12.03
Current Tax Liabilities	706.95	-
Total	1,652.49	12.03

Note 26 : Other current liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Statutory dues payable	815.53	449.04
Others	6.55	138.13
Total	822.08	587.17

InCred Capital Financial Services Limited (formerly InCred Capital Financial Services Private Limited)

CIN: U67120MH1996PLC355036

Notes to the consolidated financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

Note 18 : Other equity

Particulars	As at 31 March 2025	As at 31 March 2024
Securities premium		
Balance as at the beginning of the year	56,012.60	56,702.67
Add: Additions during the year:		
- Premium of shares issued during the year	29,900.00	-
- Premium from acquisition of subsidiary	-	-
- Premium of ESOPs exercised during the year (Transfer from SBP Reserve)	1,793.25	-
Less: Utilized during the year:		
- Transfer to Debenture Redemption Reserve	(3,751.78)	(420.07)
- Amounts utilized towards share issue expenses	-	(270.00)
Balance as at the end of the year	83,954.07	56,012.60
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	(0.54)	-
Less: Utilized during the year	-	-
Balance as at the end of the year	-	0.54
Statutory reserve		
Balance as at the beginning of the year	-	497.14
Add: Addition during the year:	-	-
Less: Utilized during the year	-	(497.14)
Balance as at the end of the year	-	-
Share based payment reserve		
Balance as at the beginning of the year	6,387.63	3,852.98
Add: Addition during the year:	1,257.68	2,538.14
Less: Utilized during the year	(1,794.24)	-3.49
Balance as at the end of the year	5,851.07	6,387.63
Capital reserve on Merger/acquisition of subsidiary	404.30	166.25
Deemed contribution from parent	-	-
Add: Additions during the year	-	-
Less: Utilized during the year	-	-
Closing balance	-	-
Debenture Redemption Reserve		
Balance as at the beginning of the year	2,766.52	-
Add: Addition during the year:	3,751.78	2,766.52
Less: Utilized during the year	-	-
Balance as at the end of the year	6,518.30	2,766.52
Special reserve		
Balance on acquisition of control in subsidiary	0.30	-
Add: Addition during the year:	-	-
Less: Utilized during the year	-	-
Balance as at the end of the year	0.30	-
Impairment reserve		
Balance on acquisition of control in subsidiary	11.45	-
Add: Addition during the year:	-	-
Less: Utilized during the year	-	-
Balance as at the end of the year	11.45	-
Share warrants*		
Issued during the year	6,250.00	-
Balance as at the end of the year	6,250.00	-

InCred Capital Financial Services Limited (formerly InCred Capital Financial Services Private Limited)

CIN: U67120MH1996PLC355036

Notes to the consolidated financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

Surplus / (Deficit) in Statement of Profit & Loss		
Balance as at the beginning of the year	(20,638.76)	(16,001.68)
Add: Opening balance of reserves of subsidiaries acquired during the year	(5,236.53)	-
Add: Profit / (loss) after tax for the year	3,841.02	(1,976.01)
Add: Intercompany Profits	-	(65.90)
Add: Other comprehensive income for the year, net of income tax	(181.19)	(34.93)
Add: Impact of change in control in subsidiaries	(230.76)	-
Add/(Less): Change in Non Controlling Interest	-	(710.94)
Add: Transfer from Statutory reserve fund	-	497.14
Add: Transfer from Capital Reserve on sale of subsidiary	85.86	-
Add: Transfer from SBP Reserve	0.99	-
Add: Transfer from Contingency reserve fund	0.54	-
Add: Transfer from ESOP reserve	303.25	-
Add: On account of capital reduction	2,671.14	-
Amount available for appropriations	(19,384.44)	(18,292.32)
Less: Appropriations		
- Transfer to Debenture Redemption Reserve	-	(2,346.44)
Balance as at the end of the year	(19,384.44)	(20,638.76)
Foreign currency translation reserve	248.32	20.56
Total	83,853.37	44,715.33

Note 27 : Revenue From operations

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Advisory Income	3,088.49	13.26
Management Fees	6,501.71	3,110.12
Distribution fees, commission and related income	4,011.21	3,434.28
Other fees and charges	3,786.93	6,850.39
Gain on sale / MTM on Investments (net)	31,524.70	18,921.70
Interest income received on investments	1,855.31	-
Sale of Commodities	-	795.35
Total	50,768.35	33,125.10
Geographical Markets		
Within India	50,768.35	33,014.51
Outside India	-	110.59
Total	50,768.35	33,125.10
Timing of revenue recognition		
Services transferred at a point in time	50,768.35	33,125.10
Services transferred over time	-	-
Total	50,768.35	33,125.10

Note 28 : Other income

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
On financial assets measured at amortised cost:		
- Interest on loans	3,443.98	1,967.18
- Interest on deposits with banks	173.54	18.79
Unwinding of discount on security deposit	26.75	18.61
Finance income on Guarantee	-	135.27
Miscellaneous income	420.81	89.31
Reimbursement Income	693.35	21.42
Processing fee income on NCDs	25.00	-
Reversal of allowance for impairment losses	119.99	-
Recovery from written off loan	5.02	-
Dividend Income	14.55	-
Total	4,922.99	2,250.58

Note 29 : Employee benefits expenses

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Salaries and wages	27,721.12	16,547.22
Contribution to provident and other funds	521.57	338.12
Share based payments to employees [Refer Note No. 43]	1,490.81	2,538.14
Gratuity [Refer Note No. 36]	200.18	115.02
Leave encashment	5.61	-
Staff welfare expenses	121.40	193.34
Total	30,060.69	19,731.84

Note 30 : Finance costs

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Interest on lease liability [Refer Note No. 38]	223.78	95.12
Interest on Borrowings	8,764.49	6,946.21
Finance Expense on Guarantee	-	140.27
Others	22.82	6.84
Total	9,011.09	7,188.44

InCred Capital Financial Services Limited (formerly InCred Capital Financial Services Private Limited)

CIN: U67120MH1996PLC355036

Notes to the consolidated financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

Note 31 : Others expenses

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Rent	151.10	148.05
Communication cost	37.02	14.34
Commission, brokerage & referral fees	1,936.34	1,639.42
Allowance for impairment	32.27	662.01
Travelling and conveyance	817.99	484.30
Legal, professional and consultancy charges	3,464.28	2,091.18
Membership and subscription	111.50	95.39
Director Sitting Fees	25.44	-
IT expenses	537.90	414.27
Manpower support services	293.48	206.33
Rates and taxes	59.12	20.96
Printing and stationary	31.01	31.40
Payment to auditors	93.20	66.43
Demat and related charges	87.30	7.03
Advertisement, publicity and sales promotion expenses	810.49	348.47
Office expenses	397.20	221.88
Transaction charges for trading	157.04	125.59
Interest on statutory dues	0.33	3.66
Recruitment fees	243.36	351.17
Foreign exchange loss	43.36	3.36
Stamp Duty & Filing fees	119.39	68.13
Loss on sale of fixed assets	5.13	0.02
GST Expense	629.38	47.34
Assets Written off	15.18	12.08
Trusteeship fee charges	-	1.50
Custody fees	28.63	14.62
Donation	-	2.00
Corporate Social Responsibility Expense	8.40	55.42
Repair and maintenance	49.58	-
Miscellaneous expenses	190.55	48.83
Total	10,375.97	7,185.18

InCred Capital Financial Services Limited (formerly InCred Capital Financial Services Private Limited)

CIN: U67120MH1996PLC355036

Notes to the consolidated financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

Note 17 : Equity share capital

Particulars	As at 31st March 2025		As at 31st March 2024	
	Number	Amount	Number	Amount
Authorised share capital [Refer note 'f' below]				
Equity shares of INR 10/- each	3,41,94,000	3,419.40	3,41,94,000	3,419.40
Compulsorily convertible preference shares of INR 10/- each	7,16,000	71.60	7,16,000	71.60
Optionally convertible redeemable preference shares of INR 10/- each	6,00,000	60.00	6,00,000	60.00
	3,55,10,000	3,551.00	3,55,10,000	3,551.00
Issued, subscribed and paid up capital				
Equity Shares of INR. 10/- each fully paid up	1,37,57,390	1,375.74	1,27,57,390	1,275.74
Optionally convertible redeemable preference shares of INR 10/- each fully paid-up	4,53,962	45.40	4,53,962	45.40
Total issued, subscribed and paid-up share capital	1,42,11,352	1,421.14	1,32,11,352	1,321.14

a. Terms and rights attached to Equity shares

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

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

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

Pursuant to Composite Scheme of Arrangement between Clamant Tech Services Private Limited ('Transferor Company'), InCred Wealth Private Limited ('Demerged Company 1'), MAPE Advisory Group Private Limited ('Demerged Company 2'), InCred Wealth and Investment Services Private Limited ('Resulting Company 1') and InCred Capital Financial Services Private Limited ('Company' or 'Transferee Company' or 'Resulting Company 2') and the Order dated April 26, 2022 passed by the NCLT Mumbai sanctioning the Composite Scheme, the Company had allotted 4,53,962 Class A Optionally convertible redeemable preference shares ("OCRPS). Based on the valuation report of registered valuer the value of liability portion arising out of redemption option is immaterial and therefore not accounted for.

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

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

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

Particulars	As at 31st March 2025		As at 31st March 2024	
	Number	Amount	Number	Amount
Equity shares				
At the beginning of the year	1,27,57,390	1,275.74	98,99,804	989.99
Add: Shares issued on conversion of CCPS and OCRPS during the year	-	-	6,32,894	63.29
Add: Shares issued during the year	10,00,000	100.00	22,24,692	222.47
Less: Bought back during the year	-	-	-	-
Outstanding at the end of the year	1,37,57,390	1,375.74	1,27,57,390	1,275.74
Instruments entirely equity in nature				
Optionally convertible redeemable preference shares				
At the beginning of the year	4,53,962	45.40	4,53,962.00	45.40
Add: Shares issued during the year	-	-	-	-
Less: Converted to Equity shares during the year	-	-	-	-
Outstanding at the end of the year	4,53,962	45.40	4,53,962	45.40
Total instruments entirely equity in nature	4,53,962	45.40	4,53,962	45.40

InCred Capital Financial Services Limited (formerly InCred Capital Financial Services Private Limited)
CIN: U67120MH1996PLC355036
Notes to the consolidated financial statements for the year ended 31 March 2025
(All amounts in INR Lakhs, unless otherwise stated)

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

Name of the shareholder	As at 31st March 2025		As at 31st March 2024	
	No. of shares held	% Holding	No. of shares held	% Holding
Equity shares				
Bhupinder Singh1	53,87,515	39.16%	43,90,180	34.41%
MEMG Family office LLP	9,43,704	6.86%	9,43,704	7.40%
Paragon Partners Growth Fund-I	9,07,408	6.60%	9,07,408	7.11%
InCred Wealth Private Limited	1,55,315	1.13%	9,67,840	7.59%
Optionally convertible redeemable preference shares				
Bhupinder Singh	3,28,962	72.46%	-	-
Ramprasad M	-	-	1,95,955	43.17%
Jacob Mathew	1,03,201	22.73%	1,03,201	22.73%
Anu Jacob	21,799	4.80%	92,753	20.43%

1. 1,07,000 equity shares are held by B Singh Holdings, a company wholly owned and controlled by Mr. Bhupinder Singh.

