

No: _____
Addressed to: _____

KEY INFORMATION DOCUMENT FOR PRIVATE PLACEMENT



INCRED FINANCIAL SERVICES LIMITED

A public limited company incorporated under the Companies Act, 1956

Date and place of Incorporation: The Company was incorporated on February 03, 1995 in Chennai; CIN: U67190MH1995PLC360817

Permanent account number (PAN): AAACM7774Q | **RBI Registration Number:** B-13.02417 **Registered and Corporate Office:**

Unit No. 1203, 12th floor, B Wing, The Capital, Plot No. C - 70, G Block, Bandra Kurla Complex (BKC), Mumbai – 400 051

Contact Person: Mr. Gajendra Thakur; **E-mail:** incred.compliance@incred.com;




Telephone No.: 022- 6844 6100 **Website:** www.incred.com **Compliance Officer:** Mr. Gajendra Thakur | **Email:** incred.compliance@incred.com

Information Memorandum for issue of Debentures on a private placement basis

Dated: November 22, 2024

Issue of 2,500 , Rated, Listed, Senior, Secured Redeemable, Transferable, Taxable , Nonconvertible Debentures of face value of Rs. 1,00,000/- (Rupees One Lakh only) each, aggregating up to Rs. 25,00,00,000/- (Rupees Twenty Five Crores only) with an option to retain over subscription of Rs. 25,00,00,000 (Rupees Twenty Five Crores only) in a single series on a private placement basis (the “Issue”). Certain details of the Debentures are as follows:

- (a) **Rating:** The Debentures are rated as AA- by ICRA Limited pursuant to the letter/press release dated November 11, 2024. Please refer Annexure II for the rating rationale and the press release.
- (b) **Listing:** The Debentures are proposed to be listed on the Wholesale Debt Market (WDM) of the BSE Limited within the time period prescribed under the SEBI Listing Timelines Requirements (as defined below) **being T+3** (T being the date of issue opening and closing date).
- (c) **Eligible Investors:** Please refer 8.14 of the Placement Memorandum.
- (d) **Coupon related details:** 9.90% p.a. payable quarterly
- (e) **Underwriting:** The issue is not underwritten.
- (f) **Electronic Book Provider Platform:** Applicable.

Registrar and Transfer Agent	Debenture Trustee	Credit Rating Agency	Statutory Auditor
 Link Intime India Private Limited C 101, 247 Park B S Marg Vikhroli West, Mumbai - 400 083 Tel: +91 22 4918 6000 Fax: +91 22 4918 6060 Website: www.linkintime.co.in Email: mumbai@linkintime.co.in Contact Person: Mr. Ganesh Jadhav	 Catalyst Trusteeship Limited Windsor, 6 th Floor, Office No.604, C.S.T Road, Kalina, Santa Cruz (East), Mumbai 400098 Tel.: 022- 49220555 Fax: 022-49220505 Email: ComplianceCTL-Mumbai@ctltrustee.com Contact Person: Mr. Umesh Salvi Email: umesh.salvi@ctltrustee.com	 ICRA A MOODY'S INVESTORS SERVICE COMPANY ICRA LIMITED B-710, Statesman House, 148, Barakhamba Road, New Delhi 110001 Tel: +91 11 2335 7940 (B) Email: Info@icraindia.com Contact Person: L.Shivakumar	Deloitte Haskins & Sells Address: 19th Floor, Shapath – V, S.G. Highway, Ahmedabad, Gujarat, 380015 Tel: +91 079 6682 7300 Email: sgk@deloitte.com Website: www.deloitte.com
Issuer's Company Secretary/ Compliance Officer: Mr. Gajendra Thakur, Unit No. 1203, 12th floor, B Wing, The Capital, Plot No. C - 70, G Block, Bandra - Kurla Complex, Bandra East, Mumbai - 400 051; Tel.: 022- 4097 7000 Email: gajendra.thakur@incred.com	Issuer's Promoters: InCred Holdings Limited Unit No. 1203, 12th floor, B Wing, The Capital, Plot No. C - 70, G Block, Bandra -Kurla Complex, Bandra East, Mumbai - 400 051; Tel.: 022- 4097 7000		

INCRED FINANCIAL SERVICES LIMITED

(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051

CIN: U67190MH1995PLC360817 | **Email:** care@incred.com | **Contact:** 1800-102-2192 | **Website:** www.incred.com

KEY INFORMATION DOCUMENT

Issue of 2,500 , Rated, Listed, Senior, Redeemable, Transferable, Taxable, Nonconvertible Debentures of face value of Rs. 1,00,000/- (Rupees One Lakh only) each, aggregating up to Rs. 25,00,00,000/- (Rupees Twenty Five Crores only) with an option to retain over subscription of Rs. 25,00,00,000 (Rupees Twenty Five Crores only) in a single series on a private placement basis (the “Issue”).

Credit Rating

The Debentures proposed to be issued by the Issuer have been rated by [ICRA] (“Rating Agency” / “[ICRA]”) earlier at the time of filing General Information Document it was ICRA Limited. The Rating Agency has, vide its letter dated November 11, 2024 has assigned a rating of “AA- ” (pronounced as “Double A Minus”) with Stable outlook in respect of the Debentures. In accordance with ICRA Limited Instruments with this rating are considered to have a high degree of safety regarding the timely servicing of financial obligations. Such securities carry very low credit risk. The above rating is not a recommendation to buy, sell or hold securities and Investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the rating agency and should be evaluated independently of any other ratings. Please refer to Annexure II of this Information Memorandum for the rating letter dated 11th November, 2024 from the Rating Agency assigning the credit rating above mentioned along with the detailed press release.

Issue Schedule

Issue Opens on/ Issue Opening Date	November 27, 2024
Issue Closes on/ Issue Closing Date	November 27, 2024
Deemed Date of Allotment	November 28, 2024
Pay In Date	November 28, 2024
Date of earliest closing of the Issue	Not Applicable

The Issuer reserves the right to change the Issue Schedule including the Deemed Date of Allotment at its sole discretion, without giving any reasons or prior notice. The Issue shall be open for subscription during the banking hours on each day during the period covered by the Issue Schedule.

The Debentures are proposed to be listed on the wholesale debt market of the BSE Limited / Bombay Stock Exchange of India (“BSE”).

INCREC FINANCIAL SERVICES LIMITED

(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051

CIN: U67190MH1995PLC360817 | **Email:** care@incred.com | **Contact:** 1800-102-2192 | **Website:** www.incred.com

SECTION 1: DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or requires, the following terms shall have the meanings given below in this Key Information Document.

Debentures / NCDs	Issue of 2,500 , Rated, Listed, Senior, Secured Redeemable, Transferable, Taxable, Nonconvertible Debentures of face value of Rs. 1,00,000/- (Rupees One Lakh only) each, aggregating up to Rs. 25,00,00,000/- (Rupees Twenty Five Crores only) with an option to retain over subscription of Rs. 25,00,00,000 (Rupees Twenty Five Crores only) in a single series on a private placement basis (the “Issue”). This bond issue does not form part of non-equity regulatory capital mentioned under Chapter V of SEBI NCS Regulations, 2021. The face value of each debt security issued on private placement basis shall be Rs.1,00,000/- (One lakh only).
Deemed Date of Allotment	November 28, 2024
Final Fixing Date	NA
Final Fixing Level	NA
Issue Opening Date	November 27, 2024
Issue Closing Date	November 27, 2024
Issuer/ Company	InCred Financial Services Limited
Initial Fixing Date	NA
Initial Fixing Level	NA
Maturity Date	November 25, 2027 being 1092 days (One Thousand Ninety Two days) from the Deemed Date of Allotment, subject to a Put Option or a Call Option or, such other date on which the final payment of the principal amount of the Debentures becomes due and payable as therein or herein provided, whether at such stated maturity date, by declaration of acceleration, or otherwise.
Security	The security for the Debentures as specified in Section 2.21.

INCRED FINANCIAL SERVICES LIMITED

(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051

CIN: U67190MH1995PLC360817 | Email: care@incred.com | Contact: 1800-102-2192 | Website-www.incred.com

SECTION 2: OTHER INFORMATION

2.1 Issue Schedule

Issue Opens on/ Issue Opening Date	November 27, 2024
Issue Closes on/ Issue Closing Date	November 27, 2024
Deemed Date of Allotment	November 28, 2024
Pay In Date	November 28, 2024
Date of earliest closing of the Issue	Not Applicable

2.2 Expenses of the Issue

Expenses of the issue along with a break up for each item of expense, including details of the fees payable to separately as under (in terms of amount, as a percentage of total issue expenses and as a percentage of total issue size), as applicable

(Amount in INR)

Particulars	Amount	As a percentage of the Issue proceeds (in %)	As a percentage of the total expenses of the Issue (in %)
Lead manager(s) fees,	-	-	-
Underwriting commission	-	-	-
Brokerage, selling commission and upload fees	-	-	-
Fees payable to the registrars to the issue	4,130	0.00%	0.62%
Fees payable to the legal Advisors	-	-	-
Advertising and marketing expenses	-	-	-
Fees payable to the regulators including stock exchanges	1,19,105	0.01%	17.76%
Expenses incurred on printing and distribution of issue stationary	-	-	-
Any other fees, commission or payments under whatever nomenclature	5,47,500	0.05%	81.63%
Grand Total	6,70,735	0.07%	

Note: Consider the issue is subscribed fully, approx figures are mentioned above

2.3 Default in Payment:

As provided under Section 2.12 of this Information Memorandum

2.4 Delay in Listing:

As provided under Section 2.12 of this Information Memorandum.

2.5 Delay in allotment of securities:

As provided under Section 2.12 of this Information Memorandum.

2.6 Key Operational and Financial Parameters for the last 3 audited years on a consolidated basis (wherever available) else on a standalone basis.

InCred Financial Services Limited

INCRED FINANCIAL SERVICES LIMITED

(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051

CIN: U67190MH1995PLC360817 | **Email:** care@incred.com | **Contact:** 1800-102-2192 | **Website:** www.incred.com

(Rs. in crores)

Parameters	Audited	Audited	Audited	Unaudited
For Financial Entities	March 31, 2022	March 31, 2023	March 31, 2024	September 30, 2024
Balance Sheet				
Net Fixed Assets	38.67	49.84	57.05	59.37
Current assets	1,881.38	2,914.37	3,343.09	3,782.10
Non- Current Assets	2,103.84	3,689.16	5,273.64	6,738.65
Total assets	4,023.89	6,653.37	8,673.78	10,580.12
Non-Current Liabilities				2,930.68
(including maturities of long-term borrowings and short-term borrowings)				
Financial (borrowings, trade payables, and other financial liabilities)	1,771.20	2,296.21	2,862.65	
Provisions				
Deferred tax liabilities (net)				
Other non-current liabilities				
Current Liabilities (including maturities of long-term borrowings)				7,161.13
Financial (borrowings, trade payables, and other financial liabilities)	1,140.38	1,873.49	2,490.72	
Provisions				
Current tax liabilities (net)				
Other current liabilities				
Equity (equity and other equity)	1,112.31	2,483.67	3,320.40	488.31
Total equity and liabilities	4,023.89	6,653.37	8,673.78	10,580.12
Profit and Loss				
Total revenue				820.88
- From operations	521.22	876.53	1,292.32	
- Other income				
Total Expenses	473.05	669.52	869.30	578.78
Total comprehensive income				178.86
- Profit / loss	35.28	120.74	312.40	
- Other comprehensive income				
Profit / loss after tax	36.12	120.80	314.90	179.23
Earnings per equity share: (a) basic; and (b) diluted (*not annualised)	(a) 0.94	(a) 2.62	(a) 6.73	(a)3.67*
- Continuing operations	(b) 0.93	(b) 2.62	(b) 6.73	(b)3.67*
- Discontinued operations				
- Total Continuing and discontinued operations				

INCRED FINANCIAL SERVICES LIMITED

(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051

CIN: U67190MH1995PLC360817 | Email: care@incred.com | Contact: 1800-102-2192 | Website-www.incred.com

Parameters	Audited	Audited	Audited	Unaudited
For Financial Entities	March 31, 2022	March 31, 2023	March 31, 2024	September 30, 2024
Balance Sheet				
Cash Flow				
Net cash generated from operating activities	-1,120.86	-635.48	-1,392.25	-1,830.56
Net cash used in / generated from investing activities	13.96	304.56	-506.90	519.96
Net cash used in financing activities	1,138.22	679.28	1,537.08	1,782.03
Cash and cash equivalents	24.86	373.21	11.14	482.57
Balance as per statement of cash flows	24.86	373.21	11.14	482.57
Additional information				
Net worth	1,090.04	1,942.28	2,880.59	3,133.06
Cash and Cash equivalents	52.03	388.34	81.41	482.57
Current Investments	86.80	22.91	506.08	15.80
Assets Under Management	3,823.24	5,552.32	7,449.24	9,114.15
Off balance sheet assets	NA	NA	NA	NA
Total Debts to Total assets	0.70	0.59	1.74	2.15
Debt Service Coverage Ratios	NA	NA	NA	NA
Interest Income	473.34	822.56	1,193.41	751.87
Interest Expense	219.52	355.84	454.84	269.05
Interest service coverage ratio	NA	NA	NA	NA
Provisioning & Write-offs	43.52	(11.96)	(19.47)	75.24
Bad debts to Account receivable ratio	0.78%	0.84%	0.65%	0.63%
Gross NPA (%)	2.83%	2.06%	2.14%	1.95%
Net NPA (%)	1.43%	0.91%	0.85%	0.79%
Tier I Capital Adequacy Ratio (%)	27.43%	32.89%	29.83%	28.70%
Tier II Capital Adequacy Ratio (%)	0.62%	0.51%	0.61%	0.62%

Parameters	Audited	Audited	Audited
For Financial Entities	March 31, 2022	March 31, 2023	March 31, 2024
Balance Sheet	Consolidated		
Net Fixed Assets	48.60	51.86	57.60
Current assets	1,886.11	2,887.59	3,347.23
Non- Current Assets	2,099.94	3,668.94	5,274.23

INCRED FINANCIAL SERVICES LIMITED

(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051

CIN: U67190MH1995PLC360817 | Email: care@incred.com | Contact: 1800-102-2192 | Website- www.incred.com

Parameters	Audited	Audited	Audited
For Financial Entities	March 31, 2022	March 31, 2023	March 31, 2024
Balance Sheet	Consolidated		
Total assets	4,034.65	6,608.39	8,678.37
Non-Current Liabilities (including maturities of long-term borrowings and short-term borrowings)			
Financial (borrowings, trade payables, and other financial liabilities)	1,778.50	2,296.22	2,862.61
Provisions			
Deferred tax liabilities (net)			
Other non-current liabilities			
Current Liabilities (including maturities of long-term borrowings)			
Financial (borrowings, trade payables, and other financial liabilities)	1,140.96	1,825.56	2,490.96
Provisions			
Current tax liabilities (net)			
Other current liabilities			
Equity (equity and other equity)	1,115.19	2,486.61	3,324.80
Total equity and liabilities	4,034.65	6,608.39	8,678.37
Profit and Loss			
Total revenue			
- From operations	524.27	877.45	1,293.10
- Other income			
Total Expenses	482.42	674.28	873.46
Total comprehensive income			
- Profit / loss	2,999.40	120.88	313.86
- Other comprehensive income			
Profit / loss after tax	3,082.76	120.92	316.36
Earnings per equity share: (a) basic; and (b) diluted	(a) 0.80	(a) 2.63	(a) 6.76
- Continuing operations	(b) 0.79	(b) 2.63	(b) 6.76
- Discontinued operations			
- Total Continuing and discontinued operations			
Cash Flow			
Net cash generated from operating activities	-1,122.44	-684.70	-1,390.41

INCREC FINANCIAL SERVICES LIMITED

(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051

CIN: U67190MH1995PLC360817 | Email: care@incred.com | Contact: 1800-102-2192 | Website-www.incred.com

Parameters	Audited	Audited	Audited
For Financial Entities	March 31, 2022	March 31, 2023	March 31, 2024
Balance Sheet	Consolidated		
Net cash used in / generated from investing activities	13.22	353.28	-511.04
Net cash used in financing activities	1,142.22	630.68	1,585.67
Cash and cash equivalents	27.89	327.15	11.37
Balance as per statement of cash flows	27.89	327.15	11.37
Additional information			
Net worth	1,091.23	1,940.76	2,878.28
Cash and Cash equivalents	55.06	342.28	81.64
Current Investments	32.77	36.72	507.34
Assets Under Management	3,823.24	5,552.32	7,449.24
Off balance sheet assets	NA	NA	NA
Total Debts to Total assets	0.70	0.58	1.74
Debt Service Coverage Ratios	NA	NA	NA
Interest Income	473.40	822.83	1,193.46
Interest Expense	219.47	355.84	454.84
Interest service coverage ratio	NA	NA	NA
Provisioning & Write-offs	43.52	(11.96)	-19.47
Bad debts to Account receivable ratio	0.78%	0.84%	0.65%
Gross NPA (%)	2.83%	2.06%	2.14%
Net NPA (%)	1.43%	0.91%	0.85%
Tier I Capital Adequacy Ratio (%)	NA	NA	NA
Tier II Capital Adequacy Ratio (%)	NA	NA	NA

* Gross carrying amount as per IND AS

** Total Debts = Debt securities + Borrowings (other than debt securities)

*** Provisioning & Write off includes ECL provision

Gross NPA ratio = Stage III gross carrying amount / Gross carrying amount.

Net NPA ratio = (Stage III gross carrying amount - Impairment allowance on Stage III loans) / (Gross carrying amount - Impairment allowance on Stage III loans).

INCRED FINANCIAL SERVICES LIMITED

(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051

CIN: U67190MH1995PLC360817 | Email: care@incred.com | Contact: 1800-102-2192 | Website-www.incred.com

(a) **Debt: Equity Ratio of the Company (As on September 30, 2024):**

Before the issue of debt securities	2.15
After the issue of debt securities	2.16

Calculations

As on September 30, 2024, debt-to-equity ratio is calculated as follows:

(Rs. in Crores)

Debt – INR Crs	6,729.67
Equity – INR Crs	3,133.06
Debt/Equity	2.15

Subsequent to the issue, debt-to-equity ratio shall be calculated as follows:

(Rs. in Crores)

Debt – INR Crs	6,754.67
Equity – INR Crs	3,133.06
Debt/Equity	2.15

(b) **Details of any other contingent liabilities of the Issuer based on the last audited financial statements including amount and nature of liability:**

InCred Financial Services Limited

Particulars (Amount in Crores)	As at March 31, 2024	As at March 31, 2023	As at September 30, 2024 (unaudited)
Commitments			
Undrawn committed credit lines	496.41	345.55	706.91
Obligation on investments in partly paid up preference shares	3.57	3.32	3.57
Total	499.98	348.87	710.48

The Company does not have any pending litigations and proceedings and hence does not require any provision or mention under contingent liability.

The Company has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(c) **The amount of corporate guarantee or letter of comfort issued by the issuer along with details of the counterparty (viz. name and nature of the counterparty, whether a subsidiary, joint venture entity, group company etc.) on behalf of whom it has been issued**

Nil

2.7 Names of the Debentures Trustees and Consents thereof

The Debenture Trustee of the proposed Debentures is Catalyst Trusteeship Limited has given its written consent for its appointment as debenture trustee to the Issue and inclusion of its name in the form and context

INCRD FINANCIAL SERVICES LIMITED

(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051

CIN: U67190MH1995PLC360817 | Email: care@incred.com | Contact: 1800-102-2192 | Website-www.incred.com

in which it appears in this Information Memorandum and in all the subsequent periodical communications sent to the Debenture Holders. The consent letter along with the detailed press release from Debenture Trustee is provided in **Annexure III** of this Information Memorandum.

2.8 Rating Rationale(s) adopted (not older than one year on the date of opening of the Issue)/ credit rating letter issued (not older than one month on the date of opening of the Issue).

The Rating Agency has assigned ratings of “ICRA AA-” (pronounced as “Double A Minus”) with “**Stable**” outlook to the Debentures. Instruments with this rating are considered to have a high degree of safety regarding the timely servicing of financial obligations. Such securities carry very low credit risk.

Detailed Rationale

The assigned ratings factor in InCred Financial Services Limited’s (IFSL) healthy capital profile, backed by regular capital infusions (most recent capital infusion of Rs. 500.0 crore in Q3 FY2024), which has supported the growth of its assets under management (AUM; ~58% in FY2023 and ~43% in 9M FY2024). The company’s overall risk profile is supported by the diversified product mix with personal loans (PLs) accounting for 45.3% of the AUM, followed by student loans (22.1%), anchor & escrow backed business loans (18.3%), secured school financing (3.7%), loan against property (LAP; 2.6%) and loans to financial institutions (8.0%). ICRA expects the share of the different product segments in the AUM to remain range-bound at the current levels over the near to medium term. The ratings also consider IFSL’s improving profitability {profit after tax (PAT)/average managed assets (AMA), on a consolidated basis, of 3.4% and 2.1% in 9M FY2024 and FY2023, respectively, vis-à-vis 1.0% in FY2022}, supported by the improving operating efficiency and controlled credit costs.

The robust scale-up of operations in the recent past has, however, led to limited portfolio seasoning, given the relatively long-tenure nature of some of the loan products. Growth was also seen in the company’s managed book1, which accounted for 18.9% of the AUM in December 2023. IFSL’s co-lending arrangements are with public sector banks at present. Student loans secured school financing, and LAP, which are longer-tenure products (9-16 years), had increased at a compound annual growth rate (CAGR) of 58% during the last 21 months and accounted for 28.4% of the AUM as of December 2023. PLs originated by IFSL (38.5% of AUM in December 2023) have an average tenure of about four years. As these loans are unsecured, they are prone to asset quality shocks.

Apart from own PLs, IFSL has a personal loan book (6.8% of AUM in December 2023) sourced via partner entities, which is covered by a first loss default guarantee (FLDG) as per the digital lending guidelines. The company provides anchor/escrow-backed business loans (18.3% of AUM in December 2023) to borrowers operating on various e-commerce and other platforms and also extends supply chain finance. IFSL is also engaged in unsecured product segments and extends credit to borrowers who are susceptible to volatility in their cash flows. Nevertheless, IFSL’s asset quality profile is currently under control, characterised by gross stage 3 of 2.6% and overall provision to AUM of 2.6% of the AUM as of December 2023 vis-à-vis 2.1% and 2.7%, respectively, as of March 2023.

2.9 Details of Debt Securities Sought to be Issued

Under the purview of the current document, the Issuer intends to raise an amount of up to Rs.25,00,00,000 (Rupees Twenty Five Crores only) **by issue of, Rated, Listed, Senior, Secured, Redeemable, Transferable, Taxable Non-convertible Debentures** with an option to retain over subscription of Rs. 25,00,00,000 (Rupees Twenty Five Crores only) in a single series on a private placement basis (the “Issue”). For further details of the Debentures, please refer to the terms and conditions of the debentures set out in Clause 2.21 of this Information Memorandum.

INCREC FINANCIAL SERVICES LIMITED

(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051

CIN: U67190MH1995PLC360817 | **Email:** care@incred.com | **Contact:** 1800-102-2192 | **Website:** www.incred.com

2.10 Issue Size

Issue of 2,500 Rated, Listed, Senior, Redeemable, Transferable, Taxable, Nonconvertible Debentures of face value of Rs. 1,00,000/- (Rupees One Lakh only) each, aggregating up to Rs. 25,00,00,000/- (Rupees Twenty Five Crores only) with an option to retain over subscription of Rs. 25,00,00,000 (Rupees Twenty Five Crores only) in a single series on a private placement basis (the “Issue”)

The aggregate issue size for the Debentures is up to Rs. 50.00 Crores including green shoe.

2.11 Utilization of the Issue Proceeds

The monies raised through the issue the Debentures shall be used for funding requirements in the ordinary course of business of the Company, general corporate purpose, investment including refinancing of existing indebtedness.

