fixed income, investment banking, and corporate finance businesses of Deutsche Bank in the Asia Pacific region. InCred's Chief Financial Officer (CFO), Mr Gaurav Maheshwari, also has over 27 years of experience, and was previously the cluster CFO for India and South Asia at Standard Chartered Bank.

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 INR 50.00 crores (Indian Rupees Fifty Crores only) **by issue of Rated, Listed, Senior, Secured, Redeemable, Transferable Non-Convertible Debentures ("NCDs" or "Debentures") with a green shoe option of up to INR 100.00 crores (**Indian Obe Hundred Crores only), on a private placement basis. For further details of the Debentures, please refer to the terms and conditions of the debentures set out in Clause 2.11 of this Information Memorandum.

1.9 Issue Size

The aggregate issue size for the Debentures is upto INR 50 Crores with a green shoe option of up to INR 100 crores aggregating to INR 150 crores

1.10 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.

1.11 Issue Details

Term Sheet:

Issuer / Company	Incred Financial Services Limited
Security Name	8.80% Incred / June 2028
Nature of Instrument	Secured
Product Name	IFSL/2026-27/NCD/003
Seniority	Senior Debt
Debenture Trustee	Catalyst Trusteeship Limited
Rating Agency	CRISIL Ratings
Depository	NSDL and CDSL
Type of instrument	Rated, Listed, Senior, Secured, Redeemable, Transferable 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 pari passu to all senior, secured indebtedness of the Issuer. Each of the Debenture Holders shall inter-se rank pari passu in relation to their rights and benefits in relation to the Debentures, without any preference or privilege.
Listing	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. 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].
Rating	"CRISIL AA-(Stable)" by CRISIL Ratings
Base Issue Size	INR 50,00,00,000/- (Rupees Fifty Crores only)
Green Issue/ Ability to Retain Oversubscription Upto	INR 100,00,00,000/- (Rupees One Hundred Crores only)
Total Issue Size	INR 150,00,00,000/- (Rupees One Hundred Fifty Crores only)
Issue Price	INR 1,00,000 per Debenture (At PAR)
Number of Debentures Issued	15,000 Debentures including 10,000 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	727 Days from the Deemed Date of Allotment. Principal repayment to be made on a maturity (Bullet Repayment) as per Annexure 1. [Redeemable at PAR]
Coupon Rate	8.80% 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	June 15, 2026

EBP Timing	11:30 am to 04.00 pm
Issue Opening Date	June 15, 2026
Issue Closing Date	June 15, 2026
Pay-in-Date	June 16, 2026
Deemed Date of Allotment	June 16, 2026
Redemption Date	June 12, 2028
Manner of Bidding	Close Book Bidding
Mode of Allotment / Allotment Option	Uniform Yield
Mode of Settlement	ICCL
Utilization of the proceeds	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 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. 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 Further lending to individuals for subscribing to Initial Public Offerings
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 Day 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/interest date on which the determination of the persons entitled to receive redemption/interest 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.
Step up coupon	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. On the date of press release for each downgrade (of a notch) by CRISIL 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**"). 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. It is hereby clarified that outlook change shall not be deemed as rating downgrade. 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 CRISIL Ratings. 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. 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 CRISIL or any other Credit Rating Agency reflecting the aforesaid credit rating downgrade.
Call / Put Option	None
Proposed time schedule for which the disclosure document is valid	Till redemption
Redemption Premium / Discount	Not Applicable
Security	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:

	• to maintain the value of security at all times equal to 1.05 (One decimal point zero five) time or 105.0% the aggregate amount of principal **and accrued interest** outstanding of the NCDs **at any point of time** where at least 1.05x time or 105.0% of the security cover is for principal receivables ("**Security Cover**"); • 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 1.05 time or 1.05% the aggregate amount of principal outstanding of the NCDs where at least 1.05 time or 105.0% of the security cover is from principal receivables. <u>Eligibility Criteria for the Hypothecated Receivables:</u> • 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; All "Know Your Customer" norms have been complied with as prescribed by the Reserve Bank of India;
Multiple Issuances under the same ISIN	The issuer reserves the right to make multiple issuances under the same ISIN with reference to Chapter VIII (Specifications related to ISIN for debt securities) of the listed NCDs Operational Circular. Any such issue can be made either by way of creation of a fresh ISIN or by way of issuance under an existing ISIN at premium/par/discount as the case may be in line with Chapter VIII (Specifications related to ISIN for debt securities) of the Listed NCDs Operational Circular.
Prepayment and Prepayment Penalty	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.

