

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that the 01/2022-23 Extra-Ordinary General Meeting (herein referred as "EGM") of the Members of the InCred Capital Financial Services Private Limited ("Company") will be held at a shorter notice on Wednesday, May 04, 2022, at 03.00 PM, at the registered office of the Company located at Unit No.1203, 12th Floor, B Wing, The Capital, Bandra Kurla Complex, Bandra East, Mumbai-400051, to transact the following business:

SPECIAL BUSINESS:**1. TO APPROVE RECLASSIFICATION OF AUTHORISED SHARE CAPITAL OF THE COMPANY:**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 13, 64 and other applicable provisions, if any, of the Companies Act, 2013, read with the Rules made thereunder (including any statutory amendment thereto or re-enactment thereof, for the time being in force), and subject to and in accordance with the provisions of other applicable laws, regulations, notification, circulars and rules, as amended from time to time and consent of the members of the Company be and is hereby accorded for reclassification of authorised share capital of the Company from INR 350,000,000 (Indian Rupees Thirty-Five Crores) divided into: (a) 3,44,00,000 (Three Crores Forty Four Lakh) equity shares having the face value of INR 10/- (Indian Rupees Ten) each; (b) 6,00,000 (Six Lakh) optionally convertible redeemable preference shares having the face value of INR 10/- (Indian Rupees Ten) each, **to** (a) 3,36,84,000 (Three Crores Thirty-Six Lakh Eighty-Four Thousand) equity shares having the face value of INR 10/- (Indian Rupees Ten) each; (b) 6,00,000 (Six Lakh) optionally convertible redeemable preference shares having the face value of INR 10/- (Indian Rupees Ten) each; (c) 7,16,000 (Seven Lakh Sixteen Thousand) compulsorily convertible preference shares having the face value of INR 10/- (Indian Rupees Ten) each.

RESOLVED FURTHER THAT the Memorandum of Association of the Company be and is hereby be amended by deletion of the existing **Clause V** thereof and substituting in place and instead thereof the following new clause:

"V. The Authorised Share Capital of the Company is INR 350,000,000 (Indian Rupees Thirty-Five Crores) divided into:

(a) 3,36,84,000 (Three Crores Thirty-Six Lakh Eighty-Four Thousand) equity shares having the face value of INR 10/- (Indian Rupees Ten) each;

(b) 6,00,000 (Six Lakh) optionally convertible redeemable preference shares having the face value of INR 10/- (Indian Rupees Ten) each;

(c) 7,16,000 (Seven Lakh Sixteen Thousand) compulsorily convertible preference shares having the face value of INR 10/- (Indian Rupees Ten) each

RESOLVED FURTHER THAT any of the Directors or the Company Secretary of the Company be and are hereby severally authorised to do all such act(s), deed(s) and thing(s) including the filing of necessary forms and documents with Registrar of Companies as may be necessary and incidental to give effect to this resolution."

InCred Capital Financial Services Private Limited

Registered and Corporate Office: Unit No. 1203, 12th floor, B Wing, The Capital, Plot No. C - 70, G Block, Bandra - Kurla Complex, Bandra East, Mumbai - 400 051

CIN: U67120MH1996PTC355036

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2. TO APPROVE ISSUE AND OFFER OF SERIES B COMPULSORILY CONVERTIBLE PREFERENCE SHARES ("SERIES B CCPS") ON PRIVATE PLACEMENT / PREFERENTIAL BASIS:

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

"RESOLVED THAT in accordance with the provisions of Sections 42, 55, 62(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the **"Act"**) read with the Companies (Prospectus and Allotment of Securities), Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made under the Act, the provisions of the Foreign Exchange Management Act, 1999 and the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 issued thereunder, and such other relevant rules, regulations, guidelines, notifications, circulars and clarifications issued from time to time by the Government of India, the Reserve Bank of India, the Ministry of Corporate Affairs, and/or any other competent regulatory/ statutory authorities (hereinafter singly or collectively referred to as **"Applicable Regulatory Authorities"**) under any other applicable law and in accordance with the Memorandum and Articles of association of the Company, subject to any approval(s), consent(s), permission(s) and/or sanction(s), if any, of the appropriate authorities, institutions or bodies as may be required, the consent of the members of the Company be and is hereby accorded to the Board to issue, offer and allot upto 7,15,025 Series B Compulsorily Convertible Preference Shares (**"Series B CCPS"**) of the company of face value of INR 10/- each at an issue price of INR 1600/- each including premium of INR 1590/- aggregating upto INR 1,14,40,40,000 (Indian Rupees One Hundred and Fourteen Crore Forty lakh Forty thousand only), in one or more tranches, on a private placement/ preferential basis for cash and in such form and manner and upon such terms and conditions as the Board may in its absolute discretion deem appropriate to the Identified Investors as per **Annexure A** placed before the Shareholders;

RESOLVED FURTHER THAT the particulars of the Series B CCPS being issued, as per Rule 9(2) of the Companies (Share Capital and Debenture) Rules, 2014, which are briefly set out below:

a)	The priority with respect to payment of dividend or repayment of capital vis-à-vis equity shares	The details of Dividend and Liquidation preference is mentioned in paragraph 4 and 6 of the Annexure B (Terms of Series B CCPS) as annexed to this notice.
b)	The participation in surplus fund	Non-Participating in nature
c)	The participation in surplus assets and profits, on winding-up which may remain after the entire capital has been repaid	Non-Participating
d)	The payment of dividend on cumulative or non-cumulative basis	Non-Cumulative
e)	The conversion of Series B CCPS into equity shares	The terms of the conversion of Series B CCPS is mentioned in paragraph 3 of the Annexure B (Terms of Series B CCPS) as annexed to this notice.

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f)	Voting rights	The details of voting rights is mentioned in paragraph 5 of the Annexure B (Terms of Series B CCPS) as annexed to this notice.
g)	The redemption of preference shares	Not Applicable, since the preference shares are compulsorily convertible into equity shares.

RESOLVED FURTHER THAT pursuant to the Section 42, 55 and 62(1)(c) of the Companies Act, 2013 of the Act read with Rules framed thereunder, the aforementioned offer, issue and allotment of Series B CCPS shall be made on preferential basis / private placement basis, as per the terms and conditions specified in Private Placement Offer Letter in Form PAS-4.

RESOLVED FURTHER THAT pursuant to provisions of the Act read with Rules framed thereunder (including any amendment(s) thereto and re-enactment thereof for the time being in force) and the Board be and is hereby authorized to maintain a record of the private placement in Form PAS-5 in compliance with applicable provisions of the Act.

