

No. CTL/DEB/21-22/Noting Certificate/325

May 10, 2021

To Whomsoever It May Concern,

**CERTIFICATE FOR RECEIPT AND NOTING OF INFORMATION**

[Pursuant to Regulation 52(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, Catalyst Trusteeship Limited (“**Debenture Trustee**”) hereby confirm that we have received and noted the information, as specified under regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“**Regulations**”), provided to us by **Incred Financial Services Limited** (“**the Company**”) for the Half Year ended March 31, 2021.

This Certificate is being issued pursuant to the requirements of regulation 52(5) of the aforesaid Regulations, for onward submission to Stock Exchange(s) by the Company.

**For Catalyst Trusteeship Limited**



**Authorised Signatory**

*Encl: Results submitted by Company*



May 7, 2021

To,  
**BSE Limited,**  
Listing Department,  
1<sup>st</sup> Floor, P.J. Towers,  
Dalal Street, Mumbai- 400 001

**Sub: Outcome of the Board Meeting and Disclosures under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR")**

**Ref: Company Code: 11843**

Dear Sir/ Madam,

The Board of Directors of the Company at their Meeting held today i.e Friday, May 7, 2021, inter-alia, considered and approved the following:

1. Annual Audited Standalone Financial Statements of the Company for the year ended March 31, 2021 and
2. Audited Standalone Financial Results of the Company for the half and financial year ended March 31, 2021, prepared in accordance with Regulation 52 of SEBI LODR.

In terms of SEBI LODR, we enclose herewith the following:

1. Audited Standalone Financial Results for the financial year ended March 31, 2021 accompanied by Audit Report issued by the Statutory Auditor and Declaration in respect of unmodified opinion in the Audit Report as **Annexure 1 and Annexure 2**;
2. Disclosures in accordance with Regulation 52 (4) of SEBI LODR for the half year ended March 31, 2021 as **Annexure 3**;
3. Statement with respect to material deviations in use of proceeds of issue of the non-convertible debt securities as required under the Regulation 52(7) of LODR for the half year ended March 31, 2021, marked as **Annexure 4**.

We request you to kindly take the above on records and disseminate the same on your website.

Thanking you,

Yours sincerely,

**For InCred Financial Services Limited**

**GAJENDRA  
SINGH  
THAKUR**

Digitally signed by GAJENDRA SINGH THAKUR  
DN: cn=GAJENDRA SINGH THAKUR,  
o=InCred Financial Services Limited,  
ou=Listing Department,  
email=gajendra.singh.thakur@incrd.com,  
c=India  
Reason: I am the author of this document  
Date: 2021.05.07 20:54:16  
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**Gajendra Thakur**  
**Company Secretary**

**B S R & Co. LLP**

Chartered Accountants

14th Floor, Central Wing B Wing and North C Wing,  
Nesco IT Park 4, Nesco Center,  
Western Express Highway, Goregaon (East),  
Mumbai – 400 063

Telephone: +91 22 6257 1000  
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**Independent Auditors' Report on Standalone Annual Financial Results under Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for year ended 31 March 2021**

**Independent Auditor's Report**

**To the Board of Directors of  
InCred Financial Services Limited**

**Opinion**

We have audited the accompanying standalone annual financial results of InCred Financial Services Limited (hereinafter referred to as the “Company”) for the year ended 31 March 2021, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (‘Listing Regulations’).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

- a. are presented in accordance with the requirements of Regulation 52 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended 31 March 2021.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (“SAs”) specified under section 143(10) of the Companies Act, 2013 (“the Act”). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion on the standalone annual financial results.