Transaction Documents	1. Memorandum and Articles of Association of the Company. 2. Consent Letter dated December 09, 2024 from Catalyst Trusteeship Limited for acting as Debenture Trustee for and on behalf of the holder(s) of the Debentures. 3. Debenture Trust deed dated 23rd December, 2024 executed between Company and Catalyst Trusteeship Limited 4. Certified copy of the Board Resolution passed on January 31, 2026 5. Certified copy of the Shareholders Resolution passed on February 11, 2026. 6. Letter from CRISIL Ratings conveying the credit rating for theDebentures of the Company and the rating rationale pertaining thereto. 7. Consent Letter from MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited) for acting as Registrars to the Issue. 8. Tripartite Agreement between the Company, National SecuritiesDepository Limited ("NSDL") and the Registrar for the Issue of Debentures in dematerialized form. 9. Tripartite Agreement between the Company, Central Depository Services (India) Limited ("CDSL") and the Registrar for the Issue of Debentures in dematerialized form.
Conditions Precedent to Disbursement	The Company shall have submitted the following to the Debenture Trustee: 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) authorizing 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 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 ofDebentures 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. 12. The Issuer shall create charge /hypothecate the receivables in favour of Debenture Trustee within 30 days from the date of execution of DOH. 13. The Issuer shall have submitted to the Debenture Trustee the rating letter and rating rationale; 14. The Issuer shall have submitted to the Debenture Holders / Debenture Trustee, all required documents for the purpose of satisfying its respective KYC requirements; 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.
Conditions Subsequent to Disbursement	(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. (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. (c) The Company shall ensure that the Debentures are listed and traded onthe BSE within 3 (Three) trading days from the closing date of the Issue. (d) Registration of hypothecation over the property over which the Security Interest is created in terms of the Debenture Documents, with theRegistrar of Companies and Central Registry of Securitisation Asset Reconstruction and Security Interest of India (CERSAI) within a maximumperiod of 30 (thirty) days from the Deemed Date of Allotment. (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. (f) The Company shall make all applicable regulatory filings within the timelines prescribed under Applicable Law.
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 4 - Risk Factors Disclosure Document dated September 25, 2025.
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	The Debentures and the Transaction Documents (including the Debenture Trust Deed) are governed by and will be construed in accordance with the Indian laws.

<table>
<tr><td></td><td>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.

Notwithstanding anything to the contrary contained in any other Transaction Document/Disclosure Document, the Debenture Trustee/Debenture Holders 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</td></tr>
<tr><td>Transaction Costs</td><td>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:
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.</td></tr>
<tr><td>Taxes, Duties, Costs and Expenses</td><td>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.</td></tr>
<tr><td>Events of Default</td><td>As per the Debenture Trust Deed dated 23rd December, 2024 and/or breach of any of the conditions/ covenants mentioned in this Term Sheet.

As per DTD the occurrence of any one of the following events shall constitute an "Event of Default" by the Company:

<table>
<tr><td>1. Default in redemption of debentures</td><td>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>
</table>
</td></tr>
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10.	Alteration in provisions ofmemorandum and/or articles of association	

Any deviation in Management or Financial covenant to constitute Event of Default.