RESOLVED FURTHER THAT the Board of Directors be and are hereby severally authorized to determine, vary, modify, alter any of the terms and conditions of the issue, as it may deem expedient, in its discretion, open and close the offer of Series B CCPS, issuing certificates/ clarifications, effecting any modifications or changes to the foregoing (including modifications to the terms of the Issue), entering into agreements, documents in connection therewith and incidental thereto as the Board in its absolute discretion deem fit and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the series B CCPS and take all other steps and to do all such deeds and actions which may be incidental, consequential, relevant or ancillary in this connection and that the decisions of the Board shall be final, binding and conclusive.

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

3. TO APPROVE ISSUEUANCE OF SECURED NON-CONVERTIBLE DEBENTURES ("NCD") ON PRIVATE PLACEMENT / PREFERENTIAL BASIS:

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

"RESOLVED THAT(i) pursuant to the provisions of Section 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read together with the Companies (Prospectus and Allotment of Securities) Rules, 2014, (including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force) ("the Act"); (ii) the applicable provisions of the Memorandum of Association and the Articles of Association of the Company; (iii) all other applicable laws, acts, rules, regulations, guidelines, circulars, directions and notifications and subject to such other consent(s) / permission(s) / sanction(s), as may be required, approval and consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the **"Board of Directors"** which term shall be deemed to include Finance Committee or any Committee, which the Board of Directors has constituted to exercise its powers, including the powers, conferred by this resolution) of the Company to issue, offer and allot upto such number of Secured Non-Convertible Debentures ("NCDs"), under private placement in one or more modes or combinations thereof and in one or more series or tranches, to such eligible person(s), on such terms and conditions as the Board of

Directors may determine and think fit, such that the aggregate principal amount of NCDs to be issued during a period of 1 (one) year commencing from the date of passing of this Special Resolution does not exceed INR 200 crore (Rupees Two Hundred Crore only) within the overall borrowing limits of the Company;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized and empowered to arrange, settle and determine the terms and conditions (including without limitation, interest, repayment, security or otherwise) as it may think fit of such NCDs, and to do all such acts, deeds, and things, and to execute all such documents, instruments and writings as may be required to give effect to these resolutions.

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

4. TO APPROVE THE AMENDMENT IN THE INCRED CAPITAL FINANCIAL SERVICES PRIVATE LIMITED EMPLOYEES STOCK OPTION SCHEME ("SCHEME").

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof), the Memorandum of Association and Articles of Association of the Company and any other applicable and prevailing statutory Guidelines / Circulars in that behalf and subject further to such other approval(s), consent(s), permission(s), and / or sanction(s) as may be necessary from the appropriate regulatory authority(ies) / institution(s) and such conditions and modifications as may be prescribed / imposed by the appropriate regulatory authority(ies)/ institution(s) while granting such approval(s), consent(s), permission(s) and / or sanction(s), the consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the **"Board of Directors"** which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee, which the Board of Directors has constituted to exercise its powers, including the powers, conferred by this resolution), for approving amendment in InCred Capital Financial Services Private Limited Employee Stock Option Scheme (**"Scheme"**) and thereby changing the route of the Scheme from direct route to trust route, on such other terms and conditions as may be decided in accordance with the applicable laws as may be prevailing at the relevant time, provided that the other terms and conditions of the Scheme shall remain in full force and effective.

RESOLVED FURTHER THAT the Scheme shall be implemented through trust route wherein an irrevocable Trust as established by the Company by the name InCred Employees Welfare Trust (**"Trust"**) and the settlor being the Company, shall acquire the Shares either or both via direct allotment from the Company and / or secondary acquisition and correspondingly shall transfer those shares to the respective Employees of the Company and its Subsidiary Companies upon exercise of the Options in the manner as stated in the Scheme.

RESOLVED FURTHER THAT the Scheme shall be administered by the Nomination and Remuneration Committee (**"Committee"**) of the Company who shall have all the necessary powers for the purpose of administration and implementation of the Scheme, as defined in the Scheme.

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RESOLVED FURTHER THAT the Equity Shares to be transferred by the Company under the Scheme shall rank pari-passu in all respects with the then existing Shares of the Company.

RESOLVED FURTHER THAT the Company shall conform to the applicable Accounting Policies, Guidelines or Accounting Standards as may be applicable from time to time, including the disclosure requirements prescribed therein.

RESOLVED FURTHER THAT the Board of Directors, subject to compliance with the applicable laws, rules and regulations, be and are hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the Scheme and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and / or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Scheme and do all other things incidental and ancillary thereof.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary including but not limited to appoint Advisors, Merchant Bankers, Consultants or Representatives, being incidental for the effective implementation and administration of the Scheme and to make applications to the appropriate Authorities, for their requisite approvals and take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution.

RESOLVED FURTHER THAT the Board of Directors be and are hereby also authorised to nominate and appoint one or more persons for carrying out any or all of the activities that the Board of Directors are authorized to do for the purpose of giving effect to this resolution."

**By Order of the Board of Directors
InCred Capital Financial Services Private Limited**

Sd/-

**Varun Shah
Company Secretary
Membership No. A28901**

Date: May 04, 2022
Place: Mumbai

NOTE:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE EXTRA-ORDINARY GENERAL MEETING (EGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND A PROXY IN ORDER TO BE EFFECTIVE NEED NOT BE A MEMBER OF THE COMPANY.**

2. A person can act as a proxy on behalf of members not exceeding 50 (Fifty) and holding in the aggregate not more than 10 (Ten) percent of the total share capital of the Company carrying voting rights. A member holding more than 10 (Ten) percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or shareholder.

A blank form of the proxy is annexed to this Notice. Proxies in order to be effective, must be duly stamped, signed and completed in all respects, and should be deposited at the corporate office of the Company (situated at Unit No. 1203, 12th Floor, B Wing, The Capital, Bandra Kurla Complex, Bandra East, Mumbai-400051) not later than 48 (Forty-Eight) hours before the time fixed for holding the EGM.

3. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Business set out in the Notice is annexed hereunder and forms part of this Notice.
4. Members/ proxies/ authorised representatives are requested to bring duly filled Attendance Slip, annexed hereto with this Notice, to attend the EGM along with a valid identity proof such as the PAN card/passport/AADHAAR card/driving license, etc.
5. Members are requested to notify the Company immediately of any change in their address.
6. Corporate members intending to send their authorised representatives to attend the EGM are requested to send a certified true copy of the board resolution authorizing their authorised representatives to attend and vote at the EGM on their behalf as per the requirements of Section 113 of the Companies Act, 2013.
7. All documents referred to in this Notice and accompanying explanatory statement shall be open for inspection at corporate office of the Company situated at Unit No. 1203, 12th Floor, B Wing, The Capital, Bandra Kurla Complex, Bandra East, Mumbai-400051 during normal business hours (9 AM to 6 PM) on all working days, upto and including the date of the EGM of the Company and will also be available for inspection at the venue of the EGM.
8. The route map of the venue of the EGM is annexed to this Notice.

