



Letter of Offer
31st December, 2024
For Eligible Equity Shareholders only

PRO FIN CAPITAL SERVICES LIMITED (CIN- L51909MH1991PLC250695)

Our Company was originally incorporated on July 22, 1991 as a private limited company under the name and style of "Pro Fin Capital Services Private Limited" under the provisions of the Companies Act, 1956 with the Registrar of Companies, Delhi & Haryana. Subsequently, our Company was converted into a public limited company and the name of our Company was changed to "Pro Fin Capital Services Limited" and a fresh certificate of incorporation was issued on March 21, 1994 by Registrar of Companies, Mumbai, Maharashtra. For further details please refer to the section titled "General Information" beginning on page 47 of this Letter of offer.

Registered Office: 503, Western Edge II, Western Express High Way, Borivali East, Mumbai, Maharashtra, India, 400066

Tel: 022-3267 0651; **Email id:** profin.capital1@gmail.com; **Website:** www.profincapital.co.in

Contact Person: Ms. Aakansha Khandelwal, Company Secretary & Compliance Officer

PROMOTERS OF OUR COMPANY: MR. ABHAY NARAIN GUPTA, MR. ANUPAM NARAIN GUPTA, M/S. ANUPAM GUPTA HUF, MRS. NEHA ANUPAM GUPTA, M/S. AMBE SECURITIES PVT LTD AND M/S. TRIYAMB SECURITIES PRIVATE LIMITED.

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF PRO FIN CAPITAL SERVICES LIMITED

THE ISSUE

ISSUE OF UPTO 10,60,03,500 EQUITY SHARES OF FACE VALUE OF RE. 1 EACH ("EQUITY SHARES") OF PRO FIN CAPITAL SERVICES LIMITED ("PROFINC" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF RS. 4.50 PER EQUITY SHARE (INCLUDING PREMIUM OF RS. 3.50 PER EQUITY SHARE) ("ISSUE PRICE") FOR AN AGGREGATE AMOUNT NOT EXCEEDING RS. 4,770.16 LAKHS@ TO THE ELIGIBLE EQUITY SHAREHOLDERS ON RIGHTS BASIS IN THE RATIO OF 1 (ONE) RIGHTS EQUITY SHARE FOR EVERY 2 (TWO) FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, I.E. DECEMBER 31, 2024 (THE "ISSUE"). THE ISSUE PRICE IS 4.50 TIMES OF FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, PLEASE SEE THE CHAPTER TITLED "TERMS OF THE ISSUE" ON PAGE 107 OF THIS LETTER OF OFFER.

@assuming full subscription.

GENERAL RISK

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk with such investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors shall rely on their own examination of our Company and the Issue including the risks involved. The securities being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this Letter of Offer. Specific attention of the investors is invited to "Risk Factors" beginning on page 25 of this Letter of Offer before making an investment in this Issue.

WILFUL DEFAULTER OR A FRAUDULENT BORROWER

Neither our Company nor any of our Promoter or Directors has been categorized as a Wilful Defaulter or a Fraudulent Borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on Wilful Defaulter or a Fraudulent Borrower issued by the Reserve Bank of India.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Letter of offer contains all information with regard to our Company and the Issue, which is material in the context of this Issue; that the information contained in this Letter of offer is true and correct in all material aspects and is not misleading in any material respect; that the opinions and intentions expressed herein are honestly held; and that there are no other facts, the omission of which makes this Letter of offer as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The existing Equity Shares of our Company are listed on BSE Limited (BSE). Our Company has received "in-principle" approval from BSE for listing the Equity Shares to be allotted pursuant to the Issue through their letter dated November 29, 2024. Our Company will also make an application to BSE to obtain their trading approval for the rights entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. For the purpose of this Issue, the Designated Stock Exchange is BSE.

REGISTRAR TO THE ISSUE

BEETAL

BEETAL FINANCIAL & COMPUTER SERVICES PRIVATE LIMITED

Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, New Delhi- 110062, India

Tel. No.: 011-29961281-83/26051061/26051064; **Fax No:** 011-29961284

Email: beetal@beetalfinancial.com/beetalrta@gmail.com

Investor Grievance Email: investor@beetalfinancial.com; **Website:** www.beetalfinancial.com

SEBI Registration No.: INR000000262

Contact Person: Mr. Punit Mittal

ISSUE PROGRAMME

ISSUE OPENS ON	LAST DATE OF ON-MARKET RENONCIATIONS*	ISSUE CLOSURES ON**
Thursday, January 09, 2025	Monday, January 20, 2025	Friday, January 24, 2025

*Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) on or prior to the Issue Closing Date.

**Our Board or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.



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SECTION I - GENERAL

DEFINITIONS AND ABBREVIATIONS

This Letter of Offer uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein. The following list of certain capitalized terms used in this Letter of Offer is intended for the convenience of the reader/prospective investor only and is not exhaustive.

References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Letter of Offer but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in "Statement of Special Tax Benefits" and "Financial Statements" beginning on pages 61 and 82, respectively of this Letter of Offer, shall have the meaning given to such terms in such sections.

Company Related Terms

Terms	Description
"Pro Fin Capital Services Limited" or "the Company" or "our Company" or "we" or "us" or "our" or "the Issuer"	Pro Fin Capital Services Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at 503, Western Edge II, Western Express High Way, Borivali East, Mumbai, Maharashtra, India, 400066
Articles of Association	The Articles of Association of our Company as amended from time to time.
Auditors / Statutory Auditors	The Statutory Auditors of our Company being M/s. K S Subrahmanyam & Co., Chartered Accountants.
Board / Board of Directors / our Board	The Board of Directors of our Company or a duly constituted committee thereof, as the context may refer to.
Director(s)	Any or all the director(s) of our Board, as may be appointed from time to time.
Equity Shares / Shares	Equity Shares of face value of Re. 1.00 each of our Company.
Key Managerial Personnel / KMP	Mr. Anupam Narain Gupta, Managing Director, Mr. Abhay Narain Gupta, Whole Time Director & Chief Financial Officer and Ms. Aakansha Khandelwal, Company Secretary and Compliance Officer, collectively referred as Key Managerial Personnel of the Company.
Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time.
Promoter	Mr. Abhay Narain Gupta, Mr. Anupam Narain Gupta, Mrs. Neha Anupam Gupta, M/s. Anupam Gupta HUF, M/s. Ambe Securities Private Limited and M/s. Triyamb Securities Private Limited.
Promoter Group	Persons and entities forming part of the promoter group of our Company as determined in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations and as disclosed by our Company in the filings made with the Stock Exchange under the SEBI Listing Regulations.



PRO FIN CAPITAL SERVICES LIMITED
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Terms	Description
Registered Office	Registered office of our Company situated at 503, Western Edge II, Western Express High Way, Borivali East, Mumbai, Maharashtra, India, 400066.
Registrar of Companies / ROC	Registrar of Companies, Mumbai, Maharashtra, 100, Everest, Marine Drive, Mumbai- 400002, Maharashtra.
Subsidiary / Subsidiary Company / our Subsidiary	Our Company has no Subsidiary Company as on this date of filing of this Letter of Offer.

Issue Related Terms

Term	Description
Abridged Letter of Offer or ALOF	The Abridged letter of offer to be sent to the Eligible Equity Shareholders as on the Record Date with respect to the Issue in accordance with the SEBI ICDR Regulations and the Companies Act.
Additional Rights Equity Shares / Additional Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement.
Allotment / Allot / Allotted / Allotment of Rights Equity Shares	The allotment of Rights Equity Shares pursuant to the Issue.
Allotment Account(s)	The account(s) opened with the Banker(s) to this Issue, into which the Application Money lying credit to the Escrow Account(s) and amounts blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act, 2013.
Allotment Account Bank(s)	Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Accounts will be opened, in this case being, Axis Bank Limited.
Allotment Advice	The note or advice or intimation of Allotment sent to the Investors, who have been or are to be allotted the Rights Equity Shares after the basis of Allotment has been approved by the BSE.
Allotment Date	The date on which Allotment is made.
Allottee(s)	Persons to whom Rights Equity Shares of our Company are allotted pursuant to this Issue.
Applicant(s) / Investors	Eligible Shareholder(s) and/or Renouncee(s) who make an application for the Rights Equity Shares pursuant to the Issue in terms of the Letter of Offer.
Application	Application made through (i) submission of the Application Form or plain paper Application to the Designated Branch of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Rights Equity Shares at the Issue Price.
Application Form	Unless the context otherwise requires, an application form (including online application form available for submission of application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Applicant to make an application for the Allotment of Rights Equity Shares in this Issue.
Application Money	Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue at the Issue Price.



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Term	Description
Application Supported by Blocked Amount/ASBA	The application (whether physical or electronic) used by Investors to make an application authorizing the SCSB to block the amount payable on application in their specified bank account maintained with SCSB.
ASBA Account	An account maintained with an SCSB and specified in the CAF or plain paper application, as the case may be by the Applicant for blocking the amount mentioned in the CAF or in the plain paper application.
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011, SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 and SEBI circular bearing reference number SEBI/HO/CFD/DIL2/P/CIR/2023/75 dated May 30, 2023.
Bankers to the Company	HDFC Bank Limited, Punjab National Bank Limited and ICICI Bank Limited
Bankers to the Issue / Escrow Collection Bank	Axis Bank Limited
Banker to the Issue Agreement	Agreement dated 27 th December, 2024 entered into by and amongst our Company, the Registrar to the Issue and the Bankers to the Issue for collection of the Application Money from Applicants/ Investors, transfer of funds to the Allotment Account and where applicable, refunds of the amounts collected from Applicants/Investors, on the terms and conditions
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants in consultation with the Designated Stock Exchange under this Issue, as described in "Terms of the Issue" beginning on page 107 of this Letter of Offer.
CAF / Common Application Form	The application form used by Investors to make an application for Allotment under the Issue
Controlling Branches / Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Registrar to the Issue and the Stock Exchange, a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34
Designated Branches	Such branches of the SCSBs which shall collect application forms used by ASBA Investors and a list of which is available at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34
Designated Stock Exchange	BSE Limited.
Depository	A depository registered with SEBI under the SEBI (Depository and Participant) Regulations, 2018, as amended from time to time, read with the Depositories Act, 2018.
ECS	Electronic Clearing Service
Equity Shareholder(s)/ Shareholder(s)	The holders of Equity Shares of our Company.
Eligible Equity Shareholders / Eligible Shareholders/	Holders of Equity Shares of our Company as on the Record Date, i.e. 31 st December, 2024.