Registered Office:

## **Independent Auditor's Report (*Continued*)**

### **InCred Financial Services Limited**

#### **Emphasis of Matter**

We draw attention to Note 9 of the standalone financial results which describes the accounting for the Scheme of Amalgamation of between the Company and InCred Housing Finance Limited, (wholly owned subsidiary). The Scheme has been approved by the National Company Law Tribunal ('NCLT') vide its order dated 11 March 2021, however due to the ongoing pandemic situation, the Company has not received the certified true copy of the Order from the NCLT and hence the same has not been filed by the Company with the Registrar of Companies, Mumbai. Pending the certified copy of the order being filed with Registrar of Companies, the Company has given effect of the merger in its standalone audited financial results for the half year ended and year ended 31 March 2021. Though the appointed date as per the NCLT approved Scheme is 1 April 2020, as per the requirements of Appendix C to Ind AS 103 "Business Combination", the combination has been accounted for as if it had occurred from the beginning of the preceding period in the standalone financial statements. Accordingly, the amounts relating to the year 2020 include the impact of the business combination and the corresponding amounts for the previous half year and year to-date ended 31 March 2020, have been restated by the Company after recognising the effect of the amalgamation as above. The aforesaid note (Note 9) also describes the impact of the business combination on the financial results.

Further, as more fully described in Note 6 to the standalone annual financial results, the extent to which the ongoing COVID-19 pandemic will have impact on the Company's financial performance including the Company's estimates of impairment of financial instruments are dependent on the future developments, the severity and duration of the pandemic, that are highly uncertain..

Our opinion is not modified in respect of the above matters.

#### **Management's and Board of Director's Responsibilities for the Standalone Annual Financial Results**

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

## **Independent Auditor's Report (*Continued*)**

### **InCred Financial Services Limited**

#### **Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results**

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

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

- Identify and assess the risks of material misstatement of the standalone annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial results made by Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

## **Independent Auditor's Report (*Continued*)**

### **InCred Financial Services Limited**

#### **Other Matter**

The statement of standalone financial results includes the results for the half year ended 31 March 2021 and 31 March 2020 being the balancing figure between audited figures for current financial year and restated figures for previous financial year and the restated year to date figures up to the half year of the current financial year and previous financial year which were subject to limited review by the statutory auditors.

For **B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No: 101248W/W-100022

**PRANAV**

**AMOD GUNE**

Digitally signed by  
PRANAV AMOD GUNE  
Date: 2021.05.07  
23:51:04 +05'30'

**Pranav Gune**

*Partner*

Mumbai  
07 May 2021

Membership No: 121058  
UDIN: 21121058AAAAAT4290

**INCRED FINANCIAL SERVICES LIMITED**

**Corporate and Registered Office:**

**Unit No. 1203, 12th floor, B Wing, The Capital, Plot No. C - 70, G Block, Bandra - Kurla Complex, Bandra East, Mumbai – 400051  
CIN: U74899MH1991PLC340312 | Email: [incred.compliance@incred.com](mailto:incred.compliance@incred.com) | Contact: 022-4097 7000 | Website-[www.incred.com](http://www.incred.com)**

**STANDALONE STATEMENT OF ASSETS AND LIABILITIES**

**(Rs. In lakhs)**

Particulars	As at March 31, 2021	As at March 31, 2020 (Restated)
	Audited	Audited
<b>ASSETS</b>		
<b>(1) Financial assets</b>		
(a) Cash and cash equivalents	1,323.38	3,772.83
(b) Bank balance other than cash and cash equivalents	588.46	735.88
(c) Loans	2,55,359.84	2,04,849.17
(d) Investments	12,670.66	3,113.50
(e) Other financial assets	1,821.28	1,690.39
<b>(2) Non-financial assets</b>		
(a) Current tax assets (Net of provision for tax)	720.61	862.36
(b) Deferred tax assets (Net of deferred tax liabilities)	1,857.39	963.22
(c) Property, plant and equipment	3,276.35	2,975.07
(d) Capital work-in-progress	14.49	125.06
(e) Other intangible assets	222.49	299.97
(f) Other non-financial assets	1,285.55	1,046.22
<b>Total assets</b>	<b>2,79,140.50</b>	<b>2,20,433.67</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
<b>(1) Financial liabilities</b>		
(a) Debt securities	73,827.02	42,105.62
(b) Borrowings (other than debt securities)	93,422.08	70,321.28
(c) Other financial liabilities	4,231.88	3,342.57
<b>(2) Non-financial liabilities</b>		
(a) Provisions	169.48	158.41
(b) Other non-financial liabilities	2,905.26	2,078.21
<b>EQUITY</b>		
(a) Equity share capital	38,624.42	38,615.30
(b) Other equity	65,960.36	63,812.28
<b>Total liabilities and equity</b>	<b>2,79,140.50</b>	<b>2,20,433.67</b>