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

d. Equity shares held by promoters of the company

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

Name of the shareholder	As at 31st March 2025			As at 31st March 2024		
	No. of shares held	% of shares held	% Change during the year	No. of shares held	% of shares held	% Change during the year
Bhupinder Singh	53,87,515	39.16%	22.72%	43,90,180	34.41%	3.63%

e. Changes in authorized share capital of the Company

There were no changes in authorized share capital of the company.

A. Equity share capital

Particulars	As at 31 March 2025	As at 31 March 2024
-------------	------------------------	------------------------

Issued, subscribed and fully paid-up

Equity share capital of INR 10 each issued

Balance as at the beginning of the year	1,275.74	1,275.74
Changes in equity share capital during the year	100.00	-
Balance as at the end of the year	1,375.74	1,275.74

B. Preference share capital

Particulars	As at 31st March 2025	As at 31st March 2024
-------------	--------------------------	--------------------------

Optionally convertible preference shares of INR 10 each

Balance as at the beginning of the year	45.40	45.40
Changes during the year	-	-
Balance as at the end of the year	45.40	45.40

Total	45.40	45.40
-------	-------	-------

(This space has been intentionally left blank)

C. Other equity													
Particulars	Reserves and Surplus										Share Warrants	Total Other Equity	Non Controlling Interest
	Contingency reserve	Statutory reserve	Share based payment reserve	Securities premium	Capital Reserve	Retained earnings	Debt redemption Reserve	Special Reserve	Impairment Reserve	Foreign Currency Translation Reserve			
Balance as at 31st March 2023	0.54	497.14	3,852.98	56,702.67	80.39	(16,001.68)	-	-	-	-	-	45,132.04	-
Profit / (loss) for the year	-	-	-	-	-	(1,976.01)	-	-	-	-	-	(1,976.01)	(236.56)
Other comprehensive income for the year	-	-	-	-	-	(34.93)	-	-	-	-	-	(34.93)	-
Total comprehensive income for the year (net of tax)	-	-	-	-	-	(2,010.94)	-	-	-	-	-	(2,010.94)	(236.56)
Capital Reserve on Merger	-	-	-	-	85.86	-	-	-	-	-	-	85.86	-
Non-controlling interest on acquisition of subsidiary	-	-	-	-	-	(710.94)	-	-	-	-	-	(710.94)	4,482.56
Employee stock option expense	-	-	2,534.65	-	-	-	-	-	-	-	-	2,534.65	-
Amounts utilised towards share issue expenses	-	-	-	(270.00)	-	-	-	-	-	-	-	(270.00)	-
Debt redemption Reserve	-	-	-	(420.07)	-	(2,346.44)	2,766.52	-	-	-	-	0.01	-
Foreign Currency translation reserve	-	-	-	-	-	-	-	-	-	20.56	-	20.56	-
Intercompany Profits	-	-	-	-	-	(65.90)	-	-	-	-	-	(65.90)	-
Reserves acquired on amalgamation/merger	-	(497.14)	-	-	-	497.14	-	-	-	-	-	-	-
Balance as at 31st March 2024	0.54	-	6,387.63	56,012.60	166.25	(20,638.76)	2,766.52	-	-	20.56	-	44,715.34	4,246.00
Profit / (loss) for the year	-	-	-	-	-	3,841.02	-	-	-	-	-	3,841.02	-
Other comprehensive income for the year	-	-	-	-	-	(181.19)	-	-	-	-	-	(181.19)	-
Total comprehensive income for the year (net of tax)	-	-	-	-	-	3,659.83	-	-	-	-	-	3,659.83	-
Capital Reserve on Acquisition	-	-	-	-	238.05	-	-	-	-	-	-	238.05	-
Change in Non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	(4,199.13)
Premium on shares issued during the year	-	-	-	29,900.00	-	-	-	-	-	-	-	29,900.00	-
Premium on ESOPs exercised during the year	-	-	-	1,793.25	-	-	-	-	-	-	-	1,793.25	-
Movement in ESOP reserve during the year	-	-	(536.56)	-	-	303.25	-	-	-	-	-	(233.31)	-
Issue of Share Warrants during the year	-	-	-	-	-	-	-	-	-	-	6,250.00	6,250.00	-
Debt redemption Reserve	-	-	-	-	-	-	3,751.78	-	-	-	-	3,751.78	-
Foreign Currency translation reserve	-	-	-	-	-	-	-	-	-	227.76	-	227.76	-
On account of Capital Reduction in InCred Prime	-	-	-	-	-	2,671.14	-	-	-	-	-	2,671.14	-
Movement on account of change in control in subsidiaries	-	-	-	-	-	(5,381.43)	-	-	-	-	-	(5,381.43)	-
Transferred to/from retained earnings	(0.54)	-	-	(3,751.78)	-	1.53	-	0.30	11.45	-	-	(3,739.04)	-
Balance as at 31st March 2025	-	-	5,851.07	83,954.07	404.30	(19,384.44)	6,518.30	0.30	11.45	248.32	6,250.00	83,853.37	46.87

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

As per our report of even date

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

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

Vaibhav Naik
Partner
Membership No.: 138302

Bhupinder Singh
Director
DIN - 07342318

Gaurav Maheshwari
Director
DIN - 07639132

Prince Kumar Gupta
Chief Financial Officer

Kunal Sharma
Company Secretary
Membership No.: A67452

Place: Mumbai
Date : 8 September 2025

Place: Mumbai
Date : 8 September 2025

Note 32 : Current tax

32.1 Amounts recognised in profit and loss

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Current tax expense		
In respect of current year	1,533.24	1,054.79
Pertaining to earlier years	(347.85)	30.17
	<u>1,185.39</u>	<u>1,084.96</u>
Deferred tax expense / (income)	<u>4.67</u>	<u>(719.21)</u>
Tax expense for the year	<u>1,190.06</u>	<u>365.75</u>

32.2 Amounts recognised in other comprehensive income

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Income tax related to items recognised in Other Comprehensive Income during the year		
Items that will not be reclassified to profit or loss (A)	(240.15)	(36.47)
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)	<u>(60.44)</u>	<u>(9.18)</u>

32.3 Reconciliation of effective tax rate

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Profit before tax as per Statement of profit and loss (A)	<u>4,600.08</u>	<u>(1,846.82)</u>
Statutory tax rate (B)	<u>25.17%</u>	<u>25.17%</u>
Tax using the Company's domestic tax rate (C = A * B)	<u>1,157.75</u>	<u>(464.81)</u>
Tax effect of:		
Tax effect of amounts which are not deductible in calculating taxable income	-1.74	275.90
Effect of income exempt from income tax	52.05	-
Tax effect on MLD for previous year	-	42.97
Tax impact on Brought forward losses	81.17	249.71
Deferred tax on provision for expenses for previous year	-47.06	(20.69)
Deferred tax on Fair Value of Investment of previous years	34.44	-
Deferred tax on interest on MLD & MTM on Borrowings for previous year	-0.00	-
Difference in tax effect of previous year depreciation	-0.23	-
Difference in tax effect of retirement benefits transferred to other entity	-3.37	-
Tax effect on amounts for which deferred tax is not created	-	263.61
Loss of Mape on which deferred tax was not created in earlier years	-	-
Bonus of Mape and Clamant disallowed in computation of last year, claimed allowance in ICFSPL	-44.04	-
Change of rate on the deferred tax created by Mape in earlier years	-	-
Tax effect on Fair Value of Investments	1,318.05	-
Others	-1,356.96	19.06
Effective tax expense	<u>1,190.06</u>	<u>365.75</u>

32.4 Deferred tax

Particulars	As at 31st March 2024	Acquired via Merger	Recognised in profit or loss	Recognised in OCI	As at 31st March 2025
Deferred tax assets:					
Brought forward losses	4,601.76	-	(1,658.67)	-	2,943.09
Employee benefit expenses	91.48	-	(46.52)	0.79	45.75
EIR impact on financial instruments	-	-	-	-	-
Preliminary expenses	-	-	-	-	-
Impairment loss on Loans	189.28	-	(124.85)	-	64.43
Impairment loss on financial assets	-	-	-	-	103.07
Restructuring related expenses	8.76	-	(4.53)	-	4.23
Provision for Bonus	-	-	44.04	-	44.04
Provision for impairment loss on financial instruments	0.01	-	-	-	0.01
Provision for retirement benefit plans	1.29	-	95.86	60.86	158.01
Provision for Expenses	-	-	-	-	451.02
Accumulated business loss and unabsorbed depreciation	129.52	-	(52.38)	0.33	77.47
Leases	32.52	-	11.82	-	44.34
Interest on MLDs	1,024.86	-	1,760.36	-	2,785.22
Temporary disallowance	897.27	-	(399.97)	-	497.30
Difference between written down value of fixed assets as per the books of accounts and income tax	52.97	-	11.39	-	64.36
Total Deferred tax assets (A)	7,029.72	-	(363.45)	61.98	7,282.34
Deferred tax liabilities:					
Difference between written down value of fixed assets as per the books of accounts and income tax	-	-	393.83	-	393.83
Fair value of investments measured at FVTPL	-	-	1,065.39	-	1,065.39
EIR impact on financial instruments	-	-	-	-	-
Total Deferred tax liabilities (B)	-	-	1,459.22	-	1,459.22
Net Deferred tax assets (A-B)	7,029.72	-	(1,822.67)	61.98	5,823.13