PRO FIN CAPITAL SERVICES LIMITED
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Term	Description
Escrow Account(s)	One or more no-lien and non-interest-bearing accounts with the Escrow Collection Bank(s) for the purposes of collecting the Application Money from resident Investors.
"Escrow Collection Bank", "Allotment Account Bank(s)" or "Refund Bank(s)"	Bank(s) which are clearing members and registered with SEBI as banker to an issue and with whom the Escrow Account will be opened, in this case being, Axis Bank Limited.
Fraudulent Borrower	A fraudulent borrower, as defined under the SEBI ICDR Regulations
General Corporate Purposes	General corporate purposes shall have the meaning as determined in Regulation 2(1)(r) of the SEBI ICDR Regulations.
GIR	General Index Registrar
IEPF	Investor Education and Protection Fund
Investor(s)	The Equity Shareholders of our Company on the Record Date i.e. 31 st December, 2024 and the Renouncee(s).
ISIN	International Securities Identification Number
Issue / the Issue / this Issue / Rights Issue	Issue of upto 10,60,03,500 Equity Shares with a face value of Re. 1.00 each for cash at a price of Rs. 4.50 per Equity Share aggregating up to Rs. 4,770.16 Lakhs on a rights basis to Eligible Shareholders in the ratio of 1 (One) Rights Equity Share for every 2 (Two) fully paid-up Equity Shares held on the Record Date i.e. 31 st December, 2024.
Issue Closing Date	24 th January, 2025
Issue Opening Date	09 th January, 2025
Issue Price	Rs. 4.50 per Equity Share
Issue Proceeds	The gross proceeds raised through the Issue
Issue Size	The issue of upto 10,60,03,500 Rights Equity Shares for an amount aggregating up to Rs. 4770.16 Lakhs.
Letter of Offer / LOF	The final letter of offer to be issued by our Company in connection with the Issue dated 31 st December, 2024.
Listing Agreement	Uniform listing agreement entered into under the Listing Regulations between our Company and the Stock Exchange.
MICR	Magnetic Ink Character Recognition
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/ Renouncee in respect of the Rights Entitlement available in their demat account. However, supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlement will not be treated as multiple application.
NAV	Net Asset Value calculated as Net Worth divided by number of fully paid-up Equity Shares.
Net Proceeds	The Issue Proceeds less the Issue related expenses. For further details, please refer to the chapter titled "Objects of the Issue" beginning on page 55 of this Letter of Offer.
Net Worth	Net worth as defined under Section 2(57) of the Companies Act.
Non Institutional Investor(s)	Investor, including any company or body corporate, other than a Retail Individual Investor and a QIB.



PRO FIN CAPITAL SERVICES LIMITED
(CIN-L51909MH1991PLC250695)

Term	Description
Offer Document	The Letter of Offer, Abridged Letter of Offer including any notices, corrigenda thereto.
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off-market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws.
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stock broker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchange, from time to time, and other applicable laws, on or before 20 th January, 2025.
QIBs / Qualified Institutional Buyers	Qualified Institutional Buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Record Date	A record date fixed by our Company for the purposes of determining the names of the Equity Shareholders who are eligible for the issue of Rights Equity Shares i.e. 31 st December, 2024.
Registered Foreign Portfolio Investors / Foreign Portfolio Investors / Registered FPIs / FPIs	Foreign portfolio investors as defined under the SEBI (Foreign Portfolio Investors) Regulations, 2014.
Registrar to the Issue / Registrar and Transfer Agent / RTA	Beetal Financial & Computer Services Private Limited
Registrar Agreement	Agreement dated 16 th October, 2024 between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue.
Renouncee(s)	Person(s) who has / have acquired Rights Entitlements from the Eligible Equity Shareholders.
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on 20 th January, 2025 in case of Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date.
Retail Individual Investor(s)	Individual Investors who have applied for Rights Equity Shares for an amount less than or equal to Rs. 200,000 (including HUFs applying through their karta).
Rights Entitlements (Res)	The number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by such Eligible Equity Shareholder on the Record Date.
RE-ISIN	The RE-ISIN for Rights Entitlement being INE732K20019.
Rights Equity Shares / Rights Shares	The equity shares of face value Re. 1.00 each of our Company offered and to be issued and allotted pursuant to the Issue.



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Term	Description
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders. The Rights Entitlements are also accessible through on the website of our Company.
Self-Certified Syndicate Bank / SCSBs	The banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended, and offer the facility of ASBA, including blocking of bank account and a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34
Stock Exchange	BSE, where the Equity Shares of our Company is presently listed being BSE.
Transfer Date	The date on which the Application Money held in the Escrow Account and the Application Money blocked in the ASBA Account will be transferred to the Allotment Account(s) in respect of successful Applications, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange.
Willful Defaulter	Willful Defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
Working Days	In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Equity Shares on the Stock Exchange, working day means all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI.

Business and Industry related Terms / Abbreviations

Term	Description
AFC(s)	Asset Finance Companies
ALM	Asset Liability Management
ALCO	Asset Liability Committee
AIF(s)	Alternative Investment Funds
AUM	Assets Under Management
BG	Bank Guarantee
BIFR	Board for Industrial and Financial Reconstruction
Bps	Basis Points
CIBIL	Credit Information Bureau (India) Limited
CIC-ND-SI	Systemically Important Core Investment Company
CPI	Consumer Price Index
CRAR	Capital to Risk Weighted Assets Ratio
DSA	Direct Sales Agent
ECLGS	Emergency Credit Line Guarantee Scheme
EMI	Equated Monthly Instalment
GNPAs	Gross Non-Performing Assets
GLP	Gross Loan Portfolio



Term	Description
Gross Spread	Yield on the average minus the cost of funds
HFC	Housing Finance Company
ICs	Investment Companies
IDF-NBFC	Infrastructure Debt Fund
IFC	Infrastructure Finance Company
IND AS	Indian Accounting Standards
IRDAI	Insurance Regulatory and Development Authority of India
IRR	Interest Rate Risk
KYC/KYC Norms	Customer identification procedure for opening of accounts and monitoring transactions of suspicious nature followed by NBFCs for the purpose of reporting it to appropriate authority
LAP	Loan Against Property
LCs	Loan Companies
Loan Book	Outstanding loans net of provisions made for NPAs
LTV	Loan to value
MGC	Mortgage Guarantee Companies
MIS	Management Information Systems
MSME	Micro, Small and Medium Enterprises
NABARD	National Bank for Agriculture and Rural Development
NAV	Net Asset Value
NBFC	Non-Banking Financial Company as defined under Section 45-IA of the RBI Act, 1934
NBFC - AA	NBFC-Account Aggregator
NBFC-ND-NSI (NBFC-BL/ NBFC - Base Layer)	Non-deposit taking NBFCs below the asset size of ₹ 1,00,000 lakh and (b) NBFCs undertaking the following activities- (i) NBFC-Peer to Peer Lending Platform (NBFCP2P), (ii) NBFC-Account Aggregator (NBFC-AA), (iii) Non-Operative Financial Holding Company (NOFHC) and (iv) NBFCs not availing public funds and not having any customer interface.
NBFC-D	NBFC registered as a deposit accepting NBFC
NBFC-ML/ NBFC - Middle Layer	(a) all deposit taking NBFCs (NBFC-Ds), irrespective of asset size, (b) non-deposit taking NBFCs with asset size of ₹1,00,000 lakh and above and (c) NBFCs undertaking the following activities (i) Standalone Primary Dealers (SPDs), (ii) Infrastructure Debt Fund - Non-Banking Financial Companies (IDF-NBFCs), (iii) Core Investment Companies (CICs), (iv) Housing Finance Companies (HFCs) and (v) Infrastructure Finance Companies (NBFC-IFC)
NBFC-ICC	NBFC registered as an Investment and Credit Company
NBFC-MFI	NBFC - Microfinance Institutions
NBFC-ND	NBFC registered as a non-deposit accepting NBFC
NBFC-ND-NSI	Non Systemically Important NBFC-ND, i.e. a non-banking financial company not accepting / holding public deposits and which is not systemically important i.e. having total assets of less than ₹ 50,000 lakhs as per the last audited balance sheet
NBFC-ND-SI	Systemically Important NBFC-ND, i.e. a non-banking financial company not accepting / holding public deposits and which is systemically important i.e. having total assets of ₹ 50,000 lakhs and above as per the last audited balance sheet
NBFIs	Non-banking Financial Institutions
NBFC-P2P	NBFC-Peer to Peer Lending Platform



Term	Description
NBFC - TL	NBFC-UL which in the opinion of RBI has substantial increase in the potential systemic risk
NBFC - UL	NBFCs which are specifically identified by the RBI as warranting enhanced regulatory requirement based on a set of parameters and scoring methodology as provided in SBR Framework
NHAI	National Highways Authority of India
NII	Net Interest Income
NOF	Net Owned Fund
NOFHC	Non-Operative Financial Holding Company
NPA	Non-Performing Asset
NPCI	National Payments Corporation of India
NSO	National Statistical Office
OLC	Overdue Loan Cell
RBI NSI Master Directions	RBI's Master Direction - Non-Banking Financial Company - Non - Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016, as amended
RBI SI Master Direction	RBI's Master Direction - Non-Banking Financial Company -Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016, as amended
ROA	Return on Assets
ROI	Return on Investment
SBR Framework	Scale Based Regulation: A Revised Regulatory Framework for NBFCs (as amended)
SIDBI	Small Industries Development Bank of India
SME	Small and Medium Enterprises
STPLs	Small Ticket Size Loans
TAT	Turnaround Time
Tier I Capital	<p>For NBFC-ND-NSI:</p> <p>Tier I Capital means owned fund as reduced by investment in shares of other nonbanking financial companies and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiary and companies in the same group exceeding, in aggregate, ten percent of the owned fund</p> <p>For NBFC-ND-SI:</p> <p>Tier I Capital means owned fund as reduced by investment in shares of other nonbanking financial companies and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, ten per cent of the owned fund; and perpetual debt instruments issued by a non-deposit taking nonbanking financial company in each year to the extent it does not exceed 15% of the aggregate Tier I Capital of such company as on March 31 of the previous accounting year.</p>