2.12 Issue Details

Issuer / Company	Incred Financial Services Limited
Security Name	9.90% Incred / November 2027
Nature of Instrument	Secured
Product Name	IFSL/2024-25/NCD /006
Seniority	Senior Debt
Debenture Trustee	Catalyst Trusteeship Limited
Rating Agency	ICRA Limited
Depository	NSDL and CDSL
Type of instrument	Rated, Listed, Senior, Secured, Redeemable, Transferable, Taxable, Non-Convertible Debentures (“NCDs” Or “Debentures”)
Seniority	Senior Debt
Underlying/ Reference Index	NA
Eligible investors	Eligible Investors shall include all persons eligible to invest in these Debentures as permitted under Applicable Laws including but not limited to the following: (A) Trusts; (B) portfolio managers registered with SEBI; (C) association of persons; (D) companies and bodies corporate including public sector undertakings; (E) commercial banks; (F) financial institutions; (G) insurance companies; (H) mutual funds; (I) other foreign entities allowed by SEBI and RBI; (K) any other investor eligible to invest in these debentures.
Issuance mode	Dematerialized, Private Placement
Ranking	Each Debenture issued by the Issuer will constitute direct and secured obligations of the Issuer. The claims of the Debenture Holders shall be superior to the claims of investors / lenders of Tier I & Tier II Capital and all unsecured & subordinated debt and shall rank paripassu to all senior, secured indebtedness of the Issuer. Each of the Debenture Holders shall inter-se rank paripassu in relation to their rights and benefits in relation to the Debentures, without any preference or privilege.

INCRED FINANCIAL SERVICES LIMITED

(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051

CIN: U67190MH1995PLC360817 | Email: care@incred.com | Contact: 1800-102-2192 | Website-www.incred.com

Listing	<p>Debentures are to be listed on the WDM of the NSE / BSE within a maximum period of 3 working days from the Issue closing date / Deemed Date of Allotment.</p> <p>In the event that: (i) the Debentures are not listed on the [NSE / BSE] within a period of 3 working days from the Issue Closing Date; and/ or (ii) the debentures are delisted for a continuous period of 1 month, the Company shall pay default interest calculated at the rate of 1% (One Percent) per annum on the outstanding principal amount of the Debentures over and above the Coupon Rate for the period commencing from the Deemed Date of Allotment and expiring on the date the Debentures are listed on the WDM of the [NSE / BSE].</p>
Rating	"ICRA AA-, Stable" by ICRA Limited
Issue Size	INR 25,00,00,000/- (Rupees Twenty-Five Cores only)
Green Issue/ Ability to Retain Oversubscription Upto	INR 25,00,00,000/- (Rupees Twenty-Five Cores only)
Total Issue Size	INR 50,00,00,000/- (Rupees Fifty Cores only)
Issue Price	INR 1,00,000 per Debenture (At PAR)
Number of Debentures Issued	5000 Debentures including 2500 Debentures under Green Shoe Option
Face Value	INR 1,00,000 per Debenture
Issue Price	INR 1,00,000 per Debenture
Minimum Subscription	Rs. 1,00,00,000/- (Rupees One Crores only)
Minimum application Size	100 Debentures bearing face value of Rs. 1,00,000/- each and in multiples of 1 debenture(s) thereafter
Total Tenor & Principal Redemption	1092 Days from the Deemed Date of Allotment. Principal repayment to be made on a quarterly basis as per Annexure 1. [Redeemable at PAR]
Coupon Rate	9.90% p.a. payable quarterly
Coupon payment dates	Quarterly Coupon payment
Coupon Type	Fixed Rate
Coupon Reset Process (including rates, spread, effective date, ROI etc.)	Not Applicable
EBP Bidding Date	27 th November, 2024
EBP Timing	10:00 am to 12:00 pm
Issue Opening Date	27 th November, 2024
Issue Closing Date	27 th November, 2024

INCRED FINANCIAL SERVICES LIMITED

(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051

CIN: U67190MH1995PLC360817 | Email: care@incred.com | Contact: 1800-102-2192 | Website-www.incred.com

Pay-in-Date	28 th November, 2024
Deemed Date of Allotment	28 th November, 2024
Redemption Date	25 th November, 2027
Manner of Bidding	Close Book Bidding
Mode of Allotment / Allotment Option	Uniform Yield
Mode of Settlement	ICCL
Utilization of the proceeds	<p>The proceeds of the Issue will be utilized for the following purposes: (a) Refinancing existing borrowings, general corporate purpose (b) Onward lending to customers, organically or inorganically, as per RBI guidelines</p> <p>The proceeds of the issuance shall not be utilised for any purpose which may be in contravention of the Governmental Authority / RBI / SEBI / other regulatory guidelines.</p> <p>Issue proceeds will not be used for acquisition of, inter-corporate deposits by the Company to / in any company, All types of loans and advances by the Company to their subsidiaries, group companies / entities</p> <p>Further lending to individuals for subscribing to Initial Public Offerings</p>
Initial Fixing Date	NA
Final Fixing Date	NA
Redemption Amount	As per Annexure 1 “Redemption Schedule”
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	All payments must be made by ECS, NEFT, RTGS, or such other online payment mechanism permitted under the SEBI Debt Listing Regulations.
Business Days	A day (other than a Saturday, a Sunday or a Bank Holiday) on which banks are open for general business in Mumbai.
Business Convention	If any Due Date falls on a day which is not a Business Day, the principal repayment shall be made on the immediately preceding Business Day and the interest should be made on the succeeding Business Day. In case of final payment, both the interest and principal needs to be paid on the preceding Business Day.
Record Date	The date, as may be fixed by the Company, which will be 15 days prior to the redemption date on which the determination of the persons entitled to receive redemption amount in respect of the Debentures (i.e. persons whose names are registered in the register of Debenture Holders or NSDL/CDSL record) shall be made.
Day Count Basis	Actual/Actual
Default Interest Rate	If, at any time, there shall be a payment default or any other Event of Default, the Company agrees to pay an additional interest rate of 2% per annum above the applicable Interest Rate on the Outstanding Principal Amount from the date of the occurrence of the Payment Default or Event of Default until such Payment Default or Event of Default is cured.

INCRED FINANCIAL SERVICES LIMITED

(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051

CIN: U67190MH1995PLC360817 | Email: care@incred.com | Contact: 1800-102-2192 | Website-www.incred.com

<p>Step up coupon</p>	<p>In addition to the Coupon payable on the Debentures at the Coupon Rate, the Company shall, immediately and in any case no later than 1 (one) Business Day from the date on which a Rating Downgrade Event occurs, notify the Debenture Trustee in writing of such occurrence.</p> <p>On the date of press release for downgrade of such rating by two notches (i.e. below A+) by ICRA or any other Credit Rating Agency in the credit rating of (i) the Debentures, or (ii) the Company, as the case may be (“Rating Downgrade Event”), the debenture holders will have option to increase the coupon rate for the debentures by 25 bps (zero decimal point two five per cent) over the Coupon Rate, from the date of the such downgrade (“Step Up Coupon Rate”).</p> <p>However, such option to increase the coupon rate shall be vested with the debenture holders only if the company consents the similar step up coupon with any other debenture holders in any other issuance of debt securities post the allotment date.</p> <p>It is hereby clarified that outlook change shall not be deemed as rating downgrade.</p> <p>Prior consent of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) shall be required in the event that the Debentures are required to be rated (at any time during the tenure of the Debentures) by a Credit Rating Agency duly registered with SEBI approved by the Debenture Trustee other than ICRA Limited. In the event of multiple ratings, the lowest of the ratings available for long term borrowings shall be taken into account for purposes of calculating the Step Up Coupon Rate.</p> <p>For avoidance of doubt, it is hereby clarified that in each case the Step Up Coupon Rate, will be applicable from the date of the press release of ICRA or any other Credit Rating Agency reflecting the aforesaid credit rating downgrade.</p>
<p>Call / Put Option</p>	<p>None</p>
<p>Proposed time schedule for which the disclosure document is valid</p>	<p>Till redemption</p>
<p>Redemption Premium / Discount</p>	<p>Not Applicable</p>
<p>Security</p>	<p>The Debentures shall be secured by way of a first ranking, pari passu and continuing charge on standard receivables (“Hypothecated Receivables”/“Hypothecated Assets”) created pursuant to the deed of hypothecation to be executed between the Company and the Debenture Trustee as described herein. The Hypothecated Assets shall at all times be equal to the value of the outstanding principal amount of the Debentures. The Issuer undertakes:</p> <ul style="list-style-type: none"> to maintain the value of security at all times equal to 1.10(One decimal point one zero) time or 110.0% the aggregate amount of principal and

INCRED FINANCIAL SERVICES LIMITED

(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051

CIN: U67190MH1995PLC360817 | **Email:** care@incred.com | **Contact:** 1800-102-2192 | **Website:** www.incred.com

	<p>accrued interest outstanding of the NCDs at any point of time where at least 1.10x time or 110.0% of the security cover is for principal and accrued interest receivables (“Security Cover”);</p> <ul style="list-style-type: none"> to create, register and perfect the Hypothecated Assets as contemplated above no later than 30 calendar days from the Deemed Date of Allotment by executing a duly stamped deed of hypothecation (“Deed of Hypothecation”) and filing CHG-9 within the time period applicable; The Company shall also provide such information sought by the Debenture Trustee for the purpose of filing the prescribed forms and particulars with the Central Registry and Information Utility in connection with the Debentures and the Security Interest over the Hypothecated Assets. to pay a penal interest of 2.0% (Two Percent) p.a. over the Coupon Rate in case there is any delay in the creation, registration and perfection of the security over the Hypothecated Assets; to provide a CA certificate of book debts statement showing standard receivables over which charge is created and subsisting by way of hypothecation in favour of the debenture trustee and adequacy of the pari passu cover on a quarterly basis. (“Hypothecated Asset Report”) to add fresh loan assets to the Security Cover to ensure that the value of the Hypothecated Assets is equal to 1.10 time or 1.10% the aggregate amount of principal and accrued interest outstanding of the NCDs where at least 1.10 time or 110.0% of the security cover is from principal and accrued interest receivables. <p><u>Eligibility Criteria for the Hypothecated Receivables:</u></p> <ul style="list-style-type: none"> The receivables are existing at the time of selection and have not been terminated, prepaid or not under any moratorium. the receivables must be in the form of loans advanced as permitted by the RBI that are less than 90 (ninety) days overdue from the original scheduled repayment date as on the date of hypothecation and on an ongoing basis; The receivables have to be standard category and not been restructured or rescheduled; <p>All “Know Your Customer” norms have been complied with as prescribed by the Reserve Bank of India;</p>
<p>Prepayment and Prepayment Penalty</p>	<p>Any full or part of Prepayment (early redemption) shall be subject to the consent of the Majority of all Debenture Holders. The issuer shall give the Debenture Trustee and the Debenture Holders at least 30 (Thirty) Calendar Days written notice prior to the date of such meeting where Debenture Holders consent for prepayment shall be sought.</p>
<p>Transaction Documents</p>	<ol style="list-style-type: none"> Memorandum and Articles of Association of the Company. Consent Letter dated August 02, 2024 from Catalyst Trusteeship Limited for acting as Debenture Trustee for and on behalf of the holder(s) of the Debentures. Debenture Trust deed dated August 14, 2024 executed between Company and Catalyst Trusteeship Limited Certified copy of the Board Resolution passed on May 7, 2024

INCRED FINANCIAL SERVICES LIMITED

(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051

CIN: U67190MH1995PLC360817 | **Email:** care@incred.com | **Contact:** 1800-102-2192 | **Website:** www.incred.com

	<ol style="list-style-type: none"> 5. Certified copy of the Shareholders Resolution passed on July 08, 2024. 6. Letter from ICRA Limited conveying the credit rating for the Debentures of the Company and the rating rationale pertaining thereto. 7. Consent Letter from Link Intime India Private Limited for acting as Registrars to the Issue. 8. Tripartite Agreement between the Company, National Securities Depository Limited (“NSDL”) and the Registrar for the Issue of Debentures in dematerialised form. 9. Tripartite Agreement between the Company, Central Depository Services (India) Limited (“CDSL”) and the Registrar for the Issue of Debentures in dematerialised form.
<p style="text-align: center;">Conditions Precedent Disbursement to</p>	<p>The Company shall have submitted the following to the Debenture Trustee:</p> <ol style="list-style-type: none"> 1. Certified true copy of the constitutional documents of the Company. 2. Certified true copies of the special resolutions of the shareholders of the Company under Sections 42 of the Act and under Section 180 of the Act (if applicable). 3. A certified true copy of the resolution of the board of directors of the Company under Sections 71 and 179 of the Act, (i) approving the issue of the Debentures (ii) approving the terms of the transactions contemplated by the relevant Debenture Documents; (iii) resolving to execute the relevant Debenture Documents (iv) authorising a specified person or persons to execute the relevant Debenture Documents on its behalf and to do all such acts and things as may be necessary to give effect to the relevant Debenture Documents and the transactions contemplated by the relevant Debenture Documents. 4. The Company shall have filed the resolutions (if applicable) specified in 2 and 3 above with the Registrar of Companies prior to issuing the Disclosure Document. 5. A certificate of an independent practicing Chartered Accountant, certifying that there are no proceedings pending against the Company (as an assessee) under the Income Tax Act, 1961 which would warrant the requirement of permission / certificate from the Assessing Officer under Section 281 of the Income Tax Act, 1961 for the creation of Security. 6. Execution of the Debenture Documents as may be required by the Debenture Trustee. 7. Issuance of this Disclosure Document containing disclosures required in terms of the SEBI (ILDS) Regulations and the Companies Act. 8. The Company shall have submitted to the Debenture Trustee its audited account statements for the most recent Financial Year. 9. Receipt of in principle approval from BSE in respect of listing of the Debentures. 10. Certificate from the Chief Financial Officer of the Company containing certifications including (i) absence of Material Adverse Effect; (ii) issuance of Debentures will not cause any borrowing limit binding on Company to be exceeded; (iii) regulatory requirements for issue of Debentures have been complied; (iv) representation and warranties made in the Debenture documents are true and correct. 11. The Company shall have made relevant disclosures/intimations to concerned stock exchanges with respect to raising funds through Debentures as per SEBI guidelines, if applicable.

INCREDFINANCIAL SERVICES LIMITED

(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051

CIN: U67190MH1995PLC360817 | **Email:** care@incred.com | **Contact:** 1800-102-2192 | **Website:** www.incred.com

	<p>12. The Issuer shall create charge /hypothecate the receivables in favour of Debenture Trustee within 30 days from the date of execution of DOH.</p> <p>13. The Issuer shall have submitted to the Debenture Trustee the rating letter and rating rationale;</p> <p>14. The Issuer shall have submitted to the Debenture Holders / Debenture Trustee, all required documents for the purpose of satisfying its respective KYC requirements;</p> <p>15. Evidence that all the conditions precedent have been satisfied by the Company to the satisfaction of the Debenture Trustee and the receipt by the Debenture Trustee of a conditions precedent compliance certificate in this regard, in a form and manner acceptable to the Debenture Trustee.</p>
Conditions Subsequent to Disbursement	<p>(a) The Company shall ensure that upon issuance of the Debentures, the allotment and the dematerialised credit of the same occurs within 2 (Two) Business Days from the Deemed Date of Allotment.</p> <p>(b) Filing of a return of allotment on the issue of the Debentures in Form PAS-3 specified pursuant to Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 by the Issuer, with the registrar of companies, within 15 (Fifteen) days from the Deemed Date of Allotment.</p> <p>(c) The Company shall ensure that the Debentures are listed and traded on the BSE within 3 (Three) trading days from the closing date of the Issue.</p> <p>(d) Registration of hypothecation over the property over which the Security Interest is created in terms of the Debenture Documents, with the Registrar of Companies and Central Registry of Securitisation Asset Reconstruction and Security Interest of India (CERSAI) within a maximum period of 30 (thirty) days from the Deemed Date of Allotment.</p> <p>(e) A certificate by an independent practicing Chartered accountant certifying the Purpose of the proceeds of the Debentures, to be submitted within 90 (Ninety) days from the Deemed Date of Allotment.</p> <p>(f) The Company shall make all applicable regulatory filings within the timelines prescribed under Applicable Law.</p>
Roles and Responsibilities of Debenture Trustee	To oversee and monitor the overall transaction for and on behalf of the Debenture Holders.
Risk factors pertaining to the issue	Please refer to Section 3 - Risk Factors Disclosure Document dated 22 nd November, 2024.
Debenture Redemption Reserve	Not applicable
Other Expenses	Any expenses that may be incurred towards executing of this transaction including NCD issuance, custodial services, payment of stamp duty, fees for legal , accounting , due diligence and others shall be borne by the Issuer.
Governing Law and Jurisdiction	<p>The Debentures and the Transaction Documents (including the Debenture Trust Deed) are governed by and will be construed in accordance with the Indian laws.</p> <p>The courts and tribunals of Mumbai, India have exclusive jurisdiction to settle any dispute arising out of or in connection with the Debentures or the Transaction Documents.</p> <p>Notwithstanding anything to the contrary contained in any other Transaction Document/Disclosure Document, the Debenture Trustee/Debenture Holders</p>

INCRED FINANCIAL SERVICES LIMITED

(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051

CIN: U67190MH1995PLC360817 | Email: care@incred.com | Contact: 1800-102-2192 | Website-www.incred.com

	may commence any legal action/proceedings arising out of the Debentures or the Transaction Documents in a court, tribunal or any other appropriate forum in India and the Company hereby consents to that Jurisdiction																				
Transaction Costs	The Issuer shall bear all transaction related costs incurred by the Debenture Holders with respect to legal counsel, valuers and auditors/consultants. Such costs include: <ol style="list-style-type: none"> 1. Trustee fees 2. Listing fees 3. Rating 4. Any other reasonable transaction related expense incurred by the Debenture Holders 5. Stamping and registration in relation to all Transaction Documents. 																				
Taxes, Duties, Costs and Expenses	All costs and expenses associated with the transaction including the arranger's fees, fees for engaging lawyers, security trustee, rating agency, registrars, independent valuer's fees, etc. and stamp duties incurred and documented in relation to preparation, negotiation and execution of the Transaction Documents shall be to the account of the Issuer. These Cost and expenses will be pre-approved by the Company and payable directly by the company.																				
Events of Default	<p>As per the Debenture Trust Deed dated August 14, 2024 and/or breach of any of the conditions/ covenants mentioned in this Term Sheet.</p> <p>As per DTD the occurrence of any one of the following events shall constitute an "Event of Default" by the Company:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">1. Default in redemption of Debentures</td> <td style="width: 50%;">11. Proceedings against Company</td> </tr> <tr> <td>2. Default in payment of interest/principal amount</td> <td>12. Liquidation or dissolution of company</td> </tr> <tr> <td>3. Default in performance of covenants and conditions</td> <td>13. Appointment of receiver or liquidator</td> </tr> <tr> <td>4. Default in creation of Security</td> <td>14. Attachment or distraint on Secured Assets</td> </tr> <tr> <td>5. Supply of misleading information</td> <td>15. Extra-ordinary circumstances</td> </tr> <tr> <td>6. Inability to pay debts</td> <td>16. Company ceases to carry on business</td> </tr> <tr> <td>7. Inadequate insurance</td> <td>17. Security is in jeopardy</td> </tr> <tr> <td>8. Sale, disposal and removal of assets</td> <td>18. Liabilities exceed the assets</td> </tr> <tr> <td>9. Expropriation</td> <td>19. Insolvency and Bankruptcy Code, 2016</td> </tr> <tr> <td>10. Alteration in provisions of memorandum and/or articles of association</td> <td></td> </tr> </table>	1. Default in redemption of Debentures	11. Proceedings against Company	2. Default in payment of interest/principal amount	12. Liquidation or dissolution of company	3. Default in performance of covenants and conditions	13. Appointment of receiver or liquidator	4. Default in creation of Security	14. Attachment or distraint on Secured Assets	5. Supply of misleading information	15. Extra-ordinary circumstances	6. Inability to pay debts	16. Company ceases to carry on business	7. Inadequate insurance	17. Security is in jeopardy	8. Sale, disposal and removal of assets	18. Liabilities exceed the assets	9. Expropriation	19. Insolvency and Bankruptcy Code, 2016	10. Alteration in provisions of memorandum and/or articles of association	
1. Default in redemption of Debentures	11. Proceedings against Company																				
2. Default in payment of interest/principal amount	12. Liquidation or dissolution of company																				
3. Default in performance of covenants and conditions	13. Appointment of receiver or liquidator																				
4. Default in creation of Security	14. Attachment or distraint on Secured Assets																				
5. Supply of misleading information	15. Extra-ordinary circumstances																				
6. Inability to pay debts	16. Company ceases to carry on business																				
7. Inadequate insurance	17. Security is in jeopardy																				
8. Sale, disposal and removal of assets	18. Liabilities exceed the assets																				
9. Expropriation	19. Insolvency and Bankruptcy Code, 2016																				
10. Alteration in provisions of memorandum and/or articles of association																					

INCRED FINANCIAL SERVICES LIMITED

(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051

CIN: U67190MH1995PLC360817 | Email: care@incred.com | Contact: 1800-102-2192 | Website-www.incred.com

Following Events would also be construed as Events of Default -

1. Default or trigger of event of default on any other indebtedness (cross default)
2. Non-payment of any of the dues under this Issuance, with a grace period of 1 days only in case of any technical delay / glitch
3. Misrepresentation or misleading information in any of the Transaction Documents
4. Issuer is unable or admits in writing its inability to pay its debts as they mature or suspends making payment of any of its debts, by reason of actual or anticipated financial difficulties or proceedings for taking it into liquidation have been admitted by any competent court or a moratorium or other protection from its creditors is declared or imposed in respect of any indebtedness of the Company;
5. Event of Insolvency, winding up, liquidation
6. A receiver or liquidator, provisional liquidator, supervisor, receiver, administrative receiver, administrator, compulsory manager, trustee or other similar officer in respect of the Company or any of its assets is appointed or allowed to be appointed of all or any part of the undertaking of the Company;
7. If an attachment or expropriation or restraint of act of sequestration is levied on the Hypothecated Assets or any part thereof;
8. Repudiation of Transaction Documents
9. Cessation of business
10. Any material act of fraud, embezzlement, misstatement, misappropriation or siphoning off of the Issuer / Promoter funds or revenues or any other act having a similar effect being committed by the management of the Issuer
11. Promoters or key management personnel of the Company being declared willful defaulter.
12. The promoter/s and/or the directors of the Company are convicted of criminal offence involving moral turpitude, dishonesty or which otherwise impinges on the integrity of the promoter/s and/or director, including any accusations, charges and/or convictions of any offence relating to bribery;
13. All or a material part of the undertaking, assets, rights or revenues of the Company are condemned, seized, nationalized, expropriated or compulsorily acquired, or shall have assumed custody or control of the business or operations of the Company, or shall have taken any action for the dissolution of the Company, or any action that would prevent the Company, their member, or their officers from carrying on their business or operations or a substantial part thereof, by or under the authority of any Government or Government authority;
14. Occurrence of a Material Adverse Effect (defined below) as determined by the Debenture Trustee, acting solely on the instructions of the Majority Debenture Holders.
15. Any Transaction Document once executed and delivered, ceases to be in full force or becomes unlawful, invalid and unenforceable;
16. A petition for the reorganization, arrangement, adjustment, winding up or composition of debts of the Company is filed on the Company (voluntary or otherwise) or have been admitted or makes an

INCREC FINANCIAL SERVICES LIMITED

(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051

CIN: U67190MH1995PLC360817 | **Email:** care@incred.com | **Contact:** 1800-102-2192 | **Website:** www.incred.com