Particulars	As at 31st March 2023	Acquired via Merger	Recognised in profit or loss	Recognised in OCI	As at 31st March 2024
Deferred tax assets:					
Brought forward losses	4,928.11	-	(326.35)	-	4,601.76
Employee benefit expenses	54.95	-	29.92	6.61	91.48
EIR impact on financial instruments	1.75	-	(1.75)	-	-
Preliminary expenses	0.02	-	(0.02)	-	-
Impairment loss on Loans	18.99	-	170.29	-	189.28
Restructuring related expenses	17.81	-	(9.05)	-	8.76
Provision for Bonus	-	-	-	-	-
Leases	49.08	-	(16.56)	-	32.52
Interest on MLDs	-	-	1,024.86	-	1,024.86
Temporary disallowance	68.16	-	829.11	-	897.27
Difference between written down value of fixed assets as per the books of accounts and income tax	30.60	-	22.37	-	52.97
Total Deferred tax assets (A)	5,169.47	-	1,722.82	6.61	6,898.90
Deferred tax liabilities:					
Difference between written down value of fixed assets as per the books of accounts and income tax	202.09	-	134.17	-	336.26
Fair value of investments measured at FVTPL	85.86	-	841.79	-	927.65
EIR impact on financial instruments	(27.68)	-	27.68	-	-
Total Deferred tax liabilities (B)	260.27	-	1,003.64	-	1,263.91
Net Deferred tax assets (A-B)	4,909.20	-	719.18	6.61	5,634.99

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

Particulars	As at 31st March 2022	Acquired via Merger	Recognised in profit or loss	Recognised in OCI	As at 31st March 2023
Deferred tax assets:					
Brought forward losses	480.26	1,627.64	2,820.21	-	4,928.11
Employee benefit expenses	4.49	25.18	15.69	9.59	54.95
EIR impact on financial instruments	-	-	1.75	-	1.75
Preliminary expenses	-	-	0.02	-	0.02
Impairment loss on Loans	25.78	-	(6.79)	-	18.99
Restructuring related expenses	13.03	0.08	4.70	-	17.81
Leases	35.91	18.53	(5.36)	-	49.08
Temporary disallowance	-	394.97	(326.81)	-	68.16
Difference between written down value of fixed assets as per the books of accounts and income tax	13.64	16.96	(0.00)	-	30.60
Total Deferred tax assets (A)	573.11	2,083.36	2,503.41	9.59	5,169.47
Deferred tax liabilities:					
Difference between written down value of fixed assets as per the books of accounts and income tax	0.27	(2.68)	204.50	-	202.09
Fair value of investments measured at FVTPL	(34.84)	46.99	73.71	-	85.86
EIR impact on financial instruments	-	(17.84)	(9.84)	-	(27.68)
Total Deferred tax liabilities (B)	(34.57)	26.47	268.37	-	260.27
Net Deferred tax assets (A-B)	607.68	2,056.89	2,235.04	9.59	4,909.20

Note 1 : General information

1.1. Corporate information

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

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

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

During the financial year ended March 31, 2025, the Company underwent a change in its legal status from a private company to a public limited company under the Companies Act, 2013.

The conversion was effected pursuant to a special resolution passed by the shareholders on September 05, 2024 and was subsequently approved by the Registrar of Companies and a certificate of incorporation pursuant to conversion was issued on November 28, 2024. Following this approval, the Company's name was changed from "InCred Capital Financial Services (Private) Limited" to "InCred Capital Financial Services Limited".

This conversion entails certain changes in the Company's corporate governance and reporting requirements as per the applicable provisions of the Companies Act, 2013 and other relevant statutes.

1.2. Basis of preparation

A. Compliance with Ind AS

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

These consolidated financial statements are approved for issue by the Board of Directors on 8 September 2025.

B. Functional and presentation currency

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

C. Basis of measurement

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

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

D. Use of estimates and judgements

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

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

Material judgements

Recognition and measurement of defined benefit obligations

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

Recognition of deferred tax assets/liabilities

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

Recognition and measurement of provisions and contingencies

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

Discounting of long-term financial assets/liabilities

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

Impairment of financial assets

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

Leases

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

E. Presentation of consolidated financial statements

The Group prepares its financial statements in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, ("Ind AS Compliant Schedule III"), as applicable to the consolidated financial statements.

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

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

Assets:

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

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

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

Liabilities:

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

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

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

All other liabilities are classified as non-current.

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

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

G. Basis of Consolidation

Subsidiaries

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

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

As on the reporting date of these financial statements, following are the subsidiaries that have been considered in preparation of the consolidated financial statements:

Name of the Entity	Country of Incorporation	% Ownership	Consolidated as
InCred Asset Management Private Limited	India	100%	Subsidiary
InCred Wealth and Investment Services Private Limited	India	100%	Subsidiary
InCred Alternative Investment Private Limited*	India	100%	Subsidiary
InCred Overseas Holding Private Limited	Singapore	100%	Subsidiary
InCred Global Wealth Pte Limited	Singapore	90%	Subsidiary
InCred Global Wealth Limited	Dubai	100%	Subsidiary
InCred Prime Finance Private Limited*	India	100%	Subsidiary
InCred Capital Inc	USA	100%	Subsidiary

*The Company acquired control in InCred Prime Finance Private Limited from 3rd September 2024. Accordingly, financial information for the period from 3 September 2024 to 31 March 2025 has been consolidated in these consolidated financial statements.

Associate:

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

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

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

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

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

Name of the Entity	Country of Incorporation	% Ownership	Consolidated as
Alpha Fintech Private Limited	India	42.99%	Associate

Note 2 : Material accounting policies

2.1. Measurement of fair values

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

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

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

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

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

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

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

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

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

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

2.2. Financial instruments

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

A. Recognition and initial measurement

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

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

B. Classification of financial assets:

Financial assets:

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

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

Financial assets measured at amortised cost:

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

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

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

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

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

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

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

C. Subsequent recognition of financial assets:

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

Financial assets at amortised cost:

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

Financial assets at FVTPL:

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

Debt investments at FVOCI:

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

Equity investments designated at FVOCI:

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

D. Classification of financial liabilities:

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

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

E. Subsequent recognition of financial liabilities:

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

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

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

F. Derecognition of financial assets and financial liabilities

Financial assets:

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

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

Financial liabilities:

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

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

G. Offsetting of financial instruments

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

H. Reclassification of financial assets and financial liabilities

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

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

Further reclassification is not allowed in following cases:

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

I. Derivatives recorded at fair value through profit and loss

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

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

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

- It is settled at a future date.

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

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

J. Embedded Derivatives

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

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

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

2.3. Impairment

A. Impairment of financial assets

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

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

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

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

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

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

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

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

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

Key elements considered for ECL calculation are as under:

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

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

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

B. Impairment of non-financial assets

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

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

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

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

2.4. Cash and cash equivalents

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

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

2.5. Investments

Investment in Mutual Fund

The group uses Net Asset Value (NAV) as at year-end to fair value investments in mutual funds.

Investment in AIF

The company uses Net Asset Value (NAV) as at year-end to fair value investments in AIF.

Investment in Equity Shares

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

Investment in Debentures and Bonds

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

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

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

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

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

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

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

B. Subsequent expenditure

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

C. Derecognition

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

D. Depreciation

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

The useful life as per Schedule II are as follows:

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

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

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

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

2.7. Intangible assets

A. Recognition and measurement

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

B. Subsequent expenditure

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

C. Amortization

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

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

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

2.8. Income tax

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

A. Current tax

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

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

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

B. Deferred tax

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

Deferred tax is not recognised for:

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

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

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

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

Deferred tax assets and liabilities are offset only if:

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

2.9. Borrowing costs

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

2.10. Share capital

Ordinary shares

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

2.11. Leases

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

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

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

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

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

2.12. Revenue from operations

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

The group recognised revenue primarily from various activities as follows:

(i) **Distribution fees, commission and related income** : Distribution commission income is recognised when right to receive is established as per the terms of the contract, based on the confirmations received from the third party vendors. Commission and related income comprises of income in the nature of commission, arranger and facilitation fee income which is recognized when right to receive the income is established as per the terms of the contract.

(ii) **Management fees** :

a. Management fees from Alternative Investment Funds (AIF) schemes are recognised on an accrual basis in accordance with the investment management agreement and provisions and regulations of SEBI (Alternative Investment Funds) Regulations, 2012. The Company receives investment management fees from the AIF which is charged as a percent of the Assets Under Management (AUM) and is recognised on accrual basis.

b. Management fees from Portfolio Management schemes are recognised on an accrual basis. The Company receives portfolio management fees which is charged as a percent of the Assets Under Management (AUM) and is recognised on accrual basis. The Company also receives Performance Fees which is recognised based on the terms agreed with the customer.

(iii) **Fee Income** : Fee income is recognized when right to receive the income is established as per the terms of the contract.

(iv) Income related to advisory services is accounted on accrual basis

(v) Other operational revenue represents income earned from the activities incidental to the business and is recognized when the right to receive the income is established as per the terms of the contract

2.13. Earning per share

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

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

2.14. Provisions, contingent liabilities and contingent assets

A. Provisions

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

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

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

B. Onerous contracts

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

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

2.15. Foreign currencies

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

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

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

2.16. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers. The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Group. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Income / Costs which relate to the Group as a whole and are not allocable to segments on a reasonable basis, have been included under Unallocated Income / Costs.

2.17. Events after the reporting period

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

A. Adjusting events

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

B. Non-adjusting events

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

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

2.18. Related party disclosure

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

The group has disclosed names of related parties with relationship and transaction between group and its related parties in the Notes to consolidated financial statements

2.19. Employee benefits

A. Short-term employee benefits

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

B. Compensated absences

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

C. Post-employment benefits

Defined contribution plans

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

Defined benefit plans - Gratuity

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

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

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

2.20. Share-based payment arrangements

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the Consolidated Statement of Profit and Loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

2.21 Business Combinations

Business Combinations (not involving entities under common control) are accounted for using the acquisition method. At the acquisition date, identifiable asset acquired and liabilities assumed are measured at fair value. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. The consideration transferred is measured at fair value at acquisition date and includes the fair value of any contingent consideration. However, deferred tax asset or liability and any liability or asset relating to employee benefit arrangements arising from business combination are measured and recognised in accordance with the requirements of Ind AS 12, Income Taxes and Ind AS 19, Employee Benefits, respectively.

Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired and liabilities assumed, the difference is accumulated in equity as capital reserve. The cost of acquisition excluding those relating to issue of equity or debt securities are charged to the Statement of Profit and Loss in the period in which they are incurred.

Business combinations of entities under common control are accounted using the "pooling of interests" method and assets and liabilities are reflected at the predecessor carrying values and the only adjustments that are made are to harmonise accounting policies. The figures for the previous periods are restated as if the business combination had occurred at the beginning of the preceding period irrespective of the actual date of the combination.

2.22 Statement of Cash flows

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

2.23 Exceptional items

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

Note 33 : Earning per share (EPS)

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

i. Profit attributable to ordinary shareholders:

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Profit attributable to equity holders of the Company used in calculating basic & dilutive earnings per share	3,797.15	(2,212.57)

ii. Weighted average number of ordinary shares

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	1,30,77,938	1,27,57,390
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share*	1,35,31,900	1,20,89,694

Basic earnings per share	29.03	(17.34)
Diluted earnings per share	28.06	(17.34)

Note 34 : Contingent liabilities and commitments

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for		
- Investment commitments	5,237.50	5,372.50
- Loan commitments	59,658.86	2,920.00
- Fixed asset commitment	-	21.46
Contingent liabilities		
- Corporate Guarantee for Group Company*	17,500.00	13,500.00

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

Note 35 : Details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Based on the information available with the management, as at 31 March 2024, no dues were outstanding to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Further, the Company has not received any claim for interest from any supplier under the said Act till 31 March 2024.

Note 36 : Employee benefits**36.1 Defined contribution plan**

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

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Provident fund	521.57	338.12

36.2 Defined benefit Plan - Gratuity

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

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

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Change in benefit obligations		
Present value of benefit obligation at the beginning of the year	376.44	218.66
Present value of benefit obligation at the beginning of the year of subsidiary acquired during the year	21.06	
Interest cost	28.24	15.95
Current service cost	171.96	97.07
Past Service Cost - Incurred During the Period	-	2.01
Liability Transferred In/ Acquisitions	11.22	16.97
(Liability Transferred Out/ Divestments)	-22.65	-9.00
Benefit paid directly by the employer	-16.26	(1.69)
Actuarial (Gains) / Losses on Obligations - Due to Change in Demographic Assumptions	70.93	3.56
Actuarial (Gains) / Losses on Obligations - Due to Change in Financial Assumptions	22.62	(11.16)
Actuarial (Gains) / Losses on Obligations - Due to Experience	146.80	44.07
Reversal of Opening Balance of Subsidiary disposed during the year	-3.47	
Closing Liability of Overseas Entities	882.62	

Amount recognized in the consolidated balance sheet:

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Present value of benefit obligation	1,689.51	376.44
Fair value of plan assets at the end of the year		-
Funded Status (Deficit)	1,689.51	376.44
Net (Liability) Recognized in the Balance Sheet	1,689.51	376.44

Expenses recognized in the consolidated statement of profit and loss

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Current service cost	171.96	97.07
Net Interest cost	28.24	15.95
Past Service Cost	-	2.01
Expenses recognised	200.20	115.03

Expenses recognized in the Other comprehensive income (OCI)

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Actuarial (Gains) on obligation for the year	240.35	36.47
Return on Plan Assets, Excluding Interest Income	-	-
Net (Income) for the year recognized in OCI	240.35	36.47

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

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Discount Rate	6.54% to 6.73%	7.29% to 7.31%
Salary escalation rate	9% to 10%	8% to 12%
Expected Rate of return on Plan Assets	NA	NA
Rate of Employee Turnover	11% to 35%	20% to 25%
Mortality Rate during employment	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

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

Consolidated balance sheet reconciliation:

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Opening net liability	377.37	208.13
Expenses recognized in Statement of Profit and Loss	200.20	115.03
Expenses recognized in OCI	240.35	36.47
Net (Asset) Transfer In	11.22	20.53
Net (Liability)/Asset Transfer Out	-22.65	-1.11
(Benefit Paid Directly by the Employer)	-16.26	(1.69)
(Employer's Contribution)	-	-
Net liability recognized in the consolidated balance sheet	790.23	377.37

Other details:

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Active Members (Absolute number)	399.00	311.00
Per Month Salary For Active Members	578.39	441.48
Weighted Average Duration of the Projected Benefit Obligation	24.00	42.00
Average Expected Future Service	23.00	34.00
Projected Benefit Obligation (PBO)	806.90	376.45
Prescribed Contribution For Next Year (12 Months)	-	-

Maturity analysis of the benefit payments: From the employer

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Projected benefits payable in future years from the date of reporting		
1st following year	62.93	-1.25
2nd following year	81.92	21.93
3rd following year	116.24	24.27
4th following year	96.08	8.90
5th following year	92.27	16.00
Sum of years 6 To 10	375.22	69.37
Sum of years 11 and above	432.44	75.11

Sensitivity analysis:

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Projected benefit obligation on current assumptions	806.89	376.46
Delta effect of +1% change in rate of discounting	-42.95	(16.72)
Delta effect of -1% change in rate of discounting	47.60	18.07
Delta effect of +1% change in rate of salary increase	52.88	15.18
Delta effect of -1% change in rate of salary increase	-48.50	(14.76)
Delta effect of +1% change in rate of employee turnover	-16.19	(8.40)
Delta effect of -1% change in rate of employee turnover	17.15	8.63

Risk analysis:

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

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

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

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

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

Note 37 : Leases**Accounting policy: The Company as a Lessee**

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

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

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

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

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

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

ROU Assets

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

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

The changes in the carrying value of the ROU asset for the year ended 31st March 2024 and 31st March 2023 are as follows:

Particulars	As at 31st March 2025	As at 31st March 2024
Balance at the beginning of the year	784.64	510.15
Opening Balance of Subsidiary acquired during the year	660.60	-
Addition during the year	3,964.33	588.78
Acquired via merger	-	-
Deletion during the period	-679.79	-16.99
Opening Balance of Depreciation of Subsidiary acquired during the year	-446.88	-
Depreciation for the year	-232.71	(297.30)
Deletion of Opening Balance of Subsidiary disposed off	(106.17)	-
Balance as at the end of the year	3,944.02	784.64

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

Lease liability

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

The changes in the carrying value of the lease liability for the year ended 31st March 2025 and 31st March 2024 are as follows:

Particulars	As at 31st March 2025	As at 31st March 2024
Balance as at the beginning of the year	914.77	705.14
Addition of subsidiary acquired during the year	606.45	-
Addition during the year on account of Merger	-	-
Addition during the year	3,174.37	587.98
Finance cost accrued during the year	205.58	95.12
Prior period Adjustments	-	-
Deletions	-12.51	(17.81)
Deletion of Subsidiary disposed off	-108.56	-
Payment of lease liabilities made during the year	-657.67	(455.66)
Balance as at the end of the year	4,122.43	914.77

The break-up of current and non-current lease liabilities as at 31st March 2025 and 31st March 2024 is as follows:

Particulars	As at 31st March 2025	As at 31st March 2024
Current lease liabilities	893.12	333.90
Non-current lease liabilities	3,229.30	580.88
Total	4,122.42	914.78

The table below provides details regarding the contractual maturities of lease liabilities as at 31st March 2025 and 31st March 2024 on an undiscounted basis:

Particulars	As at 31st March 2025	As at 31st March 2024
Less than one year	952.42	407.10

Notes to the consolidated financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

Between one and five years	3,429.43	675.65
More than five years	68.89	19.44
Total	4,450.74	1,102.19

Expenses recognized in the consolidated statement of profit & loss:

Particulars	As at	As at
	31st March 2025	31st March 2024
Depreciation expense on RoU Asset	533.42	297.30
Interest expense on lease liability	205.58	95.12
Expense relating to short-term leases and low value leases	224.22	148.05
Total	963.22	540.47

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 151.12 lakhs for the year ended 31st March 2025 and INR 148.05 lakhs for the year ended 31st March 2024.

Note 42 : Related party disclosures

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

a. List of Related parties where control exists and/or with whom transactions have taken place and relationships:

Nature of Relationship	Name of the party
Key managerial personnel ('KMP')	Bhupinder Singh, Director Venkatesh Vishwanathan, Director Saurabh Jhalaria , Director (till 27th March 2025) Vivek Bansal, Director (till 4 September 2024) Siddharth Parekh, Director Vikram Agarwal, Director (from 4 December 2024) Prince Kumar Gupta, Chief Financial Officer (from 4 December 2024) Kunal Sharma, Company Secretary (from 1 October 2024) Varun Shah, Company Secretary (upto 24th April 2023) Mitesh Kamariya, Company Secretary (w.e.f 25th April 2023 till 17 January 2024) Abhijeet Shinde, Company Secretary (w.e.f 17 January 2024 to 24th July 2024) Ambika Bisla, Independent Director (w.e.f. 4 December 2024) Shivani Rawat, Independent Director (w.e.f. 4 December 2024) Gaurav Maheshwari, Non-Executive Director (w.e.f. 27 March, 2025)
Enterprise over which KMP is able to exercise significant influence	InCred Management and Technology Services Private Limited InCred Financial Services Limited InCred Wealth Private Limited InCred Research Services Private Limited InCred Capital Wealth Portfolio Managers Private Limited InCred Employees Welfare Trust InCred Holdings Limited InCred Global Insights Partners Private Limited elnCred Systems (India) Private Limited Mountain Trail Foods Private Limited InCred TechInvest Private Limited (formerly Booth Fintech Private Limited) (subsidiary w.e.f 11th July 2023 till 30th May 2024) InCred Prime Finance Private Limited (formerly InCred Prime Finance Limited) (Subsidiary w.e.f. 2nd September 2024) InCred Premier Distribution Private Limited (formerly mValu Technology Services Private Limited) (step-down subsidiary w.e.f 11th July 2023 till 30th May 2024) InCred Value Plus Private Limited (step-down subsidiary till 30th May 2024)
Associate	Alpha Fintech Private Limited
Subsidiary/Step-down subsidiary of Associate	Oro Financial Consultants Private Limited ETA Fintech Private Limited (incorporated on 1st March 2025)

b. Transactions during the year with related parties

Transactions	KMP and Relatives of KMP		Enterprise over which KMP are able to exercise significant influence		Associate Company		Total	
	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024
Remuneration paid to KMPs*	177.67	318.40	-	-	-	-	177.67	318.40
	177.67	318.40	-	-	-	-	177.67	318.40