Term	Description
Tier II Capital	<p>For NBFC-ND-NSI:</p> <p>Tier II capital includes the following: (a) preference shares other than those which are compulsorily convertible into equity; (b) revaluation reserves at discounted rate of fifty-five percent; (c) General Provisions (including that for Standard Assets) and loss reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one and one fourth percent of risk weighted assets; (d) hybrid debt capital instruments; (e) subordinated debt; and To the extent, the aggregate does not exceed Tier I capital.</p> <p>For NBFC-ND-SI:</p> <p>Tier II capital includes the following: (a) preference shares other than those which are compulsorily convertible into equity; (b) revaluation reserves at discounted rate of fifty five percent; (c) General provisions (including that for Standard Assets) and loss reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one and one fourth percent of risk weighted assets; (d) hybrid debt capital instruments; (e) subordinated debt; and (f) perpetual debt instruments issued by a non-deposit taking non-banking financial company which is in excess of what qualifies for Tier I Capital, to the extent the aggregate does not exceed Tier I capital.</p>
TLTRO	Targeted Long-Term Repo Operations

Conventional and General Terms or Abbreviations

Term	Description
"₹" / "Rs." / "Rupees" / "INR"	Indian Rupees
A/c	Account
AGM	Annual General Meeting
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the SEBI AIF Regulations
AY	Assessment Year
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CARO	Companies (Auditor's Report) Order, 2020
CBIC	Central Board of Indirect Taxes and Customs
CDSL	Central Depository Services (India) Limited
Central Government	The Central Government of India
CFO	Chief Financial Officer
CIN	Corporate Identity Number
Companies Act	Companies Act, 2013, as amended from time to time
Companies Act, 1956	Companies Act, 1956 and the rules made thereunder, as the context requires
Companies Act, 2013	Companies Act, 2013 and the rules made thereunder
COVID-19 / Novel Coronavirus	A public health emergency of international concern as declared by



PRO FIN CAPITAL SERVICES LIMITED
(CIN-L51909MH1991PLC250695)

Term	Description
	the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CRAR	Capital adequacy ratio/Capital to risk assets ratio
CrPC	Code of Criminal Procedure, 1973
CTS	Cheque Truncation System
Depositories Act	The Depositories Act, 2018 as amended from time to time
DIN	Director Identification Number
DP	Depository Participant as defined under the Depositories Act
DP ID	Depository Participant's Identity
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
EPS	Earnings per Share
EGM	Extraordinary General Meeting
FCNR Account / FCNR	Foreign Currency Non Resident Account
FBIL	Financial Benchmarks India Private Limited
FDI	Foreign Direct Investment
FEMA Act / FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations promulgated there under and any amendments thereto.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by Person Resident Outside India) Regulations, 2017 as amended from time to time.
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019.
Fiscal /Fiscal Year/ Financial Year/FY	12 month period commencing from April 1 and ending on March 31 of the immediately succeeding year.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018
FPI	Foreign Portfolio Investor
FVCIs	Foreign venture capital investors as defined in and registered with SEBI under the SEBI FVCI Regulations.
GCP	General Corporate Purpose
Government/GoI	Government of India
GST	Goods and Service Tax
HFC	Housing finance companies
HUF	Hindu Undivided Family
IBC	Insolvency and Bankruptcy Code, 2016
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Ind AS	Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
Indian GAAP	Generally accepted accounting principles followed in India.
Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time
ISIN	International Securities Identification Number
I.T. Act / IT Act	Income Tax Act, 1961



Term	Description
I. T. Rules	Income Tax Rules, 1962, as amended from time to time.
KMP	Key Managerial Personnel
Lakh	One hundred thousand
MCA	Ministry of Corporate Affairs, Government of India
Mutual Fund	Mutual fund registered with SEBI under the Securities and Exchange Board of (Mutual Funds) Regulations, 1996
NACH	National Automated Clearing House which is a consolidated system of ECS.
NBFC	Non-banking financial companies
NCD (s)	Non-convertible debentures
Net Worth	Aggregate of Equity Share capital and other equity
NCLT	National Company Law Tribunal
NCLAT	National Company Law Appellate Tribunal
NEFT	National Electronic Fund Transfer
N.A.	Not Applicable
NI Act	The Negotiable Instruments Act, 1881
NR	Non Resident
NRE	Non Resident External Account
NRI	Non Resident Indian
NSDL	National Securities Depositories Limited
NSE	National Stock Exchange of India Limited
OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Deposit) Regulations, 2000 and which was in existence on the date of the commencement of Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's)) Regulations, 2003 and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the regulations.
OPC	One Person Company
p.a.	Per Annum
PAN	Permanent Account Number
PAT	Profit after tax
QP	Qualified purchaser as defined in the U.S. Investment Company
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RTGS	Real Time Gross Settlement
SCORES	SEBI Complaints Redress System
SCRA	The Securities Contracts (Regulation) Act, 1956, as amended from time to time.
SCRR	The Securities Contracts (Regulation) Rules, 1957, as amended from time to time.



Term	Description
SEBI	The Securities and Exchange Board of India, constituted under the SEBI Act, 1992.
SEBI Act	The Securities and Exchange Board of India Act 1992, as amended from time to time.
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended from time to time.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended from time to time.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended from time to time.
SEBI ICDR Regulations /ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.
SEBI Listing Regulations/ Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
SEBI Takeover Regulations/ SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended from time to time.
SEBI Relaxation Circulars	SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, read with SEBI circulars bearing reference numbers SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020 and SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021
SEBI Rights Issue Circulars	Collectively, SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, bearing reference number SEBI/HO/CFD/CIR/CFD/DIL/67/2020 dated April 21, 2020
STT	Securities Transaction Tax
SICA	Sick Industrial Companies (Special Provisions) Act, 1985.
Total Borrowings	Aggregate of debt securities, borrowings (other than debt securities) and subordinated liabilities
UPI	Unified Payments Interface
U.S/United States	The United States of America
USD / US\$	United States Dollars
US Securities Act	The United States Securities Act of 1933, as amended from time to time
VCFs	Venture capital funds as defined in and registered with the SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be.
WHO	World Health Organization

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder.



NOTICE TO INVESTORS

The distribution of this Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer, the Abridged Letter of Offer or Application Form may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch through email and courier this Letter of Offer / Abridged Letter of Offer, Application Form and Rights Entitlement Letter only to Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. Further, this Letter of Offer will be provided, through email and courier, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. Investors can also access this Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, the Stock Exchange.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer, the Abridged Letter of Offer or any offering materials or advertisements in connection with the Issue may not be distributed, in whole or in part, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer or the Abridged Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, this Letter of Offer and the Abridged Letter of Offer must be treated as sent for information purposes only and should not be acted upon for subscription to the Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of this Letter of Offer or the Abridged Letter of Offer or Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send this Letter of Offer or the Abridged Letter of Offer to any person outside India where to do so, would or might contravene local securities laws or regulations. If this Letter of Offer or the Abridged Letter of Offer or Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlements referred to in this Letter of Offer, the Abridged Letter of Offer or the Application Form.

Any person who makes an application to acquire the Rights Entitlements or the Rights Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is authorised to acquire the Rights Entitlements or the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction. Our Company, the Registrar or any other person acting on behalf of our Company reserves the right to treat any Application Form as invalid where they believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

Neither the delivery of this Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Letter of Offer and the Abridged Letter of Offer and the Application Form and Rights Entitlement Letter or the date of such information.



THE CONTENTS OF THIS LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER RIGHTS OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT THEIR OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF EQUITY SHARES. IN ADDITION, OUR COMPANY IS NOT MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.

NO OFFER IN THE UNITED STATES

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States of America or the territories or possessions thereof ("**United States**"), except in a transaction not subject to, or exempt from, the registration requirements of the Securities Act and applicable state securities laws. The offering to which this Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States or as a solicitation therein of an offer to buy any of the Rights Equity Shares or Rights Entitlement. There is no intention to register any portion of the Issue or any of the securities described herein in the United States or to conduct a public offering of securities in the United States. Accordingly, this Letter of Offer / Abridged Letter of Offer and the enclosed Application Form and Rights Entitlement Letters should not be forwarded to or transmitted in or into the United States at any time. In addition, until the expiry of 40 days after the commencement of the Issue, an offer or sale of Rights Entitlements or Rights Equity Shares within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act.

Neither our Company nor any person acting on our behalf will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on our behalf has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares Issue and wishing to hold such Equity Shares in registered form must provide an address for registration of these Equity Shares in India. Our Company is making the Issue on a rights basis to Eligible Equity Shareholders and this Letter of Offer / Abridged Letter of Offer and Application Form and Rights Entitlement Letter will be dispatched only to Eligible Equity Shareholders who have an Indian address. Any person who acquires Rights Entitlements and the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that, (i) it is not and that at the time of subscribing for such Rights Equity Shares or the Rights Entitlements, it will not be, in the United States, and (ii) it is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations.



Our Company reserves the right to treat any Application Form as invalid which: (i) does not include the certification set out in the Application Form to the effect that the subscriber is authorised to acquire the Rights Equity Shares or Rights Entitlement in compliance with all applicable laws and regulations; (ii) appears to us or our agents to have been executed in or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where our Company believes that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.



PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Certain Conventions

In this Letter of Offer, unless otherwise specified or context otherwise requires, references to 'US\$', '\$', 'USD' and 'U.S. dollars' are to the legal currency of the United States of America, and references to 'INR', '₹', 'Rs.', 'Indian Rupees' and 'Rupees' are to the legal currency of India. All references herein to the 'US' or 'U.S.' or the 'United States' are to the United States of America and its territories and possessions. All references herein to 'India' are to the Republic of India and its territories and possessions and the references herein to 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, central or state, as applicable.

Financial Data

Unless stated or the context requires otherwise, our financial data included in this Letter of Offer is derived from the Audited Financial Statements. For further information, refer chapter titled "Financial Statements" on page 82.

We have prepared our Audited Financial Statements in accordance with Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. Our Company publishes its financial statements in Indian Rupees. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Letter of Offer should accordingly be limited.

Our Company's Financial Year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year. Accordingly, all references to a particular Financial Year or Fiscal, unless stated otherwise, are to the 12 months period ending on March 31 of that particular calendar year.