	<p>assignment for the benefit of its creditors generally and such proceeding is not contested by the company for staying, quashing or dismissed within 15 (Fifteen) days</p> <p>17. Breach of the following covenants:</p> <p>Affirmative Covenants – (i) Preserve corporate status; authorizations, (ii) Payment of Stamp Duty, (iii) Handling Investor grievances, (iv) Compliance with Investor Education and Protection Fund requirements, (v) Regulatory Filings, (vi) Regulatory requirements in case of a Foreign Investor, (vii) Maintenance of Books of Account and (viii) Corporate Governance;</p> <p>Where such breach is not cured within permitted timelines.</p> <p>a) Negative Covenants - (i) Change of business and (ii) Dividend distribution in case of default</p> <p>b) Financial Covenants where such breach is not cured within 30 calendar days.</p> <p>c) Failure to comply Mandatory redemption event</p> <p>d) Step Up coupon,</p> <p>Upon occurrence of any of the aforesaid event of default, the Debenture Trustee may by a notice in writing to the Company initiate actions as may be contemplated in the Transaction Documents including the following:</p> <p>(a) require the Company to mandatorily redeem the Debentures and repay the principal amount on the Debentures, along with accrued but unpaid interest, and other costs, charges and expenses incurred under or in connection with this Deed and other Transaction Documents,</p> <p>(b) Declare all or any part of the Debentures to be immediately (or on such dates as the Debenture Trustee may specify) due and payable, whereupon it shall become so due and payable immediately.</p> <p>‘Material Adverse Effect’ shall mean the effect or consequence of an event, circumstance, occurrence or condition which has caused, as of any date of determination, a material and adverse effect on (i) the financial condition, business or operation of the Issuer where net worth erodes by more than 25%; (ii) the ability of the Issuer to perform their obligations under the Transaction Documents; or (iii) the validity or enforceability of any of the Transaction Documents (including the ability of any party to enforce any of its remedies thereunder).</p>
<p>Consequences of Event of Default</p>	<p>The consequences of default will, include but not be limited to the following: Acceleration of all outstanding dues, cancellation of total Issue and enforcement of Security;</p> <ul style="list-style-type: none"> To transfer assets of the Issuer comprised within the Security created in favour of Debenture Trustee or such other person by way of lease,

INCREDFINANCIAL SERVICES LIMITED

(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051

CIN: U67190MH1995PLC360817 | **Email:** care@incred.com | **Contact:** 1800-102-2192 | **Website:** www.incred.com

	<p>leave and license, sale or otherwise. Any surplus realized from the transfer of assets after fulfilment of all the obligations of the Issuer under the Issue shall be paid to the Issuer;</p> <ul style="list-style-type: none"> • Enforce its right under the Transaction Documents; • Appropriate any amount in the Accounts and utilize it for payment/repayment of any amount outstanding under the Issue; • Charge Default Interest. It is clarified that the default interest shall be charged from the date of occurrence of event of default irrespective of the same being declared by the Investor(s) till such date the default subsists; • Any cost incurred on any of the above shall be borne by the Issuer. • Any deviation in Management or Financial covenant to constitute Event of Default triggering put option at “At Maturity XIRR rates” given underlying Index levels. These need to be reported on a quarterly basis. • The Recall option shall be exercised at PAR along with accrued interest, with a prior notice of 30 calendar days to the Issuer
<p>Creation of recovery expense fund</p>	<p>SEBI has issued <i>vide</i> circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 (“SEBI REF Circular”), the guidelines/ instructions in relation to creation of Recovery Expense Fund (“REF”) in order to enable the debenture trustees to take prompt action for enforcement of security in case of ‘default’ in listed debt securities to be used in the manner decided in the meeting of the holders of debt securities. The Company will create and maintain a Recovery Expense Fund as per the provisions of the regulations issued by SEBI and the SEBI REF Circular, as amended from time to time, and if during the currency of these presents, any guidelines are formulated (or modified or revised) by any Governmental Authority under Applicable Law in respect of creation/maintenance of the Recovery Expense Fund, the Company shall abide by such guidelines and execute all such supplemental letters, agreements and deeds of modifications as may be required by the Debenture Trustee (who shall forthwith forward them to the Debenture Holders) and shall also cause the same to be registered, where necessary.</p> <p>Details: The Company shall within the timelines prescribed under the SEBI REF Circular create REF in relation to the Issue, by deposit of an amount equal to 0.01% of the Issue size subject to maximum of Rs. 25 lakhs towards REF with BSE in such form as prescribed under the SEBI REF Circular.</p> <p>Purpose: In the event of default, the Debenture Trustee shall obtain the consent of Debenture Holders for enforcement of security and shall inform the same to BSE. BSE will release the amount lying in the REF to the Debenture Trustee within 5 working days of receipt of such intimation.</p> <p>The REF will be refunded to the Issuer in accordance with the SEBI REF Circular.</p>

INCREC FINANCIAL SERVICES LIMITED

(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051

CIN: U67190MH1995PLC360817 | **Email:** care@incred.com | **Contact:** 1800-102-2192 | **Website:** www.incred.com

<p>Conditions for breach of covenants specified in Debenture Trust Deed]</p>	<p>Please refer to details provided in Section Consequence of Event of Defaults section.</p>
<p>Terms and conditions of debenture trustee agreement including fees charged by debenture trustees(s), details of security to be created and process of due diligence carried out by the debenture trustee</p>	<p>Terms and conditions of debenture trustee agreement including fees charged by debenture trustees(s):</p> <p>Debenture Trustee Agreement has been executed as per required SEBI regulations before the Issue Opening Date i.e. on August 14, 2024.</p> <p>The Debenture Trustee shall be responsible to oversee and monitor the overall transaction for and on behalf of the Debenture Holders in accordance with the terms and conditions as set out in the Debenture Trust Deed and the Debenture Trustee Agreement.</p> <p>The Company shall pay to the Debenture Trustees so long as they hold the office, remuneration for their services as debenture trustee in addition to all legal, traveling and other costs, charges and expenses which the Debenture Trustee or their officers, employees or agents may incur in relation to execution of the Debenture Trust Deed and the other Transaction Documents to be executed to give effect to the creation of security for securing the Debentures and any other expenses like advertisement, notices, letters to Debenture Holders, and additional professional fees/ expenses that would be incurred upon the occurrence of an Event of Default. The remuneration of the Debenture Trustee shall be as per the offer letter number CL/DEB/24-25/280 dated August 02, 2024 as may be amended/modified from time to time.</p> <p>Details of security to be created:</p> <p>Please refer to row titled (<i>Security</i>).</p> <p>Process of due diligence carried out by the Debenture Trustee:</p> <p>The Debenture Trustee has independently carried out the due diligence process in accordance with the SEBI circular no. SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/ 207 dated November 03, 2020 (“SEBI Due Diligence Circular”), in the following manner:</p> <p>The due diligence (“DD”) will be carried out as per the Securities Exchange Board of India (Debenture Trustee) Regulations, 1993 as amended from time to time and the relevant circulars issued by SEBI from time to time, which broadly includes following:</p> <ul style="list-style-type: none"> (i) A Chartered Accountant (“CA”) will be appointed by the Debenture Trustee who carry out an independent DD as per the scope provided, regarding Security given for the issue by the Company. (ii) The CA will verify and ensure that the asset provided by the Company for creation of security are free from any encumbrances or necessary permission or consent has been obtained from existing charge holders.

INCRED FINANCIAL SERVICES LIMITED

(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051

CIN: U67190MH1995PLC360817 | **Email:** care@incred.com | **Contact:** 1800-102-2192 | **Website:** www.incred.com

	<p>(iii) The CA will do an independent DD as per information provided by the Company.</p> <p>(iv) The periodical DD will be carried out as per the SEBI circulars issued from time to time as per nature of security provided.</p> <p>(v) A DD certificate will be issued by the CA and will be available with the stock exchanges from time to time for the information of the Debenture Holders.</p> <p>(vi) As mentioned in this Information Memorandum even though the Debentures are secured to the extent of 110% of the principal and accrued interest or as per the terms of this Information Memorandum, in favour of Debenture Trustee, however, the recovery of 110% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.</p> <p>(vii) The DD will be carried out for maintenance of security cover depending on information provided by the Company and the CA appointed by the Debenture Trustee or Debenture Trustee himself will not be responsible for misinformation provided by the Company.</p> <p><u>Due Diligence Certificate</u></p> <p>The Debenture Trustee has issued a due diligence certificate in the format as set out under the SEBI Due Diligence Circular which certificate has been attached hereto.</p> <p>The Debenture Trustee has verified that the necessary consents have been approved from the existing charge holders for creation of first ranking <i>pari passu</i> charge for the purposes of securing the Debentures. The following are the details of the charge holders and the no-objection certificates received from the aforesaid charge holders:</p> <table border="1" data-bbox="494 1232 1396 1467"> <thead> <tr> <th>Sr. No</th> <th>Lender/ Charge Holder</th> <th>Date of the NoC</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Catalyst Trusteeship Limited</td> <td>NoC mail dated November 19th 2024</td> </tr> <tr> <td>2.</td> <td>Axis Trusteeship Services Limited</td> <td>NoC Mail dated August 9th 2023</td> </tr> </tbody> </table>	Sr. No	Lender/ Charge Holder	Date of the NoC	1.	Catalyst Trusteeship Limited	NoC mail dated November 19 th 2024	2.	Axis Trusteeship Services Limited	NoC Mail dated August 9 th 2023
Sr. No	Lender/ Charge Holder	Date of the NoC								
1.	Catalyst Trusteeship Limited	NoC mail dated November 19 th 2024								
2.	Axis Trusteeship Services Limited	NoC Mail dated August 9 th 2023								
<p>Reporting Covenants</p>	<p><i>Quarterly Reports – within 30 (Thirty) calendar days from the end of each financial quarter</i></p> <ul style="list-style-type: none"> a) Unaudited Financial Statements b) Financial covenant compliance certificate signed by a Director or the Chief Financial Officer or Authorised Signatory c) Latest ALM details d) Shareholding structure e) Board composition f) Senior management officials (any CXO or equivalent) g) List of Lenders and Loan / NCD profile h) Portfolio cuts including PAR data 									

INCRED FINANCIAL SERVICES LIMITED

(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051

CIN: U67190MH1995PLC360817 | Email: care@incred.com | Contact: 1800-102-2192 | Website: www.incred.com

	<p>Annual Reports – within 120 calendar days from the end of each financial year</p> <p>a) Audited financial statements</p> <p>Event Based Reports – within 10 (Ten) Business Days of the event occurring</p> <p>a) Any fraud amounting to more than 5.0% of Gross Loan Portfolio b) Change in the constitutional documents of the Company if such changes adversely affects the interest of debenture holders. c) Material Adverse Effect d) Any dispute, litigation, investigation or other proceeding which could result in a Material Adverse Effect. e) Winding up proceedings f) Any Event of Default or Potential Default, and any steps taken / proposed to remedy the same.</p>
<p>Financial Covenants</p>	<ol style="list-style-type: none"> 1. The capital adequacy ratio (as defined in RBI NBFC Regulations) shall be equal to 20% or above at all points in time. 2. GNPA shall be maintained below 5% 3. NNPA (Net NPA) of the company to be less than 3%. 4. Leverage shall not exceed 4x times during the tenure of the debentures 5. Cumulative Asset Liability mismatch should always be positive in all the buckets upto 12 months. If the said covenant is breached, then the company will have a curing period of 1 month to set right the same. <p>“Net NPA” shall have the meaning in accordance with the guidelines issued by the Reserve Bank of India.</p> <p>** - Not more than 50% of the CC / OD / Working capital borrowings that are captured in the less than 1 year bucket will be assumed to be renewed for the purpose of this cumulative ALM mismatch covenant.</p> <p>All covenants would be tested on quarterly basis i.e. as on 31st March, 30th June, 30th September, 31st December every year, starting from 30th June, 2024, on consolidated and standalone balance sheet till the redemption of the NCDs. The covenants shall be certified by the Company within 60 (Sixty) calendar days from the end of each financial quarter.</p> <p>For the purpose of this subsection :</p> <p>“Capital” shall mean the sum of (i) Tier I Capital (as defined under the Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016) and (ii) Tier II Capital (as defined under the Non-Banking Financial Company –</p>

INCRED FINANCIAL SERVICES LIMITED

(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051

CIN: U67190MH1995PLC360817 | **Email:** care@incred.com | **Contact:** 1800-102-2192 | **Website:** www.incred.com

	<p>Systemically Important Non- Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016)</p> <p>“CRAR” means the ratio of Capital to Risk Weighted Assets (hereunder written)</p> <p>“Debt” means, in respect of the Company, at any time, the aggregate of the following liabilities calculated at only the nominal or principal amount at which the liabilities would be carried in a balance sheet of the Company drawn up at that time (or in the case of any guarantee, indemnity or similar assurance referred to below, the maximum liability under the relevant instrument):</p> <ul style="list-style-type: none"> (a) any moneys borrowed; (b) any acceptance under any acceptance credit; (c) any bond, loan, note, debenture, commercial paper or other similar instrument; (d) any moneys owing in connection with the sale or discounting of receivables (except to the extent that there is no recourse); (e) Corporate guarantee, indemnity or similar assurance provided by the Company to any person including subsidiaries, special purpose vehicles, Affiliates and joint ventures in the nature of financial indebtedness but excluding performance related corporate guarantee provided in the form of performance guarantee etc. (Note: all corporate guarantee given by the Company in the nature of financial indebtedness shall be included as part of the Debt); (f) the liabilities arising in connection with loans which have been transferred by the Company by way of securitisation transactions which are on the balance sheet of the Company, and (g) shares which are expressed to be redeemable or any shares or instruments convertible into shares or any shares or other securities which are otherwise the subject of a put option or any form of guarantee (h) any obligation under any put option arrangement or guarantee or indemnity in respect of any put option where that put option or guarantee is granted or entered into primarily as a method of raising or assuring the payment or repayment of any indebtedness <p>“Gross NPA” means percentage of NPAs calculated in accordance with the RBI provision to the total advances of the Company.</p> <p>“Leverage or Gearing Ratio” shall mean the ratio between Debt and Tangible Net Worth of the Company.</p> <p>“Net NPA” means ratio of the amount remaining after deducting, outstanding provisions (provided through profit and loss account) from the Gross NPA to total advances of the Company.</p> <p>“Risk Weighted Assets” as defined by RBI under extant guidelines from time to time and applicable to the company.</p> <p>“Tier I Capital Ratio” means the ratio of Tier I Capital (as defined under the Non- Banking Financial Company – Systemically Important Non-Deposit</p>
--	---

INCRED FINANCIAL SERVICES LIMITED

(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051

CIN: U67190MH1995PLC360817 | Email: care@incred.com | Contact: 1800-102-2192 | Website-www.incred.com

	taking Company and Deposit taking Company (Reserve Bank) Directions, 2016) to Risk Weighted Assets.
Mandatory Event Redemption	<p>The Company has to mandatorily redeem the Debentures without paying any pre-payment premium upon occurrence of the following mandatory redemption events:</p> <ol style="list-style-type: none"> 1. The credit rating of the Company/Debentures by any Credit Rating Agency is downgraded by 2 notches from the current rating level; 2. For the purpose of above Mandatory Redemption, it is clarified that, for instance, if the Debentures are rated AA- by ICRA or any rating agency, the Debenture Holders shall get the right to recall the Debentures, if ICRA or any other rating agency downgrades the Debentures to A or <i>below</i>. 3. <i>the Company fails to comply with or breaches any Financial Covenant in accordance with this Deed or any other covenant as specified under Schedule VI (Covenants of the Company) of this Deed;</i> 4. Change in the shareholding and Control: The Company during the tenure of the Debentures shall be no change in the Control of the Company. <p>"Management Control" means (i) the right to appoint or remove the majority of directors on the board of directors of the Company or such other person who may be charged with or entitled to exercise central management and control of the Company or (ii) the power directly or indirectly to otherwise direct or cause the direction of the management and policies of the Company, whether through ownership of shares or by agreement or otherwise;</p> <p>"Control" shall include the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, whether by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner.</p>
Affirmative Covenants	<ol style="list-style-type: none"> 1. To utilise the proceeds of this issue in accordance with applicable laws and regulations 2. To comply with corporate governance, fair practices code prescribed by the RBI 3. Notification of any potential Event of Default or Event of Default; 4. Obtain, comply with and maintain all licenses / authorizations 5. Provide details of any material litigation, arbitration or administrative proceedings (materiality threshold to be finalized during documentation) 6. Maintain internal control for the purpose of (i) preventing fraud on monies lent by the Company; and (ii) preventing money being used for money laundering or illegal purposes 7. Permit visits and inspection of books of records, documents and accounts to debenture holders as and when required by them

INCRED FINANCIAL SERVICES LIMITED

(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051

CIN: U67190MH1995PLC360817 | Email: care@incred.com | Contact: 1800-102-2192 | Website-www.incred.com

	<p>8. Comply with any monitoring and/or servicing requests from Debenture Holders</p>
<p>Negative Covenants</p>	<p>The Issuer shall not without the prior written permission of the majority Debenture Holders and Debenture Trustee, do or undertake to do any of the following:</p> <ol style="list-style-type: none"> 1. Mergers and Acquisitions, restructuring, amalgamation without approval of majority Debenture Holders over and above 25% of the Net worth of the Issuer in a financial year 2. The Issuer shall not, without the prior approval of Debenture Holders, enter into any transaction of merger, de-merger, consolidation, re-organization, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction; provided however that this restriction shall not apply in the event that the compliance with this restriction would result in the Issuer defaulting in relation to any of its payment obligations in relation to the Debentures. 3. The Issuer will not purchase or redeem any of its issued shares or reduce its share capital without the majority Debenture Holders' prior written intimation; 4. Issuer shall not amend or modify clauses in its Memorandum of Association and Article of Association, where such amendment would have a Material Adverse Effect as defined earlier, without prior consent of the Debenture Trustee 5. Unless mandated by law, Issuer shall not change its financial year-end from 31st March (or such other date as may be approved by Debenture Holders) without prior consent of the Debenture Trustee 6. Any sale of assets/business/division that has the effect of exiting the business or re-structuring of the existing business, to be with the prior consent of the majority debenture holder 7. The issuer shall not declare dividend or do buy back of equity shares, if an Event of Default has occurred and is subsisting. 8. The issuer shall not undertake any new major new business outside financial services or any diversification of its business outside financial services, without approval of majority NCD holders
<p>Representations & Warranties</p>	<ol style="list-style-type: none"> 1. The Company is registered with the RBI as an NBFC 2. No Event of Default has occurred and is continuing on the date of this transaction. 3. The Debentures under this Issuance shall rank pari passu amongst themselves, and with all other secured creditors. 4. Binding obligation of Transaction Documents 5. No conflict with other obligations / constitutional documents 6. No Material Adverse Change in business, condition or operations of the Issuer 7. Company has the power and authority to issue Debentures and such Transactions Documents are valid and admissible in evidence 8. Absence of any pending or threatened litigation, investigation or proceedings that may have a material adverse effect on the business

INCRED FINANCIAL SERVICES LIMITED

(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051

CIN: U67190MH1995PLC360817 | Email: care@incred.com | Contact: 1800-102-2192 | Website-www.incred.com

	<p>condition (financial or otherwise), operations, performance or prospects of the Issuer or that purports to affect the Facility</p> <p>And as set out in greater detail in the Debenture Trust Deed dated 14th Aug. 2024.</p>
Indemnification	<p>The Issuer will indemnify, and hold harmless the Debenture Holders from and against any claim, liability, demand, loss, damage, judgment or other obligation or right of action which may arise as a result of breach of this Term Sheet by the Issuer or its Promoter/s.</p>
Confidentiality	<p>The terms and conditions described in this Term Sheet, including its existence, shall be confidential information and shall not be disclosed to any third party except to each Party's advisors and counsel. Provided however that if any of the Parties is required by law to disclose information regarding this Term Sheet or to file this Term Sheet with any regulatory body, it shall, at a reasonable time after making any such disclosure or filing, informing the other Parties.</p>

Note: While the debt securities are secured to the tune of 110% of the principal amount or as per the terms of offer document/ information Memorandum , in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained.

INCRED FINANCIAL SERVICES LIMITED

(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051

CIN: U67190MH1995PLC360817 | **Email:** care@incred.com | **Contact:** 1800-102-2192 | **Website:** www.incred.com

Annexure 1

Redemption Schedule

S. No.	Date of payment	Principal	Interest	Total Outflow
1	28-Feb-25	2,08,33,333	62,38,356	2,70,71,689
2	28-May-25	2,08,33,333	55,32,021	2,63,65,354
3	28-Aug-25	2,08,33,333	51,98,630	2,60,31,963
4	28-Nov-25	2,08,33,333	46,78,767	2,55,12,100
5	28-Feb-26	2,08,33,333	41,58,904	2,49,92,237
6	28-May-26	2,08,33,333	35,20,377	2,43,53,710
7	28-Aug-26	2,08,33,333	31,19,178	2,39,52,511
8	28-Nov-26	2,08,33,333	25,99,315	2,34,32,648
9	28-Feb-27	2,08,33,333	20,79,452	2,29,12,785
10	28-May-27	2,08,33,333	15,08,733	2,23,42,066
11	28-Aug-27	2,08,33,333	10,39,726	2,18,73,059
12	25-Nov-27	2,08,33,333	5,02,911	2,13,36,244

Note:

1. If there is any change in Coupon Rate pursuant to any event including elapse of certain time period or downgrade in rating, then such new Coupon Rate and events which lead to such change should be disclosed.
2. The procedure used to decide the dates on which the payment can be made and adjusting payment dates in response to days when payment can't be made due to any reason like sudden bank holiday etc., should be laid down.
3. The list of documents which has been executed or will be executed in connection with the issue and subscription of debt securities shall be annexed.
4. While the debt securities are secured to the tune of 110% (One Hundred Ten Percent) of the principal amount and interest accrued thereon or as per the terms of offer document/information Memorandum, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained.
5. The Company has provided granular disclosures in this Information Memorandum, with regards to the "Object of the Issue" including the percentage of the issue proceeds earmarked for each of the "object of the issue."

Creation of Security: The Issuer shall give an undertaking in the Information Memorandum that the assets on which charge is created are free from any encumbrances and in cases where the assets are already charged to secure a debt, the permission or consent to create a second or pari-passu charge on the assets of the issuer has been obtained from the earlier creditor.

The Issuer hereby undertakes that the permission to create the first ranking *pari passu* charge over the Secured Property created / proposed to be created by the Company in favour of the Debenture Trustee to secure the obligations of the Company in relation to the Debentures under the terms of the Deed of Hypothecation, has been taken by the Issuer from the Other Security Holders (as defined in the Deed of Hypothecation).

2.13 Consent of directors, auditors, bankers to issue, trustees, solicitors or advocates to the issue, legal advisors to the issue, lead managers to the issue, Registrar to the Issue, and lenders (if required, as per the terms of the agreement) and experts.

Consent of trustee is attached as Annexure III, for Directors refer point 1.7 and for the consent of Registrar to the Issue is attached as Annexure IV. Further other consent are not applicable for the said issuance.

ANNEXURE I: RATING LETTER FROM THE RATING AGENCY



ICRA

ICRA Limited

ICRA/InCred Financial Services Limited/11112024/2

Date: November 11, 2024
Mr. Bhupinder Singh
Whole Time Director & CEO
InCred Financial Services Limited
Unit No. 1203, 12th floor, B Wing
The Capital, Plot No. C-70,
G-Block, Bandra – Kuria Complex
Mumbai-400051,
Maharashtra.

Dear Sir,

Re: ICRA's credit rating for Non-Convertible Debentures of InCred Financial Services Limited

Please refer to your request dated November 06, 2024 requesting ICRA Limited to revalidate the rating letter issued for the below mentioned instrument.

We confirm that the following ratings of the instruments rated by ICRA and last communicated to you vide our letter dated October 04, 2024 stands valid.