*As the liabilities for gratuity and share based payments are provided on actuarial basis

InCred Capital Financial Services Limited (formerly InCred Capital Financial Services Private Limited)

CIN: U67120MH1996PLC355036

Notes to the consolidated financial statements for the year ended 31st March 2025

(All amounts in INR Lakhs, unless otherwise stated)

Transactions	KMP and Relatives of KMP		Enterprise over which KMP are able to exercise significant influence		Associate Company		Total	
	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024
Loan & advances given:								
InCred Wealth Private Limited	-	-	19,325.00	55,700.00	-	-	19,325.00	55,700.00
InCred Prime Finance Limited (formerly known as InCred Financial Services Limited)	-	-	-	360.00	-	-	-	360.00
InCred Financial Services Limited	-	-	15,000.00	4,000.00	-	-	15,000.00	4,000.00
InCred Research Services Private Limited	-	-	6,300.00	3,943.49	-	-	6,300.00	3,943.49
InCred Employee Welfare Trust*	-	-	5,500.00	-	-	-	5,500.00	-
Alpha Fintech Private Limited	-	-	-	-	4,040.00	15,514.71	4,040.00	15,514.71
InCred Premier Distribution Private Limited	-	-	3,400.00	-	-	-	3,400.00	-
InCred Capital Wealth Portfolio Managers Private Limited	-	-	18,889.00	47,382.39	-	-	18,889.00	47,382.39
	-	-	68,414.00	1,11,385.88	4,040.00	15,514.71	72,454.00	1,26,900.59
Loans & advances repayment received:								
InCred Wealth Private Limited	-	-	41,612.40	26,747.98	-	-	41,612.40	26,747.98
InCred Research Services Private Limited	-	-	2,800.00	1,004.68	-	-	2,800.00	1,004.68
InCred Financial Services Limited	-	-	15,000.00	4,000.00	-	-	15,000.00	4,000.00
Alpha Fintech Private Limited	-	-	-	-	4,050.00	-	4,050.00	-
InCred Premier Distribution Private Limited	-	-	3,400.00	-	-	-	3,400.00	-
InCred Capital Wealth Portfolio Managers Private Limited	-	-	19,921.38	49,150.00	-	-	19,921.38	49,150.00
	-	-	82,733.78	80,902.66	4,050.00	-	86,783.78	80,902.66
MLD Borrowings (Issuance):								
InCred Value Plus Private Limited	-	-	300.00	-	-	-	300.00	-
InCred Financial Services Limited	-	-	493.00	-	-	-	493.00	-
	-	-	793.00	-	-	-	793.00	-
MLD Borrowings (Redemption):								
InCred Financial Services Limited	-	-	392.25	-	-	-	392.25	-
	-	-	392.25	-	-	-	392.25	-
Borrowings taken :								
InCred Research Services Private Limited	-	-	10,585.43	6,000.00	-	-	10,585.43	6,000.00
InCred Financial Services Limited	-	-	35,000.00	15,065.00	-	-	35,000.00	15,065.00
Alpha Fintech Private Limited	-	-	-	-	-	61.00	-	61.00
	-	-	45,585.43	21,065.00	-	61.00	45,585.43	21,126.00
Borrowings repaid :								
InCred Research Services Private Limited	-	-	16,585.43	-	-	-	16,585.43	-
InCred Financial Services Limited	-	-	30,000.00	15.00	-	-	30,000.00	15.00
	-	-	46,585.43	15.00	-	-	46,585.43	15.00
Investment in Associate:								
Alpha Fintech Private Limited	-	-	-	-	-	1,085.18	-	1,085.18
	-	-	-	-	-	1,085.18	-	1,085.18
Purchase of MLD (investment):								
InCred Financial Services Limited	-	-	5,880.00	-	-	-	5,880.00	-
	-	-	5,880.00	-	-	-	5,880.00	-
Sale of MLD investment:								
InCred Premier Distribution Private Limited	-	-	146.90	-	-	-	146.90	-
InCred Value Plus Private Limited	-	-	107.03	-	-	-	107.03	-
Alpha Fintech Private Limited	-	-	-	-	438.26	-	438.26	-
	-	-	253.93	-	438.26	-	692.19	-
Subscription of eInCred CCPS								
eInCred Systems (India) Private Limited	-	-	1,679.40	-	-	-	1,679.40	-
	-	-	1,679.40	-	-	-	1,679.40	-
Issuance of Equity shares:								
InCred Wealth Private Limited	-	-	17,806.29	-	-	-	17,806.29	-
	-	-	17,806.29	-	-	-	17,806.29	-
Issuance of share warrants:								
Bhupinder Singh	6,250.00	-	-	-	-	-	6,250.00	-
	6,250.00	-	-	-	-	-	6,250.00	-
Sale of CCPS of Associate:								
InCred TechInvest Private Limited	-	-	-	-	-	1,047.13	-	1,047.13
	-	-	-	-	-	1,047.13	-	1,047.13
Interest paid on Borrowings:								
InCred Financial Services Limited	-	-	805.48	-	-	-	805.48	-

InCred Capital Financial Services Limited (formerly InCred Capital Financial Services Private Limited)

CIN: U67120MH1996PLC355036

Notes to the consolidated financial statements for the year ended 31st March 2025

(All amounts in INR Lakhs, unless otherwise stated)

InCred Wealth Private Limited	-	-	-	199.99	-	-	-	199.99
InCred Research Services Private Limited	-	-	178.53	11.90	-	-	178.53	11.90
	-	-	984.01	211.89	-	-	984.01	211.89
Employee Stock Expense:								
InCred Research Services Private Limited	-	-	-	2.75	-	-	-	2.75
	-	-	-	2.75	-	-	-	2.75

InCred Capital Financial Services Limited (formerly InCred Capital Financial Services Private Limited)
CIN: U67120MH1996PLC355036
Notes to the consolidated financial statements for the year ended 31st March 2025
(All amounts in INR Lakhs, unless otherwise stated)

Transactions	KMP and Relatives of KMP		Enterprise over which		Associate Company		Total	
	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024
Purchase of Equity Shares of Subsidiary Booth Fintech Private Limited:								
InCred Financial Services Limited	-	-	-	1,736.49	-	-	-	1,736.49
	-	-	-	1,736.49	-	-	-	1,736.49
Sale of CCPS:								
InCred Premier Distribution Private Limited	-	-	-	1,047.13	-	-	-	1,047.13
Alpha Fintech Private Limited	-	-	-	-	28,427.19	-	28,427.19	-
InCred Value Plus Private Limited	-	-	2,573.85	-	-	-	2,573.85	-
	-	-	2,573.85	1,047.13	28,427.19	-	31,001.04	1,047.13
Gain/loss on sale of CCPS:								
InCred TechInvest Private Limited	-	-	-	9,058.43	-	-	-	9,058.43
Alpha Fintech Private Limited	-	-	-	-	1,187.29	-	1,187.29	-
InCred Value Plus Private Limited	-	-	177.84	-	-	-	177.84	-
	-	-	177.84	9,058.43	1,187.29	-	1,365.13	9,058.43
Purchase of CCPS:								
Alpha Fintech Private Limited	-	-	-	-	838.50	-	838.50	-
	-	-	-	-	838.50	-	838.50	-
Purchase of Investments:								
InCred Financial Services Limited	-	-	3,755.46	8,605.17	-	-	3,755.46	8,605.17
InCred Capital Wealth Portfolio Managers Private Limited	-	-	982.25	3,031.16	-	-	982.25	3,031.16
Alpha Fintech Private Limited	-	-	-	-	2,048.25	2,476.61	2,048.25	2,476.61
Nisha Singh	-	1,581.35	-	-	-	-	-	1,581.35
Bhupinder Singh	-	1,329.00	-	-	-	-	-	1,329.00
	-	2,910.35	4,737.71	11,636.33	2,048.25	2,476.61	6,785.96	17,023.29
Sale of Investments:								
InCred Wealth Private Limited	-	-	-	743.77	-	-	-	743.77
InCred Financial Services Limited	-	-	-	4,375.23	-	-	-	4,375.23
InCred Premier Distribution Private Limited	-	-	3,557.80	-	-	-	3,557.80	-
InCred Value Plus Private Limited	-	-	4,401.56	-	-	-	4,401.56	-
InCred Capital Wealth Portfolio Managers Private Limited	-	-	2,191.09	-	-	-	2,191.09	-
Alpha Fintech Private Limited	-	-	-	-	6,581.15	592.38	6,581.15	592.38
Saurabh Jhalaria	0.00	30.00	-	-	-	-	0.00	30.00
Bhupinder Singh	1,184.54	140.00	-	-	-	-	1,184.54	140.00
	1,184.54	170.00	10,150.45	5,119.00	6,581.15	592.38	17,916.14	5,881.38
Profit/Loss on Sale Investments:								
Alpha Fintech Private Limited	-	-	-	-	222.38	-	222.38	-
InCred Value Plus Private Limited	-	-	449.81	-	-	-	449.81	-
InCred Premier Distribution Private Limited	-	-	238.36	-	-	-	238.36	-
InCred Capital Wealth Portfolio Manaqers Private Limited	-	-	9.23	4.98	-	-	9.23	4.98
Manisha Bansal	-	-72.65	-	-	-	-	-	-72.65
InCred Financial Services Limited	-	-	-	18.24	-	-	-	18.24
Bhupinder Singh	-	5.92	-	-	-	-	-	5.92
	-	-66.73	697.40	23.22	222.38	-	919.78	-43.51
Interest on Loan and Advances:								
InCred Wealth Private Limited	-	-	1,045.84	583.68	-	-	1,045.84	583.68
InCred Financial Services Limited	-	-	157.79	-	-	-	157.79	-
InCred Prime Finance Limited (formerly known as InCred Financial Services Limited)	-	-	-	0.49	-	-	-	0.49
InCred Research Services Private Limited	-	-	8.45	9.18	-	-	8.45	9.18
Alpha Fintech Private Limited	-	-	-	-	35.95	250.50	35.95	250.50
InCred Capital Wealth Portfolio Manaqers Private Limited	-	-	82.59	-	-	-	82.59	-
	-	-	1,294.67	593.35	35.95	250.50	1,330.62	843.85
Branding Expenses								
InCred Management and Technology Services Private Limited	-	-	-	2.18	-	-	-	2.18
	-	-	-	2.18	-	-	-	2.18
Distribution fees, commission and related income:								
InCred Financial Services Limited	-	-	701.68	-	-	-	701.68	-
	-	-	701.68	-	-	-	701.68	-
Referrel and Brokerage Expenses								
InCred Wealth Private Limited	-	-	-	225.24	-	-	-	225.24
InCred Premier Distribution Private Limited	-	-	122.74	-	-	-	122.74	-
InCred Value Plus Private Limited	-	-	1.77	0.03	-	-	1.77	0.03
Incred Global Wealth Limited	-	-	-	84.03	-	-	-	84.03
InCred Capital Wealth Portfolio Managers Private Limited	-	-	8.01	134.78	-	-	8.01	134.78
	-	-	132.52	444.08	-	-	132.52	444.08