**By Order of the Board of Directors
InCred Capital Financial Services Private Limited**

Sd/-

**Varun Shah
Company Secretary
Membership No. A28901**

Date: May 04, 2022
Place: Mumbai

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EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 WITH RESPECT TO THE SPECIAL BUSINESS TO BE TRANSACTED AT THE EXTRA- ORDINARY GENERAL MEETING OF THE COMPANY

In conformity with the provisions of section 102 of the Companies Act, 2013, (the “Act”) the following explanatory statement sets out all material facts relating to Special Business mentioned in the accompanying Notice and should be taken as forming part of this Notice.

1. TO APPROVE RECLASSIFICATION OF AUTHORISED SHARE CAPITAL OF THE COMPANY:

The members of the Company are informed that it is proposed to reclassify the authorised share capital of the Company from INR 350,000,000 (Indian Rupees Thirty-Five Crores) divided into: (a) 3,44,00,000 (Three Crores Forty Four Lakh) equity shares having the face value of INR 10/- (Indian Rupees Ten) each; (b) 6,00,000 (Six Lakh) optionally convertible redeemable preference shares having the face value of INR 10/- (Indian Rupees Ten) each, to (a) 3,36,84,000 (Three Crores Thirty-Six Lakh Eighty-Four Thousand) equity shares having the face value of INR 10/- (Indian Rupees Ten) each; (b) 6,00,000 (Six Lakh) optionally convertible redeemable preference shares having the face value of INR 10/- (Indian Rupees Ten) each; (c) 7,16,000 (Seven Lakh Sixteen Thousand) compulsorily convertible preference shares having the face value of INR 10/- (Indian Rupees Ten) each.

Consequent to reclassification of authorised share capital of the Company, the capital clause of Memorandum of Association shall stand amended.

Further, subject to the approval of the members, the Board of Directors of the Company in its meeting held on May 04, 2022 has approved the alteration of Memorandum of Association.

The draft Memorandum of Association which incorporates the amended share capital clause shall be available for inspection of the members of the Company

As per the provisions of the Companies Act, 2013, approval of members is required to alter the Memorandum of Association of the Company.

The Board recommends the resolution set out at Item No. 1 of the EGM Notice to the Members for their consideration and approval, by way of Ordinary Resolution. None of the Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the above said resolution.

2. TO APPROVE ISSUE AND OFFER OF SERIES B COMPULSORILY CONVERTIBLE PREFERENCE SHARES (“SERIES B CCPS”) ON PRIVATE PLACEMENT / PREFERENTIAL BASIS:

The members of the Company are informed that the Company is in process of raising further capital, by way of issue of upto 7,15,025 Series B Compulsorily Convertible Preference Shares (“Series B CCPS”) of the company of face value of INR 10/- each at an issue price of INR 1600/- each including premium of INR 1590/- aggregating upto INR 1,14,40,40,000 (Indian Rupees One Hundred and Fourteen Crore Forty lakh Forty thousand only), on a private placement/ preferential basis to the Identified Investors as per the list placed before the Shareholders in the manner provided therein;

The Board of Directors of the Company in its meeting held on May 04, 2022 has approved the offer and issue of the above-mentioned series B CCPS to the Identified Investors.

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

Sr. No.	Particular	Details
1.	Objects of the issue	To raise additional capital by way of private placement/ preferential basis for the purpose of meeting enhanced working capital requirement and general corporate purposes of the Company.
2.	Nature of shares	Compulsorily Convertible Preference Shares
3.	Total number of shares or other securities to be issued	Upto 7,15,025 compulsorily convertible preference shares
4.	Price at which the allotment is proposed to be made	INR 1,600/- (INR. 10/- face value and INR 1590/- (premium) as per the valuation report issued by the valuer.
5.	Manner of Issue of shares	Private placement/ preferential basis
6.	Basis on which the price has been arrived at along with report of the registered valuer	Issue price of the Compulsorily Convertible Preference Share has been arrived at on the basis of valuation report dated April 22, 2022. A copy of valuation report is annexed to this Notice as Annexure C
7.	Name and address of valuer who performed the valuation	Name: Sundae Capital Advisors Private Limited. Address: C-11, 3rd Floor, Community Centre, Janak Puri, New Delhi - 110 058 Price is arrived on the basis of valuation report dated April 22, 2022.
8.	Amount which the Company intends to raise by way of securities	Upto INR 1,14,40,40,000 (Indian Rupees One Hundred and Fourteen Crore Forty Lakh Forty Thousand only)
9.	Relevant date with reference to which the price has been arrived at	March 31, 2022
10.	Class or classes of person to whom the allotment is proposed to be made	Series B CCPS are proposed to be allotted to individuals (including non-resident individuals), Companies and Foreign Body Corporates as mentioned in the Annexure A .
11.	The proposed time within which the allotment shall be completed	Within 30 days from the closure of issue.
12.	The name of the proposed allottees and the percentage of the post preferential offer capital held by them	Names of the proposed allottees is given in Annexure A and shall hold upto 6 % on the fully diluted basis of the post private placement/preferential offer share capital of the Company.
13.	Intention of promoters, directors or key managerial personnel to subscribe to the offer	NIL
14.	The change in control, if any, in the company that would occur consequent to	There will not be any change in control of the Company.

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	the preferential offer;						
15.	The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price;	Date of allotment	No. of Persons	No. of shares allotted	Type of Issue	Face Value (Rs.)	Premium (Rs)
		20-04-2021	24	6,91,247	Equity Shares	10	862.45
16.	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects	NIL					
17.	Justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer.	Not Applicable					
18.	Material terms of raising such securities	The Compulsorily Convertible Preference Shares proposed to be issued shall be subject to the provisions of the articles of association of the Company and shall, upon allotment, rank <i>pari passu</i> in all respects with the existing equity shares of the Company.					
19.	Principle terms of assets charged as securities	Not Applicable					

The pre and post issue shareholding pattern of the Company is as follows:

Sr No	Category	Pre-Issue				Post Issue			
		No. of Equity shares held	% of Equity share-holding	No. of CCPS held	% of CCPS holding	No. of Equity shares held	% of Equity share-holding	No. of CCPS held	% of CCPS holding
A.	Promoters' holding:								
1	Indian:								
	Individual	41,61,092	42.03	-	-	41,61,092	42.03	-	-
	Bodies Corporate			-	-			-	-
	Sub-total	41,61,092	42.03	-	-	41,61,092	42.03	-	-
2	Foreign Promoters (Body Corporate)	-		-	-	-		-	-
	Sub-Total (A)	41,61,092	42.03	-	-	41,61,092	42.03	-	-
B.	Non-promoters' holding:								
1	Institutional investors	-	-	-	-	-	-		
2	Non-institution:			-	-				
	Private corporate Bodies	23,82,476	24.07	-	-	23,82,476	24.07	1,86,250	26.05