INCRD FINANCIAL SERVICES LIMITED

Corporate and Registered Office:

Unit No. 1203, 12th floor, B Wing, The Capital, Plot No. C - 70, G Block, Bandra - Kurla Complex, Bandra East, Mumbai – 400051

CIN: U74899MH1991PLC340312 | Email: incrd.compliance@incrd.com | Contact: 022-4097 7000 | Website-www.incrd.com

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE HALF YEAR AND FINANCIAL YEAR ENDED MARCH 31, 2021

(Rs. In lakhs)

Particulars	Half Year Ended		Year Ended	Year Ended
	March 31, 2021 Unaudited	March 31, 2020 Unaudited (Restated)	March 31, 2021 Audited	March 31, 2020 Audited (Restated)
<b>Revenue From operations</b>				
(i) Interest income	20,156.69	16,831.03	37,711.75	31,103.32
(ii) Fees and commission income	397.19	384.45	557.16	805.95
(iii) Net gain on fair value changes	190.54	128.77	268.91	465.01
<b>(I) Total revenue from operations</b>	<b>20,744.42</b>	<b>17,344.25</b>	<b>38,537.82</b>	<b>32,374.28</b>
<b>(II) Other income</b>	<b>441.90</b>	<b>253.24</b>	<b>647.09</b>	<b>782.37</b>
<b>(III) Total income (I + II)</b>	<b>21,186.32</b>	<b>17,597.49</b>	<b>39,184.91</b>	<b>33,156.65</b>
<b>Expenses</b>				
(i) Finance costs	7,965.02	6,313.96	15,271.40	11,605.69
(ii) Impairment on financial instruments (Refer Note 10,11)	5,941.99	3,024.46	8,865.37	5,634.74
(iii) Employee benefits expenses	4,717.03	4,746.09	9,159.37	9,240.58
(iv) Depreciation, amortization and impairment	345.01	674.57	841.79	1,099.89
(v) Others expenses	2,239.59	2,384.31	3,805.92	4,271.24
<b>(IV) Total expenses</b>	<b>21,208.64</b>	<b>17,143.39</b>	<b>37,943.86</b>	<b>31,852.14</b>
<b>(V) Profit before exceptional items and tax (III - IV)</b>	<b>(22.32)</b>	<b>454.10</b>	<b>1,241.06</b>	<b>1,304.51</b>
<b>(VI) Exceptional items</b>	-	-	-	(645.76)
<b>(VII) Profit before tax (V - VI)</b>	<b>(22.32)</b>	<b>454.10</b>	<b>1,241.06</b>	<b>658.75</b>
<b>(VIII) Tax Expense:</b>				
(i) Current Tax	115.08	273.95	1,135.14	527.43
(ii) Deferred Tax	(137.08)	(157.03)	(917.52)	(144.09)
<b>(IX) Profit/(Loss) for the year / period (VII - VIII)</b>	<b>(0.32)</b>	<b>337.18</b>	<b>1,023.44</b>	<b>275.41</b>
<b>(X) Other comprehensive income</b>				
<b>(A) (i) Items that will not be reclassified to profit or loss</b>				
(a) Remeasurements of the defined benefit plans	(20.26)	35.69	(26.29)	29.03
(b) Equity instruments through other comprehensive income	-	-	-	0.02
<b>(ii) Income tax relating to items that will not be reclassified to profit or loss</b>	<b>5.10</b>	<b>(18.88)</b>	<b>6.62</b>	<b>(0.32)</b>
<b>Subtotal (A)</b>	<b>(15.16)</b>	<b>16.81</b>	<b>(19.67)</b>	<b>28.73</b>
<b>(B) Items that will be reclassified to profit or loss</b>				
<b>(i) Items that will be reclassified to profit or loss</b>				
(a) Debt instruments through other comprehensive income	(274.85)	-	118.97	-
<b>(ii) Income tax relating to items that will be reclassified to profit or loss</b>	<b>69.18</b>	<b>-</b>	<b>(29.95)</b>	<b>-</b>
<b>Subtotal (B)</b>	<b>(205.67)</b>	<b>-</b>	<b>89.03</b>	<b>-</b>
<b>Other comprehensive income (A + B)</b>	<b>(220.83)</b>	<b>16.81</b>	<b>69.35</b>	<b>28.73</b>
<b>(XI) Total comprehensive income for the year / period (IX + X)</b>	<b>(221.15)</b>	<b>353.99</b>	<b>1,092.79</b>	<b>304.14</b>
<b>(XII) Earnings per equity share (EPS) (refer Note 5)</b>				
(Face value of Rs. 10 each)				
Basic (Rs.)	(0.00)	0.09	0.27	0.07
Diluted (Rs.)	(0.00)	0.09	0.26	0.07