InCred Capital Financial Services Limited (formerly InCred Capital Financial Services Private Limited)
CIN: U67120MH1996PLC355036
Notes to the consolidated financial statements for the year ended 31st March 2025
(All amounts in INR Lakhs, unless otherwise stated)

Transactions	KMP and Relatives of KMP		Enterprise over which		Associate Company		Total	
	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024
Expenses Reimbursement :								
InCred Global Wealth Limited	-	-	-	332.08	-	-	-	332.08
InCred Global Wealth Pte Limited	-	-	-	160.18	-	-	-	160.18
Oro Financial Consultants Private Limited	-	-	30.90	-	-	-	30.90	-
InCred Premier Distribution Private Limited	-	-	40.30	-	-	-	40.30	-
Alpha Fintech Private Limited	-	-	-	-	30.90	-	30.90	-
InCred Financial Services Limited	-	-	27.88	48.13	-	-	27.88	48.13
InCred Capital Wealth Portfolio Managers Private Limited	-	-	92.08	20.27	-	-	92.08	20.27
	-	-	191.16	560.66	30.90	-	222.06	560.66
Reimbursement of salary expense (income):								
InCred Capital Wealth Portfolio Managers Private Limited	-	-	98.00	1.41	-	-	98.00	1.41
	-	-	98.00	1.41	-	-	98.00	1.41
Reimbursement Income								
InCred Financial Services Limited	-	-	5.26	-	-	-	5.26	-
InCred Capital Wealth Portfolio Managers Private Limited	-	-	480.00	1.41	-	-	480.00	1.41
	-	-	485.26	1.41	-	-	485.26	1.41
Advisory Fees:								
InCred Capital Wealth Portfolio Managers Private Limited	-	-	971.00	-	-	-	971.00	-
	-	-	971.00	-	-	-	971.00	-
Slump Sale - Consideration								
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	340.00	-	-	-	340.00
	-	-	-	340.00	-	-	-	340.00

InCred Capital Financial Services Limited (formerly InCred Capital Financial Services Private Limited)

CIN: U67120MH1996PLC355036

Notes to the consolidated financial statements for the year ended 31st March 2025

(All amounts in INR Lakhs, unless otherwise stated)

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.

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

Closing balance	KMP and Relatives of KMP		Enterprise over which		Associate Company		Total	
	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024
Trade payables:								
InCred Financial Services Limited	-	-	14.06	-	-	-	14.06	-
InCred Capital Wealth Portfolio Managers Private Limited	-	-	8.85	8.31	-	-	8.85	8.31
InCred Premier Distribution Private Limited	-	-	166.24	-	-	-	166.24	-
InCred Value Plus Private Limited	-	-	144.00	-	-	-	144.00	-
InCred Global Wealth Limited	-	-	-	340.61	-	-	-	340.61
InCred Global Wealth Pte Limited	-	-	-	160.18	-	-	-	160.18
	-	-	333.15	509.10	-	-	333.15	509.10
Trade Receivable:								
InCred Financial Services Limited	-	-	1.38	5.41	-	-	1.38	5.41
InCred Premier Distribution Private Limited	-	-	0.06	-	-	-	0.06	-
InCred Value Plus Private Limited	-	-	4.27	-	-	-	4.27	-
InCred Capital Wealth Portfolio Managers Private Limited	-	-	0.39	0.89	-	-	0.39	0.89
	-	-	6.10	6.30	-	-	6.10	6.30

InCred Capital Financial Services Limited (formerly InCred Capital Financial Services Private Limited)

CIN: U67120MH1996PLC355036

Notes to the consolidated financial statements for the year ended 31st March 2025

(All amounts in INR Lakhs, unless otherwise stated)

Closing balance	KMP and Relatives of KMP		Enterprise over which		Associate Company		Total	
	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024
Other Receivable:								
InCred Research Services Private Limited	-	-	-	2.70	-	-	-	2.70
InCred Global Insights Partners Private Limited	-	-	4.50	18.59	-	-	4.50	18.59
Oro Financial Consultants Private Limited	-	-	0.32	-	-	-	0.32	-
InCred TechInvest Private Limited	-	-	0.77	-	-	-	0.77	-
InCred Wealth Private Limited	-	-	0.40	-	-	-	0.40	-
InCred Financial Services Limited	-	-	9.89	-	-	-	9.89	-
InCred Capital Wealth Portfolio Managers Private Limited	-	-	561.60	-	-	-	561.60	-
eInCred Systems (India) Private Limited	-	-	3.32	-	-	-	3.32	-
InCred Value Plus Private Limited	-	-	1.08	-	-	-	1.08	-
InCred Holdings Limited	-	-	-	0.59	-	-	-	0.59
	-	-	581.88	21.88	-	-	581.88	21.88
Other current liabilities								
InCred Capital Wealth Portfolio Managers Private Limited	-	-	-	138.13	-	-	-	138.13
	-	-	-	138.13	-	-	-	138.13
Other Payables:								
InCred Capital Wealth Portfolio Managers Private Limited	-	-	9.73	0.99	-	-	9.73	0.99
InCred Holdings Limited	-	-	-	0.30	-	-	-	0.30
Bhupinder Singh	12.73	-	-	-	-	-	12.73	-
InCred Management and Technology Services Private Limited	-	-	-	0.11	-	-	-	0.11
InCred Financial Services Limited	-	-	50.63	2.03	-	-	50.63	2.03
	12.73	-	60.36	3.42	-	-	73.09	3.42
Advance receivable for Investment:								
InCred Value Plus Private Limited	-	-	248.90	-	-	-	248.90	-
Borrowings (Including Interest Accrued)								
InCred Financial Services Limited	-	-	15,000.00	13,902.24	-	-	15,000.00	13,902.24
InCred Research Services Private Limited	-	-	-	6,010.71	-	-	-	6,010.71
	-	-	15,000.00	19,912.95	-	-	15,000.00	19,912.95
MLD Borrowings (at face value):								
InCred Financial Services Limited	-	-	1,373.00	-	-	-	1,373.00	-
	-	-	1,373.00	-	-	-	1,373.00	-
Advance receivable from Broker:								
InCred Capital Wealth Portfolio Managers Private Limited	-	-	118.27	534.90	-	-	118.27	534.90
	-	-	118.27	534.90	-	-	118.27	534.90
Advance Given (Including Accrued Interest)								
InCred Wealth Private Limited	-	-	847.65	29,386.89	-	-	847.65	29,386.89
InCred Research Services Private Limited	-	-	3,507.61	-	-	-	3,507.61	-
InCred Capital Wealth Portfolio Managers Private Limited	-	-	7,551.50	1,039.99	-	-	7,551.50	1,039.99
InCred Employee Welfare trust	-	-	5,500.00	3,615.00	-	-	5,500.00	3,615.00
Alpha Fintech Private Limited	-	-	-	-	-	4,245.38	-	4,245.38
InCred Prime Finance Limited (formerly known as InCred Financial Services Limited)	-	-	-	360.00	-	-	-	360.00
	-	-	17,406.76	34,401.88	-	4,245.38	17,406.76	38,647.26
Investments in other entities								
Mountain Trail Foods Private Limited	-	-	209.56	209.56	-	-	209.56	209.56
Alpha Fintech Private Limited	-	-	-	-	2,305.34	4,245.38	2,305.34	4,245.38
InCred TechInvest Private Limited	-	-	160.80	-	-	-	160.80	-
	-	-	209.56	209.56	-	-	209.56	209.56
Corporate guarantee given on behalf of:								
InCred Capital Wealth Portfolio Manaqers Private Limited	-	-	17,500.00	13,500.00	-	-	17,500.00	13,500.00
	-	-	17,500.00	13,500.00	-	-	17,500.00	13,500.00
Investment in Market Linked Debentures:								
InCred Financial Services Limited	-	-	5,880.00	-	-	-	5,880.00	-
	-	-	5,880.00	-	-	-	5,880.00	-

InCred Capital Financial Services Limited (formerly InCred Capital Financial Services Private Limited)

CIN: U67120MH1996PLC355036

Notes to the consolidated financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

Note 38 : Financial instruments
39.1 Financial instruments by category

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

As at 31st March 2025	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	48,896.79	-	48,896.79	48,896.79	-	-	48,896.79
Bank balance other than cash and cash equivalents	782.14	-	782.14	782.14	-	-	782.14
Trade receivables	4,668.03	-	4,668.03	-	-	4,668.03	4,668.03
Loans	40,740.21	-	40,740.21	-	-	40,740.21	40,740.21
Investments	-	92,137.57	92,137.57	-	-	92,137.57	92,137.57
Other financial assets	2,927.34	-	2,927.34	-	-	2,927.34	2,927.34
Total Financial assets	98,014.51	92,137.57	1,90,152.08	49,678.93	-	1,40,473.15	1,90,152.08
Financial liabilities							
Borrowings	1,08,545.88	-	1,08,545.88	-	-	1,08,545.88	1,08,545.88
Trade payables	2,779.92	-	2,779.92	-	-	2,779.92	2,779.92
Other financial liabilities	14,700.75	-	14,700.75	-	-	14,700.75	14,700.75
Total Financial liabilities	1,26,026.55	-	1,26,026.55	-	-	1,26,026.55	1,26,026.55
As at 31st March 2024	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	23,068.01	-	23,068.01	23,068.01	-	-	23,068.01
Bank balance other than cash and cash equivalents	7,505.36	-	7,505.36	7,505.36	-	-	7,505.36
Trade receivables	2,190.81	-	2,190.81	-	-	2,190.81	2,190.81
Loans	55,584.36	-	55,584.36	-	-	55,584.36	55,584.36
Investments	-	35,797.06	35,797.06	17,473.60	7,952.68	10,370.78	35,797.06
Other financial assets	1,896.14	-	1,896.14	-	-	1,896.14	1,896.14
Total Financial assets	90,244.68	35,797.06	1,26,041.74	48,046.97	7,952.68	70,042.09	1,26,041.74
Financial liabilities							
Borrowings	79,010.60	-	79,010.60	-	-	79,010.60	79,010.60
Trade payables	2,374.28	-	2,374.28	-	-	2,374.28	2,374.28
Other financial liabilities	8,296.16	-	8,296.16	-	-	8,296.16	8,296.16
Total Financial liabilities	89,681.04	-	89,681.04	-	-	89,681.04	89,681.04

InCred Capital Financial Services Limited (formerly InCred Capital Financial Services Private Limited)

CIN: U67120MH1996PLC355036

Notes to the consolidated financial statements for the year ended 31 March 2025

(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.