In this Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures. Unless stated otherwise, throughout this Letter of Offer, all figures have been expressed in Lakhs.

Currency of Presentation

- All references to 'INR', '₹', 'Indian Rupees', 'Rs.' and 'Rupees' are to the legal currency of India.
- Any reference to 'US\$', 'USD', '\$' and 'U.S. dollars' are to the legal currency of the United States of America.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable. Unless stated otherwise, throughout this Letter of Offer, all figures have been expressed in lakh.

Market and Industry Data

Unless stated otherwise, industry and market data used in this Letter of Offer have been obtained or derived from publicly available information. Publicly available Information generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Accordingly, no investment decision should be made on the basis of such information. Although we



believe that industry data used in this Letter of Offer is reliable, it has not been independently verified and neither we, nor any of our affiliates, jointly or severally, make any representation as to its accuracy or completeness. The extent to which the market and industry data used in this Letter of Offer is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in the section "Risk Factors" beginning on page 25 of this Letter of Offer.

Conversion rates for foreign currency:

This Letter of Offer contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

(Rs. per unit of Foreign Currency)

Sr. No.	Name of Currency	As on 30 th December, 2024	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
1	U.S. Dollar	85.39	83.33	82.18	75.91

Source: <https://www.poundsterlinglive.com/>



FORWARD LOOKING STATEMENTS

Our Company has included statements in this Letter of Offer which contain words or phrases such as 'anticipate', 'believe', 'continue', 'can', 'could', 'estimate', 'expect', 'expected to', 'future', 'intend', 'is likely', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'shall', 'should', 'will', 'will continue', 'would', or other words or phrases of similar import. Similarly, statements that describe our objectives, strategies, plans or goals are also forward looking statements. However, these are not the exclusive means of identifying forward looking statements. Forward-looking statements are not guarantees of performance and are based on certain assumptions, future expectations, describe plans and strategies, contain projections of results of operations or of financial condition or state other forward-looking information. All statements regarding our Company's expected financial conditions, results of operations, business plans and prospects are forward-looking statements.

Forward-looking statements contained in this Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. Important factors that could cause actual results to differ materially from our Company's expectations include, among others:

- Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various business plans;
- Any failure or disruption of our information technology system;
- Increasing competition in or other factors affecting the industry segments in which our Company operates;
- Changes in laws and regulations relating to the industries in which we operate;
- Fluctuations in operating costs and impact on the financial results;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India or in other countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices; and
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed in the section titled "Risk Factors" beginning on page 25 of this Letter of Offer. By their very nature, market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains, losses or impact or net interest income and net income could materially differ from those that have been estimated, expressed or implied by such forward-looking statements or other projections.

Whilst we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, Investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Letter of Offer or the respective dates indicated in this Letter of Offer, and our Company undertakes no obligation to update or revise any of them, whether as a result of new information, future events or otherwise. If any of these risks and uncertainties materialise, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that



described herein as anticipated, believed, estimated or expected. All subsequent forward- looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

In accordance with SEBI / Stock Exchange requirements, our Company will ensure that Investors are informed of material developments until the time of the grant of listing and trading permission for the Rights Equity Shares by the Stock Exchange.



SECTION II - SUMMARY OF LETTER OF OFFER

The following is a general summary of certain disclosures included in this Letter of Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Letter of Offer or all details relevant to the prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Letter of Offer, including, "Objects of the Issue", "Our Business", "Outstanding Litigation and other Defaults" and "Risk Factors" beginning on pages 55, 75, 94, and 25 respectively of this Letter of Offer.

1. Summary of Business

Our Company was originally incorporated on July 22, 1991 as a private limited company under the name and style of "Pro Fin Capital Services Private Limited" under the provisions of the Companies Act, 1956 with the Registrar of Companies, Delhi & Haryana. Subsequently, our Company was converted into a public limited company and the name of our Company was changed to "Pro Fin Capital Services Limited" and a fresh certificate of incorporation was issued on March 21, 1994 by Registrar of Companies, Mumbai, Maharashtra. The Corporate Identification Number of the Company is L51909MH1991PLC250695.

Pro Fin Capital Services Limited is presently engaged in the activities of investments and trading in shares and securities and providing short-term loans and advances. It is registered with Reserve Bank of India as a Non - Banking Financial Company.

For further details, refer chapter titled "Our Business" on page 75.

Summary of Industry

The NBFC sector in India comprises of various types of Financial Institutions with each one of them having its roots at a particular stage of development of the financial sector. NBFCs have come a long way from the era of concentrated regional operations, lesser credibility and poor risk management practices to highly sophisticated operations and its presence is most important as an alternate choice of financial intermediation. NBFCs, on the other hand, are mostly private sector institutions, which have carved their niche in the Indian financial system.

The NBFC sector in India has become very mature with reduced dependence on acceptance of Public Deposits as part of its overall funding. A mix of a few large Companies with nationwide presence and a large number of small and medium sized Companies with regional focus now represents the NBFC sector Companies with regional focus.

The operations of NBFCs are being regulated and supervised by RBI in terms of powers conferred under Chapter III-B of Reserve Bank of India Act, 1934. The regulatory and supervisory framework for NBFCs has been continuously strengthened in order to ensure strong and healthy functioning, limiting the excessive risk taking practices protecting the interest of the deposit holders.

NBFCs are present in the competing fields of vehicle financing, hire purchase, lease, personal loans, working capital loans, consumer loans, housing loans, loans against Shares, investments, distribution of financial products, etc. NBFCs are present where the risks are higher than returns, recovery has to be the focus area, loan-ticket size is small, appraisal and disbursement has to be speedy and flexibility in terms of loan size and tenor is required.



In recent years, NBFCs are witnessing strong competition in their traditional areas of retail lending from banks and Financial Institutions. Banks, which have innate advantage of lower cost of funds, are taking an increasing Share in retail financing and providing strong competition to NBFCs. The RBI also intends towards moving to a phase of non-acceptance of Public Deposits by NBFCs over the years.

(Source: <http://profincapital.co.in/index.php>)

For further details, refer chapter titled “Our Industry” on page 64.

2. Object of the Issue

Our Company intends to utilize the issue proceeds for the following object:

(Amount in Lakhs)

S. No.	Particulars	Amounts*	% of gross proceeds	% of Net proceeds
1.	To augment our capital base and provide for our fund requirements for increasing our operational scale with respect to our NBFC activities.	3,700.00	77.57%	77.97%
2.	To meet General corporate purposes	1,045.16	21.91%	22.03%
3.	To meet the expenses of the Issue	25.00	0.52%	0.53%
	Total	4,770.16	100.00%	-

*assuming full subscription.

For further details, refer chapter titled “Objects of the Issue” on page 55.

3. Intention and extent of participation by the Promoter and Promoter Group

The Promoters of our Company have, vide their letters dated 15th October, 2024 (“Subscription Letters”) indicated that they will subscribe fully to their portion of right entitlement. Further, the promoters have confirmed that do intend to apply for, and subscribe to, additional Rights Equity Shares over and above their Rights Entitlements (including unsubscribed portion of the Issue, if any).

The Company shall maintain minimum public shareholding requirements as stipulated under the SEBI Listing Regulations.

As such, other than meeting the requirements indicated in the chapter titled “Objects of the Issue” at page 55 of this Letter of Offer, there is no other intention / purpose for the Issue, including any intention to delist our Equity Shares.

In case the Rights Issue remains unsubscribed and / or minimum subscription is not achieved, the Board of Directors may dispose of such unsubscribed portion in the best interest of the Company and the Equity Shareholders and in compliance with the applicable laws.

4. Auditor Qualifications

There are certain qualifications, reservations and adverse remarks made by our Statutory Auditors in their report to Audited financial statements of the Company for the financial year 2023-24, 2022-23 and 2021-22.



5. Summary of outstanding litigations

Nature of Case	Number of cases / Notices issued	Amount involved (₹)
Litigations involving our Company	Nil	Nil
Litigation Involving Actions by Statutory/ Regulatory Authorities;	Nil	Nil
Litigation involving Tax Liabilities;	Nil	Nil
Proceedings involving issues of moral turpitude or criminal liability on the part of our Company;	Nil	Nil
Proceedings involving Material Violations of Statutory Regulations by our Company;	Nil	Nil
Matters involving economic offences where proceedings have been initiated against our Company;	Nil	Nil
Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company;	Nil	Nil
Litigation involving our Directors, Promoters and Promoter Group;	1	1,026.30
Litigation involving our Group Companies;	Nil	Nil

For further details, please refer to section titled “*Outstanding Litigations, Defaults and Material Developments*” beginning on page 94 of this Letter of Offer.

6. Risk Factors

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Letter of Offer.

For the details pertaining to the internal and external risk factors relating to the Company, kindly refer to the chapter titled “*Risk Factors*” beginning on page no. 25 of this Letter of Offer.

7. Contingent liabilities

For details of the contingent liabilities, as reported in the Audited Financial Statements, please refer to the section titled “*Financial Statements*” beginning on page 82 of his Letter of Offer.

8. Related party transactions

For details regarding our related party transactions as per Ind AS 24, see “*Financial Statements*” beginning on page 82 of this Letter of Offer.



9. Financing Arrangements

There has been no financing arrangement whereby our Promoter, members of the Promoter Group, our Directors and their relatives have financed the purchase, by any other person, of securities of our Company other than in the normal course of the business of the financing entity during the period of 6 (six) months immediately preceding the date of this Letter of Offer.

10. Issue of Equity Shares for consideration other than cash in last one year

Our Company has not issued any Equity Shares for consideration other than cash during the last one year immediately preceding the date of this Letter of Offer.

11. Split / Consolidation

There has been no sub division in last one year from the date of this Letter of Offer.

12. Exemption from complying with any provisions of Securities Laws, if any, granted by SEBI

Our Company has not submitted any application to SEBI for exemption from complying with any provisions of Securities.



SECTION III - RISK FACTORS

An investment in our Equity Shares involves a high degree of risk. You should carefully consider each of the following risk factors and all other information set forth in this Letter of Offer, including in "Our Business", "Industry Overview", "Management's Discussion and Analysis of Financial Condition and Results of Operations", and "Financial Statements" before making an investment in our Equity Shares.