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	Foreign companies / Body Corporates	2,98,709	3.02	-	-	2,98,709	3.02	2,51,875	35.23
	Directors and Relatives	72,593	0.73	-	-	72,593	0.73	-	-
	Indian Public	9,93,136	10.03	-	-	9,93,136	10.03	2,05,075	28.68
	Others (including NRIs)	19,91,798	20.12	-	-	19,91,798	20.12	71,825	10.05
	Sub-total (B)	57,38,712	57.97	-	-	57,38,712	57.97	7,15,025	100
	GRAND TOTAL	98,99,804	100			98,99,804	100	7,15,025	100

The Board recommends the resolution set out at Item No. 2 of the EGM Notice to the Members for their consideration and approval, by way of Special Resolution. None of the Directors, Key Managerial Personnel or their relatives, except to the extent of equity shares held by them in the Company are concerned or interested, financially or otherwise, in the above said resolution.

3. **TO APPROVE ISSUANCE OF SECURED NON-CONVERTIBLE DEBENTURES ("NCDs") ON PRIVATE PLACEMENT**

Members are requested to note that considering the growth of the Company and to enable the Company to raise funds by way of issuance of NCDs, the Board of Directors of the Company at their meeting held on May 04, 2022, subject to the approval of the Members of the Company, accorded their approval to Issue, offer and allot upto such number of NCDs, under private placement, in one or more series or tranches, such that the aggregate principal amount of such NCDs to be issued during a period of 1 (one) year commencing from the date of passing of the Special Resolution set out at Item No. 3 of the EGM Notice, does not exceed INR 200 crore.

Members are requested to note that in terms of Section 42 of the Act read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company shall not make an offer or invitation to subscribe to securities (including NCDs) through private placement unless the proposal has been previously approved by the members of the company, by way of special resolution. Further, in case of offer or invitation to subscribe NCDs it shall be sufficient if the company passes a previous special resolution only once in a year for all the offers or invitations to subscribe NCDs during the year. Accordingly, it is proposed to seek the approval of the Members of the Company in terms of Section 42 of the Act read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, to create / invite / offer / issue / allot upto such number of NCDs, under private placement, in one or more series or tranches, such that the aggregate principal amount of such NCDs to be issued during a period of 1 (one) year from the date of passing of the Special Resolution set out at Item No. 3 of the EGM Notice, does not exceed Rs. 200 crore within the overall borrowing limits of the Company.

Accordingly, consent of the Members is sought in connection with the aforesaid issue of NCDs and they are requested to authorize the Board to issue such NCDs during the year on private placement basis up to INR 200 Crore (Indian Rupees Two Hundred Crore Only) as stipulated above, in one or more tranches.

The Board recommends the resolution set out at Item No. 3 of the EGM Notice to the Members for their consideration and approval, by way of Special Resolution. None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

4. TO APPROVE THE AMENDMENT IN THE INCRED CAPITAL FINANCIAL SERVICES PRIVATE LIMITED EMPLOYEES STOCK OPTION SCHEME ("SCHEME")

Equity based remuneration includes alignment of personal goals of the Employees with Organisational objectives by participating in the ownership of the Company. The Board of Directors of your Company understands the need to enhance the Employee engagement, to reward the Employees for their association and performance as well as to motivate them to contribute to the growth and profitability of the Company.

In order to reward and retain the key Employees and to create a sense of ownership and participation amongst them, the Company implemented Incred Capital Financial Services Private Limited Employees Stock Option Scheme ("**Scheme**") on September 30, 2021.

Further for easing the administration and including an option to channelize the existing shares, the Board of Directors of the Company in their meeting held on **May 04, 2022** have approved amendment in the Scheme for changing mode of implementation of the Scheme from Direct Route to Trust Route.

In terms of Section 62(1)(b) read with rule 12 of Companies (Share Capital and Debenture) Rules, 2014, and other applicable provisions of the Companies Act, 2013, for approving the variations in the Scheme, the approval of the existing Members is required. The Ordinary Resolution set out at **Item No. 4** is seeking your approval for the said purpose.

The main features and other details of the Scheme as per Rule 12 of the Companies (Share Capital and Debenture) Rules, 2014, of Chapter IV of Companies Act, 2013, are as under:

Total number of options to be granted	<p>A maximum of 5,44,440 employee stock options subject to adjustments as may be required due to any corporate action.</p> <p>Each option is convertible into/or equal to one equity share of the Company.</p>
Identification of classes of Employees entitled to participate in the ESOP	<p>All permanent Employees of the Company, its subsidiary companies shall be eligible to participate in ESOP Scheme.</p> <p>An Employee(s) or Director(s) who is a promoter or belongs to the promoter or promoter group and any other entities/individuals specifically restrained under laws, rules, guidelines etc. applicable in this regard, shall not be eligible to participate in ESOP Scheme.</p> <p>Further, any Director of the Company who either by himself or through his relative or through any body corporate, directly or indirectly holds more than 10% of the outstanding equity shares of the Company shall not be eligible to participate in ESOP Scheme</p>
Requirements of vesting and period of vesting	<p>Requirements of Vesting</p> <p>For the purpose of Vesting, the person should be an Employee, on the day of Vesting as per ESOP Scheme.</p> <p>The Board of Directors / Nomination and Remuneration Committee lay down certain factors on the basis of which the options granted would vest. The detailed terms and conditions relating to such vesting, the period over which and the proportion in which the stock options granted would vest,</p>