Instrument	Rated Amount (Rs. crore)	Rating ¹
Non-Convertible Debentures	1,100.00	[ICRA]AA- (Stable)
Total	1,100.00	

The other terms and conditions for the rating of the aforementioned instrument shall remain the same as communicated vide our letter Ref: ICRA/InCred Financial Services Limited/27082024/2 dated August 27, 2024.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold non-convertible debenture to be issued by you.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,
Yours sincerely,
For ICRA Limited

AGAPPA MANI
KARTHIK

Digitally signed by
AGAPPA MANI KARTHIK
Date: 2024.11.11
20:17:27 +05'30'

(A M Karthik)
Senior Vice President
a.karthik@icraindia.com

¹ Complete definitions of the ratings assigned are available at www.icra.in.



Annexure

LIST OF NCD INSTRUMENT RATED

ISIN	Instrument	Amount rated (Rs. crore)	Rating
INE321N07400	NCD	50.00	[ICRA]AA-(Stable)
INE321N07426		100.00	
INE321N07442		215.00	
INE321N07459		50.00	
Unallocated		685.00	
Total		1,100.00	



March 28, 2024

InCred Financial Services Limited: [ICRA]AA- (Stable)/[ICRA]A1+ assigned

Summary of rating action

Instrument*	Current Rated Amount (Rs. crore)	Rating Action
Non-convertible debentures	100.00	[ICRA]AA- (Stable); assigned
Commercial papers	300.00	[ICRA]A1+; assigned
Total	400.00	

*Instrument details are provided in Annexure I

Rationale

The assigned ratings factor in InCred Financial Services Limited's (IFSL) healthy capital profile, backed by regular capital infusions (most recent capital infusion of Rs. 500.0 crore in Q3 FY2024), which has supported the growth of its assets under management (AUM; ~58% in FY2023 and ~43% in 9M FY2024). The company's overall risk profile is supported by the diversified product mix with personal loans (PLs) accounting for 45.3% of the AUM, followed by student loans (22.1%), anchor & escrow backed business loans (18.3%), secured school financing (3.7%), loan against property (LAP; 2.6%) and loans to financial institutions (8.0%). ICRA expects the share of the different product segments in the AUM to remain range-bound at the current levels over the near to medium term. The ratings also consider IFSL's improving profitability (profit after tax (PAT)/average managed assets (AMA), on a consolidated basis, of 3.4% and 2.1% in 9M FY2024 and FY2023, respectively, vis-à-vis 1.0% in FY2022), supported by the improving operating efficiency and controlled credit costs.

The robust scale-up of operations in the recent past has, however, led to limited portfolio seasoning, given the relatively long-tenure nature of some of the loan products. Growth was also seen in the company's managed book¹, which accounted for 18.9% of the AUM in December 2023. IFSL's co-lending arrangements are with public sector banks at present. Student loans, secured school financing, and LAP, which are longer-tenure products (9-16 years), had increased at a compound annual growth rate (CAGR) of 58% during the last 21 months and accounted for 28.4% of the AUM as of December 2023. PLs originated by IFSL (38.5% of AUM in December 2023) have an average tenure of about four years. As these loans are unsecured, they are prone to asset quality shocks.

Apart from own PLs, IFSL has a personal loan book (6.8% of AUM in December 2023) sourced via partner entities, which is covered by a first loss default guarantee (FLDG) as per the digital lending guidelines. The company provides anchor/escrow-backed business loans (18.3% of AUM in December 2023) to borrowers operating on various e-commerce and other platforms and also extends supply chain finance. IFSL is also engaged in unsecured product segments and extends credit to borrowers who are susceptible to volatility in their cash flows. Nevertheless, IFSL's asset quality profile is currently under control, characterised by gross stage 3 of 2.6% and overall provision to AUM of 2.6% of the AUM as of December 2023 vis-à-vis 2.1% and 2.7%, respectively, as of March 2023.

Key rating drivers and their description

Credit strengths

Healthy capitalisation profile, supported by capital infusions – IFSL's capitalisation was characterised by a healthy capital adequacy ratio of 33.3% (Tier I) as of December 2023, supported by capital infusions and improving internal accruals. Although

¹ Co-lending and direct assignment



the capital adequacy ratio was impacted by the increase in the risk weights applicable for consumer credit with respect to recent Reserve Bank of India (RBI) circular, this was partially offset by the equity infusion of Rs. 500 crore in Q3 FY2024. ICRA notes that the merger with KKR India Financial Services Limited in FY2023 had increased the net worth by ~Rs. 1,250 crore, positively impacting the capitalisation profile. The consolidated net worth stood at Rs. 3,222.3 crore (provisional) as of December 2023² with a managed gearing³ of 2.0 times. The company envisages expanding at a CAGR of 35-40% during FY2024-FY2026. ICRA expects IFSL's managed gearing to remain within 4.0 times while it grows its AUM during the above-mentioned period.

Diversified product profile – IFSL has a diversified loan product offering consisting of PLs (45.3% of the AUM in December 2023), student loans (22.1%), secured school financing (3.7%), LAP (2.6%), anchor & escrow-backed business loans (18.3%) and financial institution loans (8.0%). The average ticket size of PLs is ~Rs. 2 lakh with an average tenor of ~4 years and focus on the salaried segment. A portion of the PL book is originated by partners (15% of the PL AUM), which typically has loan loss covers through first loss default guarantees (FLDGs). Student loans are mainly extended for overseas education and have an average ticket size of ~Rs. 35 lakh. Anchor & escrow-backed business loans and supply chain loans are extended to borrowers operating on various e-commerce and other platforms. These loans are generally anchor-backed or have escrow facilities, mitigating some of the underlying credit risks in the target segments.

The company thus caters to a diverse set of end borrowers, partially reducing its credit concentration risk. IFSL is expected to focus on these products, going forward as well, and the share of these segments shall remain range-bound at the current levels. IFSL had 51 branches and 1,638 employees as of December 2023; a sizeable part of its operations is technology driven.

Improving profitability indicators – On a consolidated basis, the company's PAT/AMA improved to 3.4% and 2.1% in 9M FY2024 and FY2023, respectively, from 1.0% in FY2022. This was supported by healthy margins and lower operating expenses. IFSL had invested significantly in building its technology infrastructure during the initial stages. The profitability was also supported by recoveries from the written-off pool acquired during the merger in FY2023. PAT/AMA adjusted for these recoveries would have been 2.9% and 0.8% in 9M FY2024 and FY2023, respectively. Keeping the credit costs under control and improving the operating efficiency further would be key, going forward, from an earnings perspective.

Credit challenges

High portfolio growth, resulting in limited portfolio seasoning – IFSL's AUM grew by ~58% in FY2023 and ~43% in 9M FY2024 and stood at Rs. 8,013 crore as of December 2023. PLs and anchor & escrow-backed business loans grew by ~73% and ~57%, respectively, in FY2023 and ~56% and ~22%, respectively, in 9M FY2024. Student loans grew by ~120% and ~94% in FY2023 and 9M FY2024, respectively. This steep growth and the longer tenure of most of these loans indicate limited portfolio seasoning at present.

Asset quality, considering the target segments, shall be a monitorable – Considering the steep portfolio expansion and the target borrower segment, the sustained loan performance over the medium term shall be key from a rating perspective. IFSL's asset quality profile is comfortable with the gross stage 3 (GS3) remaining under 2.6% (2.6% as of December 2023) except during the Covid-19 pandemic, when it reached a peak of ~4%. The overall expected credit loss (ECL) provision stood at 2.6% of the loan book as of December 2023 vis-à-vis 2.7% in March 2023 while the stage 3 provision coverage ratio (PCR) stood at ~56% in December 2023. Write-offs (as a percentage of opening book) stood at 0.9% (annualised) in 9M FY2024 and 1.2% in FY2023. The 90+ days past due (dpd) on one-year lagged basis (90+ dpd of current year divided by previous year AUM) was 3.3% as of December 2023 vis-à-vis 3.0% as of March 2023.

In the PL segment, the 90+ dpd stood at 3.3% of the AUM as of December 2023 compared to 1.9% in March 2023, largely on account of slippages for one of the partners in the PL book (excluding the overall partner PL book, 90+ dpd stood at 2.1% and 2.2% in December 2023 and March 2023, respectively). The 90+ dpd in the student loan segment was minimal at 0.1% in December 2023, supported by the collection efficiency of 99-100% in the last 18 months. The 90+ dpd in the business loan

² Adjusted for deferred tax assets, the consolidated net worth and managed gearing stood at Rs. 2,816.8 crore and 2.3 times, respectively

³ (on-book debt + off book debt)/ net worth



segment stood at 2.4% in December 2023 and 1.7% in March 2023. ICRA notes that the performance would be monitorable, given the unsecured nature of the PL portfolio and the relatively moderate credit profile of the target borrowers in the business loan segment.

Liquidity position: Strong

IFSL had free cash and liquid investments of Rs. 1,244 crore and undrawn bank lines of Rs. 335 crore as of December 2023, against debt obligations of Rs. 1,244 crore during January-June 2024. The asset liability management profile, as of December 2023, had no negative cumulative mismatches in any of the buckets. Borrowings (including managed book) comprised 57% from banks, 26% from non-banking financial companies (NBFCs) and financial institutions, and 18% from capital market sources.

Rating sensitivities

Positive factors – Significant scale-up in the portfolio, while maintaining good asset quality and earnings on a sustained basis, would lead to a positive impact on the ratings.

Negative factors – An increase in the managed gearing beyond 4.0 times or a deterioration in the asset quality indicators on a sustained basis could lead to a negative impact on the ratings. Weakening in the return on managed assets (RoMA) to less than 2.0% on a sustained basis shall also negatively impact the ratings.

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	ICRA's credit rating methodology for non-banking finance companies
Parent/Group support	Not applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of IFSL.

About the company

InCred Financial Services Limited (IFSL; erstwhile KKR India Financial Services Limited) is a non-banking financial company (NBFC) registered with the Reserve Bank of India (RBI). In FY2023, the erstwhile IFSL was merged with KKR India Financial Services Limited (KIFSL), becoming a 100% subsidiary of InCred Holdings Limited (IHL; erstwhile KKR Capital Markets Private Limited, the holding company of KIFSL). The merged entity (i.e. KKR India Financial Services Limited) was subsequently renamed InCred Financial Services Limited. The shareholders of the erstwhile IFSL became IHL's shareholders.

The company's registered office is in Mumbai. It provides personal loans, education loans, school financing, LAP, loans to financial institutions and anchor & escrow -backed business loans. As of December 2023, IFSL had operations in 13 states with 51 branches across 43 districts.

Key financial indicators – Consolidated

IFSL	FY2022	FY2023	9M FY2024*
Total income	524	877	930
PAT*	35	121	224
Total managed assets	4,147	7,267	10,072
Return on managed assets	1.0%	2.1%	3.4%
Managed gearing (times)	2.5	1.8	2.0
Gross stage 3	2.8%	2.1%	2.6%

Source: Company, ICRA Research; * Provisional numbers; All ratios as per ICRA's calculations; Amount in Rs. crore; #Excludes share of loss from associates



Key financial indicators – Standalone

IFSL	FY2022	FY2023	9M FY2024*
Total income	511	876	929
PAT	36	121	225
Total managed assets	4,136	7,356	10,084
Return on managed assets	1.0%	2.1%	3.4%
Managed gearing (times)	2.6	1.8	2.0
Gross stage 3	2.8%	2.1%	2.6%
CRAR	28.1%	33.4%	33.7%

Source: Company, ICRA Research; * Provisional numbers; All ratios as per ICRA's calculations; Amount in Rs. crore

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current rating (FY2024)				Chronology of rating history for the past 3 years			
	Type	Amount rated (Rs. crore)	Amount outstanding (Rs. crore)	Date & rating in FY2024	Date & rating in FY2023	Date & rating in FY2022	Date & rating in FY2021	
				Mar 28, 2024				
1 Non-convertible debentures	Long term	100.00	0.00	[ICRA]AA-(Stable)	-	-	-	
2 Commercial Papers	Short term	300.00	0.00	[ICRA]A1+	-	-	-	

Complexity level of the rated instruments

Instrument	Complexity Indicator
Non-convertible debentures	Simple
Commercial Papers	Very simple

Note: The complexity indicator mentioned in the table is based on ICRA's assumptions and is subject to change when the terms are eventually finalised.

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#)



Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	NCD*	NA	NA	NA	100.00	[ICRA]AA- (Stable)
NA	CP*	NA	NA	NA	300.00	[ICRA]A1+

Source: Company; *Not yet placed

Annexure II: List of entities considered for consolidated analysis

Company Name	IFSL Ownership	Consolidation Approach
Incred Management and Technology Services Private Limited	100.00%	Full Consolidation
Incred.AI Limited	100.00%	Full Consolidation
Booth Fintech Private Limited	100.00%*	Full Consolidation
mValu Technology Services Private Limited	75.82%*	Full Consolidation

Source: IFSL annual report FY2023

Note: ICRA has taken a consolidated view of IFSL while assigning the rating; *These companies were consolidated only up to FY2023.



ANALYST CONTACTS

Karthik Srinivasan
+91 22 6114 3444
karthiks@icraindia.com

A M Karthik
+91 44 4596 4308
a.karthik@icraindia.com

R Srinivasan
+91 44 4596 4315
r.srinivasan@icraindia.com

Richardson Xavier J
+91 90 9487 7278
richardson.xavier@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)
info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in



ICRA Limited

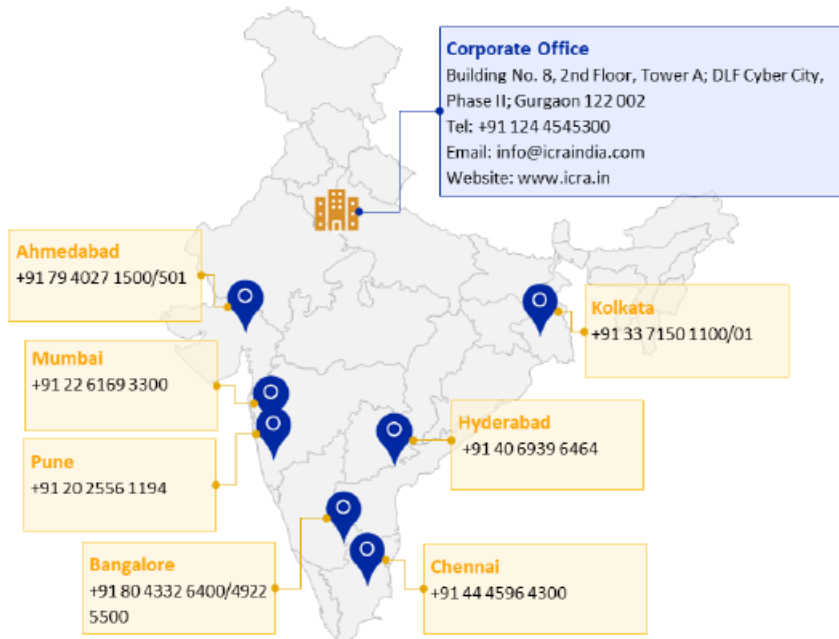


Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45



Branches



© Copyright, 2024 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.

ANNEXURE III: CONSENT LETTER FROM THE DEBENTURE TRUSTEE

CATALYST
Believe in yourself... Trust us!



CL/DEB/24-25/280

Date : 02-Aug-2024

To,
Amit Saini,
Incred Financial Services Limited,
12 Floor, Unit No 1203, B Wing, The Capital,,
BKC Road, Bandra East, Mumbai,,
Mumbai,
Maharashtra,
India 400051.

Dear Sir/ Madam,

Re: Consent to act as a Debenture Trustee for Private Placement of Fully Paid, Rated, Listed, Redeemable, Transferable, Secured, Non-Convertible Debentures of ₹ 500.00 Crores

We refer to your letter dated 28.05.2024 , requesting us to convey our consent to act as the Debenture Trustee for captioned issue of Debentures.

We hereby convey our acceptance to act as Debenture Trustees for the said issue Debentures, subject to execution of Debenture Trustee Agreement as per Regulation 13 of SEBI (Debenture Trustee) Regulations, 1993, thereby agreeing to execute Debenture Trust Deed and to create the security if applicable within the timeline as per relevant Laws / Regulations and in the Offer Document / Information Memorandum / Disclosure Document / Placement Memorandum and company agreeing / undertaking to comply with the provisions of SEBI (Debenture Trustee) Regulations, 1993, SEBI (Issue and Listing o f Non-Convertible Securities) Regulations 2021, SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, Companies Act, 2013 and Rules thereunder and other applicable laws as amended from time to time.

Fee Structure for the proposed transaction will be as per annexure A.

Assuring you of the best professional services.

Thanking you.

Yours faithfully,

Vihang Chavan



Name : Vihang Chavan

Designation : Assistant Manager

CATALYST TRUSTEESHIP LIMITED (FORMERLY GDA TRUSTEESHIP LIMITED)

An ISO 9001 Company

Mumbai Office : Unit No- 001, 9th Floor, Tower B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400013 **Tel :** +91 (022) 4922 0555 **Fax :** +91 (022) 4922 0595

Regd. Office : GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune 411 008 **Tel :** +91 (020) 25280081 **Fax :** +91 (020) 25280275

Delhi Office : Office No. B10, 8th Floor, Kallesh Building, 26, Kasturba Gandhi Marg, New Delhi - 110001 **Tel :** 11 430 2910102

CIN No. U74909PN1997PLC110282 **Email :** dt@cctrustee.com **Website :** www.catalysttrustee.com

Pune | Mumbai | Bengaluru | Delhi | Chennai





Annexure A

Fee Structure for transaction CL/DEB/24-25/280

PERTICULARS	AMOUNT
Acceptance fees (one-time, non-refundable, payable on our appointment)	₹ 125,000.00
Annually Trusteeship Fees(Amount/Percentage)	₹ 125,000.00

Annually Fees are payable in advance each year from date of execution till termination of the transaction. Pro-rata charges would apply for the first year till FY end, as applicable. The taxes on above fee structure are payable at applicable rates from time to time.

All out of pocket expenses incurred towards legal fees, travelling, inspection charges, etc shall be levied and re-imbursed on actual basis.

Please return the second copy this letter duly signed by Authorized Officer from your company.

Yours Faithfully,

We accept the above terms.

For Catalyst Trusteeship Limited

For Incred Financial Services Limited

V Chavan



ASHISH KUMAR SINGHAL Digitally signed by
ASHISH KUMAR SINGHAL
Date: 2024.08.07
18:14:26 +05'30'

Name : Vihang Chavan

Name :

Designation : Assistant Manager

Designation :



**ANNEXURE IV: APPLICATION FORM
INCRD FINANCIAL SERVICES LIMITED**

A public limited company incorporated under the Companies Act, 1956

Date of Incorporation: February 03, 1995; **CIN:** U67190MH1995PLC360817

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

Contact Person: Mr. Gajendra Thakur; **E-mail:** incrd.compliance@incrd.com;

Telephone No.: 022- 6844 6100 **Website:** www.incrd.com

DEBENTURE SERIES APPLICATION FORM SERIAL NO.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
---	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------

Issue of 2,500 , Rated, Listed, Senior, Secured, Redeemable, Transferable, Taxable, Nonconvertible Debentures of face value of Rs. 1,00,000/- (Rupees One Lakh only) each, aggregating up to Rs. 25,00,00,000/- (Rupees Twenty Five Crores only) with an option to retain over subscription of Rs. 25,00,00,000 (Rupees Twenty Five Crores only) in a single series on a private placement basis (the “Issue”).

DEBENTURE SERIES APPLIED FOR: Number of Debentures _____ In words _____ Amount Rs. _____ /- in words Rupees _____ Crores only

DETAILS OF PAYMENT: RTGS No. _____ Drawn on _____ Funds transferred to InCred Financial Services Limited Dated _____ Total Amount Enclosed (In Figures) _____ (In words) _____
--

APPLICANT’S NAME IN FULL (CAPITALS) SPECIMEN SIGNATURE

--	--

APPLICANT’S ADDRESS

ADDRESS					
STREET					
CITY					
PIN		PHONE		FAX	

APPLICANT’S PAN/GIR NO. _____ IT CIRCLE/WARD/DISTRICT _____

WE ARE () COMPANY () OTHERS () SPECIFY _____

We have read and understood the Terms and Conditions of the issue of Debentures including the Risk Factors described in the Memorandum and have considered these in making our decision to apply. We bind ourselves to these Terms and Conditions and wish to apply for allotment of these Debentures. We request you to please place our name(s) on the Register of Holders.

Name of the Authorised Signatory(ies)	Designation	Signature

Applicant's Signature

We the undersigned, are agreeable to holding the Debentures of the Company in dematerialised form. Details of my/our Beneficial Owner Account are given below:

DEPOSITORY	NSDL () CDSL ()
DEPOSITORY PARTICIPANT NAME	
DP-ID	
BENEFICIARY ACCOUNT NUMBER	
NAME OF THE APPLICANT(S)	

Applicant Bank Account:	
(Settlement by way of Cheque / Demand Draft / Pay Order / Direct Credit / ECS / NEFT/RTGS/other permitted mechanisms)	

FOR OFFICE USE ONLY	
DATE OF RECEIPT _____	DATE OF CLEARANCE _____

(Note: Cheque and Drafts are subject to realisation)

We understand and confirm that the information provided in the Information Memorandum is provided by the Issuer and the same has not been verified by any legal advisors to the Issuer and other intermediaries and their agents and advisors associated with this Issue. We confirm that we have for the purpose of investing in these Debentures carried out our own due diligence and made our own decisions with respect to investment in these Debentures and have not relied on any representations made by anyone other than the Issuer, if any.

The Issuer understands and accepts that the Applicant's intention to subscribe to the Issue is subject to (i) the absence of material adverse changes in the availability of currency hedging accessible to it between the Issue Opening Date and the Pay-in Date and/or (ii) the hedging price being acceptable to the Applicants.

We understand that: i) in case of allotment of Debentures to us, our Beneficiary Account as mentioned above would get credited to the extent of allotted Debentures, ii) the Applicant must ensure that the sequence of names as mentioned in the Application Form matches the sequence of name held with our Depository Participant, iii) if the names of the Applicant in this application are not identical and also not in the same order as the Beneficiary Account details with the above mentioned Depository Participant or if the Debentures cannot be credited to our Beneficiary Account for any reason whatsoever, the Company shall be entitled at its sole discretion to reject the application or issue the Debentures in physical form.

We understand that we are assuming on our own account, all risk of loss that may occur or be suffered by us including as to the returns on and/or the sale value of the Debentures. We undertake that upon sale or transfer to subsequent investor or transferee ("Transferee"), we shall convey all the terms and conditions contained herein and in this Information Memorandum to such Transferee. In the event of any Transferee (including any intermediate or final holder of the Debentures) suing the Issuer (or any person acting on its or their behalf) we shall indemnify the Issuer and also hold the Issuer harmless in respect of any claim by any Transferee.