The risks and uncertainties described below are not the only risks that we currently face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business, financial condition, results of operations and cash flows. If any or some combination of the following risks, or other risks that are not currently known or believed to be adverse, actually occur, our business, financial condition and results of operations could suffer, the trading price of, and the value of your investment in, our Equity Shares could decline and you may lose all or part of your investment. In making an investment decision with respect to this Issue, you must rely on your own examination of our Company and the terms of this Issue, including the merits and risks involved. You should consult your tax, financial and legal advisors about the consequences of an investment in our Equity Shares and its impact on you.

This Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from such forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Letter of Offer.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context otherwise requires, in this section, reference to "we", "us" "our" refers to our Company.

INTERNAL RISK FACTORS

BUSINESS RELATED RISK

- 1. We are subjected to supervision and regulation by the RBI as non - deposit accepting NBFC, and changes in RBI's regulations governing us could adversely affect our business.**

The RBI's regulation pertaining to NBFC may change or become more rigorous in the future which may require our Company to restructure its activities, incur additional costs or could otherwise adversely affect its business, financial performance and cash flows. There can be no assurance that the RBI and/or the Government will not implement further regulations or policies, including legal interpretations of existing regulations, relating to or affecting interest rates, taxation, inflation or exchange controls, or otherwise take action, that may have an adverse impact on NBFCs.

Compliance with many of the regulations applicable to our operations in India, including any restrictions on investments and other activities currently being carried out by us, involves a number of risks, particularly in markets where applicable regulations may be subject to varying interpretations. If the interpretation of the regulators and authorities varies from our interpretation, we may be subject to penalties and our business could be adversely affected. We are also subject to changes in laws, regulations and accounting principles and practices. There can be no assurance that the laws governing the financial services sector will not change in the future or that such changes or the interpretation or enforcement of existing and future laws and rules by governmental and regulatory authorities will not adversely affect our business and future financial performance.



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- 2. We depend on the accuracy and completeness of information about customers and counterparties for certain key elements of our credit assessment and risk management process. Any misrepresentation, errors in or incompleteness of such information could adversely affect our business and financial performance.**

In deciding whether to extend credit or enter into other transactions with customers, for certain key elements of the credit assessment process, we rely on information furnished to us by or on behalf of customers (including in relation to their financial transactions and past credit history). We may also rely on certain representations from our customers as to the accuracy and completeness of that information. For ascertaining the creditworthiness and encumbrances on collateral we may depend on the respective registrars and sub-registrars of assurances, credit information companies or credit bureaus, and on independent valuers in relation to the value of the collateral, and our reliance on any misleading information given, may affect our judgement of credit worthiness of potential borrowers, and the value of and title to the collateral, which may affect our business, prospects, results of operations and financial condition. We may receive inaccurate or incomplete information as a result of negligence or fraudulent misrepresentation. Our risk management measures may not be adequate to prevent or deter such activities in all cases, which may adversely affect our business prospects, financial condition and results of operations.

- 3. Our business will require substantial funds, and any disruption in funding sources would have a material adverse effect on our liquidity and financial condition.**

Our liquidity and profitability are, in large part, dependent upon our timely access to, and costs associated with raising capital including both debt and equity. Our business depends and will continue to depend on our ability to access diversified low-cost funding sources. As a financial services company, we face certain additional regulatory restrictions on our ability to obtain financing from banks. Further, under Indian Law, foreign investors are subject to investment restrictions that may limit our ability to attract foreign investors or capital from overseas investors.

Pursuing our growth strategy and introducing new product offerings to our customers will have an impact on our long-term capital requirements. With the growth of our business, we may be increasingly reliant on funding from debt capital markets. The market for such funds is competitive and our ability to obtain funds at competitive rates will depend on various factors. If we are unable to access funds at an effective cost that is comparable to or lower than our competitors, we may not be able to offer competitive interest rates for our loans. Our ability to raise funds on acceptable terms and at competitive rates continues to depend on various factors, including the regulatory environment and policy initiatives in India, lack of liquidity in the market, developments in the international markets affecting the Indian economy, investors' and/or lenders' perception of demand for debt and equity securities of NBFCs, and our current and future results of operations and financial condition. If we are unable to obtain adequate financing or financing on terms satisfactory to us and in a timely manner, our ability to grow or support our business and to respond to business challenges could be limited and our business prospects, financial condition and results of operations would be materially and adversely affected.

- 4. There are certain outstanding litigations involving our Promoter.**

The details of litigation are scheduled as below:



Nature of Case	Number of cases / Notices issued	Amount involved (₹)
Litigations involving our Company	Nil	Nil
Litigation Involving Actions by Statutory/Regulatory Authorities;	Nil	Nil
Litigation involving Tax Liabilities;	Nil	Nil
Proceedings involving issues of moral turpitude or criminal liability on the part of our Company;	Nil	Nil
Proceedings involving Material Violations of Statutory Regulations by our Company;	Nil	Nil
Matters involving economic offences where proceedings have been initiated against our Company;	Nil	Nil
Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company;	Nil	Nil
Litigation involving our Directors, Promoters and Promoter Group;	1	1,026.30
Litigation involving our Group Companies;	Nil	Nil

For further details, please refer to section titled “Outstanding Litigations, Defaults and Material Developments” beginning on page 94 of this Letter of Offer.

5. Our Company is under the Enhanced Surveillance Measure (ESM) - Stage II

The stock of the Company is currently under Enhanced Surveillance Measure (ESM) - Stage II is a regulatory framework implemented by the exchanges. It aims to enhance monitoring and surveillance of listed companies to ensure investor protection and market integrity. It shall follow the Trade to Trade category with a price band of 2%. Trading will be restricted to only once per week (on Mondays/the first trading day of the week) via Periodic Call Auction to mitigate volatility in illiquid stocks. Furthermore, the stock is under surveillance measures, which are imposed to manage the heightened risk associated with its trading activity. Trading of the stock may occur less frequently, potentially once a week or once a month, depending on the current ESM stage, which may result in lower liquidity and limited market access. These factors collectively increase the risk of trading in this stock, and investors should exercise caution and ensure they are aware of the restrictions and additional requirements before engaging in transactions.

6. Our Statutory Auditor does not hold a valid Peer Review Certificate.

The Statutory Auditor of the Company i.e. M/s. K S Subrahmanyam & Co. does not hold a valid peer review certificate. The above may present several risks such as there could be disruptions in the



audit process, including delays in the completion of the audit or gaps in the understanding of the Company's historical financial records, and appointment of new auditor. There may be delay as the new auditor may take time to familiarize itself with the Company's operations and internal controls. The process of appointing a new auditor may result in operational delays, potentially affecting the timeliness of financial reporting or filings. Additionally, the need to change the auditor may trigger regulatory or compliance considerations, which could create financial risks.

7. High levels of customer defaults or delays in repayment of loans could adversely affect our business, financial condition and results of operations.

Our business involves lending money and accordingly we are subject to customer default risks including default or delay in repayment of principal and/or interest on our loans. Customers may default on their obligations to us as a result of various factors including bankruptcy, lack of liquidity, lack of business and operational failure. If borrowers fail to repay loans in a timely manner or at all, our financial condition and results of operations will be adversely impacted. Although we believe that our risk management controls are sufficient, we cannot be certain that they will continue to be sufficient or that additional risk management policies for individual borrowers will not be required. Failure to continuously monitor the loan contracts, could adversely affect our credit portfolio which could have a material and adverse effect on our results of operations and financial condition.

8. Our indebtedness and the conditions and restrictions imposed by our financing agreements could restrict our ability to conduct our business and operations in the manner we desire.

We may incur additional indebtedness in the future. Many of our financing agreements include various restrictive conditions and covenants restricting certain corporate actions, and our Company may be required to take the prior approval of the lender before carrying out such activities. Our indebtedness could have several important consequences, including our cash flows being used towards repayment of our existing debt, which will reduce the availability of our cash flow to fund our working capital, capital expenditures and other general corporate requirements. Moreover, our ability to obtain additional financing or renewal of existing facilities, in the future at reasonable terms may be restricted or our cost of borrowings may increase due to sudden adverse market conditions, including decreased availability of credit or fluctuations in interest rates. There could be a material adverse effect on our business, financial condition and results of operations if we are unable to service our indebtedness or otherwise comply with financial and other covenants specified in the financing agreements and we may be more vulnerable to economic downturns, which may limit our ability to withstand competitive pressures and may reduce our flexibility in responding to changing business, regulatory and economic conditions.

9. Our Company's inability to obtain, renew or maintain the statutory and regulatory permits and approvals which are required to operate its existing or future businesses may have a material adverse effect on its business, financial condition, cash flows and results of operations.

NBFCs in India are subject to regulations and supervision by the RBI. In addition to the numerous conditions required for the registration as an NBFC with the RBI, we are also required to comply with certain other regulatory requirements for its business imposed by the RBI. In the future, there could be circumstances where our Company may be required to renew applicable permits and approvals and obtain new permits and approvals for its current and any proposed operations or in the event of a change in applicable law and regulations. There can be no assurance that RBI or other relevant authorities will issue any such permits or approvals in the time-frame anticipated by our Company, or at all. In addition, we require several registrations to operate our branches in the ordinary course



of business. These registrations include those required to be obtained or maintained under applicable legislations governing shops and establishments, professional tax, GST registrations etc. Some of these approvals may have expired in the ordinary course, and our Company has either applied, or is in the process of applying for renewals of them. Failure by our Company to renew, maintain or obtain the required permits or approvals may result in an interruption of its operations and may have a material adverse effect on its business, financial condition, cash flows and results of operation.

10. Our Statutory Auditor has included matter of qualifications in the examination report to Audited Financial Statements for the years ended March 31, 2023 and March 31, 2022.

Our Statutory auditor has included the following remark in the examination report to the Audited Standalone Financial Statements for the Financial Years ended March 31, 2023 and March 31, 2022.

We draw your attention to:

The Statutory Auditor is unable to determine the consequential impact of certain specific transactions / matters and disclosures on the Financial Statements. The dues of Income Tax not been deposited on account of dispute are as follows:

Period to which it relates	Amount under dispute	Forum where dispute is pending
FY 2016-17	Rs. 43,86,932	Commissioner of Income Tax (Appeals)

*It is to be noted that as on the date there are no dues pending against the company and the company has paid the disputed amount.

11. Our Investments and Trading Business may report gross losses. Sustained losses in the future from this vertical would lead to weaker financial performance may affect our sustainability.