Notes:

1. The above standalone financial results have been reviewed and recommended for the approval of the Board by the Audit Committee and approved by the Board of Directors at the meeting held on May 7, 2021.
2. The standalone financial results have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016, prescribed under section 133 of the Companies Act 2013 ('the Act') read with relevant rules issued thereunder and the other accounting principles generally accepted in India. Any application guidance / Clarifications/Directions issued by Reserve Bank of India or other regulators are implemented as and when they are issued / applicable.
3. These standalone financial results have been prepared in accordance with the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as modified by SEBI Circular No. "CIR/CFD/FAC/62/2016" dated July 05, 2016 read with "CIR/IMD/DF1/69/2016" dated August 10, 2016.
4. The statement of standalone financial results includes the results for the half year ended March 31, 2021 and March 31, 2020 being the balancing figure between audited figures for current financial year and restated figures for previous financial year and the restated year to date figures up to the half year of the current financial year and previous financial year which were subject to limited review by the statutory auditors.
5. Earnings per equity share for the half year ended March 31, 2021 and March 31, 2020 have not been annualised.
6. In accordance with the Board approved moratorium policy read with the Reserve Bank of India (RBI) guidelines dated 27 March 2020, 17 April 2020 and 23 May 2020 relating to 'COVID-19 -Regulatory Package', the Company had granted moratorium up to six months on the payment of installments which became due between 1 March, 2020 and 31 August, 2020 to all eligible borrowers. This relaxation did not automatically trigger a significant increase in credit risk. The Company continued to recognize interest income during the moratorium period and in the absence of other credit risk indicators, the granting of a moratorium period did not result in accounts becoming past due and automatically triggering Stage 2 or Stage 3 classification criteria.

The impact of COVID-19 on the global economy and how governments, businesses and consumers respond is uncertain. This uncertainty is reflected in the Company's assessment of impairment loss allowance on its loans which are subject to a number of management judgements and estimates. In relation to COVID-19, judgements and assumptions include the extent and duration of the pandemic, the impacts of actions of governments and other authorities, and the responses of businesses and consumers in different industries, along with the associated impact on the global economy. The Company has separately incorporated estimates, assumptions and judgements specific to the impact of the COVID-19 pandemic and the associated support packages in the measurement of impairment loss allowance. The Company's impairment loss allowance estimates are inherently uncertain and, as a result, actual results may differ from these estimates.