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	<p>will be specified in the stock option grant documents (subject to the minimum and maximum vesting period as specified below).</p> <p>Period & Proportion of Vesting</p> <p>Vesting of option granted under ESOP Scheme shall be on such date(s) and in such proportion as may be determined by the Nomination and Remuneration Committee as on the date of grant of the option in question. However, such options, shall vest not less than 1 (one) year and not more than 5 (five) years from the date of grant of an option.</p>
Maximum period within which the options shall be vested	The maximum period within which the options shall be Vested is 5 (five) years from the date of grant of option
Exercise Price, pricing formula	<p>The options can be exercised at any of the following price (which shall not be less than book value) as may be determined in respect of each grant under ESOP Scheme:</p> <p>(i) Market Price / Fair Value or</p> <p>(ii) Such price as may be determined by the Nomination and Remuneration Committee.</p> <p>Market Price/Fair Value shall be as determined by the method which the Board of Directors / Nomination and Remuneration Committee may approve in accordance with applicable accounting standards.</p>
Exercise period and process of exercise. Lock-in period	The options shall be capable of being exercised within a period of 10 (Ten) years from the date of grant of respective options.
Appraisal process for determining the eligibility of Employees to the ESOP	<p>The appraisal process as may be determined by the board of directors in accordance with ESOP Scheme shall broadly include following parameters for evaluating the eligibility of the Employees for the grant of options:</p> <ol style="list-style-type: none"> 1. Length of service, 2. Professional qualification(s), 3. Role/criticality of the employee, 4. Performance during his tenure with the Company, 5. Special achievements during his tenure, 6. Contribution of employee to the growth of the Company, <p>Other factors proving the eligibility of the Employee for grant of options.</p>
Maximum number of options to be offered to each Employee	<p>The maximum number of Shares that may be issued pursuant to Exercise of Options granted to the Employees under this Scheme shall not exceed 5,44,440 equity shares of the Company, with each such option conferring a right upon the Employee to apply for one equity share of the Company, in accordance with the terms and conditions of grant.</p> <p>No Employee shall be granted, in any fiscal year of the Company, options aggregating to more than 1% of the outstanding issued share capital as on the date of grant, (excluding outstanding options and conversions). Notwithstanding the foregoing, pursuant to a specific Special Resolution passed by the Members of the Company in General Meeting, the Nomination and Remuneration Committee may grant to the Employee(s) mentioned in such Special Resolution, options aggregating to shares exceeding 1% of the outstanding issued share capital as on the date of the</p>

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	grant (excluding outstanding options and conversions).
Method which the Company shall use to value its option (whether fair value or intrinsic value)	The Company shall be using the intrinsic value method or such other method as may be permissible under the Act.
The Conditions under which option vested in employees may lapse e.g., in case of termination of employment for misconduct:	Vested options shall be lapsed on expiry of the exercise period, resignation and on such terms and conditions as per the approved ESOP Scheme and as may determined by the Board of Directors/ Nomination and Remuneration Committee
The specified time period within which the employee shall exercise the vested options in the event of proposed termination of employment or resignation of the employee:	Shall be as per the approved ESOP Scheme

The Company shall comply with accounting policies and standards as may be applicable to the Company from time to time.

The stock options to be granted under the ESOP Scheme shall not be treated as an offer or invitation made to public for subscription to the securities of the Company.

The Board of Directors of the Company recommends the Resolution to be passed as Ordinary Resolution as set out at Item No. 4 for the approval of the Members.

None of the Directors, Manager, Key Managerial Personnel of the Company, and any relatives of such Director, Manager, Key Managerial Personnel is in any way concerned or interested, financially or otherwise, in these resolutions except to the extent of stock options that may be offered to them under the ESOP Scheme and to the extent of their shareholding in the Company.

By Order of the Board of Directors
InCred Capital Financial Services Private Limited

Sd/-

Varun Shah
Company Secretary
Membership No. A28901

Date: May 04, 2022
Place: Mumbai

Annexure - A

Sr. No	NAME OF THE INVESTORS
1	ALLENA SRINIVASA RAO
2	AVONMORE CAPITAL & MANAGEMENT SERVICES LIMITED
3	BALASUBRAMANIAM P
4	BYNASONS (THROUGH ITS PARTNERS)
5	AMICORP TRUSTEES (INDIA) PRIVATE LIMITED – TRUSTEE (ON BEHALF OF DESAI FAMILY PRIVATE TRUST)
6	GINNI MAHINDRAKUMAR SABLOK
7	HEMANI INTERMEDIATES PRIVATE LIMITED
8	INCRED SPECIAL OPPORTUNITIES FUND VCC
9	INCRED WEALTH PRIVATE LIMITED
10	INDRANI MISHRA
11	JAILESH PREMJI HEMANI
12	K MANOHARA RAJ
13	KASHYAP YOGESH MODY
14	KIFTAR CT LLC
15	LEVIM CAPITAL INVESTMENT (THROUGH ITS PARTNERS)
16	LUVISH SATIJA
17	MATHEW CYRIAC
18	MITUL DEVCHAND BID
19	NAPA RADHAKRISHNAN
20	NIDHI JAIN
21	RAMESH DANDALA
22	RIDDHI BARMAN
23	ROHIT JAIN
24	V HEMANT KUMAR
25	VIVEK PANDIT

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Annexure B**TERMS OF SERIES B CCPS**

The Series B Compulsorily Convertible Preference Shares (**Series B CCPS**) shall be issued on the following terms and conditions, including certain rights vested upon the holder of the Series B CCPS.

1. Issue

Each Series B CCPS shall be a compulsorily convertible preference share of InCred Capital Financial Services Private Limited (**Company**) and will have a par value of INR 10/- (Indian Rupees Ten) each and carrying a premium of INR 1590/- (Indian Rupees One Thousand Five Hundred and Ninety) (each, in aggregate, referred to as the **Issuance Price**).

2. Maturity Period

Each Series B CCPS shall have a maximum maturity period of 12 (twelve) months from the date of its issuance (**Maturity Period**), unless otherwise mutually agreed between the Company and the holder of the Series B CCPS, on the expiry of which the Series B CCPS shall compulsorily and automatically convert into Equity Shares in accordance with paragraph 3 of these terms.

3. Conversion

- (a) A holder of a Series B CCPS shall not be entitled to convert the Series B CCPS held by it into Equity Shares until the expiry of 6 (six) months from the date of issuance, unless otherwise agreed by the Company in accordance with Applicable Law. Provided that, the Company may, at its discretion by a written notice to the holder, initiate and effect the Series B CCPS conversion after the expiry of (six) months from the date of issuance. For avoidance of doubt, it is clarified that any conversion of Series B CCPS pursuant to the terms provided herein, shall be effective only upon simultaneous conversion of all the Series B CCPS issued by the Company, and such conversion of Series B CCPS shall not be limited to any particular holder.
- (b) Subject to clause 3.4(c) of the Shareholders Agreement dated 12 November 2018 executed between Incred Capital Financial Services Private Limited (formerly Proud Securities and Credits Private Limited), MEMG Family Office LLP, Paragon Partners Growth Fund-I, Paragon Co-Investors, Bhupinder Singh, NN Group and Other Investors read with the amendment agreement dated 15 December 2020 entered into *inter alia* between Incred Capital Financial Services Private Limited, Paragon Partners Growth Fund-I, MEMG Family Office LLP and Mr. Bhupinder Singh (**Agreement**), each Series B CCPS shall, at the option of a holder or the Company at any time after the expiry of 6 (six) months from the date of issuance convert into Equity Shares in the ratio of 0.9536 CCPS: 1 Equity Share, as may be adjusted in accordance with the terms of the Agreement (such proportion being **Conversion Ratio**).
- (c) The holder of the Series B CCPS or the Company (by a written notice to the holder) may, at any time after the expiry of 6 (six) months from the date of issuance require the conversion of Series B CCPS held by such holder by providing a written notice to the Company/ the holder (as the case may be) (**Conversion Notice**). Notwithstanding the foregoing, all outstanding Series B CCPS shall stand automatically converted into Equity Shares at the Conversion Ratio (as may be adjusted) immediately prior to an IPO.
- (d) Upon the expiry of the Maturity Period, or the issuance of the Conversion Notice or an IPO (as the case may be, each being a **Conversion Event**), the Company shall:

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- (a) promptly, and in any case within 5 (five) Business Days from the Conversion Event, provide a written notice to the holder of the Series B CCPS requiring the holder of the Series B CCPS to surrender the certificates representing the relevant Series B CCPS at the registered office of the Company as soon as reasonably practicable, but in no event later than 2 (two) Business Days from the date of such notice. If the conversion is being initiated at the instance of the Company (as contemplated above), such written notice for surrender may be included by the Company in the Conversion Notice being issued by the Company; and
- (b) thereupon, as soon as reasonably practicable, but in no event later than 2 (two) Business Days after the date on which the certificates representing the relevant Series B CCPS are surrendered by the holder of the Series B CCPS to the Company, the Company shall convert the relevant Series B CCPS, issue the converted Equity Shares (**Conversion Shares**) to the holder of the Series B CCPS and as soon as reasonably practicable, but in any event within the timelines prescribed under Applicable Law, deliver or cause to be delivered to the holder of the Series B CCPS, the duly stamped and valid share certificates representing such Conversion Shares in favour of the holder of the Series B CCPS, along with certified true copies of all the requisite forms duly filed with the relevant Registrar of Companies and such other requisite forms filed with Governmental Authorities, if any, required in connection with the conversion and issuance of the Conversion Shares.
- (e) It is clarified that no fractional Conversion Shares shall be issued upon conversion of the Series B CCPS. In the event that the number of Conversion Shares to be issued to the holder of the Series B CCPS results in a fraction, then the number of Conversion Shares to be issued shall be rounded off to the closest whole number.
- (f) It is further clarified that immediately prior to the Conversion Event, the Company and the Board and the Shareholders shall ensure that the authorised share capital of the Company permits the conversion and issuance of the Conversion Shares. The Shareholders undertake to exercise all powers and rights available to them in the Company (including issuance of consents for convening meetings at shorter notice and voting rights) in order to give effect to these provisions and to ensure that the Company complies with its obligations in a timely manner.
- (g) The Company shall pay the stamp duty or any other costs and expenses that may be payable in respect of issue by the Company of the Conversion Shares to the holder of the Series B CCPS on conversion of the Series B CCPS pursuant to the terms provided herein.

4. Dividends

Each Series B CCPS shall carry the right to be paid an aggregate dividend of an amount of INR 0.01 subject to applicable withholding tax in terms of the Indian Income Tax Act, 1961 and the rules thereunder which shall be payable when and if dividend is declared by the Board. For the avoidance of doubt, it is hereby clarified that this aggregate annual dividend in relation to the Series B CCPS shall be paid prior to payment of any dividend in respect of the Equity Shares. Additionally, the holders of the Series B CCPS shall also be entitled to receive any dividends as may be declared by the Company on a *pro rata* basis, at the same rate as the holders of Equity Shares, on an "as if converted basis" – assuming conversion of such Series B CCPS in accordance with paragraph 3 above. The Series B CCPS shall be non-cumulative preference shares.

5. Voting Rights

Subject to Applicable Law, the holder of the Series BCCPS shall have the right to vote on all matters at the general meetings of the Company on an "as converted basis" – assuming conversion of such Series B CCPS in accordance with paragraph 3 above, in accordance with Applicable Law.

6. Liquidation Preference

The Series B CCPS shall have the liquidation preference rights set out in Clause 3.2(d) and **Schedule 9** of the Agreement.

7. Amendment / Modification

Any amendment or modification to the terms and conditions herein shall be subject to Applicable Law.

8. Transferability

The Series B CCPS shall be Transferable in accordance with the Agreement.

9. Anti-Dilution

Notwithstanding anything contained in Clause 12.2(a) of the Agreement, a 'Dilutive Issuance' as defined under Clause 12.2(a) of the Agreement in respect of Series B CCPS shall occur only if the Company proposes to issue any Equity Shares at a price per Equity Share that is lower than the Issuance Price per Series B CCPS and the holder of such Series B CCPS shall be entitled to an appropriate adjustment in its shareholding in the Company on a broad based weighted average basis, in the manner set out in Schedule 10 of the Agreement. It is hereby clarified that the other provisions of Clause 12.2 of the Agreement shall *mutatis mutandis* be applicable to the provisions of the Series B CCPS set out herein, provided that any issuance of Shares by the Company in relation to: (a) Shares or options for Shares that are reserved for issuance under an employee stock option plan of the Company; and (b) Shares to be issued as part of the reorganisation of the Company comprising the demerger of identified businesses from MAPE Advisory Group Private Limited and InCred Wealth Private Limited and the merger of Clamant Tech Services Private Limited through one or more schemes of arrangement to be approved by the National Company Law Tribunal; shall not be considered as a Dilutive Issuance for Series B CCPS Holders.

10. General

- (a) The Series B CCPS shall be governed by and construed in accordance with the Agreement. In the event of any conflict between the terms of the Series B CCPS and the Agreement, other than paragraph 9 above the terms of the Agreement shall prevail.
- (b) All capitalised terms used herein shall have the meaning as ascribed to it under the Agreement.

April 22, 2022

To,
The Board of Directors
InCred Capital Financial Services Pvt. Ltd
The Capital, 12th Floor, B Wing
Bandra Kurla Complex, Bandra East
Mumbai, 400051, MH

Subject: Report on fair valuation of the shares of InCred Capital Financial Services Pvt. Ltd

Dear Members,

This is in accordance with the terms of reference set out in our engagement letter (referred to as "EL"), wherein Sundae Capital Advisors Private Limited (referred to as "**Sundae**" or "**We**") has been requested by InCred Capital Financial Services Pvt. Ltd ("InCred Capital" or "the Client") in relation to carrying out a valuation of InCred Capital Financial Services Pvt. Ltd ("InCred" or the "**Company**").

INTRODUCTION: SUNDAE CAPITAL ADVISORS PRIVATE LIMITED

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

PURPOSE OF VALUATION AND APPOINTING AUTHORITY

With reference to discussion with Management of the Company, we have been appointed in the capacity of Merchant Banker and Registered Valuer to derive the fair value of Shares of the Company. We understand that the management requires the valuation report for the purpose of calculating fair market value of its securities in terms of the provisions of Income Tax Act, 1961 Section 56(2)(viib) read with Rule 11UA(2)(b), rule 21 of Foreign Exchange Management (Non-debt Instruments) Rules and provisions of Section 62 of the Companies Act, 2013 "CA-2013" and the rules issued thereunder also this report can be relied upon by receiver, seller and issuer of shares along with their respective advisors/consultants.