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.

Investment in Mutual funds are valued at year-end 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 2025 & 31st March 2024.

Note 39 : 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 40 : 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 2025	As at 31st March 2024
Loans		
Fixed rate loans	40,740.21	55,584.36
Borrowings		
Fixed rate borrowings	32,297.10	31,324.03
Net loans exposure	8,443.11	24,260.33

Fair value sensitivity analysis for fixed-rate instruments

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

Other price risk

The Company is exposed to price risk arising from investment in AIF / mutual funds / bonds & debentures / equity and classified in the consolidated balance sheet at fair value through profit & loss.

The Company is currently is not exposed to any equity price risk arising from equity investments classified in the consolidated balance sheet at fair value through other comprehensive income since the amount outstanding as at 31st March 2025 is Nil (For the year ended 31st March 2024: Nil).

(b) Credit risk:

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

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

Measurement of Expected Credit Losses ('ECL')

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

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

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

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

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

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

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

Particulars	As at 31st March 2025	As at 31st March 2024
Trade receivables	4,668.03	2,190.81
Loans	40,740.21	55,584.36
Total	45,408.24	57,775.17

Following table provides information about exposure to credit risk and ECL on loans:

Particulars	As at 31st March 2025	As at 31st March 2024
Gross carrying amount of loans	40,905.20	55,808.98
Expected credit Loss	(164.99)	(224.62)
Carrying amount of loans net of impairment provision	40,740.21	55,584.36

Following table provides exposure to credit risk and ECL for trade receivable:

Particulars	As at 31st March 2025	As at 31st March 2024
Gross carrying amount of trade receivables	4,738.52	2,239.73
Expected credit Loss	(70.49)	(48.92)
Carrying amount of trade receivables net of impairment provision	4,668.03	2,190.81

C. Liquidity risk:

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

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

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

InCred Capital Financial Services Limited (formerly InCred Capital Financial Services Private Limited)

CIN: U67120MH1996PLC355036

Notes to the consolidated financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

As at 31st March 2025:

AS at 31st March 2023.

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 liabilities:</u>							
Borrowings	19 & 23	79,010.60	(79,010.61)	31,390.71	47,619.90	-	-
Trade payables	22	2,374.28	(2,374.28)	2,374.28	-	-	-
Other financial liabilities	20 & 24	8,296.16	(9,028.88)	8,333.79	586.89	88.76	19.44
Total		89,681.04	-90,413.77	42,098.78	48,206.79	88.76	19.44

As at 31st March 2024:

AS at 31st March 2024.

Particulars	Note No.	Contractual cash flows					
		Carrying amount	Gross nominal inflow/(outflow)	Less than 1 year	1-3 years	3-5 years	After 5 years
<u>Maturities of financial liabilities:</u>							
Borrowings	19 & 23	79,010.60	(79,010.61)	31,390.71	47,619.90	-	-
Trade payables	22	2,374.28	(2,374.28)	2,374.28	-	-	-
Other financial liabilities	20 & 24	8,296.16	(8,483.56)	7,788.47	586.89	88.76	19.44
Total		89,681.04	(89,868.45)	41,553.46	48,206.79	88.76	19.44

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 2025:

AS at 31st March 2023.

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	11	48,896.79	48,896.79	48,896.79	-	-	-
Bank balance other than cash and cash equivalents	12	782.14	782.14	782.14	-	-	-
Trade receivables	10	4,668.03	4,668.03	4,668.03	-	-	-
Loans	6 & 13	40,740.21	55,808.98	51,893.98	3,915.00	-	-
Investments	5 & 9	92,137.57	35,797.07	15,919.75	1,681.45	13,692.05	4,503.82
Other financial assets	7 & 14	2,927.34	2,043.19	1,196.05	316.26	523.23	7.65
Total		1,90,152.08	1,47,996.20	1,23,356.74	5,912.71	14,215.28	4,511.47

As at 31st March 2024:

AS at 31st March 2024.

Particulars	Note No.	Contractual cash flows					
		Carrying amount	Gross nominal inflow/(outflow)	Less than 1 year	1-3 years	3-5 years	After 5 years
<u>Maturities of financial assets:</u>							
Cash and cash equivalents	11	23,068.01	23,068.01	23,068.01	-	-	-
Bank balance other than cash and cash equivalents	12	7,505.36	7,505.36	7,505.36	-	-	-
Trade receivables	10	2,190.81	2,190.81	2,190.81	-	-	-
Loans	6 & 13	55,584.36	55,808.98	51,893.98	3,915.00	-	-
Investments	5 & 9	35,797.06	35,797.07	15,919.75	1,681.45	13,692.05	4,503.82
Other financial assets	7 & 14	1,896.14	2,043.19	1,196.05	316.26	523.23	7.65
Total		1,26,041.74	1,26,413.42	1,01,773.96	5,912.71	14,215.28	4,511.47

InCred Capital Financial Services Limited (formerly InCred Capital Financial Services Private Limited)

CIN: U67120MH1996PLC355036

Notes to the consolidated financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

Note 43 : Segment Information

The Parent Company is primarily engaged in the business of financing and Investment Banking where as the Subsidiary companies are primarily engaged in providing Investment management services and Wealth Management Services. Further, the Group does not have any separate geographic segments other than India.

During the year ended March 31, 2024 , the Group has been organised into three major operating segments i.e. Investment Banking, Investment Management services and Wealth Management based on products and services.

Income for each segment has been specifically identified. Expenditure, assets and liabilities are either specifically identifiable with individual segments or have been allocated to segments on a systematic basis. Based on such allocation, segment disclosures relating to revenue, results, assets and liabilities have been prepared.

Income, Expenditure, assets and liabilities which relates to the Company as a whole and not allocable to segments are disclosed under “unallocable segment”.

Particulars	Year ended March 31, 2025					Total
	Investment Banking	Advisory	Investment Management	Wealth Management	Unallocable	
Segment Income from Operations	11,712.03	3,055.26	5,696.86	29,203.66	1,074.02	50,741.83
Other Income	2,900.99	-	74.41	1,485.92	432.67	4,893.99
Add/(Less) : Finance income and other unallocable income(net of inter segment expenses)	-	-	-	-	-	-
Total Segment Income	14,613.02	3,055.26	5,771.27	30,689.58	1,506.69	55,635.82
Segment results (before depreciation & amortisation)	100.36	3,055.26	1,693.17	6,523.06	-5,183.79	6,188.06
Exceptional Item	-	-	-	-	-	-
Share of Profit/(Loss) of Associate	387.13	-	-	-	-	387.13
Profit / (loss) before tax	(509.18)	3,055.26	1,659.41	6,097.98	(5,371.78)	4,931.68
Tax expenses						
Current tax	-	-	-	-	1,533.24	1,533.24
MAT credit written off	-	-	-	-	-	-
Deferred tax (credit)	-	-	-	-	4.67	4.67
Pertaining to earlier years	-	-	-	-	-347.85	-347.85
Other Comprehensive Income						
(A) Items that will not be reclassified to profit or loss	-	-	-	-	(181.19)	(181.19)
(B) Items that will be reclassified to profit or loss	-	-	-	-	-	-
Segment profit / (loss) for the year	(509.18)	3,055.26	1,659.41	6,097.98	(6,743.02)	3,560.44
Segment Assets	1,02,702.12	-	6,277.97	76,014.54	29,567.32	2,14,561.94
Segment Liabilities	86,075.55	-	1,488.90	37,295.70	4,381.77	1,29,241.92
Depreciation and Amortisation	996.68	-	33.76	425.08	187.99	1,643.51

InCred Capital Financial Services Limited (formerly InCred Capital Financial Services Private Limited)

CIN: U67120MH1996PLC355036

Notes to the consolidated financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2024					Total
	Investment Banking	Advisory	Investment Management	Wealth Management	Unallocable	
Segment Income from Operations	12,265.21	-	3,110.12	17,004.90	744.89	33,125.12
Other Income	386.83	-	72.75	1,301.23	468.53	2,229.34
Add/(Less) : Finance income and other unallocable income(net of inter segment expenses)	-	-	-	-	-	-
Total Segment Income	12,652.04	-	3,182.87	18,306.13	1,213.42	35,354.46
Segment results (before depreciation & amortisation)	2,997.78		(456.13)	(1,553.69)	688.92	1,676.88
Exceptional Item	317.00	-	249.57	-	-	566.57
Profit / (loss) before tax	1,883.49	-	(734.87)	(1,871.21)	(1,124.23)	(1,846.82)
Tax expenses						
Current tax	-	-	-	-	1,054.79	1,054.79
MAT credit written off	-	-	-	-	-	-
Deferred tax (credit)	-	-	-	-	(719.21)	(719.21)
Pertaining to earlier years	-	-	-	-	30.17	30.17
Other Comprehensive Income						
(A) Items that will not be reclassified to profit or loss	-	-	-	-	(29.57)	(29.57)
(B) Items that will be reclassified to profit or loss	-	-	-	-	(5.36)	(5.36)
Segment profit / (loss) for the year	1,883.49	-	(734.87)	(1,871.21)	(1,524.92)	(2,247.51)
Segment Assets	62,034.18	-	2,203.35	51,821.96	24,867.64	1,40,927.14
Segment Liabilities	54,755.86	-	1,192.21	30,434.72	4,261.89	90,644.67
Depreciation and Amortisation	797.28	-	29.17	317.52	-	1,143.98

Note 44 : Changes in Group composition

a. Arrow Capital (DIFC) Limited

On February 7, 2025, InCred Overseas Holdings Private Limited entered into a Share Purchase Agreement (SPA) to acquire Arrow Capital (DIFC) Limited (Arrow). The parties mutually agreed to a Completion Date of March 31, 2025.