7. The Honorable Supreme Court of India through an interim order had directed that the accounts which were not declared non-performing asset till August 31, 2020 shall not be declared non-performing after August 31, 2020, till further notice. Basis the interim order, the Company had not classified any standard account as of August 31, 2020 as per Indian Accounting Standards, as impaired (stage 3 ) after August 31, 2020. Pending disposal of the case, the Company had made provisions of such borrower accounts, as if these were classified as impaired (Stage 3) as per Indian Accounting Standards ('IND AS') as at September 30, 2020.  
The interim order granted to not declare accounts as NPA stood vacated on March 23, 2021 vide the judgement of the Hon'ble SC in the matter of Small Scale Industrial manufacturers Association vs. UOI & Ors. and other connected matters. In accordance with the instructions in paragraph 5 of the RBI circular no. RBI/2021-22/17DOR. STR.REC.4/21.04.048/2021-22 dated April 07, 2021 issued in this connection, the Company has continued with the asset classification of borrower accounts as per the ECL model under Ind AS financial statements for the quarter and year ended 31 March 2021.
8. As per guidelines issued by RBI on 'Asset Classification and Income Recognition following the expiry of Covid-19 regulatory package' dated April 7, 2021 and the Indian Banks' Association ('IBA') advisory letter dated April 19, 2021, the Company has put in place a Board approved policy to refund/ adjust the 'interest on interest' charged to borrowers during the moratorium period i.e. March 1, 2020 to August 31, 2020. The Company has provided for reversal of interest on interest amounting to Rs. 106.64 lakhs on such loans in the financial statements for the year ended March 31, 2021.
9. The Board of Directors of the Company on February 18, 2020 had approved a Scheme of Amalgamation ("Scheme") of Incred Housing Finance Private Limited (a wholly-owned subsidiary of the Company) with the Company. The Company had filed the scheme with National Company Law Tribunal ("NCLT") on October 6, 2020. During the half year ended March 31, 2021, the NCLT, Mumbai bench has approved the Scheme of Amalgamation ("Scheme") vide order no 'CP(CAA)/1094/MB/2020 Connected with CA(CAA)/1105/MB /2020' on March 11, 2021 from the Appointed Date of April 1, 2020. The Scheme will be made effective upon filing of the certified true copy of the order with the Registrar of Companies, from the Appointed Date of April 1, 2020.

On account of NCLT Mumbai Bench being shut (except for urgent hearing matters through video conference w.e.f. April 20, 2021 as notified by circular dated April 19, 2021) in accordance with the government guidelines in view of unprecedented pandemic situation in the country, the certified true copies could not be obtained. In view of the same, though the certified copy of the order is yet to be filed with Registrar of Companies, the Company has given effect of the merger in its standalone audited financial results for the half year ended and year ended March 31, 2021.

In accordance with the requirements of Para 9(iii) of Appendix C of Ind AS 103, the standalone financial results of the Company in respect of the previous year/period have been restated from the Appointed Date. Summary of effect of restatement of previous published numbers are as below:

Particulars	Year ended March 31, 2020	Effect of restatement	(Rs. in lakhs) Year ended March 31, 2020
	(as previously reported)		(restated)
Total income	32,921.65	235.00	33,156.65
Profit before tax and exceptional items	1,232.54	71.96	1,304.51
Profit after tax for the period	433.70	(158.29)	275.41
Total comprehensive income for the period	459.71	(155.57)	304.14

Particulars	Half year ended March 31, 2020	Effect of restatement	(Rs. in lakhs) Half year ended March 31, 2020
	(as previously reported)		(restated)
Total income	17,479.98	117.51	17,597.49
Profit before tax and exceptional items	418.11	35.99	454.10
Profit after tax for the period	324.31	12.87	337.18
Total comprehensive income for the period	339.76	14.23	353.99

10. In terms of the requirement as per RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 on Implementation of Indian Accounting Standards, Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset Classification and Provisioning (IRACP) norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the company exceeds the total provision required under IRACP (including standard asset provisioning), as at March 31, 2021 and accordingly, no amount is required to be transferred to impairment reserve.

11. Disclosure as required under RBI notification no. RBI/2019-20/220 DOR.No.BP.BC.63/21.04.048/2019-20 dated April 17, 2020 on COVID-19 Regulatory Package - Asset Classification and Provisioning.

(Rs. in lakhs)		
Particulars	31-Mar-21	31-Mar-20
i) Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended*	69,052.68	57,839.55
ii) Respective amount where asset classification benefits is extended	NIL**	1,061.91
iii) Provision made on the cases where asset classification benefit is extended ***	NA	NA
In respect of accounts in default but standard where moratorium is granted, and asset classification benefit is extended, the Company has made general provisions of not less than 10 per cent of the total outstanding of such accounts as applicable as at March 31, 2021.		
iv) Provisions adjusted during the respective accounting periods against slippages and the residual provisions	NIL	NIL

\*Outstanding as on March 31, 2021 and March 31, 2020 respectively on account of all cases in SMA/ overdue categories where moratorium benefit was extended by the Company up to August 31, 2020

\*\*There are NIL accounts where asset classification benefit is extended till March 31, 2021. Post the moratorium period, the movement of aging has been at actuals.