Applicant's Signature

FOR OFFICE USE ONLY
DATE OF RECEIPT _____ DATE OF CLEARANCE _____

(Note : Cheque and Drafts are subject to realisation)

------(TEAR HERE)-----

- ACKNOWLEDGMENT SLIP--

<i>(To be filled in by Applicant)</i> SERIAL NO.			/					-		
--	--	--	---	--	--	--	--	---	--	--

Received from _____

Address _____
Cheque/Draft/UTR # _____ Drawn on _____ for Rs. _____ on account of application of _____ Debenture

ANNEXURE VI: ILLUSTRATION OF BOND CASH FLOWS

Illustration of Bond Cash Flows	
Company	InCred Financial Services Limited
Face Value (per security)	Rs. 1,00,000/- per debenture
Issue Price	Rs. 1,00,000 /- per debenture
Issue Open Date & Close Date	Open date – November 27, 2024 Close date– November 27, 2024
Date of Allotment	November 28, 2024
Redemption Date / Maturity Date	November 25, 2027
Coupon	9.90% p.a. payable quarterly
Frequency of the Coupon Payment with specified dates	Quarterly
Day Count Convention	Actual/Actual

Cash Flow (For one debenture of face value of Rs.1.00 Lakh):

S. No.	Date of Payment	No of Days	Principal	Interest	Total Payment
1	Friday, 28 February, 2025	92	8,333.33	2,495.34	10,828.68
2	Wednesday, 28 May, 2025	89	8,333.33	2,212.81	10,546.14
3	Thursday, 28 August, 2025	92	8,333.33	2,079.45	10,412.79
4	Friday, 28 November, 2025	92	8,333.33	1,871.51	10,204.84
5	Saturday, 28 February, 2026	92	8,333.33	1,663.56	9,996.89
6	Thursday, 28 May, 2026	89	8,333.33	1,408.15	9,741.48
7	Friday, 28 August, 2026	92	8,333.33	1,247.67	9,581.00
8	Saturday, 28 November, 2026	92	8,333.33	1,039.73	9,373.06
9	Sunday, 28 February, 2027	92	8,333.33	831.78	9,165.11
10	Friday, 28 May, 2027	89	8,333.33	603.49	8,936.83
11	Saturday, 28 August, 2027	92	8,333.33	415.89	8,749.22
12	Thursday, 25 November, 2027	89	8,333.33	201.16	8,534.50

Company reserves the right to change the issue closing date and in such an event, the Deemed date of allotment may also be revised by the Company at its sole and absolute discretion. In the event of any change in the above issue dates, the investors shall be intimated of the revised schedule by the Company.

Notes:

- The Cash Flow displayed above is calculated per Debenture (face value of Rs. 1,00,000).
- The cash flow has been prepared based on the best available information on holidays and could further undergo change(s) in case of any scheduled and unscheduled holiday(s) and/or changes in money market settlement day conventions by the Reserve bank of India/ SEBI.
- The cash flows are for illustration purposes.

ANNEXURE II: DUE DILIGENCE CERTIFICATE

CATALYST
Believe in yourself... Trust us!



CTL/24-25/10983

(Annexure II A)

**DUE DILIGENCE CERTIFICATE TO BE GIVEN BY THE DEBENTURE TRUSTEE AT THE TIME OF FILING THE
DRAFT OFFER DOCUMENT/ INFORMATION MEMORANDUM**

[In reference to Chapter II, Clause 2.2.4 of SEBI Master Circular for Debenture Trustees dated May 16, 2024]

To,

The Manager,
BSE Limited,
Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street,
Mumbai – 400 001

Dear Sir / Madam,

SUB.: ISSUE OF 2,500 SECURED, RATED, LISTED, REDEEMABLE, SENIOR, NONCONVERTIBLE DEBENTURES OF FACE VALUE OF RS. 1,00,000/- (RUPEES ONE LAKH ONLY) EACH, AGGREGATING UP TO RS. 25,00,00,000/- (RUPEES TWENTY FIVE CRORES ONLY) WITH AN OPTION TO RETAIN OVER SUBSCRIPTION OF RS. 25,00,00,000 (RUPEES TWENTY FIVE CRORES ONLY) BY WAY OF PRIVATE PLACEMENT BY INCRED FINANCIAL SERVICES LIMITED.

We, the debenture trustee(s) to the above-mentioned forthcoming issue state as follows:

- 1) We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications.
- 2) On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports and certifications:

We confirm that:

- a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued and listed.
- b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies).
- c) The Issuer has made all the relevant disclosures about the security and its continued obligations towards the holders of debt securities.

CATALYST TRUSTEESHIP LIMITED

Registered Office : GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune - 411 038 Tel : +91 (20) 6680 7200
Delhi Office : 910-911, 9th Floor, Kailash Building, 26 Kasturba Gandhi Marg, New Delhi - 110 001 Tel : +91 (11) 4302 9101/02
Corporate Office : 901, 9th Floor, Tower-B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400013
Tel : +91 (22) 4922 0555 Fax : +91 (22) 4922 0505
CIN No. U74999PN1997PLCT10262 Email : dt@ctltrustee.com Website : www.catalysttrustee.com

Pune | Mumbai | Bengaluru | Delhi | Chennai | GIFT City | Kolkata | Hyderabad

An ISO: 9001 Company



CATALYST
Believe in yourself... Trust us!



- d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document / information memorandum and all disclosures made in the offer document / information memorandum with respect to creation of security are in confirmation with the clauses of debenture trustee agreement.
- e) Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application.
- f) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document / placement memorandum.

We have satisfied ourselves about the ability of the Issuer to service the debt securities.

Place: **Mumbai**
Date: **November 21, 2024**



For Catalyst Trusteeship Limited

For CATALYST TRUSTEESHIP LIMITED
Kalyani Pandey
Authorized Signatory

Ms. Kalyani Pandey
Compliance Officer

CATALYST TRUSTEESHIP LIMITED

Registered Office : CDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune - 411 038 Tel : +91 (20) 6680 7200
Delhi Office : 910-911, 9th Floor, Kailash Building, 26 Kasturba Gandhi Marg, New Delhi - 110 001 Tel : +91 (11) 4302 9101/02
Corporate Office : 901, 9th Floor, Tower-B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400013
Tel : +91 (22) 4922 0555 Fax : +91 (22) 4922 0505
CIN No. U74999PN1997PLC110262 Email : dt@ctitrustee.com Website : www.catalysttrustee.com

Pune | Mumbai | Bengaluru | Delhi | Chennai | GIFT City | Kolkata | Hyderabad

An ISO 9001 Company



ANNEXURE III: PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER

Addressed to: [-]

Serial No: _____

November 22, 2024

FORM NO PAS-4 PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER

[Pursuant to Section 42 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014]

Note: This Form No PAS-4 prepared in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014 is to be read in conjunction with Section 5 (Regulatory Disclosures) of the Information Memorandum and shall together constitute the "Information Memorandum".

1.1 General Information:

(a) **Name, address, website and other contact details of the Company, indicating both registered office and the corporate office:**

Issuer / Company: InCred Financial Services Limited (the "Company" or "InCred" or "Issuer")
Registered Office: Unit No. 1203, 12th floor, B Wing, The Capital, Plot No. C - 70, G Block, Bandra Kurla Complex (BKC), Mumbai – 400 051
Corporate Office: Unit No. 1203, 12th floor, B Wing, The Capital, Plot No. C - 70, G Block, Bandra Kurla Complex (BKC), Mumbai – 400 051
Telephone No.: +91 22 6844 6100
Website: www.incred.com
Fax: --
Contact Person: Mr. Gajendra Thakur
Email: incred.compliance@incred.com

(b) **Date of Incorporation of the Company:**

February 03, 1995

(c) **Business carried on by the Company and its subsidiaries with the details of branches or units, if any;**

InCred Financial Services Limited (IFSL) was incorporated as a Private limited company on February 3, 1995 by the name of 'Multiflow Financial Services Private Limited'. The Company changed its name from 'Multiflow Financial Services Private Limited' to 'KKR India Financial Services Private Limited' in July, 2010; and further changed to 'KKR India Financial Services Limited' ("KIFS") on December 21, 2018. The name of KIFS further changed to InCred Financial Services Limited ("IFSL") post conclusion of composite scheme of amalgamation and arrangement with InCred Prime Finance Limited on August 3 2022. The Company is registered with the RBI as a non- deposit accepting NBFC. The Company is a systemically important NBFC. The Company is a new-age financial services platform that leverages technology and data-science to make lending quick and easy and is engaged in granting loans in the nature of Personal Loans, Education Loans and SME Business Loans. The Company has its registered office located at Unit No. 1203, 12th floor, B Wing, The Capital, Plot No. C - 70, G Block, Bandra - Kurla Complex, Bandra East, Mumbai - 400 051. The shares of the Company are not listed on any stock exchange, however the

Non-Convertible debentures and Commercial Papers of the Company are listed on the BSE WDM and NSE WDM platform.

The Board of Directors of the Company at their meeting held on September 3, 2021, had approved the Composite Scheme of Arrangement (the ‘Scheme’) with InCred Holdings Limited, Bee Finance Limited, InCred Prime Finance Limited and the Company and the same was filed with various regulatory authorities and the National Company Law Tribunal (“NCLT”).

The Hon’ble National Company Law Tribunal (“NCLT”), Mumbai Bench, vide order dated May 6, 2022 had approved the composite scheme of amalgamation and arrangement and the same was made effective by the Board of Directors of the Company, InCred Prime Finance Limited and InCred Holdings Limited at their respective meeting held on July 26, 2022 and the relevant filings were done with the Registrar of Companies, within the prescribed timelines.

Under the Scheme, the identified NBFC business of InCred Prime Finance Limited shall be demerged with InCred Financial Services Limited. As per the terms of the Scheme, the Board of Directors of erstwhile InCred Prime Finance Limited have been appointed as the directors of the Company constituting majority. Further, with the discharge of purchase consideration for the demerger, the shareholders of InCred Prime Finance Limited will hold majority shareholding of the Company.

(d) Brief particulars of the management of the Company:

Name	Designation	Brief Profile
Bhupinder Singh	Whole-time Director and Chief Executive Officer	Founder director of InCred group. Prior to this, Mr. Singh was head of the Corporate Finance division of Deutsche Bank and co-headed the Fixed Income, Equities and Investment Banking divisions for the Asia Pacific region. Mr. Singh is heading all the segment of business of the company.
Prithvi Chandrasekhar	Head – PL Business & Risk & Analytics	Prithvi has 25+ years of experience, he has served as the Global Head of Analytics at Experian, business unit head and credit officer at Capital One, and led McKinsey & Company's analytics capability across Asia Pacific.
Saurabh Jhalaria	Head – SME Business	With over 18+ years of experience, Saurabh leads SME business practice in InCred. Prior to InCred, Saurabh was Managing Director at Deutsche Bank based out of Singapore - lending to corporate and SME borrowers across Asia with a focus on India.
Krishna Bahety	Chief Risk Officer	Krishna has over 22 years of experience in credit risk management, underwriting, process control, portfolio management and risk analysis across multiple product verticals. Prior to Incred he was with Udaan as Head of Policy responsible for various policy development and implementation. He has also worked in various leadership role with Magma Fincorp, First Rand Bank, Fullerton.
Ashwin Sekar	Head-Technology and Tech	With over 15+ years experience developing, launching and managing products in an entrepreneurial financial services tech environment. Prior to InCred, he was employed with Gain

Name	Designation	Brief Profile
	Based Products	Credit for 13+years (formerly known as Global Analytics). He is a B.Tech from the Indian Institute of Technology, Madras.
Kamlesh Dangi	Head – HR	Kamlesh has 20+ years of experience and has worked as the Group President - UTI AMC. Prior to UTI, he was with Religare Enterprises and ICICI Home Finance where he was responsible for Group Human Resources, IT, Administration & Shared Services functions.
Gajendra Thakur	Company Secretary	Gajendra comes with 20 years of experience in financial services in compliance, secretarial and legal roles. Prior to joining InCred, he was CS and VP legal, Secretarial and compliance of IIFL Finance Ltd. He has worked previously with Reliance Capital Assets Management Ltd and Centrum group among others.

(e) Name, addresses, DIN and occupations of the directors:

Name, Designation, DIN and Occupation	Age	Address	Date of the Appointment	Details of Other Directorships	Whether willful defaulter (Yes/ No)
Name: Mr. Bhupinder Singh Designation: Whole Time Director and CEO DIN:07342318 Occupation: Business	49	West, 5801/5901, World Villa, The World Tower, Senapati Bapat Marg, Delisle Road, Mumbai - 400013	26/07/2022	<ol style="list-style-type: none"> InCred Holdings Limited InCred Capital Financial Services Private Limited InCred.AI Limited InCred Finserv Private Limited (erstwhile known as InCred Management and Technology Services Private Limited) Booth Fintech Private Limited InCred Wealth Private Limited Alpha Fintech Private Limited InCred Global Insight Partners Private Limited B Singh Tech Services Private Limited B Singh Holdings Limited B Singh & Partners PTE InCred Global Wealth Pte Limited InCred Global Wealth Limited (Dubai) InCred Global Wealth Limited (UK) Zennia United Limited Y2X Hospitality Private Limited Bhajji Da Dhaba Hospitality Private Limited 	No
Name: Mrs. Rupa Rajul Vora Designation: Independent Director DIN:01831916 Occupation: Professional	63	8, Hyde Park 227 Sher E Punjab Soc, Mahakali Caves, Road Mumbai – 400093	26/07/2022	<ol style="list-style-type: none"> Volkswagen Fiduciary Services Private Limited JM Financial Asset Reconstruction Company Limited Omniaactive Health Technologies Limited India Alternatives Investment Advisors Private Limited InCred Holdings Limited InCred Prime Finance Limited Head Digital Works Private Limited Arohan Financial Services Limited 	No

Name, Designation, DIN and Occupation	Age	Address	Date of the Appointment	Details of Other Directorships	Whether willful defaulter (Yes/ No)
Name: Karnam Sekar Designation: Independent Director DIN: 07400094 Occupation: Professional	62	House No. 72, Hi Rise KVR Paradise, Bachupally, Mallampet, Medchal – Malkajgiri, Telangana - 500090	26/07/2022	1. Ugro Capital Limited 2. InCred Holdings Limited 3. InCred Prime Finance Limited 4. Laurus Bio Private Limited 5. Laurus Labs Limited	No
Name: Sunita Gupta Designation: Independent Director DIN: 06902258 Occupation: Professional	67	2-B, DDA SFS Flats Vijay Mandal Enclave, Hauz Khas, South Delhi, Delhi- 110016	30/03/2023	1. National Pension System Trust	No
Name: Ambika Bisla Designation: Independent Director DIN: 09789579 Occupation: Professional	48	K Ram, Tower A3, Apt 1501 World Spa East Sector - 30 Gurgaon Haryana- 122001	30/03/2023	-	No
Name: Sankaran Nair Rajagopal Designation: Independent Director DIN: 10087762 Occupation: Professional	65	B-8, Dhanastra, Reserve Bank Officers Flats, N.P. Marg Colaba, Mumbai- 400005	30/03/2023	1. Manappuram Finance Limited	No
Name: Mr. Vivek Anand PS Designation: Director DIN: 02363239 Occupation: Business	44	No. 19, National High School Road, VV Puram, Bangalore- 560004	26/07/2022	2. Inara Capital Advisors Private Limited 3. Oaks Asset Management Private Limited 4. InCred Holdings Limited (erstwhile known as KKR Capital Markets India Limited)	No
Name: Mr. Anil Nagu Designation: Non-Executive Director DIN: 00110529 Occupation: Professional	58	C-1/A, BDA Colony, Shivaji Nagar, Bhopal, Madhya Pradesh 462016, India	14/09/2023	1. KKR India Advisors Private Limited 2. KKR India Asset Manager Private Limited 3. KKR Capstone India Operations Advisory Private Limited 4. InCred Holdings Limited 5. KKR India Asset Finance Private Limited	No
Name: Mr. Rohan Suri Designation: Non-Executive Director DIN: 07074450 Occupation: Professional	36	C 15, Sector 30, Noida Gautam Buddha Nagar, Uttar Pradesh- 201301	30/03/2023	1. Vini Cosmetics Private Limited 2. Shriram General Insurance Company Limited 3. Re Sustainability Limited 4. InCred Holdings Limited 5. Infix Services Private Limited	No

(f) **MANAGEMENT PERCEPTION OF RISK FACTORS:**

1.1 REPAYMENT IS SUBJECT TO THE CREDIT RISK OF THE ISSUER.

Potential Investors should be aware that receipt of the principal amount, (i.e. the redemption amount) and any other amounts that may be due in respect of the Debentures is subject to the credit risk of the Issuer. Potential Investors assume the risk that the Issuer will not be able to satisfy their

obligations under the Debentures. In the event that bankruptcy proceedings or composition, scheme of arrangement or similar proceedings to avert bankruptcy are instituted by or against the Issuer, the payment of sums due on the Debentures may not be made or may be substantially reduced or delayed.

1.2 THE SECONDARY MARKET FOR DEBENTURES MAY BE ILLIQUID.

The Debentures may be very illiquid and no secondary market may develop in respect thereof. Even if there is a secondary market for the Debentures, it is not likely to provide significant liquidity. Potential Investors may have to hold the Debentures until redemption to realize any value.

1.3 CREDIT RISK & RATING DOWNGRADE RISK

The Rating Agency has assigned the credit ratings to the Debentures. In the event of deterioration in the financial health of the Issuer, there is a possibility that the rating agency may downgrade the rating of the Debentures. In such cases, potential investors may incur losses on revaluation of their investment or make provisions towards sub-standard/ non-performing investment as per their usual norms.

1.4 CHANGES IN INTEREST RATES MAY AFFECT THE PRICE OF NCDs.

All securities where a fixed rate of interest is offered, such as this Issue, are subject to price risk. The price of such securities will vary inversely with changes in prevailing interest rates, i.e. when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of prevailing interest rates. Increased rates of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the pricing of the Debentures.

1.5 TAX CONSIDERATIONS AND LEGAL CONSIDERATIONS

Special tax considerations and legal considerations may apply to certain types of investors. Potential investors are urged to consult with their own financial, legal, tax and other advisors to determine any financial, legal, tax and other implications of this investment.

1.6 ACCOUNTING CONSIDERATIONS

Special accounting considerations may apply to certain types of taxpayers. Potential investors are urged to consult with their own accounting advisors to determine implications of this investment.

1.7 SECURITY MAYBE INSUFFICIENT TO REDEEM THE DEBENTURES

In the event that the Company is unable to meet its payment and other obligations towards Investors under the terms of the Debentures, the Debenture Trustee may enforce the Security as per the terms of security documents, and other related documents. The Investors recovery in relation to the Debentures will be subject to (i) the market value of such secured property, (ii) finding willing buyers for the Security at a price sufficient to repay the potential investors amounts outstanding under the Debentures. The value realised from the enforcement of the Security may be insufficient

to redeem the Debentures.

1.8 MATERIAL CHANGES IN REGULATIONS TO WHICH THE ISSUER IS SUBJECT COULD IMPAIR THE ISSUER'S ABILITY TO MEET PAYMENT OR OTHER OBLIGATIONS.

The Issuer is subject generally to changes in Indian law, as well as to changes in government regulations and policies and accounting principles. Any changes in the regulatory framework could adversely affect the profitability of the Issuer or its future financial performance, by requiring a restructuring of its activities, increasing costs or otherwise.

1.9 LEGALITY OF PURCHASE

Potential Investors in the Debentures will be responsible for the lawfulness of the acquisition of the Debentures, whether under the laws of the jurisdiction of their incorporation or the jurisdiction in which they operate or for compliance by that potential Investor with any law, regulation or regulatory policy applicable to it.

1.10 POLITICAL AND ECONOMIC RISK IN INDIA

The Issuer operates only within India and, accordingly, all of its revenues are derived from the domestic market. As a result, it is highly dependent on prevailing economic conditions in India and its results of operations are significantly affected by factors influencing the Indian economy. An uncertain economic situation, in India and globally, could result in a further slowdown in economic growth, investment and consumption. A slowdown in the rate of growth in the Indian economy could result in lower demand for credit and other financial products and services and higher defaults. Any slowdown in the growth or negative growth of sectors where the Issuer has a relatively higher exposure could adversely impact its performance. Any such slowdown could adversely affect its business, prospects, results of operations and financial condition.

1.11 RISKS RELATED TO THE BUSINESS OF THE ISSUER

- (a) ***Majority of the Issuer's loans are unsecured and the clients of these unsecured loans are of the high risk category and if the Issuer is unable to control the level of non-performing loans ("NPAs") in the future, or if the Issuer's loan loss reserves are insufficient to cover future loan losses, the financial condition and results of operations may be materially and adversely affected.***

About 70% of the Company's loans are unsecured and the clients of these unsecured loans are of the high risk category. There is uncertainty on the client's ability to fulfil its loan obligations and it can be difficult to verify all client details and assess the risk. Such non-performing or low credit quality loans can negatively impact the results of operations.

As at March 31, 2024, the gross NPA was INR 159.36 Crore on a gross portfolio of INR 7,449.24 Crore (excluding managed / securitized portfolio of INR 1,589.50 Crore)..

- (b) ***The Issuer cannot assure that it will be able to effectively control and reduce the level of the NPAs of its Client Loans. The amount of its reported NPAs may increase in the future as a result of growth of Client Loans, and also due to factors beyond its control, such as over-extended***

member credit that it is unaware of. If the Issuer is unable to manage NPAs or adequately recover its loans, the results of its operations will be adversely affected.

The current loan loss reserves of the Issuer may not be adequate to cover an increase in the amount of NPAs or any future deterioration in the overall credit quality of Client Loans. As a result, if the quality of its total loan portfolio deteriorates the Issuer may be required to increase its loan loss reserves, which will adversely affect its financial condition and results of operations.

The members, might be vulnerable if economic conditions worsen or growth rates decelerate in India, or if there are natural disasters such as floods and droughts in areas where the Issuer's members live. Moreover, there is no precise method for predicting loan and credit losses, and the Issuer cannot assure that its monitoring and risk management procedures will effectively predict such losses or that loan loss reserves will be sufficient to cover actual losses. If the Issuer are unable to control or reduce the level of its NPAs or poor credit quality loans, its financial condition and results of its operations could be materially and adversely affected.

(c) ***The Issuer's business operates through a large number of urban and semi urban branches and is exposed to operational risks including fraud***

The Issuer is exposed to operational risks, including fraud, petty theft and embezzlement, as it also manages cash transactions. This could harm its operations and its financial position.

These risks are further compounded due to the high level of delegation of power and responsibilities that the Issuer's business model requires. Given the high volume of transactions processed by the Issuer, certain instances of fraud and misconduct may go unnoticed before they are discovered and successfully rectified. Even when the Issuer discovers such instances of fraud or theft and pursue them to the full extent of the law or with its insurance carriers, there can be no assurance that the Issuer will recover any such amounts. In addition, the Issuer's dependence upon automated systems to record and process transactions may further increase the risk that technical system flaws or manipulation of those systems will result in losses that are difficult to detect.

The Issuer maintains an internal audit process to ensure the operations team follows the defined procedures and reports any deviations to the operations staff and management team. The Issuer also has a strong MIS system that has a wide range of data that can be used to monitor financial and operational performance.

(d) ***The Issuer is exposed to certain political, regulatory and concentration of risks***

Due to the nature of its operations, the Issuer is exposed to political, regulatory and concentration risks. The Issuer believes a mitigant to this is to expand its geographical reach and may consequently expand its operations with the existing geographies or to other states. If it is not effectively able to manage such operations and expansion, it may lose money invested in such expansion, which could adversely affect its business and results of operations.

Large scale attrition, especially at the senior management level, can make it difficult for the Issuer to manage its business.

If the Issuer is not able to attract, motivate, integrate or retain qualified personnel at levels of experience that are necessary to maintain the Issuer's quality and reputation, it will be difficult for the Issuer to manage its business and growth. The Issuer depends on the services of its executive

officers and key employees for its continued operations and growth. In particular, the Issuer's senior management has significant experience in the microfinance, banking and financial services industries. The loss of any of the Issuer's executive officers, key employees or senior managers could negatively affect its ability to execute its business strategy, including its ability to manage its rapid growth. The Issuer's business is also dependent on its team of personnel who directly manage its relationships with its members. The Issuer's business and profits would suffer adversely if a substantial number of such personnel left the Issuer or became ineffective in servicing its members over a period of time. The Issuer's future success will depend in large part on its ability to identify, attract and retain highly skilled managerial and other personnel. Competition for individuals with such specialized knowledge and experience is intense in this industry, and the Issuer may be unable to attract, motivate, integrate or retain qualified personnel at levels of experience that are necessary to maintain its quality and reputation or to sustain or expand its operations. The loss of the services of such personnel or the inability to identify, attract and retain qualified personnel in the future would make it difficult for the Issuer to manage its business and growth and to meet key objectives.