Apart from our primary business of providing loans and services, we have been and will continue to be involved in the business of investing and trading in securities of all kind. We propose to improve our internal systems including but not limited to Trading Strategies, Financial Discipline and better utilization of our fund based portfolio. But there can be no assurance that we would not incur losses in the future especially considering the high volatile nature of capital markets in India in the recent past. Sustained losses in the future from this vertical would lead to weaker financial performance and affect our sustainability.

12. We face increasing competition in our business which may result in declining margins if we are unable to compete effectively.

We face competition in all our lines of business. Our primary competitors are other NBFCs, public sector banks, private sector banks, co-operative banks and foreign banks and the unorganized financiers who principally operate in the markets where we operate. Banks have access to low cost funds which enables them to enjoy higher margins and / or offer finance at lower rates. NBFCs do not have access to large quantities of low cost deposits, a factor which can render them less competitive. In addition, interest rate deregulation and other liberalization measures affecting the retail and small and medium enterprises finance sector, together with increased demand for capital by individuals as well as small and medium enterprises, have resulted in an increase in competition.

We face competition from other NBFCs, microfinance companies as well as both commercial and small finance banks. In addition, our target customers also borrow from money lenders and non-institutional lenders which may lend at higher rates of interest. Our ability to compete effectively will



depend, to some extent, on our ability to raise low-cost funding in the future. Furthermore, as a result of increased competition in the finance sector, finance products are becoming increasingly standardized and variable interest rate and payment terms and lower processing fees are becoming increasingly common in the finance sector in India. There can be no assurance that we will be able to react effectively to these or other market developments or compete effectively with new and existing players in the increasingly competitive finance industry. Increasing competition may have an adverse effect on our net interest margin, and, if we are unable to compete successfully, our market share may decline. If we are unable to compete effectively with other participants in the finance sector, our business, future financial performance may be adversely affected.

- 13. Any inability on our part to effectively utilize the Issue Proceeds could adversely affect our financial results. The objects of the Issue are based on the internal estimates of our management and have not been appraised by any bank or financial institution.**

The funds raised under this Issue will be to augment our capital. The objects of the Issue are based on management estimates and have not been up appraised by any bank or financial institution. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financial results. Utilization of Issue proceeds would be disclosed to our Company's shareholders in the manner required under the SEBI LODR Regulations. For further details, please see to the section titled "Objects of the Issue" on page no. 55 of this Letter of Offer.

- 14. We provide unsecured loans to our borrowers. If our customers default in their repayment obligations, our business, results of operations, financial condition and cash flows may be adversely affected.**

Our Company mainly provides unsecured loans i.e., loans without any security. Hence, we run the risk of recovery by defaulters. Further, any deterioration in the quality of our borrowers in terms of their financial worth may also expose us to difficulties in timely recovery of interest and principal amount from such borrowers. In the event of such deterioration in our Company's asset portfolio, there could be an adverse impact on our business and our future financial performance. Further, any default in repayment by our borrowers, will result in losses to our Company. While we have been very selective and conservative in our lending policies and are generally satisfying ourselves with credit worthiness and repayment capacities of our borrowers, there can be no assurance that we will be able to timely recover the interest and / or principal of loans advanced by us.

- 15. We may experience difficulties in expanding our business into new regions and markets in India.**

Historically, our distribution networks are concentrated in Mumbai. As part of our growth strategy, we strive to evaluate attractive growth opportunities to expand our business into new regions and markets in India. Factors such as competition, culture, regulatory regimes, business practices & customs and customer requirements in these new markets may differ from those in our current markets and our experience in our current markets may not be applicable to these new markets. In addition, as we enter new markets and geographical regions, we are likely to compete with other banks and financial institutions that already have a presence in those geographies and markets and are therefore more familiar with local regulations, business practices and customs and have stronger relationships with customers.

Our business may be exposed to various additional challenges including obtaining necessary governmental approvals, successfully gauging market conditions in local markets with which we have no previous familiarity; attracting potential customers in a market in which we do not have



significant experience or visibility; being susceptible to local taxation in additional geographical areas of India and adapting our marketing strategy and operations to different regions of India in which different languages are spoken. Our inability to expand our current may adversely affect our business prospects, financial conditions and results of operations.

16. Our business is based on the trust and confidence of our customers; any damage to that trust and confidence may materially and adversely affect our business, future financial performance and results of operations.

We are dedicated to earning and maintaining the trust and confidence of our customers and we believe that the good reputation is essential to our business. The reputation of our Company could be adversely affected by any threatened and/or legal proceedings and/or any negative publicity or news articles in connection with our Company. As such, any damage to our reputation could substantially impair us ability to maintain or grow our business. If we fail to maintain brand recognition with our target customers due to any issues with our product offerings, a deterioration in service quality, or otherwise, declines our market perception and customer acceptance of our brands may also decline.

17. Our measures to prevent money laundering may not be completely effective and we may be subject to scrutiny and penalties by the RBI for failure to implement effective measures.

Our Company is required to comply with applicable anti-money-laundering and anti-terrorism laws and other regulations in India. Our measures to prevent money laundering as required by the RBI and other KYC compliance applicable in India, including the Reserve Bank of India (Know Your Customer) Master Directions, 2016 dated February 25, 2016, as amended ("KYC Directions") and the adoption of anti-money laundering policies and compliance procedures may not be completely effective. In the event, if any regulatory authorities believes that we are not complying with required money laundering compliances and/or KYC Compliances, there may be civil and criminal penalties for non-compliance and our business and results of operations could be adversely affected.

18. Our success depends in large part upon key personnel and our ability to attract, train and retain such persons.

Our ability to sustain our rate of growth depends significantly upon our ability to manage key issues such as selecting and retaining key operations personnel, developing managerial experience to address emerging challenges and ensuring a high standard of client service. In order to be successful, we must attract, train, motivate and retain highly skilled employees. Failure to train and motivate our employees properly may result in an increase in employee attrition rates, divert management resources and subject us to incurring additional human resource related expenditure.

19. We are exposed to operational and credit risks which may result in NPAs, and we may be unable to control or reduce the level of NPAs in our portfolio.

Our Company's inability to control the number and value of its NPAs may lead to deterioration of the quality of its loan portfolio and may adversely impact its business. Further, if our customers default in their repayment obligations, our business, results of operations, financial condition and cash flows may be adversely affected.



20. We may face asset-liability mismatches, which could affect our liquidity and consequently may adversely affect our operations and profitability.

Assets and liability mismatch (“ALM”) represents a situation when financial terms of an institution’s assets and liabilities do not match. ALM is a key financial parameter indicative of an NBFC’s performance. We cannot assure you that we will be able to maintain a positive ALM always. We may rely on funding options with short term maturity periods for extending long term loans, which may lead to a negative ALM. Further, mismatches between our assets and liabilities are compounded in case of prepayment of financing facilities we grant to customers. Any mismatch in our ALM, may lead to a liquidity risk and have an adverse effect on our business prospects, financial condition, results of operations and profitability.

21. If we are unable to comply with the capital adequacy requirements stipulated by the RBI in connection with our lending business, our business, results of operations and cash flows may be materially and adversely affected.

Our lending business, is subject to various regulations relating to the capital adequacy of NBFCs, which determine the minimum amount of capital we are required to maintain. There can be no assurance that we will be able to maintain CRAR within the regulatory requirements. Further, as we grow our lending business loan portfolio, we will be required to raise additional Tier I and Tier II capital in order to continue to meet applicable capital adequacy ratios with respect to such business. There can be no assurance that we will be able to raise adequate additional capital in the future on favourable terms, or at all. This could result in noncompliance with applicable capital adequacy ratios, which could have a material adverse effect on our business, results of operations and cash flows. Also, there is no assurance that RBI will not take any action for breaches in capital adequacy norms by our Company in the future. This could materially adversely affect our business, prospects, results of operations, financial condition and cash flows and could impair our ability to continue current operations and in extreme case, may lead to suspension/ cancellation/ withdrawal of our license to operate as an NBFC.

22. Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India.

23. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and food processing industry contained in the Draft Letter of Offer.

While facts and other statistics in the Draft Letter of Offer relating to India, the Indian economy and industry in which we operate has been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information,



industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

24. Any failure or disruption or change of our information technology systems may adversely impact our business and operations.

We use information technology systems to monitor all aspects of our business and rely significantly on such systems for the efficient operations and the security of our information. Our information technology systems may not always operate without interruption and may encounter temporary abnormality or become obsolete. Further, we cannot assure you that the level of security we presently maintain is adequate or that our systems can withstand intrusions from or prevent improper usage by third parties. We may not always be successful in installing, running and migrating to new software or systems as required for the development of our business. Even if we are successful in this regard, significant capital expenditure may be required, and we may not be able to benefit from the investment immediately. All of these may have a material adverse impact on our operations and profitability.

25. We may not be successful in implementing our business and growth strategies.

The success of our business depends substantially on our ability to implement our business and growth strategies effectively. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted customers. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Further, our growth strategies could place significant demand on our management team and other resources and would require us to continuously develop and improve our operational, financial and other controls, none of which can be assured. Failure to implement our business and growth strategies would have a material adverse effect on our business and results of operations.

26. We have in the past entered into related party transactions and may continue to do so in the future.

Our Company has entered into certain transactions with our related parties including our Promoters, the Promoter Group, our directors and their relatives. Further we have loans taken from promoter and members of promoter group. While we believe that all such transactions have been conducted on the arm's length basis, there can be no assurance that we could not have achieved more favorable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation.

27. Our Promoters and certain of our directors hold Equity Shares in our Company and are therefore interested in our performance in addition to their remuneration and reimbursement of expenses.

Certain of our Directors including our Promoters are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding



in our Company. We cannot assure you that our Promoters will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters will continue to exercise significant control over us, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Promoters may take actions with respect to our business which may conflict with the best interests of our Company or that of minority shareholders.

28. Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.

Our ability to pay dividends in future will depend on the earnings, financial condition and capital requirements of our Company. Our business is capital intensive and we may make additional capital expenditure towards acquisition of assets. We may be unable to pay dividends in the near- or medium-term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our projects, financial condition and results of operations.

29. As the Equity Shares of our Company are listed on the Stock Exchange, our Company is subject to certain obligations and reporting requirements under the SEBI (LODR) Regulations and comply with other SEBI Regulations. Any non-compliances/delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties.