\*\*\*The Company, being NBFC, has complied with Ind-AS and guidelines duly approved by the Board for recognition of the impairments. The Company has made adequate provision on impairment loss allowance as per ECL model for the year ended March 31, 2021

12. During the year, to relieve COVID-19 pandemic related stress, the Company has invoked resolution plans for eligible borrowers based on the parameters laid down in accordance with the resolution policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI on August 6, 2020.

i) Disclosure as per format prescribed under notification no. RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 for the year ended March 31, 2021:

(Rs. in lakhs)					
Type of borrower	(A) Number of accounts where resolution plan has been implemented under this window	(B) exposure to accounts mentioned at (A) before implementation of the plan	(C) Of (B), aggregate amount of debt that was converted into other securities	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation	(E) Increase in provisions on account of the implementation of the resolution plan
Personal Loans	7,351	6,789.43	-	-	NA*
Corporate persons	-	-	-	-	-
- of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
<b>Total</b>	<b>7,351</b>	<b>6,789.43</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*The Company, being NBFC, has complied with Ind-AS and guidelines duly approved by the Board for recognition of the impairments. The Company has made adequate provision on impairment loss allowance as per ECL model for the year ended March 31, 2021

ii) Disclosure as per format prescribed under notification no. RBI/2020-21/17 DOR.No.BP.BC/4/21.04.048/2020-21 (for restructuring of accounts of Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances having exposure less than or equal to Rs. 25 crores) for the year ended March 31, 2021:

(Rs. in lakhs)	
For the year ended March 31, 2021	
No. of accounts restructured	Amount
124	9,370.49

13. All secured Non Convertible Debentures ("NCDs") issued by the Company are secured by pari-passu charge on the Company's property (wherever applicable) and /or exclusive charge on receivables under book debts to the minimum extent of 100% or such higher security as per the respective term sheets of the outstanding secured NCDs.

14. There is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company.

15. The previous period's / year's figures have been regrouped / reclassified, wherever necessary, to correspond with the current period's / year's classification / disclosure.

For InCred Financial Services Limited

**BHUPINDER SINGH**

**Bhupinder Singh**  
Whole Time Director & CEO  
DIN: 07342318

Place: Mumbai  
Date: May 7, 2021

## Annexure 2

### Declaration pursuant to Regulation 52(3)(a) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 52(3)(a) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Bhupinder Singh, Wholetime Director and Chief Executive Officer of InCred Financial Services Limited ("the Company") hereby declare that B.S.R & Co. LLP, Chartered Accountants (Firm Registration No. 101248 W/W-100022), Statutory Auditors of the Company have issued an Audit Report with unmodified opinion on the Annual Audited Standalone Financial Results for the financial year ended 31 March 2021.

Please take the above on record.

Thanking You.

Yours faithfully,

#### **For InCred Financial Services Limited**

**BHUPINDER SINGH**  
**Bhupinder Singh**  
**Wholetime Director & CEO**

Digitally signed by BHUPINDER SINGH  
DN: cn=Bhupinder Singh, o=InCred Financial Services Limited, email=bhupinder.singh@incred.com, c=IN  
c=IN, o=InCred Financial Services Limited, email=bhupinder.singh@incred.com, c=IN  
Reason: I am the author of this document  
Location: your signing location here  
Date: 2021.05.08 00:12:55  
Form Reader Version: 10.0.1

Place: Mumbai  
Date: May 7, 2021

**Additional Disclosures pursuant to Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as at March 31, 2020 with respect to listed secured debentures of the Company issued on a private placement basis.**

**a) Credit rating and changes in credit rating, if any:**

The Rating Agencies have assigned following rating to the Company as on March 31, 2021:

Sr No	Facility	Amount (Rs. in lakhs)	Rating
1	Long term bank facilities	1,40,000	CRISIL A (Stable) / CARE A (Negative)
2	Non-Convertible Debentures	82,500	CRISIL A(Stable) / CARE A (Negative)
3	Market linked Debentures	40,000	CRISIL PP-MLD Ar (Stable) / CARE PP-MLD A (Negative)
4	Commercial Paper	35,000	CRISIL A1 / CARE A1
5	Short term bank facilities	45,000	CRISIL A1 / ICRA A1

There were following changes in the credit ratings assigned to the Company during the half year ended March 31, 2021: Not applicable\*

\*During the half year ended March 31, 2021, CRISIL Ratings has assigned fresh ratings for Long Term and Short Term Credit Programmes of the Company.