The partial cash consideration, as per the SPA, was paid on March 7, 2025, and the balance consideration was paid after the balance sheet date. Further, the transfer of control, defined by the SPA, required finalizing regulatory approvals and updating public registries. These conditions were fulfilled on the agreed-upon Completion Date of March 31, 2025, and accordingly 1 April 2025 becomes the effective date of control for consolidation.

In accordance with Indian Accounting Standards (Ind AS) 110, the Buyer obtained control on March 31, 2025. Arrow's financial statements will be consolidated with InCred Overseas Holding Private Limited and eventually with ultimate parent company InCred Capital Financial Services Limited starting from financial year beginning 1 April 2025.

Note 45 : Investment in Associate

The Group's interest in associate is as follows:

Name of Associate	Principal Place of Business	Method of Accounting	Proportion of Stake as on 31st March 2025
Alpha Fintech Private Limited	India	Equity Method	42.99%

Name of Associate	Principal Place of Business	Method of Accounting	Proportion of Stake as on 31st March 2024
Alpha Fintech Private Limited	India	Equity Method	45.07%

Summarised financial information in respect of Group's associates is set out below:

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Summarised Statement of net assets		
Financial assets	4,640.60	3,104.45
Non-Financial assets	614.94	333.94
Total assets (I)	5,255.54	3,438.39
Financial liabilities	5,399.02	4,603.31
Non-Financial liabilities	152.33	42.71
Total liabilities (II)	5,551.35	4,646.02
Net assets (I - II)	(295.81)	(1,207.63)
Group's share in associate (%)	42.99%	45.07%
Group's share in amount	(127.17)	(544.28)
Carrying amount of Investment	2,743.13	2,456.56

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Summarised Statement of Profit and Loss		
Revenue from operations	85.71	281.56
Other income	4,626.72	220.24
Total income (I)	4,712.43	501.80
Finance costs	336.85	280.65
Employee benefit expenses	1,658.45	903.53
Depreciation, amortization and impairment	98.35	53.73
Other expenses	1,701.61	621.00
Total expenses (II)	3,795.26	1,858.91
Loss before tax (III = I-II)	917.17	(1,357.11)
Tax expense (IV)	16.65	-
A. Loss after tax (V = III-IV)	900.52	(1,357.11)
B. Other Comprehensive income	-7.03	0.64
Total Comprehensive income	893.49	(1,357.74)
Group's share % for the year	42.99%	45.07%
Group share in Amount in Profit and loss (A)	387.13	(611.72)
Group share in Amount in Other Comprehensive Income (B)	(3.02)	0.29
Total Group share in Amount (A+B)	384.11	(611.43)

InCred Capital Financial Services Limited (formerly InCred Capital Financial Services Private Limited)

CIN: U67120MH1996PLC355036

Notes to the consolidated financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

Note 46 : Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

As on 31st March 2025								
Name of the Entity	Net Assets		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	Amount	As a % of Consolidated net assets	Amount	As a % of Consolidated Profit or Loss	Amount	As a % of Other Comprehensive Income	Amount	As a % of Consolidated Comprehensive Income
Parent								
InCred Capital Financial Services Private Limited	1,01,819.09	59.31%	128.51	3.40%	10.79	-5.96%	139.30	3.87%
Subsidiaries								
InCred Asset Management Private Limited	2,172.87	1.27%	416.50	11.02%	(0.67)	0.37%	415.83	11.56%
InCred Wealth & Investment Services Private Limited	39,848.96	23.21%	6,155.27	162.85%	(180.96)	99.87%	5,974.31	166.02%
InCred Alternative Investments Private Limited	(3,668.50)	-2.14%	(1,791.36)	-47.39%	(6.33)	3.49%	(1,797.69)	-49.96%
InCred Overseas Holding Private Limited	24,895.70	14.50%	(1,267.53)	-33.54%	-	0.00%	(1,267.53)	-35.22%
InCred TechInvest Private Limited (till 30th May 2024)	-	0.00%	(127.07)	-3.36%	-	0.00%	(127.07)	-3.53%
InCred Prime Finance Private Limited (from 3rd September 2024)	6,558.87	3.82%	(121.74)	-3.22%	(1.00)	0.55%	(122.74)	-3.41%
Associate								
Alpha Fintech Private Limited	-	0.00%	387.13	10.24%	(3.02)	1.67%	384.11	10.67%
Non Controlling Interest	46.87	0.03%	-	0.00%	-	0.00%	-	0.00%
Exceptional Items	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Total	1,71,673.86	100.00%	3,779.71	100.00%	(181.19)	100.00%	3,598.52	100.00%

As on 31st March 2024								
Name of the Entity	Net Assets		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	Amount	As a % of Consolidated net assets	Amount	As a % of Consolidated Profit or Loss	Amount	As a % of Other Comprehensive Income	Amount	As a % of Consolidated Comprehensive Income
Parent								
InCred Capital Financial Services Private Limited	-108.68	-0.22%	1,501.13	-67.8%	2.03	-5.82%	1,503.16	-66.88%
Subsidiary								
<u>InCred Asset Management Private Limited</u>	1,717.45	3.42%	281.65	-12.7%	-1.21	3.46%	280.4427386	-12.48%
InCred Wealth & Investment Services Private Limited	33,207.94	66.04%	-2,619.49	118.4%	-22.1	63.27%	-2641.589557	117.53%
InCred Alternative Investments Private Limited	-1,871.60	-3.72%	-301.56	13.6%	-8.58	24.56%	-310.1395318	13.80%
InCred Overseas Holding Private Limited	9,072.32	18.04%	(6.67)	0.3%	-	0.00%	(6.67)	0.30%
Booth Fintech Private Limited	3,916.34	7.79%	363.77	-16.4%	-	0.00%	363.77	-16.19%
mValu Technology Services Private Limited	770.14	1.53%	(498.07)	22.5%	-5.36	15.34%	(503.43)	22.40%
InCred Value Plus Private Limited	18.65	0.04%	(85.05)	3.8%	-	0.00%	(85.05)	3.78%
Associate								
Alpha Fintech Private Limited	-686.09	-1.36%	(611.72)	27.6%	0.29	-0.82%	(611.43)	27.20%
Non Controlling Interest	4,246.00	8.44%	(236.56)	10.7%	-	0.00%	(236.56)	10.53%
	50,282.47	100.00%	(2,212.56)	100.0%	(34.93)	100.00%	(2,247.49)	100.00%

InCred Capital Financial Services Limited (formerly InCred Capital Financial Services Private Limited)

CIN: U67120MH1996PLC355036

Notes to the consolidated financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

Note 47 : Other Statutory Information

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

(ii) The Group does not have any transactions with companies struck off.

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

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

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

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

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

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

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

(ix) The Board of Directors of InCred Capital Financial Services Limited, at its meeting held on March 27, 2025, approved a Composite Scheme of Arrangement ("Scheme") under Sections 230 to 232 of the Companies Act, 2013. The Scheme provides for the amalgamation of InCred Wealth Private Limited with the Company, the demerger of the merchant banking and investment advisory business of InCred Capital Wealth Portfolio Managers Private Limited into the Company, and the amalgamation of InCred Research Services Private Limited with InCred Capital Wealth Portfolio Managers Private Limited.

The Scheme has been filed with the Hon'ble National Company Law Tribunal (NCLT) and other regulatory authorities for approval. The Appointed Date of the Scheme is April 1, 2025. The accounting effects of the Scheme shall be given in the financial statements upon it becoming effective in accordance with applicable accounting standards. There is no impact of this event on these standalone financial statements.

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

(xi) The Group companies have not been declared as wilful defaulter by any bank or financial institution or any other lender.

(xii) The Group companies have not revalued any property, plant and equipment and intangible assets.

InCred Capital Financial Services Limited (formerly InCred Capital Financial Services Private Limited)

CIN: U67120MH1996PLC355036

Notes to the consolidated financial statements for the year ended 31 March 2025

(All amounts in INR Lakhs, unless otherwise stated)

Note 48 : Disclosure relating to earnings and expenditure in foreign currency

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
<u>A. Expenditure in foreign currency</u>		
Referral fees	-	80.50
Legal, professional and consultancy charges	137.08	67.51
Membership and subscription	-	23.08
Recruitment Charges	-	20.17
AIF Distributor Brokerage	8.15	2.03
Conference and Seminar Charges	4.40	-
Travel Expenses	22.37	-
Advertisement, publicity and sales promotion expenses	2.35	-
Bank Charges	0.02	-
Payment towards Capital Reduction	212.09	
	386.46	193.29
<u>B. Earnings in foreign currency</u>		
Distribution fees, commission and related income	457.08	71.35
Retainer fees	-	20.66
Advisory services	-	18.58
Reimbursement Income	0.22	-
	457.30	110.59

Note 49 : Backup of Books of accounts and Audit Trail

a. As per the MCA notification dated August 05, 2022, the Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, back-up of the books of account/other books & papers maintained in electronic mode, including at a place outside India, shall be kept in servers physically located in India on a daily basis. The Group Company's servers are physically located in India and the data backup for the accounting software is performed on a daily basis, except for the few instances wherein the data back-up was not completed due to the time zone related issue in the backup scheduler. The Group companies have taken appropriate measures so that such instances are avoided.

b. The Group Companies have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

Note 50 : Other notes to accounts**a. Previous year figures**

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

b. Rounding off

The financial statements presented are in INR lakhs. Due to rounding, certain figures may appear as '0.00' where the underlying amount is greater than zero but less than INR 500.

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W

For and on behalf of the Board of Directors of

InCred Capital Financial Services Limited

(formerly InCred Capital Financial Services Private Limited)

Sd/-

Vaibhav Naik

Partner

Membership No.: 138302

Place: Mumbai

Date : 8 September 2025

Sd/-

Bhupinder Singh

Director

DIN - 07342318

Sd/-

Prince Kumar Gupta

Chief Financial Officer

Place: Mumbai

Date : 8 September 2025

Sd/-

Gaurav Maheshwari

Director

DIN - 07639132

Sd/-

Kunal Sharma

Company Secretary

Membership No.: A67452