BACKGROUND INFORMATION OF THE ASSET BEING VALUED

InCred Capital is an integrated provider of financing solutions and advisory services to their corporate and institutional clients through their capital markets, asset management and investment banking platforms. InCred Capital 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 their clients.

BASES & PREMISE OF VALUE

This Valuation is based on "Fair Value" as at the Valuation Date and the Premise of Value is "Going

Concern”.

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

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

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

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

DISCLOSURE AND VALUER INTEREST / CONFLICT

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

Name	No. of shares held
Sundae Capital Advisors Private Limited	N/A
NitiN Somani	N/A

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

DATE OF ENGAGEMENT, VALUATION AND REPORT.

Date of Engagement	April 11, 2022
Date of Valuation	March 31, 2022
Date of Report	April 22, 2022

SOURCE OF INFORMATION AND REPRESENTATIONS

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

- Projected financials of the Company till FY 27.
- Shareholding on fully diluted basis as on Valuation date.
- Information and explanations given by management.
- Other information as available in public domain.

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

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

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

INSPECTIONS AND /OR INVESTIGATIONS UNDERTAKEN INCLUDES

- Analysis of the Company's historical operating results;
- Review of general financial market conditions, including those for its industry;
- Review of its website;
- Such other information we considered relevant to forming our opinion.

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

PROCEDURE ADOPTED IN CARRYING OUT THE VALUATION AND VALUATION STANDARDS

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

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

APPROACHES TO VALUATION

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

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

Income Approach

A general way of determining a value indication of a business, business ownership interest, security,

or intangible asset by using one or more methods through which anticipated benefits are converted into value. Methods include discounted cash flow.

Market Approach

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

Asset Approach

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

SELECTION OF APPROACH AND VALUATION METHOD

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

The calculation for the same is enclosed as Annexure B to this report. The said valuation is based on the generally accepted principles and methods followed internationally and on arms-length basis.

CONCLUSION

Based on our analysis, as described in the valuation report, and subject to the assumptions presented herein, in our opinion the estimated fair value per shares on fully diluted basis of the Company as on March 31, 2022 is 1,525.76 (Indian Rupees One Thousand Five Hundred Twenty-Five and Paise Seventy-Six only).

As intimated to us by the Company, CCPS have conversion ratio of 0.9536: 1, thereby implying the value per CCPS as INR is 1,600.

In case the said Scheme of Arrangement is not approved by the NCLT, this valuation report shall stand rescinded. We have no obligation to update this report or our conclusion of value for information that comes to our attention after the date of report.

for Sundae Capital Advisors Private Limited

(SEBI Regn. No. INM000012494)

(IBBI Regn. No IBBI/RV-E/03/2021/136)

SUNDAE Digitally signed by
NITIN SOMANI
Date: 2022.04.22
15:03:46 +05'30'

Nitin Somani


Director

Registered Valuer (S&FA)

Reg. No. IBBI/RV /03/2020/13127

Caveats, Limitations and Disclaimers

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



including corporate advisory, re-structuring, etc and valuations. We may be providing various other unrelated independent professional advisory services to the Client in the ordinary course of our business.

- This report is confidential for use of the persons to whom it is issued and can be used and relied upon by other parties involved and may be produced before regulatory authorities, as may be required, in connection with the purpose outlined above. It must not be copied, disclosed, circulated or quoted without our prior consent for reasons other than mentioned in the Purpose section of this report.
- In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or wilful default on part of the client or companies, their directors, employees or agents, we have relied on data from external sources also to conclude the valuation. These sources are believed to be reliable and therefore, we assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and /or reproduced in its proper form and context.
- The report assumes that the company complies fully with relevant laws and regulations applicable in its area of operations and usage unless otherwise stated, and that the companies will be managed in a competent and responsible manner. Further, as specifically stated to the contrary, this report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigations and other contingent liabilities that are not recorded/reflected in the balance sheet provided to me.
- We are fully aware that based on the opinion of value expressed in this report, We may be required to give testimony or attend court / judicial proceedings with regard to the subject assets, although it is out of scope of the assignment, unless specific arrangements to do so have been made in advance, or as otherwise required by law. In such event, the party seeking our evidence in the proceedings shall bear the cost/professional fee of attending court / judicial proceedings and our tendering evidence before such authority shall be under the applicable laws.
- The Fair Valuation have been performed on the basis of financial information provided by management. In the absence of financials as of the valuation date and based on representation given by the management, we have considered financials as on the last available financial statements as a base year for the valuation, valuation report may change post availability of financials as on the valuation date or such information.
- The valuation report is tempered by the exercise of judicious discretion by us and judgment taking into account the relevant factors. There will always be several factors, e.g., management capability, present and prospective competition, yield on comparable securities, market sentiment, etc. which may not be apparent from the Balance Sheet but could strongly influence the value.

Annexure B

All Figures in INR Cr						
Particulars	FY 23	FY 24	FY 25	FY 26	FY 27	Perpetuity
Discounting Period- Mid Year	0.5	1.5	2.5	3.5	4.5	4%
EBIT	31.87	83.86	190.57	275.08	375.55	390.58
Less: Taxes	8.02	21.11	47.96	69.23	94.52	98.30
EBIT(1-t)	23.85	62.76	142.61	205.85	281.03	292.28
Add: Depreciation	1.50	1.50	1.50	1.50	1.50	1.50
Add: Capex	(3.18)	(3.35)	(3.53)	(3.74)	(3.96)	(1.50)
Changes in Non-Cash Working Capital	(10.45)	(11.50)	(12.64)	(13.91)	(15.30)	(7.00)
FCFF	11.72	49.41	127.93	189.70	263.27	285.28
Terminal Value						2,593
Discount Rate- WACC	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%
Discount Factor	0.93	0.81	0.71	0.61	0.53	0.53
Discounted FCFF	10.93	40.07	90.20	116.31	140.37	1,382.71

Enterprise Value	1,780.59
Add: Tax Benefit on Depreciation	1.14
Cash & Cash Equivalents	40.49
Debt	-
Non-Current Investment	27.69
Equity Value (In INR Crore)	1,849.90
Total No of Shares	1,21,24,498
Value Per Share (In INR)	1,525.76
Conversion Ratio	0.9536
Value per CCPS (In INR)	1,600.00

Calculation of Cost of Equity	
Particulars	
Risk-Free Rate (Rf)	7.1%
Equity Risk Premium (Rp)	13.1%
Releveled Beta (B)	0.78
Cost of Equity (A) = (Rf + Rp*(B))	17.2%
Company specific risk premium (C)	4.0%
Cost of Equity (D) = ((A)+(C))	21.2%