**b) Asset cover available:** As per the first proviso to Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requirement of disclosing Asset Cover is not applicable to the Company being a Non-Banking Financial Company registered with Reserve Bank of India.

**c) Debt equity ratio:** The debt equity ratio of the Company as at March 31, 2021 is 1.63

**d) Previous due date for the payment of interest/repayment of principal of the listed debt securities & whether the same has been paid or not:**

Sr No.	ISIN No.	Previous due date for payment of interest	Status of Payment	Previous due date for payment of principal	Status of Payment
1	INE945W07167	31-Jan-21	Paid	NA	NA
2	INE945W07191	11-Mar-21	Paid	NA	NA
3	INE945W07209	16-Dec-20	Paid	16-Dec-20	Paid
4	INE945W07225	04-Mar-21	Paid	NA	NA
5	INE945W07092	18-Jan-21	Paid	18-Jan-21	Paid
6	INE945W07100	03-Feb-21	Paid	03-Feb-21	Paid

**e) Next due date for the payment of interest/repayment of principal of the listed debt securities & whether the same has been paid or not:**

Sr No.	ISIN No.	Next due date for payment of interest	Status of Payment	Next due date for payment of principal	Interest amount due in next payment (Rs. in lakhs)	Redemption amount due in next payment (Rs. in lakhs)
1	INE945W07035	26-Apr-21	Paid	26-Apr-21	766.64	7,500.00
2	INE945W07134	22-Jun-21	NA	NA	487.50	NA
3	INE945W07142	23-Jun-21	NA	NA	950.00	NA
4	INE945W07159	26-Jun-21	NA	NA	975.00	NA
5	INE945W07167	31-Jul-21	NA	NA	235.55	NA
6	INE945W07175	10-Aug-21	NA	NA	470.00	NA
7	INE945W07191	11-Sep-21	NA	NA	355.40	NA
8	INE945W07225	04-Jun-21	NA	NA	57.34	NA
9	INE945W07225	04-Sep-21	NA	07-Sep-21	57.34	625.00
10	INE945W07084	30-Sep-21	NA	30-Sep-21	366.72	1580.00

**f) Next due date for the payment of interest/dividend of non-convertible preference shares/principal along with the amount of interest/dividend of non-convertible preference shares payable and the redemption amount:** The Company has not issued any non-convertible redeemable preference shares.

**g) Debt service coverage ratio:** As per the first proviso to Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requirement of disclosing Debt Service Coverage Ratio is not applicable to the Company being a Non-Banking Financial Company registered with Reserve Bank of India.

**h) Interest service coverage ratio:** As per the first proviso to Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requirement of disclosing Interest Service Coverage Ratio is not applicable to the Company being a Non-Banking Financial Company registered with Reserve Bank of India.

**i) Outstanding redeemable preference shares (quantity and value):** Not applicable as the Company has not issued any redeemable preference shares.

**j) Capital Redemption Reserve – Nil**

**k) Debenture Redemption Reserve:** The Company is not required to create Debenture redemption reserve in terms of the Companies (Share Capital & Debenture) Rules, 2014 read with the Companies (Share Capital & Debentures) Amendment Rules, 2019.

**l) Net worth:** \* Rs. 1,02,504.90 lakhs as at March 31, 2021

**m) Net profit after tax:** Rs. 1,023.44 lakhs for the year ended March 31, 2021

**n) Earnings per share:**

- Basic: Rs 0.27
- Diluted: Rs 0.26

**o) There was no deviation in the use of the proceeds of the issue of non-convertible debt securities.**

\* Net-worth is paid up equity share capital and cumulative compulsory convertible preference shares plus reserves less net deferred tax asset and intangible assets.

**Statement with respect to material deviations in use of proceeds of issue of non-convertible debt securities for the half year ended March 31, 2021**

**Date: May 7, 2021**