- (e) ***The Issuer's insurance coverage may not adequately protect it against losses. Successful claims that exceed its insurance coverage could harm the Issuer's results of operations and diminish its financial position***

The Issuer maintains insurance coverage of the type and in the amounts that it believes are commensurate with its operations and other general liability insurances. The Issuer's insurance policies, however, may not provide adequate coverage in certain circumstances and may be subject to certain deductibles, exclusions and limits on coverage.

In addition, there are various types of risks and losses for which the Issuer does not maintain insurance, such as losses due to business interruption and natural disasters, because they are either uninsurable or because insurance is not available to the Issuer on acceptable terms. A successful assertion of one or more large claims against the Issuer that exceeds its available insurance coverage or results in changes in its insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect the Issuer's business, financial condition and results of operations.

- (f) ***Issuer requires certain statutory and regulatory approvals for conducting business and failure to obtain or retain them in a timely manner, or at all, may adversely affect operations.***

NBFCs in India are subject to strict regulation and supervision by the RBI. The Issuer requires certain approvals, licences, registration, and permissions for operating its business, including registration with RBI as an NBFC pursuant to Section 45-IA of the RBI Act 1934. Further, such approvals, licenses, registrations and permissions must be maintained/renewed over time, applicable requirements may change and the Issuer may not be aware of or comply with all requirements all of the time. Additionally, the Issuer may need additional approvals from regulators to introduce new insurance and other fee based products to its members. In particular, the Issuer is required to obtain a certificate of registration for carrying on business as a NBFC-ND that is subject to numerous conditions. In addition, its branches are required to be registered under the relevant shops and establishments laws of the states in which they are located. The shops and establishments laws regulate various employment conditions, including working hours, holidays and leave and overtime compensation. If the Issuer fails to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, its business may be adversely affected. If the Issuer fails to comply, or a regulator claims that it has not complied, with any of these conditions, the

Issuer's certificate of registration may be suspended or cancelled and it shall not be able to carry on such activities. If the Issuer fails to comply with the NBFC- Directions and fails to maintain the status of NBFC-, it may also attract penal provisions under the RBI Act, 1934 for non-compliance.

(g) ***The economic fallout from the spread of the COVID-19 virus may impact the Issuer's business prospects, financial condition, result of operations and credit risk***

The spread of the COVID-19 virus has affected millions across the globe and the same coupled with measures taken by the governments including lockdowns/ curfew has not only affected day to day lives of people but has also given a hard blow to the supply chain of factories, with trade routes being disturbed and slowing down of the industry, trade, commerce and business activities across all sectors.

The COVID-19 virus pandemic is adversely affecting, and is expected to continue to adversely affect, our operations, business, liquidity and cashflows, and we have experienced and expect to continue to experience unpredictable reductions in demand for certain of our products and services.

Further, since a good fraction of our borrowers are small transport road operators, the disruption due to COVID-19 virus will also have an impact on their business as well as repayment capacity of the loans taken from us.

However, the extent of negative financial impact cannot be reasonably estimated at this time but a sustained economic slowdown may significantly affect our business, financial condition, liquidity, cashflows and results of operations and the same will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the COVID-19 virus and the actions to contain the COVID-19 virus or treat its impact, among others. Consequently, there may be a negative effect on the Company's ability to service the obligations in relation to the Debentures.

(h) **Details of defaults, if any, including the amounts involved, duration of default, and present status, in repayment of:**

- (i) Statutory Dues: NIL
- (ii) Debentures and interest thereon: NIL
- (iii) Deposits and interest thereon: NIL
- (iv) Loan from any bank or financial institution and interest thereon: NIL

(i) **Name, designation, address and phone number, email ID of the nodal / compliance officer of the Company, if any, for the Issue:**

Name: Mr. Gajendra Thakur
Designation: Company Secretary and Compliance Officer
Address: Unit No.1203, 12th Floor, B- Wing, The Capital, Plot No.C-70, G Block, Bandra Kurla Complex, Bandra East, Mumbai- 400 051
Phone No.: 91 22 6844 6100
Email: incred.compliance@incred.com

(j) **Any default in annual filing of the Company under the Companies Act, 2013 or the rules made thereunder:**

NIL

1.2 Particulars of the Offer:

Financial position of the Company for the last 3 (three) financial years	Please refer to Annexure V of this Information Memorandum.
Date of passing of Board Resolution	Board Resolution dated May 07, 2024 read with the resolutions passed by the Finance Committee of the Board of Directors dated May 07, 2024. A copy of the said resolutions is attached hereto as Annexure I .
Date of passing of resolution in general meeting, authorizing the offer of securities	Shareholders resolution under Section 42 of the Companies Act, 2013 dated July 08, 2024 and shareholders resolutions under Section 180(1)(a) and Section 180(1)(c) of the Companies Act, 2013 dated July 08, 2024. A copy of the said resolutions is attached hereto as Annexure II .
Kind of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or other securities to be issued	Issue of 2,500 Rated, Listed, Senior, Redeemable, Transferable, Taxable, Nonconvertible Debentures of face value of Rs. 1,00,000/- (Rupees One Lakh only) each, aggregating up to Rs. 25,00,00,000/- (Rupees Twenty Five Crores only) with an option to retain over subscription of Rs. 25,00,00,000 (Rupees Twenty Five Crores only) in a single series on a private placement basis (the "Issue")
Price at which the security is being offered, including premium if any, along with justification of the price	The Debentures are being offered at face value of Rs. 1,00,000/- (Rupees One Lakh only) per Debenture
Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer	Not Applicable as the Debentures are being offered at face value of Rs. 1,00,000/- (Rupees One Lakh only) per Debenture
Relevant date with reference to which the price has been arrived at [Relevant Date means a date at least 30 days prior to the date on which the general meeting of the Company is scheduled to be held]	Not applicable.
The class or classes of persons to whom the allotment is proposed to be made	Please refer to ' <i>Eligible Investors</i> ' under paragraph 8.14 of this Information Memorandum
Intention of promoters, directors or key	Not applicable.

managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer) [Not required in case of issue of non-convertible debentures]																																											
The proposed time within which the allotment shall be completed	Issue Opening Date: November 27, 2024 Issue Closing Date: November 27, 2024 Pay-in Date: November 28, 2024 Deemed Date of Allotment: November 28, 2024																																										
The names of the proposed allottees and the percentage of post private placement capital that may be held by them [Not applicable in case of issue of non-convertible debentures]	Not applicable.																																										
The change in control, if any, in the company that would occur consequent to the private placement	No change in control would occur consequent to this private placement.																																										
The number of persons to whom allotment on preferential basis / private placement / rights issue has already been made during the year, in terms of securities as well as price	<table border="1"> <thead> <tr> <th>Sr. No.</th> <th>Security</th> <th>Number of allottees</th> <th>Number of Securities</th> <th>Face Value</th> <th>Type</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>InCred MLD I Nov'27</td> <td>2</td> <td>3,500</td> <td>1,00,000</td> <td>Secured</td> </tr> <tr> <td>2</td> <td>9.50% Incred / May 2026</td> <td>1</td> <td>5,000</td> <td>1,00,000</td> <td>Secured</td> </tr> <tr> <td>3</td> <td>9.50% Incred / Aug 2026 Series I</td> <td>1</td> <td>10,000</td> <td>1,00,000</td> <td>Secured</td> </tr> <tr> <td>4</td> <td>9.90% Incred / Aug 2026 Series II</td> <td>4</td> <td>12,000</td> <td>1,00,000</td> <td>Secured</td> </tr> <tr> <td>5</td> <td>9.50% Incred / Sep 2026</td> <td>5</td> <td>21,500</td> <td>1,00,000</td> <td>Secured</td> </tr> <tr> <td>6</td> <td>9.50% Incred / Oct 2026</td> <td>1</td> <td>5,000</td> <td>1,00,000</td> <td>Secured</td> </tr> </tbody> </table>	Sr. No.	Security	Number of allottees	Number of Securities	Face Value	Type	1	InCred MLD I Nov'27	2	3,500	1,00,000	Secured	2	9.50% Incred / May 2026	1	5,000	1,00,000	Secured	3	9.50% Incred / Aug 2026 Series I	1	10,000	1,00,000	Secured	4	9.90% Incred / Aug 2026 Series II	4	12,000	1,00,000	Secured	5	9.50% Incred / Sep 2026	5	21,500	1,00,000	Secured	6	9.50% Incred / Oct 2026	1	5,000	1,00,000	Secured
Sr. No.	Security	Number of allottees	Number of Securities	Face Value	Type																																						
1	InCred MLD I Nov'27	2	3,500	1,00,000	Secured																																						
2	9.50% Incred / May 2026	1	5,000	1,00,000	Secured																																						
3	9.50% Incred / Aug 2026 Series I	1	10,000	1,00,000	Secured																																						
4	9.90% Incred / Aug 2026 Series II	4	12,000	1,00,000	Secured																																						
5	9.50% Incred / Sep 2026	5	21,500	1,00,000	Secured																																						
6	9.50% Incred / Oct 2026	1	5,000	1,00,000	Secured																																						
The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer	Not Applicable																																										
Amount, which the Company intends to raise	Issue of 2,500 Rated, Listed, Senior, Redeemable, Transferable, Taxable, , Nonconvertible Debentures of face value of Rs. 1,00,000/- (Rupees One Lakh only) each, aggregating up to Rs. 25,00,00,000/-																																										

by way of proposed offer of securities	(Rupees Twenty Five Crores only) with an option to retain over subscription of Rs. 25,00,00,000 (Rupees Twenty Five Crores only) in a single series on a private placement basis (the “Issue”)			
Terms of raising of securities:	Duration, if applicable:	1092 days (One Thousand Ninety Two Days) days from the Deemed Date of Allotment being November 28, 2024		
	Rate of Interest or Coupon:	Please refer to the row titled ‘Coupon Rate’ in paragraph 2.21 (<i>Issue Details</i>)		
	Mode of Payment	cheque(s)/ demand draft/ electronic clearing services (ECS)/credit through RTGS system/funds transfer		
	Mode of Repayment	cheque(s)/ electronic clearing services (ECS)/credit through RTGS system/funds transfer		
Proposed time schedule for which the Issue/Offer Letter is valid	Issue Opening Date: November 27, 2024 Issue Closing Date: November 27, 2024 Pay-in Date: November 28, 2024 Deemed Date of Allotment: November 28, 2024			
Purpose and objects of the Issue/Offer	The monies raised through the issue the Debentures shall be used for funding requirements in the ordinary course of business of the Company, general corporate purpose including refinancing of existing indebtedness.			
Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects	N.A.			
Principal terms of assets charged as security, if applicable	Please refer to the row titled ‘Security’ in paragraph 2.21 (<i>Issue Details</i>)			
The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the Company and its future operations	Nil			
The pre-issue and post-issue shareholding pattern of the Company in the following format:				
S. No.	Category	Pre-issue		Post-issue

		No. of shares held	Type of Share	Percentage (%) of shareholding	No. of shares held	Type of Share	Percentage (%) of shareholding
A	Promoters' holding						
	Indian						
1	Individual	-	-	-	-	-	-
2	Bodies Corporate	488,310,114 (including the nominee shareholding of 400 shares)	Equity	100	488,310,114 (including the nominee shareholding of 400 shares)	Equity	100
	Sub-total						
2	Foreign promoters	-	-	-	-	-	-
	Sub-total (A)	488,310,114	Equity	100	488,310,114	Equity	Equity
B	Non-promoters' holding						
1	Institutional Investors	-	-	-	-	-	-
2	Non-Institutional Investors	-	-	-	-	-	-
3	Private Corporate Bodies	-	-	-	-	-	-
4	Directors and relatives	-	-	-	-	-	-
5	Indian public	-	-	-	-	-	-
6	Others (including Non-resident Indians)	-	-	-	-	-	-
	Sub-total (B)	-	-	-	-	-	-
	Grand Total	488,310,114	Equity	100	488,310,114	Equity	Equity

1.3 Mode of payment for subscription (Cheque/ Demand Draft/ other banking channels): Other banking channels – RTGS/NEFT

1.4 Disclosure with regard to interest of directors, litigation, etc.:

Any financial or other material interest of the directors, promoters or key managerial personnel in the offer/ Issue and the effect of such interest in so far as it is different from the interests of other persons	The directors, promoters or key managerial personnel do not have any financial or other material interest in this Issue.
Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a	There is no litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter

<p>statutory authority against any promoter of the Company during the last 3 (three) years immediately preceding the year of the issue of this Offer Letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed</p>	<p>or director of the Company during the last 3 (three) years immediately preceding the year of the circulation of this Disclosure Document.</p>				
<p>Remuneration of directors (during the current year and last 3 (three) financial years)</p>	<p>Name of the Director</p>	<p>FY 2023-24 (In Rs.)</p>	<p>FY 2022-23</p>	<p>FY 2021-22 (In Rs.)</p>	<p>FY 2020-21 In Rs.)</p>
	<p>Mr. Bhupinder Singh</p>	<p>5,99,52,000</p>	<p>5,36,08,339</p>	<p>-</p>	<p>-</p>
	<p>Mr. Vivek Bansal</p>	<p>6,24,51,588</p>	<p>3,60,34,074</p>	<p>-</p>	<p>-</p>
	<p>Mr. B.V.Krishnan</p>	<p>-</p>	<p>-</p>	<p>-</p>	<p>-</p>
	<p>Ms. Tashwinder Singh</p>	<p>-</p>	<p>-</p>	<p>-</p>	<p>-</p>
	<p>Mr. Jigar Shah</p>	<p>-</p>	<p>2,13,15,224</p>	<p>11,12,98,594</p>	<p>5,99,05,792</p>
	<p>Mr. Sanjay Nayar</p>	<p>-</p>	<p>-</p>	<p>-</p>	<p>37,49,994</p>
<p>Related party transactions entered during the last 3 (three) financial years immediately preceding the year of issue of this Offer Letter including with regard to loans made or, guarantees given or securities provided</p>	<p>Please refer to Annexure III.</p>				
<p>Summary of reservations or qualifications or adverse remarks of auditors in the last 5 (five) financial years immediately preceding the year of issue of this Offer Letter and of their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark</p>	<p>NIL</p>				

Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last 3 (three) years immediately preceding the year of circulation of the Offer Letter in the case of the Company and all of its subsidiaries. Also if there were any were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last 3 (three) years immediately preceding the year of this Offer Letter and if so, section-wise details thereof for the Company and all of its subsidiaries	NIL
Details of acts of material frauds committed against the Company in the last 3 (three) years, if any, and if so, the action taken by the company	NIL

1.5 Financial Position of the Company:

The capital structure of the company in the following manner in a tabular form:

The authorized, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value)	Share Capital	No. of shares	Aggregate Nominal Value (Rs.)
	Authorized Share Capital		
	a) Equity Shares	50,00,00,000	5,00,00,00,000
	b) Preference shares	-	-
	Issued, Subscribed and Paid-up Share Capital		
	a) Equity Shares	488,310,114	4,88,31,01,140
	b) Preference shares	-	-
Size of the Present Offer	For details, please refer to row titled 'Issue Size' under paragraph 2.21 of this Information Memorandum		
Paid-up Capital: a. After the offer: b. After the conversion of Convertible Instruments (if applicable)	Not Applicable - This issuance of Debentures will not alter the paid-up capital of the Issuer		

<p>Share Premium Account:</p> <p>a. Before the offer:</p> <p>b. After the offer:</p>	<p>INR 1,096.90 crores INR 1,096.90 crores This issuance of Debentures will not alter the balances in the share premium account of the Issuer.</p>																								
<p>Details of the existing Equity share capital of the Issuer including details of allotments made by the Company in the last one year prior to the date of this Offer Letter for consideration other than cash and details of the consideration in each case:</p>																									
<table border="1"> <thead> <tr> <th rowspan="2">Date of Allotment</th> <th rowspan="2">No. of Equity shares</th> <th rowspan="2">Face Value (Rs.)</th> <th rowspan="2">Issue Price (Rs.)</th> <th rowspan="2">Consideration</th> <th rowspan="2">Nature of Allotment</th> <th colspan="3">Cumulative</th> <th rowspan="2">Remarks</th> </tr> <tr> <th>No. of Equity Shares</th> <th>Equity Share Capital (Rs.)</th> <th>Equity Share Premium (in Rs.)</th> </tr> </thead> <tbody> <tr> <td colspan="10" style="text-align: center;">None</td> </tr> </tbody> </table>		Date of Allotment	No. of Equity shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration	Nature of Allotment	Cumulative			Remarks	No. of Equity Shares	Equity Share Capital (Rs.)	Equity Share Premium (in Rs.)	None										
Date of Allotment	No. of Equity shares							Face Value (Rs.)	Issue Price (Rs.)	Consideration		Nature of Allotment	Cumulative			Remarks									
		No. of Equity Shares	Equity Share Capital (Rs.)	Equity Share Premium (in Rs.)																					
None																									
<p>Details of allotments made by the Company in the last one year prior to the date of this Offer Letter for consideration other than cash and details of the consideration in each case.</p>	<p>The Company has not made any allotment in the last 1 (one) year prior to the date of this Offer Letter for consideration other than cash.</p>																								
<p>Profits of the Company, before and after making provision for tax, for the 3 (three) financial years immediately preceding the date of circulation of this Offer Letter</p>	<p>InCred Prime Finance Limited (erstwhile known as InCred Financial Services Limited)</p> <table border="1"> <thead> <tr> <th>Year</th> <th>PBT (Rs. in Crore)</th> <th>PAT (Rs. in Crore)</th> </tr> </thead> <tbody> <tr> <td>FY 2022-23</td> <td>0.17</td> <td>0.01</td> </tr> <tr> <td>FY 2021-22</td> <td>48.17</td> <td>36.12</td> </tr> <tr> <td>FY 2020-21</td> <td>12.41</td> <td>10.23</td> </tr> </tbody> </table> <p>InCred Financial Services Limited</p> <table border="1"> <thead> <tr> <th>Year</th> <th>PBT (Rs. in Crore)</th> <th>PAT (Rs. in Crore)</th> </tr> </thead> <tbody> <tr> <td>FY 2023-24</td> <td>423.02</td> <td>314.90</td> </tr> <tr> <td>FY 2022-23</td> <td>207.02</td> <td>120.80</td> </tr> <tr> <td>FY 2021-22</td> <td>(225.63)</td> <td>(7.20)</td> </tr> </tbody> </table>	Year	PBT (Rs. in Crore)	PAT (Rs. in Crore)	FY 2022-23	0.17	0.01	FY 2021-22	48.17	36.12	FY 2020-21	12.41	10.23	Year	PBT (Rs. in Crore)	PAT (Rs. in Crore)	FY 2023-24	423.02	314.90	FY 2022-23	207.02	120.80	FY 2021-22	(225.63)	(7.20)
Year	PBT (Rs. in Crore)	PAT (Rs. in Crore)																							
FY 2022-23	0.17	0.01																							
FY 2021-22	48.17	36.12																							
FY 2020-21	12.41	10.23																							
Year	PBT (Rs. in Crore)	PAT (Rs. in Crore)																							
FY 2023-24	423.02	314.90																							
FY 2022-23	207.02	120.80																							
FY 2021-22	(225.63)	(7.20)																							
<p>Dividends declared by the Company in respect of the said 3 (three) financial years; interest coverage ratio for last three years (cash profit after tax plus interest paid/interest paid)</p>	<table border="1"> <thead> <tr> <th>Year</th> <th>Dividend Declared</th> </tr> </thead> <tbody> <tr> <td>FY 2023-24</td> <td>NIL</td> </tr> <tr> <td>FY 2022-23</td> <td>NIL</td> </tr> <tr> <td>FY 2021-22</td> <td>NIL</td> </tr> <tr> <td>FY 2020-21</td> <td>NIL</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Year</th> <th>Dividend Declared</th> </tr> </thead> <tbody> <tr> <td>FY 2023-24</td> <td>NIL</td> </tr> <tr> <td>FY 2022-23</td> <td>NIL</td> </tr> <tr> <td>FY 2021-22</td> <td>NIL</td> </tr> <tr> <td>FY 2020-21</td> <td>NIL</td> </tr> </tbody> </table>	Year	Dividend Declared	FY 2023-24	NIL	FY 2022-23	NIL	FY 2021-22	NIL	FY 2020-21	NIL	Year	Dividend Declared	FY 2023-24	NIL	FY 2022-23	NIL	FY 2021-22	NIL	FY 2020-21	NIL				
Year	Dividend Declared																								
FY 2023-24	NIL																								
FY 2022-23	NIL																								
FY 2021-22	NIL																								
FY 2020-21	NIL																								
Year	Dividend Declared																								
FY 2023-24	NIL																								
FY 2022-23	NIL																								
FY 2021-22	NIL																								
FY 2020-21	NIL																								

A summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of circulation of this Offer Letter	Please refer to Annexure V of this Information Memorandum.
Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of circulation of this Offer Letter	Please refer to Annexure V of this Information Memorandum.
Any change in accounting policies during the last 3 (three) years and their effect on the profits and the reserves of the Company	Our Company has adopted the Indian Accounting Standards for the financial periods starting from the financial year 2018-19.

1.6 PART B (To be filed by the Applicant)

- (i) Name: [-];
- (ii) Director name: [-]
- (iii) Complete Address including Flat / House Number, Street, Locality, Pin Code: [-]
- (iv) Phone number; if any: [-];
- (v) Email ID, if any: [-]
- (vi) PAN Number: [-]; and
- (vii) Bank Details:
 - Bank Name: [-]
 - Safe Keeping Code: [-]
 - Cash Account Number (INR): [-]

Signature

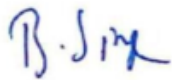
Initial of the Officer of the Company designated to keep the record

1.7 DECLARATION (To be provided by the Directors)

- A. The Company has complied with the provisions of the Companies Act, 2013 and the rules made hereunder;
- B. The compliance with the Companies Act, 2013 and the rules made thereunder do not imply that payment of dividend or interest or repayment of the Debentures, if applicable, is guaranteed by the Central Government;
- C. The monies received under the offer shall be used only for the purposes and objects indicated in this Offer Letter;

I am authorized by the Board of Directors of the Company *vide* resolution dated May 07, 2024 read with the resolutions passed by the Finance Committee of the Board of Directors dated May 07, 2024 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of the Offer Letter has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association. It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

For InCred Financial Services Limited



Bhupinder Singh
Whole Time Director and CEO
DIN: 07342318



Gajendra Thakur
Company Secretary

Date: November 22, 2024

Enclosed

Annexure I – Board Resolution and Finance Committee resolution
Annexure II – Shareholders Resolutions
Annexure III-Related party transactions entered during the last 3 (three) financial years immediately preceding the year of issue of this Offer Letter including with regard to loans made or, guarantees given or securities provided

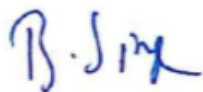
Date: **October 25, 2024**

TO WHOMSOEVER IT MAY CONCERN

We hereby undertake the following:

- a. the issuer is in compliance with the provisions of Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act, 2013 and the rules and regulations made thereunder;
- b. the compliance with the Acts and the rules and regulations does not imply that payment of dividend or interest or repayment of non-convertible securities, is guaranteed by the Central Government;
- c. the monies received under the offer shall be used only for the purposes and objects indicated in the issue document;
- d. whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association;
- e. Investment in non-convertible securities is risky, and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under Section 3 (Risk Factors) of this issue document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities.
- f. The contents of the document have been perused by the Board of Directors, and the final and ultimate responsibility of the contents mentioned herein shall also lie with the Board of Directors.
- g. they are duly authorised to attest as per this clause by the board of directors or the governing body, as the case may be, by a resolution, a copy of which is also disclosed in the offer document.