Calculation of Cost of Debt	
Particulars	
Cost of Debt (A)	10.00%
Effective Tax Rate (t)	25.17%
Cost of Debt (net of tax) (B) = (A) * (1-t)	7.5%

Calculation of WACC			
Particulars	Cost (%)	Weights	Weighted Cost
Debt	7.5%	51%	3.8%
Equity	21.2%	49%	10.3%
WACC			15.0%

Form No. MGT-11**Proxy form**

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

CIN: U67120MH1996PTC355036

Name of the Company: InCred Capital Financial Services Private Limited

Registered office: Unit No. 1203, 12th Floor, B Wing, The Capital, Bandra Kurla Complex Mumbai - 400051

Name of the Member(s):

Registered address:

E-mail Id:

Folio No/ Client Id:

DP ID:

I/ We being the member of InCred Capital Financial Services Private Limited, holding..... shares, hereby appoint

1. Name:

Address:

E-mail Id:

Signature:, or failing him

2. Name:

Address:

E-mail Id:

Signature:

as my/our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the Extra-Ordinary General Meeting of members of the Company, to be held at shorter notice on Wednesday May 04, 2022 at 03.00 PM, at the registered office of the Company situated at Unit No. 1203, 12th Floor, B Wing, The Capital, Bandra Kurla Complex, Bandra East, Mumbai-400051, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. TO APPROVE RECLASSIFICATION OF AUTHORISED SHARE CAPITAL OF THE COMPANY.

2. TO APPROVE ISSUE AND OFFER OF SERIES B COMPULSORILY CONVERTIBLE PREFERENCE SHARES ("CCPS") ON PRIVATE PLACEMENT / PREFERENTIAL BASIS.

3. TO APPROVE ISSUANCE OF SECURED NON-CONVERTIBLE DEBENTURES ("NCD") ON PRIVATE PLACEMENT / PREFERENTIAL BASIS.

InCred Capital Financial Services Private Limited

Registered and Corporate Office: Unit No. 1203, 12th floor, B Wing, The Capital, Plot No. C - 70, G Block, Bandra - Kurla Complex, Bandra East, Mumbai - 400 051

CIN: U67120MH1996PTC355036

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

4. TO APPROVE THE AMENDMENT IN THE INCRED CAPITAL FINANCIAL SERVICES PRIVATE LIMITED EMPLOYEES STOCK OPTION SCHEME ("SCHEME").

Signed this day of 2022

Signature of Member:

Signature of Proxy holder(s):

Affix
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, before the commencement of the Extra-Ordinary General Meeting.

Attendance Slip

Time :

Place :

FULL NAME OF THE FIRST MEMBER:

Joint Members, if any:

Father's/Husband name:

Address in full:

FULL NAME(S) OF THE PERSON ATTENDING THE EXTRA-ORDINARY GENERAL MEETING AS A PROXY -----

I / We hereby record my /our attendance at the Extraordinary General Meeting of the Company held at shorter notice on Wednesday May 04, 2022 at 03.00 PM, at the registered office of the Company situated at Unit No. 1203, 12th Floor, B Wing, The Capital, Bandra Kurla Complex, Bandra East, Mumbai-400051.

Folio No.:

DP ID No.:

No of Shares held:

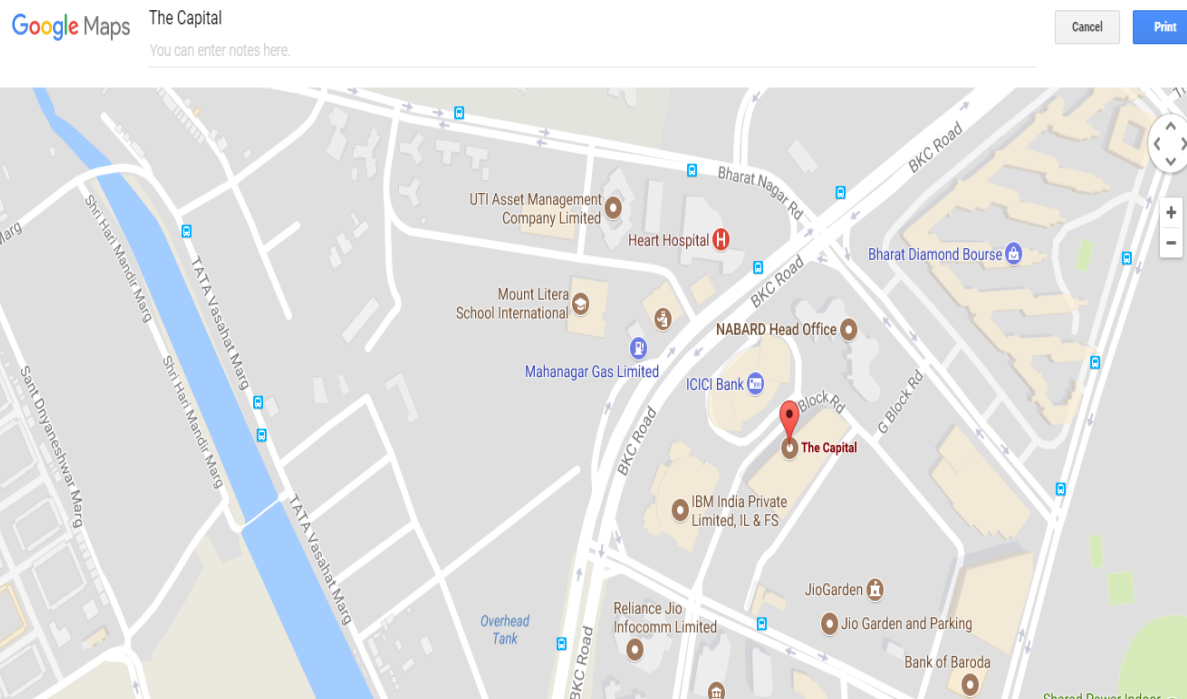
Client ID No.:

Signature of the Member / Proxy /Authorised Representative _____.

Note(s):

1. Please sign this attendance slip and hand it over at the meeting venue.
2. Only shareholders of the company and/or their Proxy will be allowed to attend the Meeting.

**ROUTE MAP TO THE VENUE OF THE EXTRA-ORDINARY GENERAL MEETING OF INCRED CAPITAL
FINANCIAL SERVICES PRIVATE LIMITED**



InCred Capital Financial Services Private Limited

Registered and Corporate Office: Unit No. 1203, 12th floor, B Wing, The Capital, Plot No. C - 70, G Block, Bandra - Kurla Complex, Bandra East, Mumbai - 400 051

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