The Equity Shares of our Company are listed on Stock Exchange, therefore we are subject to the obligations and reporting requirements prescribed under the SEBI (LODR) Regulations, to the extent applicable, and have to adhere to and comply with other applicable Regulations framed by SEBI. Our Company endeavors to comply with all such obligations and reporting requirements, any non-compliance which might have been committed by us, may result into Stock Exchange and/or SEBI imposing penalties, issuing warnings and show cause notices against us and/or taking actions as provided under the SEBI Act and the rules and regulations made there under and applicable SEBI Circulars. Any such adverse regulatory action or development could affect our business reputation, divert management attention, and result in a material adverse effect on our business prospects and financial performance and on the trading price of the Equity Shares.

30. We have not commissioned an industry report for the disclosures made in the section titled 'Industry Overview' and made disclosures on the basis of the data available on the internet and such data has not been independently verified by us.

We have neither commissioned an industry report, nor sought consent from the quoted website source for the disclosures which need to be made in the section titled "Our Industry" beginning on page 64 of this Letter of Offer. We have made disclosures in the said chapter on the basis of the relevant industry related data available online for which relevant consents have not been obtained. We have not independently verified such data. We cannot assure you that any assumptions made are correct or will not change and, accordingly, our position in the market may differ from that presented in this Letter of Offer. Further, the industry data mentioned in this Letter of Offer or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Letter of Offer in this context.

31. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised and may be subject to change based on various factors, some of which are beyond our control.



Our funding requirements and deployment of the Net Proceeds are based on internal management estimates based on current market conditions, and have not been appraised by any bank or financial institution or other independent agency. Further, in the absence of such independent appraisal, our funding requirements may be subject to change based on various factors which are beyond our control. For details, see “Objects of the Issue” on page 55 of this Letter of Offer.

ISSUE RELATED RISK

32. Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of Investor’s shareholding

The Rights Entitlements that are not exercised prior to the end of the Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted pursuant to increase in paid up share capital. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Rights Issue. Renounees may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the Demat Account of the Renounees prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renounee will not be able to apply in this Rights Issue with respect to such Rights Entitlements.

33. You may not receive the Equity Shares that you subscribe in the Issue until fifteen days after the date on which this Issue closes, which will subject you to market risk.

The Equity Shares that you subscribe in the Issue may not be credited to your demat account with the depository participants until approximately 15 days from the Issue Closing Date. You can start trading such Equity Shares only after receipt of the listing and trading approval in respect thereof. There can be no assurance that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time period, subjecting you to market risk for such period.

34. There is no guarantee that our Equity Shares will be listed in a timely manner or at all which may adversely affect the trading price of our Equity Shares.

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by the Stock Exchange until after those Equity Shares have been issued and allotted. Approval will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on Stock Exchange. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at that point of time.



35. The Issue Price of our Right Equity Shares may not be indicative of the market price of our Equity Shares after the Issue.

The market price of the Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price.

There can be no assurance that the Investors will be able to sell their Equity Shares at or above the Issue Price. The factors that could affect our share price are:

- (a) quarterly variations in the rate of growth of our financial indicators such as earnings per share;
- (b) changes in revenue or earnings estimates or publication of research reports by analysts;
- (c) speculation in the press or investment community;
- (d) general market conditions; and
- (e) domestic and international economic, legal and regulatory factors unrelated to our performance.

EXTERNAL RISK FACTORS

36. Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect our business.

There could be a downgrade of India's sovereign debt rating due to various factors, including changes in tax or fiscal policy, or a decline in India's foreign exchange reserves, which are outside our control. Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available.

Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India, which may cause fluctuations in the prices of our Equity Shares. This could have an adverse effect on our business and financial performance, and ability to obtain financing for expenditures.

37. Investing in securities that carry emerging market risks can be affected generally by volatility in the emerging markets.

The markets for securities bearing emerging market risks, such as risks relating to India, are, to varying degrees, influenced by economic and securities market conditions in other emerging market countries. Although economic conditions differ in each country, investors' reactions to developments in one country may affect securities of issuers in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and the Indian economy in general.

Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India, which could adversely affect the Indian financial sector in particular. Any such disruption could have an adverse effect on our Company's business, future financial performance, financial condition and results of operations, and affect the price of the Equity Shares. Accordingly, the price and liquidity of the Equity Shares may be subject to significant fluctuations, which may not necessarily be directly or indirectly related to our financial performance.



38. Political instability or changes in the Government or Government policies could impact the liberalization of the Indian economy and adversely affect economic conditions in India generally.

The performance and growth of our Company is dependent on the health of the Indian economy and more generally the global economy. The economy could be adversely affected by various factors such as political or regulatory action, including adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities, interest rates, commodity and energy prices and various other factors. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well. As a result, our business and the market price and liquidity of the Equity Shares may be affected by such economic and / or political changes. While the current Government is expected to continue the liberalization of India's economic and financial sectors and deregulation policies, there can be no absolute assurance that such policies will be continued. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India generally and specifically have an adverse effect on the operations of our Company.

39. Regional hostilities, terrorist attacks, communal disturbances, civil unrest and other acts of violence or war involving India and other countries may result in a loss of investor confidence and adversely affect our business, prospects, results of operations and financial condition.

Terrorist attacks, civil unrest and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade as well as the worldwide financial markets. The Asian region has from time to time experienced instances of civil unrest and hostilities among neighbouring countries which may persist and occur in the future. Military activity or terrorist attacks in India may result in investor concern about stability in the region, which may adversely affect the price of our Equity Shares. Events of this nature in the future, as well as social and civil unrest within other countries in the World, could influence the Indian economy and could have an adverse effect on the market for securities of Indian companies, including our Equity Shares.

40. Natural disasters and other disruptions could adversely affect the Indian economy and could cause our business and operations to suffer and the trading price of our Equity Shares to decrease.

Our operations, may be damaged or disrupted as a result of natural disasters such as earthquakes, floods, heavy rainfall, epidemics, tsunamis and cyclones and other events such as protests, riots and labour unrest. Such events may lead to the disruption of information systems and telecommunication services for sustained periods. They also may make it difficult or impossible for employees to reach our business locations which could adversely affect our reputation, our relationships with our customers, our senior management team's ability to administer and supervise our business or it may cause us to incur substantial additional expenditure to repair or replace damaged equipment or rebuild parts of our infrastructure. We may also be liable to our customers for disruption in supply resulting from such damage or destruction. Our insurance coverage for such liability may not be sufficient. Any of the above factors may adversely affect our business, our financial results and the price of our Equity Shares.

41. Any future issuance of the Equity Shares may dilute your future shareholding and sales of the Equity Shares by the Promoters or other major shareholders of our Company may adversely affect the trading price of the Equity Shares.

Any future equity issuances by our Company may lead to dilution of your future shareholding in our



Company. Any future equity issuances by our Company or sales of the Equity Shares by the Promoters or other major shareholders of our Company may adversely affect the trading price of the Equity Share. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Share. Except as otherwise stated in the Draft Letter of Offer, there is no restriction on our Company's ability to issue the Securities or the relevant shareholders' ability to dispose of their Equity Share, and there can be no assurance that our Company will not issue Equity Share or that any such shareholder (including Promoters and Promoter Group) will not dispose of, encumber, or pledge its Securities.

42. Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of salaries, and other expenses relevant to our business.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to pass on to our customers, whether entirely or in part, and the same may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase our rates to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

Further, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.



SECTION IV- INTRODUCTION

THE ISSUE

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in the chapter titled "Terms of the Issue" beginning on page 107 of this Letter of Offer:

Authority for the Issue

The Equity Shares in the present Issue are being offered pursuant a resolution passed by our Board at its meeting held on 16th October, 2024 in accordance with the provisions of the Companies Act.

Summary of the Issue

Rights Equity Shares to be Issued	Upto 10,60,03,500 Equity Shares
Rights Entitlement for Equity Shares	1 (One) Rights Equity Share for every 2(Two) fully paid-up Equity Share held on the Record Date.
Record Date	31 st December, 2024
Face value per Equity Share	Re. 1.00 each
Issue Price per Rights Equity Share	Rs. 4.50 per Rights Equity Share
Issue Size	Rs. 4,770.16Lakhs.
Equity Shares outstanding prior to the Issue	21,20,07,000 fully paid-up Equity Shares
Equity Shares outstanding after the Issue (assuming full subscription for and allotment of the Rights Entitlement)	31,80,10,500 Equity Shares
ISIN and Symbol	ISIN: INE732K01027, BSE Scrip Code: 511557
ISIN for Right Entitlements	INE732K20019
Terms of the Issue	For more information, please see the chapter titled "Terms of the Issue" beginning on page 107 of this Letter of Offer.
Use of Issue Proceeds	For more information, please see the chapter titled "Objects of the Issue" beginning on page 55 of this Letter of Offer.

For details in relation fractional entitlements, see "Terms of the Issue - Fractional Entitlements" beginning on page 126 of this Letter of Offer.

Terms of payment

Due Date	Amount payable per Equity Shares
On the Issue application (i.e. along with the Application Form)	Rs. 4.50



SUMMARY OF FINANCIAL STATEMENTS

The summary financial information of our Company as derived from the Audited Financial Statements of our Company for the financial year ended on March 31, 2024 and Unaudited Financial results for the quarter and half year ended September 30, 2024 is reproduced below. Our summary financial information should be read in conjunction with the financial statements and the notes (including the significant accounting principles) thereto included in chapter titled “*Financial Statements*” beginning on page 82 of this Letter of Offer.