For **InCred Financial Services Limited**



Bhupinder Singh
Whole Time Director
DIN: 07342318



Gajendra Thakur
Compliance Officer
Membership No. A19285

ANNEXURE I OF THE PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER: BOARD RESOLUTION AND FINANCE COMMITTEE RESOLUTIONS:



CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF INCRED FINANCIAL SERVICES LIMITED (ERSTWHILE KNOWN AS KKR INDIA FINANCIAL SERVICES LIMITED) ("COMPANY") HELD ON MAY 07, 2024.

APPROVAL OF THE REVISION IN THE BORROWING POWERS OF THE COMPANY:

A. **RESOLVED THAT** pursuant to and subject to the provisions of Section 179, 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 read with applicable rules, the Memorandum and Articles of Association of the Company and applicable regulatory guidelines and subject to the approval of Members at the general meeting, consent of the Board of Directors be and is hereby accorded to borrow from time to time, in one or more tranches, any sum or sums of monies (exclusive of interest) on such terms and conditions as the Finance Committee may determine, from any one or more banks, persons, firms, companies/bodies corporate, financial institutions, institutional investor(s), mutual funds, insurance companies, pension funds and or any entity/entities or authority/authorities, whether in India or abroad, and whether by way of cash credit, advance or deposits, loans or bill discounting, issue of non-convertible debentures/bonds ("NCDs"), commercial papers, long/short term loans, suppliers credit, securitized instruments such as floating rate notes, fixed rate notes, syndicated loans, commercial borrowing from the private sector window of multilateral financial institutions, either in rupees and/or in such other foreign currencies as may be permitted by law from time to time, and/or any other instruments/securities or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company's assets, licenses and properties, whether immovable or movable and all or any of the undertaking of the Company, notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will or may exceed the aggregate of the paid-up capital of the Company, its free reserves, and securities premium, so that the total amount up to which the moneys may be borrowed and outstanding at any time shall not exceed the sum of INR 15,000 Crore (Rupees Fifteen Thousand Crore only).

RESOLVED FURTHER THAT the Finance Committee be and is hereby authorized to:

- a. borrow through various instruments and within the limits stated above or as may be approved by the Board from time to time; and
- b. hypothecate receivables/movables/book debts, create lien and mortgage immovable properties by way of creating charge in favour of the lender subject to the limits approved under Section 180(1)(c) of the Companies Act, 2013.

RESOLVED FURTHER THAT a certified copy of this resolution be forwarded to relevant statutory and regulatory authorities, as and when required.

RESOLVED FURTHER THAT any one Director of the Company, Chief Financial Officer of the Company, Company Secretary of the Company, Ms. Nikita Shetty and Mr. Varun Shah be and are hereby severally authorised to do all such acts, deeds, matters and things as may deemed necessary or expedient to give effect to this resolution and for matter connected therewith or incidental thereto."

INCRED FINANCIAL SERVICES LIMITED

(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400061
CIN: U6790MH1995PLC360617 | Email: care@incred.com | Contact: 1800-102-2192 | Website: www.incred.com



B. "RESOLVED THAT subject to the approval of Members at the general meeting and pursuant to and subject to the provisions of Section 179, 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, read with applicable rules, as amended from time to time, the Memorandum and Articles of Association of the Company and subject to such other approvals and permissions as may be required and applicable regulatory guidelines, consent of the Board of Directors be and is hereby accorded to sell, mortgage and / or create charge, in addition to the mortgages / charges created / to be created by the Company in such form and manner and with such ranking and at such time and on such terms and conditions as the Board of Directors (including any Committee duly authorised in this behalf) may determine, on all or any of the movable and / or immovable properties, and / or the interest held by the Company in all or any of the movable and / or immovable properties, both present and future and / or the whole or any part of the undertaking(s), together with the power to take over the management of business and concern of the Company in certain events of default, in favour of lender(s), agent(s), and trustee(s) for securing the borrowings of the Company availed / to be availed by way of loan(s) (in foreign currency and / or rupee currency) and securities (comprising fully / partly convertible debentures and / or non-convertible debentures / bonds ("NCDs") with or without detachable or non-detachable warrants and / or secured premium notes and / or floating rate notes / bonds or other debt instruments), issued / to be issued by the Company, from time to time, subject to the limits approved under Section 180(1)(c) of the Companies Act, 2013, from time to time, together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on prepayment, remuneration of the agent(s) and / or trustee(s), premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation / revaluation / fluctuation in the rates of exchange and all other monies payable by the Company in terms of the Loan Agreement(s), Heads of Agreement(s), Debenture Trust Deed(s) or any other agreement / document, entered into / to be entered into between the Company and the lender(s) / investor(s) / agent(s) and / or trustee(s), in respect of the said loans, borrowings / NCDs and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Company and the lender(s), agent(s) and / or trustee(s);

RESOLVED FURTHER THAT the Finance Committee be and is hereby authorised to:

1. Finalize and execute such debenture trust deeds or mortgage, charge, hypothecation, lien, promissory notes, deposit receipts and all such deeds, documents, instruments or writings as may be necessary, proper, desirable or expedient as they may deem fit and to give such directions and / or instructions as they may from time to time decide and to accept and give effect to such modifications, changes, variations, alterations, deletions, additions as regards the terms and conditions as may be necessary in this regard; and
2. Generally, to do all such acts, deeds, matters and things, as may be deemed necessary, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto.

RESOLVED FURTHER THAT any one Director of the Company, Chief Financial Officer of the Company, Company Secretary of the Company, Ms. Nikita Shetty and Mr. Varun Shah, be and

INCRD FINANCIAL SERVICES LIMITED
(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:
Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051
CIN: U67190MH1995PLC360817 | Email: care@incred.com | Contact: 1800-102-2192 | Website: www.incred.com



are hereby severally authorised to do all such acts, deeds, matters and things as may deemed necessary or expedient to give effect to this resolution and for matter connected therewith or incidental thereto."

For InCred Financial Services Limited
(erstwhile known as KKR India Financial Services Limited)

GAJENDRA
SINGH
THAKUR

Digitally signed by
GAJENDRA SINGH
THAKUR
Date: 2024.06.05
15:28:48 +05'30'

Gajendra Thakur
Company Secretary
Membership No: A19286

Date: June 05, 2024

INCRD FINANCIAL SERVICES LIMITED
(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051
CIN: U67190MH1995PLC360817 | Email: care@incred.com | Contact: 1800-102-2192 | Website: www.incred.com



CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF INCRED FINANCIAL SERVICES LIMITED (ERSTWHILE KNOWN AS KKR INDIA FINANCIAL SERVICES LIMITED) ("COMPANY") HELD ON MAY 07, 2024

APPROVAL FOR ISSUANCE OF NON-CONVERTIBLE DEBENTURES/BONDS BY THE COMPANY

- A. "RESOLVED THAT pursuant to the provisions of Sections 42, 71 and 179 and other applicable provisions, if any of the Companies Act, 2013 read with the relevant rules thereof including the Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, Guidelines issued by Reserve Bank of India (RBI) and subject to the Rules, Regulations, Guidelines and Circulars issued thereunder from time to time by any Regulatory Authorities, and subject to the approval of the Members of the Company at the General Meeting, consent of the Board be and is hereby accorded to issue non-convertible debentures / bonds on a private placement basis, in one or more tranches, for an amount not exceeding INR 4,500 Crore (Rupees Four Thousand Five Hundred crores only) on an annual basis to such person or persons, including one or more companies and bodies corporate, statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, pension / provident funds and individuals, such that the aggregate issuance of non-convertible debentures / bonds (on a public and/or private placement basis) on an annual basis does not exceed INR 4,500 Crore (Rupees Four Thousand Five Hundred crores only) which is within the overall borrowing limits of the Company including but not limited to by way of a first ranking pari-passu charge over specified loan receivables, immovable property (if any), bank account or any other assets of the Company, upon such terms and conditions as the Board (including the Finance Committee of the Board) may in its absolute discretion deem fit and proper.;

RESOLVED FURTHER THAT the consent of the Board be and is hereby granted to the Finance Committee to offer, issue and allot each series/tranches of NCD on such terms and conditions as may be approved by the Finance Committee for each issue of series/tranches of NCD including but not limited to tenor, coupon rate/security to be offered/to identify the entities to whom to offer NCD on private placement basis and to create mortgage, charge and/or hypothecation, as may be necessary on the assets of the Company, both present and in future, in such manner, in favor of the financial institutions, investment institutions and/or their subsidiaries, banks and other bodies corporate and trustees for the holders of NCD, such that the outstanding amount of NCD at any point of time does not exceed INR 4,500 Crore (Rupees Four Thousand Five Hundred crores only) , payable by the Company to the trustees under the trust deed and/or to the lending agencies under their respective offer document/information memorandum/disclosure document/debenture trust deeds to be entered into by the Company in respect of such issuance of NCD, appointment of eligible security trustee, debenture trustee, appointment of Registrar and Transfer Agent for NCDs and to negotiate and decide the terms and conditions of such appointment, apply to National Security Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") for the issuance of Letter(s) of Allotment / Debentures to the Allottees in dematerialized form, apply with one or more recognized stock exchanges in India for listing of said NCDs for any tranche as may be decided etc.

INCRED FINANCIAL SERVICES LIMITED
(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:
Unit No. 1203, 12th floor, B wing, The Capital Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051
CIN: U67190MH1995PLC360617 | **Email:** care@incred.com | **Contact:** 1800-102-2192 | **Website:** www.incred.com



RESOLVED FURTHER THAT any one Director of the Company, Chief Financial Officer of the Company, Company Secretary of the Company, Mr. Varun Shah and Ms. Nikita Shetty be and are hereby severally authorised to do all such acts, deeds, matters and things as may deemed necessary or expedient to give effect to this resolution and for matter connected therewith or incidental thereto.

RESOLVED FURTHER THAT any one Director of the Company, Company Secretary of the Company, Ms. Nikita Shetty and Mr. Varun Shah be and are hereby severally authorised to sign and submit a certified true copy of this resolution to anyone as may be deemed fit."

- B. "RESOLVED THAT** in supersession of the earlier resolution passed by the Board of Directors ("the Board") and pursuant to the provisions of Sections 23, 26, 30, 31, 33, 34, 35 and 39 and other applicable provisions, if any of the Companies Act, 2013 read with the relevant rules thereof including the Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"), Guidelines issued by Reserve Bank of India ("RBI") and subject to the Rules, Regulations, Guidelines and Circulars issued thereunder from time to time by any Regulatory Authorities, the consent of the Board be and is hereby accorded to Issue Secured or Unsecured [(Subordinated and qualifying for Tier II capital)] Redeemable Non-Convertible Debentures whether cumulative and/ or non-cumulative ("NCDs"), for an amount not exceeding INR 4,500 Crore (Rupees Four Thousand Five Hundred crores only) to be raised through the Issuing, offering and allotment of NCDs whether cumulative and/ or non-cumulative, to the public, under a shelf-tranche structure in one or more tranches, from time to time, including green shoe option, if any, to investors eligible under applicable law ("the Issue") and to utilize the amount raised by the Issue towards the objects mentioned in the Prospectus / Tranche prospectus(es) and which may be listed on one or more of the recognised stock exchanges in India and at such interest rates and on such terms and conditions as may be determined by the Board / Finance Committee / any person duly authorised by the Board (including any right to retain oversubscription for issuance of additional NCDs), such that the aggregate Issuance of non-convertible debentures / bonds (on a public and/or private placement basis) on an annual basis does not exceed INR 4,500 Crore (Rupees Four Thousand Five Hundred crores only) which is within the overall borrowing limits of the Company;

RESOLVED FURTHER THAT the Whole-time Director, Chief Executive Officer and Chief Financial Officer of the company, be and is hereby authorized to do various acts, deeds, matters and things as may be deemed necessary or desirable in connection with the Issue, including without limitations the following:

- a) appointing the lead managers, legal counsels, rating agency, trustee, registrar, bankers and any other intermediary to the Issue in accordance with the provisions of the Debt Regulations and other applicable laws;
- b) seeking, if required, any approval, consent or waiver from the Company's lenders, and/or parties with whom the Company has entered into various commercial and other agreements,

INCRD FINANCIAL SERVICES LIMITED

(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th Floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051
CIN: U6790MH1995PLC36087 | Email: care@incrd.com | Contact: 1800-102-2192 | Website: www.incrd.com



and/or any/all concerned government and regulatory authorities in India, and/or any other approvals, consents or waivers that may be required in connection with the issue, offer and allotment of the NCDs;

- c) deciding, modifying or altering the pricing and terms and conditions of the NCDs, and all other related matters, including the determination of the size of the NCDs allocation up to the maximum limit prescribed by the Board and the minimum subscription, number of the NCDs to be issued, the timing, nature of debt permitted by applicable laws, type, pricing, type of investors and such other terms and conditions of the Issue including coupon rate, yield, retention of oversubscription, if any, etc., in consultation with the lead manager;
- d) finalization of the basis of allotment of the NCDs including in the event of over-subscription;
- e) finalization of the allotment of the NCDs on the basis of the applications received;
- f) acceptance and appropriation of the proceeds of the Issue;
- g) offer the NCDs and to approve all other matters relating to the Issue and do all such acts, deeds, matters and things in relation thereto.

RESOLVED FURTHER THAT the Finance Committee of the Company be and is hereby authorised by the Board to:

- a) approve the Draft Prospectus/ Draft Shelf Prospectus, Tranche Prospectus(es)/ Information Memorandum and the Prospectus/ Shelf Prospectus for and on behalf of the Board and to sign such Draft Prospectus/ Draft Shelf Prospectus, Tranche Prospectus(es)/ Information Memorandum and the Draft Shelf Prospectus/ Shelf Prospectus/Tranche Prospectus;
- b) allot the NCDs, to approve the allotment the NCDs and to approve all other matters relating to the allotment of NCDs including issuance of the Debenture certificates and do all such acts, deeds, matters and things in relation to the allotment of NCDs;
- c) alter the terms and conditions such as tenor, redemption date or any other terms as may be required in relation to the NCDs allotted/to be allotted by the Company;
- d) approve the re-formatted Financial Statements of the Company for the purpose of incorporating in the Draft Prospectus/ Draft Shelf Prospectus, Tranche Prospectus(es)/ Information Memorandum and the Prospectus/ Shelf Prospectus;
- e) grant any officer of the Company, including by way of power of attorney, powers to do such acts, deeds and things as the Authorised Person at absolute discretion may deem necessary or desirable in connection with the offer and allotment of the NCDs.
- f) authorise officials to affix the Common Seal of the Company, if required, to any deed/document/agreement/undertaking.

INCRD FINANCIAL SERVICES LIMITED

(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th Floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051

CIN: U67190MH1995PLC360817 | **Email:** care@incred.com | **Contact:** 1800-102-2192 | **Website:** www.incred.com



RESOLVED FURTHER THAT the Whole-time Director & Chief Executive Officer, Whole-time Director and Chief Financial Officer, Company Secretary of the Company be and are hereby authorised severally to:

- a) enter into and execute all such agreements/arrangements as may be required for appointing Lead Managers, Consortium Members, Debenture Trustee, Legal Advisors, Depositories, Custodians, Registrars and Bankers to the Issue, Printers, Credit Rating Agency(ies), Advertising Agency(ies) and such other persons/agencies as may be involved or concerned in such offerings of NCDs and to remunerate all such persons/agencies, including by the payment of commission, brokerage, fees, etc. as may be deemed fit;
- b) finalise the Draft Prospectus/ Draft Shelf Prospectus, Tranche Prospectus(es)/ Information Memorandum and the Prospectus/ Shelf Prospectus as the case may be in consultation with the lead managers, as may be required, in accordance with all applicable laws, rules, regulations and guidelines;
- c) make such changes, as may be required to the Draft Prospectus/ Draft Shelf Prospectus, Tranche Prospectus(es)/ Information Memorandum and the Prospectus/ Shelf Prospectus as may be approved by the Finance Committee and to sign and issue the Draft Prospectus/ Draft Shelf Prospectus, Tranche Prospectus(es)/ Information Memorandum and the Prospectus/ Shelf Prospectus for and on behalf of the Company and sign such agreements, documents, papers, certificates, affidavits, declarations, etc. and to do all such acts, deeds and things as may be necessary or incidental for giving effect to the above resolution;
- d) to create such mortgages, charges, hypothecation or encumbrances on all or any part of the immovable or movable properties, current or fixed assets, tangible or intangible assets, book debts and/or claims of the Company wherever so situated, present and future, such first charge to rank pari-passu in favour of such debenture holders/secured lenders of the Company, as may be required from time to time, in accordance with the terms of the instrument offered to such debenture holders/secured lenders, to secure all amounts borrowed from them along with interest, cost, charges and other incidental expenses and to register all security documents with the required authority(ies) and make all necessary filings, and reporting for the perfection of such security.

RESOLVED FURTHER THAT any one Director of the Company, the Company Secretary of the Company, Chief Financial Officer of the Company, Ms. Nikita Shetty and Mr. Varun Shah be and are hereby authorised severally to:

- a) file / submit the draft Prospectus/ draft Shelf Prospectus, Tranche Prospectus(es)/ Information Memorandum and the Prospectus/ Shelf Prospectus, and other documents with SEBI, the Registrar of Companies ("RoC"), Stock Exchange(s) as may be required and/ or any compendium, amendments supplements thereto, and to apply for the listing of such NCDs in one or more recognised Stock Exchanges in India, as may be required by applicable laws and to sign and execute listing application(s), various agreements including but not limited to mortgage deed/deed of hypothecation/ debenture trust deed, debenture trustee agreement,

INCRD FINANCIAL SERVICES LIMITED
(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:
Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051
CIN: U67190MH1995PLC360817 | Email: care@incred.com | Contact: 1800-102-2192 | Website: www.incred.com



listing agreement, tripartite agreements, undertakings, deeds, declarations, affidavits, certificates, documents, etc. and all other documents and to do all such acts, deeds, things and matters, and take necessary actions and to comply with all formalities as may be required in connection with and incidental to the aforesaid offering of NCDs including the post issue formalities and with power to settle any question, difficulties or doubts that may arise in regard to the issue or allotment of such NCDs as may be deemed fit;

- b) giving or authorizing the giving by persons concerned of such declarations, affidavits, certificates, consents and authorities as may be required from time to time;
- c) authorize the maintenance of a register of holders of the NCDs;
- d) create and register charges and execute such other documents as may be required in connection with the said issue;
- e) open one or more no-lien bank account with banks ("Bank Account"), registered with Securities and Exchange Board of India under the Securities and Exchange Board of India (Bankers to an Issue), Regulations, 1994 as Bankers to an Issue, for remittance of the Issue Proceeds as received from investors in the issue of the NCDs, to public;
- f) enter into agreement(s) with the concerned Bank(s), the Registrar appointed for the purpose of the Company and the lead managers to the Issue for opening the Bank Account singly or jointly and without any limit, to operate the said accounts, and to give such instructions including closure thereof as may be required and deemed appropriate by them, and that the said bank/s be and are hereby authorised to honor all cheques and other negotiable instruments drawn, accepted or endorsed and instructions given by the authorised signatories on behalf of the Company and/or lead managers to the Issue, as the case may be, in accordance with the regulatory provisions and the agreements entered into for the purpose of the Issue;
- g) to issue NCD certificate(s) to the allottees, do all such acts, deeds, matters and things as may be required to dematerialize the NCDs, to sign agreements and/or such other documents as may be required by National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") and to credit the NCDs to the beneficiary accounts of the allottees;
- h) to represent the Company before Registrar of Companies, Maharashtra, SEBI, BPE, Ministry of Corporate Affairs and all statutory and government authorities, intermediaries in the NCD issue of the NCDs etc. and to furnish additional information, to sign undertakings, declarations, documents and papers, to give clarifications and replies in this regard and to do all such acts, deeds and things and to take actions as may be necessary or incidental to give effect to the resolutions above.
- i) to generally finalise any security offered for this Issue and execute documents in relation to the security creation including mortgage deed/deed of hypothecation/ debenture trust deed, debenture trustee agreement and all such deeds, documents, instruments, applications and

INCRÉD FINANCIAL SERVICES LIMITED

(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th Floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051

CIN: U67190MH1995PLC360817 | Email: care@incred.com | Contact: 1800-102-2192 | Website: www.incred.com



writings as it may, at its discretion, deem necessary and desirable for such purpose as it deems fit or as may be necessary or desirable with regard to the security for the issue.

RESOLVED FURTHER THAT no right of set-off or lien will be imposed on the Bank Account by the Company or the bank and a letter foregoing such rights, be obtained from the bank and furnished to authorities as and when required.

RESOLVED FURTHER THAT a certified copy of this resolution be forwarded to relevant statutory and regulatory authorities, as and when required.

RESOLVED FURTHER THAT any one Director of the Company, Chief Financial Officer of the Company, Company Secretary of the Company, Mr. Varun Shah and Ms. Nikita Ghetty be and are hereby severally authorised to do all such acts, deeds, matters and things as may deemed necessary or expedient to give effect to this resolution and for matter connected therewith or incidental thereto.*

For InCred Financial Services Limited
(erstwhile known as KKR India Financial Services Limited)

GAJENDRA SINGH THAKUR
Digitally signed by
GAJENDRA SINGH
THAKUR
DN: cn=GAJENDRA SINGH
THAKUR, o=INCR
ED FINANCIAL SERVICES LIMITED, ou=INCR
ED FINANCIAL SERVICES LIMITED, email=ga
jendra.thakur@inc
red.com, c=IN

Gajendra Thakur
Company Secretary
Membership No: A19286

Date: June 06, 2024

INCRD FINANCIAL SERVICES LIMITED
(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th Floor, B wing, The Capital, Plot No C-7D, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051
CIN: U57190MH1995PLC360817 | Email: care@incrd.com | Contact: 1800-102-2192 | Website: www.incrd.com



CERTIFIED TRUE COPY OF RESOLUTION PASSED BY THE FINANCE COMMITTEE OF THE BOARD OF DIRECTORS OF INCRED FINANCIAL SERVICES LIMITED (ERSTWHILE KNOWN AS KKR INDIA FINANCIAL SERVICES LIMITED) AT ITS MEETING HELD ON MAY 7, 2024 AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT UNIT NO. 1203, 12TH FLOOR, B WING, THE CAPITAL, PLOT NO. C-70, G BLOCK, BKC, MUMBAI- 400051

APPROVAL OF ISSUE OF NON- CONVERTIBLE DEBENTURES

"RESOLVED THAT pursuant to the provisions of Section 179 (3) (c) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, and the relevant articles of association of the Company, the consent of the Committee be and is hereby accorded to:

- a) issue of 4,50,000 fully paid-up rated, listed, redeemable, secured, non-convertible debentures of INR 1,00,000 (Rupees One Lakh only) each ("NCDs") for an aggregate nominal value of up to INR 45,000,000,000 (Rupees Four Thousand and Five Hundred Crores only) to be issued and allotted by the Company, in one or more series/tranches, on private placement basis/public issue basis to eligible investors on the terms and conditions in terms of the Debenture Documents (as defined hereinafter) ("Transaction");
- b) the execution and the terms of:
 - (i) private placement / public issue offer letter and disclosure document containing disclosure in accordance with SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and the Companies Act, 2013 ("Offer Document");
 - (ii) such other documents/deed/agreement/ undertakings including an offer letter, any supplemental document/amendment agreement / power of attorneys/ deed/agreement thereto, as may be required in connection with the Transaction, the creation of security for the NCDs in terms of the Debenture Trust Deed and the Deed of Hypothecation and the terms of the NCDs;

(all the above documents are hereinafter collectively referred to as the "Debenture Documents", drafts of which were placed before the Finance Committee for its approval and identification).