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. Payment acceleration in any other indebtedness, by whatever name called whether as a result of an event of default or breach of any covenants under relevant financing documents.
3. 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
4. Misrepresentation or misleading information in any of the Transaction Documents
5. 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;
6. Event of Insolvency, winding up, liquidation
7. 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;
8. If an attachment or expropriation or restraint of act of sequestration is levied on the Hypothecated Assets or any part thereof;
9. Creditors' processes initiated against the company
10. Repudiation of Transaction Documents
11. Cessation of business
12. 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 or an officer of the Issuer
13. The Company has taken or suffered to be taken any action for reduction of its capital or any rearrangement, merger or amalgamation without the prior written approval of the Debenture Holders;
14. Promoters or key management personnel of the Company being declared willful defaulter.
15. Erosion of 25% or more of the Company's net worth starting March 31, 2025.
16. Mr. Bhupinder Singh should be on board of the company till the tenor of debentures.
17. 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; 18. 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; 19. Occurrence of a Material Adverse Effect (defined below) as determined by the Debenture Trustee, acting solely on the instructions of the Majority Debenture Holders. 20. Any Transaction Document once executed and delivered, ceases to be in full force or becomes unlawful, invalid and unenforceable; 21. 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 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 22. One or more judgments or decrees entered against the Company involving a liability (not paid or not covered by a reputable and solvent insurance company), individually or in the aggregate, exceeding 20% (ten percent) of the Total Assets of the Company provided such judgments or decrees are either final and non-appealable or have not been vacated, discharged or stayed pending appeal within a period of 30 (thirty) days. 23. The Issuer has taken or suffered to be taken any action for re-organisation of its capital or any rearrangement, merger or amalgamation without the prior written intimation of the Debenture Holders; 24. Breach of the following covenants: 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; Where such breach is not cured within permitted timelines. 25. Negative Covenants - (i) Change of business and (ii) Dividend distribution in case of default 26. Financial Covenants where such breach is not cured within 30 calendar days. 27. Failure to comply Mandatory redemption event 28. Step Up coupon, 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: (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, (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. '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).
Consequences of Event of Default	The consequences of default will, include but not be limited to the following: Acceleration of all outstanding dues, cancellation of total Issue andenforcement of Security; • To transfer assets of the Issuer comprised within the Security created in favor of Debenture Trustee or such other person by wayof lease, 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; • 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
Creation of recovery expense fund	SEBI has issued *vide* circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 ("**SEBI REF Circular**"), the guidelines/ instructions inrelation to creation of Recovery Expense Fund ("**REF**") in order to enable the debenture trustees to take prompt action for enforcement of security in caseof '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 form time to time, andif 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, theCompany 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. 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. 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. The REF will be refunded to the Issuer in accordance with the SEBI REF Circular.
Conditions for breach of covenants (as specified in Debenture Trust Deed)	Please refer to details provided in Section Consequence of Event of Defaults section.
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	**Terms and conditions of debenture trustee agreement including fees charged by debenture trustees(s):** Debenture Trustee Agreement has been executed as per required SEBI regulations before the Issue Opening Date i.e. on 23rd December, 2024. The Debenture Trustee shall be responsible to oversee and monitor the overall transaction for and on behalf of the Debenture Holders in accordancewith the terms and conditions as set out in the Debenture Trust Deed and the Debenture Trustee Agreement. 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 alllegal, traveling and other costs, charges and expenses which the DebentureTrustee or their officers, employees or agents may incur in relation toexecution of the Debenture Trust Deed and the other TransactionDocuments 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/24-25/1794 dated December 09, 2024 as may be amended/modified from time to time. **Details of security to be created:** Please refer to row titled (*Security*).

Process of due diligence carried out by the Debenture Trustee:

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:

The due diligence ("**DD**") will be carried out as per the Securities Exchange Board of India (Debenture Trustee) Regulations, 1993 as amended from timeto time and the relevant circulars issued by SEBI from time to time, which broadly includes following:

(i) A Chartered Accountant ("**CA**") will be appointed by the DebentureTrustee 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.
(iii) The CA will do an independent DD as per information provided by the Company.
(iv) The periodical DD will be carried out as per the SEBI circulars issued from time to time as per nature of security provided.
(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.
(vi) As mentioned in this Information Memorandum even though the Debentures are secured to the extent of 105% of the principal andaccrued interest or as per the terms of this Information Memorandum, infavour of Debenture Trustee, however, the recovery of 105% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.
(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 responsiblefor misinformation provided by the Company.

Due Diligence Certificate

The Debenture Trustee has issued a due diligence certificate in the format asset out under the SEBI Due Diligence Circular which certificate has been attached hereto.

The Debenture Trustee has verified that the necessary consents have been approved from the existing charge holders for creation of first ranking *pari passu* charge for the purposes of securing the Debentures. The following arethe details of the charge holders and the no-objection certificates received from the aforesaid charge holders:

Sr. No	Lender/ Charge Holder	Date of the NoC

	<table><tr><td>1.</td><td>Catalyst Trusteeship Limited</td><td>NoC mail dated 10th June, 2026</td></tr><tr><td>2.</td><td>Axis Trusteeship Services Limited</td><td>NoC Mail dated August 9th 2023</td></tr></table>
Reporting Covenants	*Quarterly Reports – within 30 (Thirty) calendar days from the end of each financial quarter* 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 **Annual Reports –** within 120 calendar days from the end of each financial year a) Audited financial statements **Yearly Reports –** within 90 (ninety) days from the end of financial year a) Certificate from the Independent Chartered Accountant of the Issuer conforming compliance with the financial covenant based on audited financial statement. **Event Based Reports –** within 10 (Ten) Business Days of the event occurring 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.
Financial Covenants	1. The capital adequacy ratio (as defined in RBI NBFC Regulations) shall be equal to 18% or above at all points in time. 2. GNPA shall be maintained below 6% 3. NNPA (Net NPA) of the company to be less than 4%. 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. 6. Top 10 exposures should not exceed 20% of Net worth "Net NPA" shall have the meaning in accordance with the guidelines issued by the Reserve Bank of India. ** - 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. All covenants would be tested on quarterly basis i.e. as on 31st March, 30th June, 30th September, 31st December every year, starting from 31st March 2026, , 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. For the purpose of this subsection : "**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 – Systemically Important Non- Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016) "**CRAR**" means the ratio of Capital to Risk Weighted Assets (hereunder written) "**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): (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 "**Gross NPA**" means percentage of NPAs calculated in accordance with the RBI provision to the total advances of the Company. "**Leverage or Gearing Ratio**" shall mean the ratio between Debt and Tangible Net Worth of the Company. "**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. "**Risk Weighted Assets**" as defined by RBI under extant guidelines from time to time and applicable to the company. "**Tier I Capital Ratio**" means the ratio of 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) to Risk Weighted Assets.
Mandatory Event Redemption	**The Company has to mandatorily redeem the Debentures without paying any pre-payment premium upon occurrence of the following mandatory redemption events:** **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 CRISIL or any rating agency, the Debenture Holders shall get the right to recall the Debentures, if CRISIL or any other rating agency downgrades the Debentures to A or below. **3.** 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; **4.** Mr Bhupinder Singh to continue to hold an executive position on the Board of Directors of the Issuer until the Final Redemption Date. 5. Change in the shareholding and Control: The Company during the tenure of the Debentures shall be no change in the Control of the Company. 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; "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.
Affirmative Covenants	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 8. Comply with any monitoring and/or servicing requests from Debenture Holders
Negative Covenants	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: 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 9. Change of business 10. Change in promoter, 11. Sell, assign, transfer, or otherwise dispose of in any manner whatsoever any material Assets, business or division of the Company (whether in a single transaction or in a series of transactions (whether related or not) or any other transactions which cumulatively have the same effect) other than any securitisation/portfolio sale of assets undertaken by the Company in its ordinary course of business 12. Directly or indirectly lend to any of its group companies, or to its promoters (as defined in the Act, or any Related Parties; or directly or indirectly lend to any of its group companies other than in the ordinarily course of business; 13. Enter into related party transaction (other than in arms' length price and in ordinary course of business) 14. Claim for itself or its Assets immunity from any suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process in any jurisdiction; 15. To pay dividend, if a payment default has occurred and is subsisting. 16. Such other covenants as mentioned in the Transaction Documents.
Representations & Warranties	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 condition (financial or otherwise), operations, performance or prospects of the Issuer or that purports to affect the Facility. And as set out in greater detail in the Debenture Trust Deed dated 23rd December, 2024.
Indemnification	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.

Confidentiality	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.

Note: While the debt securities are secured to the tune of 105% of the principal amount or as per the terms of offer document/ information Memorandum , in favor of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained, however, the recovery of 105% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

Illustration of Cash Flows	
Company	InCred Financial Services Limited
Face Value (per security)	INR 1,00,000/- (Indian Rupees One Lakh only)
Issue Price (per security)	INR 1,00,000/- (Indian Rupees One Lakh only)
Issue Open Date & Close Date	Open date – June 15, 2026 Close date – June 15, 2026
Date of Allotment	June 16, 2026
Redemption Date / Maturity Date	June 12, 2028
Coupon	8.80% per annum payable quarterly (as per the dates in the cash flows below)
Frequency of the Return payments with specified dates	Quarterly (as per the dates in the cash flows below)
Day Count Convention	Actual /Actual

Cash Flow (For one debenture of face value of INR1.00 Lakh):

Sr. No.	Date of payment	No of Days	Principal	Interest	Total Payment
1	14-Sep-26	90.00	-	2,169.86	2,169.86
2	14-Dec-26	91.00	-	2,193.97	2,193.97
3	15-Mar-27	91.00	-	2,193.97	2,193.97
4	14-Jun-27	91.00	-	2,193.97	2,193.97
5	13-Sep-27	91.00	-	2,193.97	2,193.97
6	13-Dec-27	91.00	-	2,193.97	2,193.97
7	13-Mar-28	91.00	-	2,193.97	2,193.97
8	12-Jun-28	91.00	1,00,000.00	2,193.97	1,02,193.97