- c) authorize severally any one Director of the Company, Chief Financial Officer of the Company, Company Secretary of the Company, Mr. Saurabh Jhalaria, Mr. Ashish Singhal, Mr. Amit Saini, Ms. Nikita Hule, Mr. Varun Shah, Mr. Suhrid Roy and Mr. Anil Kumar, Authorised Signatory (collectively hereinafter referred to as the "Authorised Signatories" of the Company) to:
 - (i) to make an offer or invitation to subscribe to the NCDs on private placement/ public issue basis and identify and record the name of the person to whom the offer or invitation to subscribe to the NCDs of the Company is made on private placement/ public issue basis;
 - (ii) determine the date of opening and closing of the issuance of the NCDs as they may deem fit;
 - (iii) to appoint Debenture Trustee for the proposed issues;
 - (iv) finalise, execute and issue on behalf of the Company, the Debenture Documents and such other documents/agreements/undertakings as may be required in terms of the Debenture Documents, relating to the Transaction including any supplemental /

INCRED FINANCIAL SERVICES LIMITED
(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051

CIN: U67190MH1995PLC360817 | Email: care@incred.com | Contact: 1800-102-2192 | Website-www.incred.com



- amendment document that may be executed and to file the same with BSE for the purpose of listing and to make such changes therein as may be required;
- (v) deal with, modify, alter, amend, finalise, sign, deliver, approve, negotiate, re-negotiate, execute and/or undertake all other acts, deeds, things and matters and notices in respect of the Debenture Documents and such other documents/deed/agreement including any supplemental document/deed/agreement thereto, as may be required in connection with the transaction and as may be required in terms of the Debenture Documents; and

RESOLVED FURTHER THAT the Authorised Signatories, be and are hereby severally authorized to take all necessary steps including:

- (i) to sign, execute, deliver the Debenture Trust Deed, other relevant documents and create and perfect, from time to time, first ranking pari-passu security on the entire receivables of the Company (both present and future) and the immovable property of the Company as described in the Debenture Trust Deed in favour of the Debenture Trustee in connection with the NCDs;
- (ii) filing and/or registering the necessary Debenture Documents with the relevant Sub-Registrar of assurances;
- (iii) the payment of stamp duty in relation to the Debenture Documents,
- (iv) to sign, execute and file applications, requisite forms (in physical or electronic), intimations, undertakings and other necessary papers, as may be applicable, with the Registrar of Companies, Reserve Bank of India, BSE Limited, Securities and Exchange Board of India, Depositories and other applicable regulatory/statutory authorities in this regard and
- (v) to do all things, including settling any question of law or any other discrepancy etc., in matters incidental or connected therewith."

RESOLVED FURTHER THAT the above-mentioned authorised signatories, be and are hereby severally authorized to file necessary intimations, documents or returns or submit a certified true copy of the above resolutions to any regulatory authorities/persons and they be requested to act thereon."

For InCred Financial Services Limited
(erstwhile known as KKR India Financial Services Limited)

Gajendra Thakur
Company Secretary

Place: Mumbai
Date: May 07, 2024

INCRD FINANCIAL SERVICES LIMITED
(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051
CIN: U67190MH1995PLC360817 | Email: care@incrd.com | Contact: 1800-102-2192 | Website-www.incrd.com

ANEXURE II OF THE PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER: SHAREHOLDERS' RESOLUTIONS



CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF INCRED FINANCIAL SERVICES LIMITED (ERSTWHILE KNOWN AS KKR INDIA FINANCIAL SERVICES LIMITED) ("COMPANY") HELD ON JULY 08, 2024

ISSUANCE OF NON-CONVERTIBLE DEBENTURES/BONDS DURING F.Y 2024-25:

"RESOLVED THAT in supersession to all the earlier resolution passed by the Members in this regard and pursuant to the provisions of Sections 42, 71 and 179 and other applicable provisions, if any, of the Companies Act, 2013 read with the relevant rules thereof, including the Companies (Prospectus and Allotment of Securities) Rules, 2014 (as amended), Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with the operational circular for issue and listing of non-convertible securities, guidelines issued by the Reserve Bank of India ("RBI"), the Memorandum and Articles of Association of the Company and subject to the rules, regulations, guidelines and circulars issued thereunder from time to time by any regulatory authorities, consent of the Members be and is hereby accorded to offer, issue and allot, in one or more tranches, secured/unsecured, non-convertible debentures/bonds during FY 2024-25 on a public and/or private placement basis, for an amount not exceeding in aggregate INR 4,500 crores (Rupees Four Thousand Five Hundred Crores Only) on such terms and conditions and at such times at par or at such premium/discount, as may be decided by the Board ("Board", which term shall include any committee thereof which the Board may have constituted or may hereinafter constitute to exercise its powers including the powers conferred by this resolution) to such person or persons, including one or more companies, bodies corporate(s), statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, pension/ provident funds and individuals, as the case may be, or such other person/persons as the Board may decide so, for the purpose of meeting long term requirements of funds such that the total issuance of secured/unsecured non-convertible debentures/bonds on a public and/or private placement basis during FY 2024-25 does not exceed INR 4,500 crores (Rupees Four Thousand Five Hundred Crores Only).

RESOLVED FURTHER THAT in connection with the aforesaid, the Board (including any Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto."

**For InCred Financial Services Limited
(erstwhile known as KKR India Financial Services Limited)**

GAJENDRA SINGH THAKUR
Duly authorized
Director

Gajendra Thakur
Company Secretary
Membership No: A18285

Date: July 30, 2024

INCRED FINANCIAL SERVICES LIMITED
(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:
Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051
CIN: U67190MH1995PLC360871 | Email: care@incred.com | Contact: 1800-102-2192 | Website: www.incred.com



CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF INCRED FINANCIAL SERVICES LIMITED (ERSTWHILE KNOWN AS KKR INDIA FINANCIAL SERVICES LIMITED) ("COMPANY") HELD ON JULY 08, 2024

APPROVAL FOR INCREASE IN OVERALL BORROWING POWERS OF THE COMPANY

***RESOLVED THAT** in supersession to all the earlier Resolution passed by the Shareholders in this regard and pursuant to the provisions of Sections 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the Memorandum and Articles of Association of the Company, consent of the Members be and is hereby accorded, to borrow, from time to time, any sum or sums of monies (exclusive of interest) on such terms and conditions as may be determined, from anyone or more of the Company's bankers and/or from anyone or more other banks, persons, firms, companies/bodies corporate, financial institutions, institutional investor(s), mutual funds, insurance companies, pension funds and or any entity/entities or authority/authorities, whether in India or abroad, and whether by way of cash credit, advance or deposits, loans or bill discounting, issue of debentures (on private placement basis or Public Issue), commercial papers, long/short term loans, suppliers credit, securitized instruments such as floating rate notes, fixed rate notes, syndicated loans, commercial borrowing from the private sector window of multilateral financial institutions, either in rupees and/or in such other foreign currencies as may be permitted by law from time to time, and/or any other instruments/securities or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company's assets, licenses and properties, whether immovable or movable and all or any of the undertaking of the Company, notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loan obtained from the Company's bankers in the ordinary course of business) will or may exceed the aggregate of the paid-up capital of the Company and its free reserves and securities premium, so that the total amount up to which the moneys may be borrowed by the Company and outstanding at any time shall not exceed the sum of INR 15,000 Crore (Rupees Fifteen Thousand Crore only).

RESOLVED FURTHER THAT in connection with the aforesaid, the Board of Directors (including any Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto.*

**For InCred Financial Services Limited
(erstwhile known as KKR India Financial Services Limited)**

GAJENDRA SINGH THAKUR
digitally signed by
GAJENDRA SINGH THAKUR
DN: cn=Gajendra Singh Thakur,
o=InCred, ou=India, email=G.Thakur@incred.com

Gajendra Thakur
Company Secretary
Membership No: A18286

Date: July 12, 2024

INCRED FINANCIAL SERVICES LIMITED
(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:
Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051
CIN: U67190MH1995PLC360617 | **Email:** care@incred.com | **Contact:** 1800-102-2192 | **Website:** www.incred.com



ANNEXURE TO THE NOTICE
(Statement under Section 102 of the Companies Act, 2013)

Due to continuously increasing business requirements of the Company and to meet the requirements of additional funds, the Board has recommended enhancing the borrowing limits of the Company.

Section 180(1)(c) of the Companies Act, 2013, requires the consent of the members of a Company by way of Special Resolution at a General Meeting to enable the Board of Directors to borrow moneys, where the money to be borrowed, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company, its free reserves and securities premium. Accordingly, the approval of the members is being sought through a Special Resolution for an enabling authority in favour of the Board/Committee of Director as may be applicable to increase its borrowing power to INR 15,000 Crores (Rupees Fifteen Thousand Crores only) in addition to the aggregate of the paid up share capital, its free reserves and securities premium of the Company.

Further, in terms of Section 180(1)(a) of the Act, a company shall sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings, unless approval of the Members is obtained by way of a Special Resolution.

In connection with the loan/credit facilities to be availed by the Company, as and when required, through various sources for business purposes, the Company might be required to create charges over its assets, properties and licenses by way of hypothecation, mortgage, lien, pledge etc. in favour of its lenders (up to the limits approved under Section 180(1)(c) of the Act), for the purposes of securing the loan/credit facilities extended by them to the Company. Further, upon occurrence of default under the relevant Loan/facility agreements and other documents as may be executed by the Company with the lenders, the lenders would have certain rights in respect of the Company's assets, properties and licenses including the rights of sale/disposal thereof, creation of charge/s as aforesaid and enforcement of assets by the Company's lenders upon occurrence of default would amount to a sale/disposal of the whole or substantially the whole of the undertaking of the Company, pursuant to the provisions of Section 180(1)(a) of the Act.

None of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, financial or otherwise in the said Special Resolution. The Board of Directors recommends the Special Resolution set out at Item No. 5 and 6 of the Notice for approval by the Members.

For InCred Financial Services Limited
(formerly known as KKR India Financial Services Limited)

GAJENDRA Digitally signed by
SINGH THAKUR GAJENDRA SINGH THAKUR
Date: 2024.11.12 11:24:07
+05'30'

Gajendra Thakur
Company Secretary
Membership No: A18286

Date: July 12, 2024

INCRD FINANCIAL SERVICES LIMITED
(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:

Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051
CIN: U67190MH1995PLC360817 | **Email:** care@incred.com | **Contact:** 1800-102-2192 | **Website:** www.incred.com



CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF INCRED FINANCIAL SERVICES LIMITED (ERSTWHILE KNOWN AS KKR INDIA FINANCIAL SERVICES LIMITED) ("COMPANY") HELD ON JULY 08, 2024

APPROVAL FOR CREATION OF MORTGAGE/CHARGE ON THE ASSETS

"RESOLVED THAT in supersession to all the earlier resolution passed by the Shareholders in this regard and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, the Memorandum and Articles of Association of the Company and subject to such other approvals and permissions as may be required, consent of the Members, be and is hereby accorded, to sell, mortgage and / or charge, in addition to the mortgages / charges created / to be created by the Company in such form and manner and with such ranking and at such time and on such terms and conditions may be determined, on all or any of the movable and / or immovable properties, and / or the interest held by the Company in all or any of the movable and / or immovable properties, both present and future and / or the whole or any part of the undertaking(s) of the Company, together with the power to take over the management of business and concern of the Company in certain events of default, in favour of lender(s), agent(s), and trustee(s) for securing the borrowings of the Company availed / to be availed by way of loan(s) (in foreign currency and / or rupee currency) and securities (comprising fully / partly convertible debentures and / or non-convertible debentures with or without detachable or non-detachable warrants and / or secured premium notes and / or floating rate notes / bonds or other debt instruments), issued / to be issued by the Company, from time to time, subject to the limits approved under Section 180(1)(c) of the Companies Act, 2013, from time to time, together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest liquidated damages, commitment charges, premium on prepayment, remuneration of the agent(s) and / or trustee(s), premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation / revaluation / fluctuation in the rates of exchange and all other monies payable by the Company in terms of the Loan Agreement(s), Heads of Agreement(s), Debenture Trust Deed(s) or any other agreement / document, entered into / to be entered into between the Company and the lender(s) / investor(s) / agent(s) and / or trustee(s), in respect of the said loans, borrowings/debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Company and the lender(s), agent(s) and / or trustee(s).

RESOLVED FURTHER THAT in connection with the aforesaid, the Board of Directors (including any Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto."

For InCred Financial Services Limited
(erstwhile known as KKR India Financial Services Limited)

GAJENDRA SINGH THAKUR

Gajendra Thakur
Company Secretary
Membership No: A18286

Date: July 12, 2024

INCRED FINANCIAL SERVICES LIMITED
(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:
Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051
CIN: U67190MH1995PLC360817 | Email: care@incred.com | Contact: 1800-102-2192 | Website: www.incred.com



ANNEXURE TO THE NOTICE
(Statement under Section 102 of the Companies Act, 2013)

Due to continuously increasing business requirements of the Company and to meet the requirements of additional funds, the Board has recommended enhancing the borrowing limits of the Company.

Section 180(1)(c) of the Companies Act, 2013, requires the consent of the members of a Company by way of Special Resolution at a General Meeting to enable the Board of Directors to borrow moneys, where the money to be borrowed, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company, its free reserves and securities premium. Accordingly, the approval of the members is being sought through a Special Resolution for an enabling authority in favour of the Board/Committee of Director as may be applicable to increase its borrowing power to INR 15,000 Crores (Rupees Fifteen Thousand Crores only) in addition to the aggregate of the paid up share capital, its free reserves and securities premium of the Company.

Further, in terms of Section 180(1)(a) of the Act, a company shall sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings, unless approval of the Members is obtained by way of a Special Resolution.

In connection with the loan/credit facilities to be availed by the Company, as and when required, through various sources for business purposes, the Company might be required to create charges over its assets, properties and licenses by way of hypothecation, mortgage, lien, pledge etc. in favour of its lenders (up to the limits approved under Section 180(1)(c) of the Act), for the purposes of securing the loan/credit facilities extended by them to the Company. Further, upon occurrence of default under the relevant Loan/facility agreements and other documents as may be executed by the Company with the lenders, the lenders would have certain rights in respect of the Company's assets, properties and licenses including the rights of sale/disposal thereof, creation of charges as aforesaid and enforcement of assets by the Company's lenders upon occurrence of default would amount to a sale/disposal of the whole or substantially the whole of the undertaking of the Company, pursuant to the provisions of Section 180(1)(a) of the Act.

None of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, financial or otherwise in the said Special Resolution. The Board of Directors recommends the Special Resolution set out at Item No. 5 and 6 of the Notice for approval by the Members.

For InCred Financial Services Limited
(erstwhile known as KKR India Financial Services Limited)

GAJENDRA SINGH THAKUR
digitally signed by
GAJENDRA SINGH THAKUR
DN: cn=GAJENDRA SINGH THAKUR,
o=INCR
403782

Gajendra Thakur
Company Secretary
Membership No: A18286

Date: July 12, 2024

INCRD FINANCIAL SERVICES LIMITED
(Formerly known as KKR India Financial Services Limited)

Registered & Corporate Office:
Unit No. 1203, 12th floor, B wing, The Capital, Plot No C-70, G Block, Bandra Kurla Complex, Mumbai, Maharashtra, India, 400051
CIN: U6790MH995PLC360817 | Email: care@incred.com | Contact: 1800-102-2192 | Website- www.incred.com

**ANNEXURE III OF THE PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER:
RELATED PARTY TRANSACTIONS ENTERED DURING THE LAST 3 (THREE) FINANCIAL
YEARS IMMEDIATELY PRECEDING THE YEAR OF ISSUE OF THIS OFFER LETTER
INCLUDING WITH REGARD TO LOANS MADE OR, GUARANTEES GIVEN OR SECURITIES
PROVIDED**

InCred Financial Services Limited

Nature of transactions	Holding Company			Subsidiaries		
	FY 23-24	FY 22-23	FY 21-22	FY 23-24	FY 22-23	FY 21-22
<u>Balance Sheet transactions</u>						
Investment in equity shares of subsidiary	-	-	-	-	1,820.00	1,000.87
Investment in equity shares from Holding company	50,000.00	-	-	-	-	
Inter Corporate Deposits ("ICD") taken	3,100.00	-	-	-	800.00	2,500.00
Repayment of ICD taken (including interest)	3,142.71	-	-	-	801.02	2,924.17
ICD given	-	1,500.00	-	-	-	-
Repayment of ICD given (including interest)	1,505.47	-	-	-	-	-
Reimbursement of credit loss	-	-	-	-	-	61.70
Transfer out / (in) of gratuity liability	1.59	-	-	-	-	-
Interest on ICD	5.47	82.62	-	-	-	-
Income on account of reimbursement	5.24	1.96	-	-	0.59	
Service fee	-	-	-	-	-	17.86
License fees	-	-	-	-	-	5.45
Interest on ICD	42.71	-	-	-	1.02	24.17

Expense on account of reimbursement Fee and commission	-	-	-	-	-	0.01
	131.78	-	-	-	-	

Nature of transactions	Enterprises owned or controlled by KMP			Fellow Subsidiary			Associate of subsidiary	
	FY 23-24	FY 22-23	FY 21-22	FY 23-24	FY 22-23	FY 21-22	FY 22-23	FY 21-22
<u>Balance Sheet transactions</u>								
Inter Corporate Deposits ("ICD") taken	4,000.00	3,500.00	8,500.00	-	-	-	-	1,700.00
Repayment of ICD taken (including interest)	4,001.07	3,503.72	13,100.89	-	-	-	-	3,071.29
ICD given	17,915.00	-	-	-	-	-	-	-
Repayment of ICD given (including interest)	219.41	-	-	-	-	-	-	-
Reimbursement of credit loss	-	-	-	-	-	-	-	1.85
Proceeds from sale of Fixed Assets	-	1.95	-	-	-	-	-	-
Issue of Debentures	6,650.00	6,899.36	9,910.00	-	-	-	-	-
Subscription to Debentures	1,150.00	-	-	-	-	-	-	-
Proceeds from sale of subsidiary	1,735.01	-	-	-	-	-	-	-
Purchase of investments	4,375.23	-	-	-	-	-	-	-
Proceeds from sale of investments	7,955.17	-	-	-	-	-	-	-
Transfer out / (in) of gratuity liability	2.61	-	-	15.97	-	-	-	-

Service fee										56.00
	-	-	-	-	-	-	-	-	-	
Interest on ICD	204.41	-	-	-	-	-	-	-	-	-
Income on account of reimbursement	138.68	70.36	-	-	-	-	-	-	-	-
Service fee										300.60
	-	-	977.89	-	-	-	-	-	-	
Interest on ICD	1.07	3.72	100.89	-	-	-	-	-	-	71.29
Expense on account of reimbursement	4.53	-	78.69	-	-	-	-	-	-	-
Fee and commission	108.89	158.18	569.56	-	-	-	-	-	-	-

Summary of balance receivable from / payable to the above related parties are as follows:

Balance outstanding	Holding Company			Subsidiaries		
	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Advances/Receivables	57.24	644.23	-	3.24	3.24	17.00
Investments (at cost)	-	-	-	2,297.57	6,735.00	4,910.56
Investments in debentures	-	-	-	-	-	-
Outstanding debenture payable	-	-	-	-	-	-
ICD Receivable	-	1,500.00	-	-	-	-
Other Payables	-	-	-	-	-	-

Balance outstanding	Enterprises owned or controlled by Key Managerial Personnel			Fellow Subsidiary			Associate of subsidiary		
	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Advances/Receivables	20.76	28.72	489.06	-	1,143.68	-	-	-	15.17
Investments (at cost)	-	-	-	-	-	-	-	-	-
Investments in debentures	1,150.00	-	-	-	-	-	-	-	-
Outstanding debenture payable	1,622.51	-	-	-	-	-	-	-	-
ICD Receivable	17,900.00	-	-	-	-	-	-	-	-
Other Payables	-	-	-	1.08	-	-	-	-	-

ANNEXURE IV: RTA CONSENT LETTER



Link Intime India Pvt. Ltd.
CIN : U67190MH1999PTC118368
C- 103, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai - 400 083.
Tel. : +91 22 4918 6000
Fax : +91 22 4918 6060
E-mail : mumbai@linkintime.co.in
Website : www.linkintime.co.in

November 21, 2024

To,

InCred Financial Service: Limited
Unit No. 1203, 12th floor, B Wing,
The Capital, Plot No. C - 70, G Block,
Bandra - Kurla Complex,
Mumbai-400051.

Dear Sir/Madam,

Sub.: Consent to act as Registrar to the proposed issue of "Rated, Listed, Senior, Secured, Redeemable, Transferable, Taxable, Non-Convertible Debentures" to be issued on private placement basis

We refer to the subject issue and hereby accept our appointment as 'Registrar' for Electronic Connectivity Provider to issue of " Rated, Listed, Senior, Secured, Redeemable, Transferable, Taxable, Non-Convertible Debenture of face value of Rs. 1 Lakh each for cash at par of up to 2500 (Two Thousand Five Hundred) non-convertible debentures aggregating up to INR 25,00,00,000 (Indian Rupees Twenty Five Crores Only) with a green shoe option of 2500 (Two Thousand Five Hundred) non convertible debentures aggregating up to Rs. 50,00,00,000/- (Indian Rupees Fifty Crores only) and give our consent to incorporate our name as "Registrar to the Issue" in the offer documents.

Our Permanent SEBI Registration No.: INR000004058.

Thanking You.

Yours faithfully,

For Link Intime India Pvt.Ltd.

Ganesh Jadhav

Asst. Vice President - Depository Operations

ANNEXURE V: IN PRINCIPLE APPROVAL



DCS/COMP/RM/IP-PPDI/088/24-25

August 13, 2024

INCRD FINANCIAL SERVICES LIMITED

Unit No. 1203, 12th floor, B Wing
The Capital, Plot No. C - 70, G Block
Bandra Kurla Complex (BKC), Mumbai – 400 051

Re: Issue of Secured/Unsecured, Rated, Listed, Redeemable Principal Protected/Non-Principal Protected, Market Linked/ Plain Vanilla Non-convertible Securities on a private placement basis under General Information Document: GIDIFSL002/24-25 (The “Issue”).

We acknowledge receipt of your application on the online portal on August 12, 2024, seeking In-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant in-principle approval for listing of captioned security subject to fulfilling the following conditions at the time of seeking listing:

1. Filing of listing application.
2. Payment of fees as may be prescribed from time to time.
3. Compliance with SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder and also Compliance with provisions of Companies Act 2013.
4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.
5. Compliance with change in the guidelines, regulations, directions, circulars of the Exchange, SEBI or any other statutory authorities, documentary requirements from time to time.
6. Compliance with below mentioned circular dated June 10, 2020 issued by BSE before opening of the issue to the investors.:
<https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20200610-31>
7. Issuers, for whom use of EBP is not mandatory, specific attention is drawn towards compliance with Chapter XV of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and BSE Circular No 20210519-29 dated May 19, 2021. Accordingly, Issuers of privately placed debt securities in terms of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 or ILDM Regulations for whom accessing the electronic book platform (EBP) is not mandatory shall upload details of the issue with any one of the EBPs within one working day of such issuance. The details can be uploaded using the following links [Electronic Issuance - Bombay Stock Exchange Limited \(bseindia.com\)](#).



8. It is advised that Face Value of NCDs issue through private placement basis should be kept as per Chapter V of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021

9. Issuers are hereby advised to comply with signing of agreements with both the depositories as per Regulation 7 of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.

10. Company is further requested to comply with SEBI Circular SEBI/HO/DDHS/DDHS-RACPOD1/CIR/P/2023/56 dated April 13, 2023, (if applicable) read along with BSE Circular <https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20230428-18> and ensure compliance of the same.

This In-Principle Approval is valid for a period of 1 year from the date of issue of this letter or period of 1 year from the date of opening of the first offer of debt securities under the General information Document, whichever is applicable. The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,
For BSE Limited

A handwritten signature in blue ink, appearing to read 'H. Bhuta', written over a horizontal line.

Hardik Bhuta
Assistant General Manager

A handwritten signature in blue ink, appearing to read 'Chinmay Gosavi', written over a horizontal line.

Chinmay Gosavi
Deputy Manager