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PRO FIN CAPITAL SERVICES LIMITED
(CIN-L51909MH1991PLC250695)

AUDITED PROFIT AND LOSS FOR FINANCIAL RESULTS FOR THE YEAR ENDING 31ST
MARCH, 2024

PRO FIN CAPITAL SERVICES LIMITED
Regd. Office: 503, Western Edge II, Western Express Highway, Borivali (East), Mumbai - 400 066
CIN L51909MH1991PLC250695 Website: www.profincapital.com

(Rs.
in
Lakh
)

Statement of audited Results for the Year Ended 31/03/2024

Sr. No.	Particulars (Refer Notes Below)	Quarter Ended			9 Months Ended		Annual	
		31-03-2024 (Audited)	31-12-2023 (Reviewed)	31-03-2023 (Audited)	31-12-2023 (Reviewed)	31-03-2024 Audited	31-03-2023 Audited	
1	Income							
	Revenue from operations							
(i)	Interest Income	583,702	598,701	385,588	1566,539	2,179,241	1,934,475	
(ii)	Other revenue from operations							
	Net Sale of stock (Shares)	0.000	0.000	0.000	0.000	0.000	80.360	
	Total other revenue from operations	0.000	0.000	0.000	0.000	0.000	80.360	
	Total Revenue From Operations	583,702	598,701	385,588	1566,539	2,179,241	2014,835	
	Other income	13,200	13,200	16,040	39,800	82,889	16,600	
	Total Income	596,902	611,901	401,628	1606,339	2262,130	2031,435	
2	Expenses							
	Cost of materials consumed	0.000	0.000	0.000	0.000	0.000	0.000	
	Purchases of stock-in-trade	0.000	0.000	370,333	3,800	0.000	465,110	
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	0.000	0.000	-4,035	0.000	0.000	-36,770	
	Employee benefit expense	11,834	17,828	41,584	49,907	90,341	117,180	
	Finance costs	260,130	418,683	108,875	693,108	1,068,209	12,14,911	
	Depreciation, depletion and amortisation expense	7,803	7,804	7,850	23,473	31,206	31,260	
	Fees and commission expense	0.000	0.000	12,575	0.000	0.000	12,575	
	Net loss on fair value changes	0.000	0.000	0.000	0.000	0.000	0.000	
	Net loss on derecognition of financial instruments under amortised cost category	0.000	0.000	0.000	0.000	0.000	0.000	
	Impairment on financial instruments	0.000	0.000	0.000	0.000	0.000	0.000	
(f)	Other expenses							
	Other expenses	763,917	39,320	65,874	131,583	806,491	193,738	
	Total other expenses	763,917	39,320	65,874	131,583	806,491	193,738	
	Total expenses	1063,674	484,658	400,514	1191,623	2264,343	1934,176	
	Total profit before exceptional items and tax	-466,772	88,246	1,117	463,479	-23,202	119,259	
3	Exceptional items	0.000	0.000	0.000	0.000	0.000	0.000	
4	Total profit before tax	-466,772	88,246	1,117	463,479	-23,202	119,259	
5	Tax expense							
6	Current tax	-113,971	34,823	16,200	113,671	0.000	43,883	
7	Deferred tax	2,361	0.000	3,270	0.000	2,381	-2,210	
8	Total tax expenses	-111,610	34,823	19,470	113,671	2,381	41,673	
9	Net Profit/Loss for the period from continuing operations	-355,162	73,423	-17,353	349,499	-25,663	77,586	
10	Profit (loss) from discontinued operations before tax	0.000	0.000	0.000	0.000	0.000	0.000	
11	Tax expense of discontinued operations	0.000	0.000	0.000	0.000	0.000	0.000	
12	Net profit (loss) from discontinued operation after tax	0.000	0.000	0.000	0.000	0.000	0.000	
13	Share of profit (loss) of associates and joint ventures accounted for using equity method	0.000	0.000	0.000	0.000	0.000	0.000	
14	Total profit (loss) for period	-355,162	73,423	-17,353	349,499	-25,663	77,586	
15	Other comprehensive income/ net of loss	0.000	0.000	0.000	0.000	0.000	0.000	
16	Total Comprehensive Income for the period	-355,162	73,423	-17,353	349,499	-25,663	77,586	
17	Total profit or loss, attributable to	-355,162	73,423	-17,353	349,499	-25,663	77,586	
	Profit or loss, attributable to owners of parent	0.000	0.000	0.000	0.000	0.000	0.000	
	Total profit or loss, attributable to non-controlling interests	-355,162	73,423	-17,353	349,499	-25,663	77,586	
18	Total Comprehensive Income for the period attributable to	-355,162	73,423	-17,353	349,499	-25,663	77,586	
19	Comprehensive income for the period attributable to owners of parent	0.000	0.000	0.000	0.000	0.000	0.000	
20	Total comprehensive income for the period attributable to owners of parent non-controlling interests	-355,162	73,423	-17,353	349,499	-25,663	77,586	
21	Details of equity share capital							
22	Full-up equity share capital	2120,070	2120,070	2120,070	2120,070	2120,070	2120,070	
23	Face value of equity share capital	1,00,000	1,00,000	1,00,000	1,00,000	1,00,000	1,00,000	
24	Reserves excluding revaluation reserve	785,559	1132,983	1824,470	1133,265	785,558	1824,470	
25	Earnings per share							
26	Earnings per equity share for continuing operations							
	Basic earnings per share from continuing operations	-0.168	0.035	-0.008	0.155	-0.012	0.034	
	Diluted earnings per share from continuing operations	-0.168	0.035	-0.008	0.155	-0.012	0.034	
27	Earnings per equity share for discontinued operations							
	Basic earnings per share from discontinued operations	0.000	0.000	0.000	0.000	0.000	0.000	
	Diluted earnings per share from discontinued operations	0.000	0.000	0.000	0.000	0.000	0.000	
28	Earnings per equity share							
	Basic earnings per share	-0.168	0.035	-0.008	0.155	-0.012	0.034	
	Diluted earnings per share	-0.168	0.035	-0.008	0.155	-0.012	0.034	

Notes :

- The above results were reviewed by the Audit Committee at the meeting held on 29.05.2024 and approved by the Board of directors at the meeting held on 29.05.2024
- The Company has no subsidiaries
- The statement has been prepared in accordance with Companies (Indian Accounting) Standard Rules, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.
- The figures of the current quarter and quarter ended March 31, 2024 are the balancing figures between the audited figures of the full financial year ended March 31, 2024 and March 31, 2023 respectively and the published year to date figures for the nine months ended.
- The previous year/period figures have been reclassified / regrouped to conform to the figure of the current period.

For Pro Fin Capital Services Limited

ABHAY GOSHA

CPA

Abhay Gosha

Director

CIN: 32264099



AUDITED BALANCE SHEET AS ON 31ST MARCH, 2024

PRO FIN CAPITAL SERVICES LIMITED CIN - L51909MH1991PLC250695 Balance Sheet as at 31st March, 2024		
Particulars	As at 31st March 2024	As at 31st March 2023
	Rupees	Rupees
ASSETS		
Financial Assets		
(a) Cash and Cash Equivalents	52,73,302	5,27,415
(b) Loans & Advances	3,23,91,00,583	3,11,38,08,944
(c) Investments	5,21,05,959	5,21,05,959
(d) Trade Receivable	-	-
(e) Other financial assets	18,49,900	78,83,186
Total Financial Assets	3,29,83,29,744	3,17,43,25,504
Non-Financial Assets		
(a) Deferred tax assets (Net)	-	-
(b) Current tax assets (Net)	8,23,90,760	7,30,84,969
(c) Property, Plant and Equipment	4,07,32,777	4,38,62,405
(d) Investment Property	17,72,91,709	17,72,91,709
(e) Inventories	2,57,54,432	2,57,54,432
(F) Other Non-Financial assets	-	-
Total Non-Financial Assets	32,61,69,678	31,99,93,515
TOTAL ASSETS	3,62,44,99,422	3,49,43,19,019
LIABILITIES AND EQUITY		
Liabilities		
Financial Liabilities		
(a) Trade payables	17,39,961	71,80,924
(b) Borrowings (Other than Debt Securities)	3,15,63,62,584	2,80,09,17,125
(c) Other Financial liabilities	16,32,84,461	28,00,28,272
Total Non-Financial Liabilities	3,32,13,87,006	3,08,81,26,321
Non-Financial liabilities		
(a) Deferred Tax Liabilities (Net)	15,89,077	13,49,994
(b) Provisions	1,29,56,405	1,18,29,236
(c) Other Non-Financial liabilities	-	-
(d) Current Tax Liabilities (Net)	-	-
Total Financial Liabilities	1,45,45,482	1,31,79,230
Equity		
(a) Equity Share capital	21,20,07,000	21,20,07,000
(b) Other Equity	7,65,59,935	18,10,06,469
Total Equity	28,85,66,935	39,30,13,469
TOTAL EQUITY AND LIABILITIES	3,62,44,99,422	3,49,43,19,020

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AUDITED CASH FLOW STATEMENT FOR THE PERIOD ENDING 31ST MARCH, 2024

PRO FIN CAPITAL SERVICES LIMITED CIN - L51909MH1991PLC250695 Cash Flow Statement as on 31st March, 2024			
Sr. No	PARTICULARS	As at 31st March 2024	As at 31st March 2023
		Rupees	Rupees
A)	Cash Flow from Operating Activities		
	Net Profit/(Loss) before tax and extra ordinary items	-23,30,285	1,33,60,826
	Add: Depreciation	31,29,628	31,39,500
	Less:- Interest Income	0	-
	Add:- Interest Exps	12,68,20,930	12,14,85,142
	Operating profit/(Loss) before working capital Change	12,76,20,273	13,79,85,468
	Decrease/ (Increase) in Trade Recivables	0	-
	Decrease/ (Increase) in Other Financial Assets	60,33,286	(51,08,290)
	Decrease/ (Increase) in Loans & Advances	-12,52,91,639	(37,66,44,229)
	Decrease/ (Increase) in Inventory	0	(39,77,635)
	Increase/ (Decrease) in Other Non-Financial Liabilities	0	-
	Increase/ (Decrease) in Other Financial Liabilities	-11,67,43,811	17,08,64,735
	Increase/ (Decrease) in Trade Payables	-54,40,960	(2,51,96,461)
	Cash Generate from operations	-11,38,22,851	(10,20,76,412)
	Direct Tax/FBT Paid (net of refund)	-93,05,791	(5,16,42,772)
	Net Cash Outflow from Operating Activities	-12,31,28,642	(15,37,19,184)
B)	Cash Flow from Investing Activities etc		
	Purchase of Investment Property	0	-
	Purchase in Fixed Assets	0	-
	(Increase)/ Decrease of Investments	0	-
	Net Cash Inflow from Investing activities	0	-
C)	Cash Flow from Financing Activities		
	Repayments of Long Term Secured Loans	0	-
	Interest Received	0	-
	Proceeds Received in Long Term Borrowings	35,54,45,459	27,36,54,538
	Interest Paid	-12,68,20,930	(12,14,85,142)
	Proceeds from Issue of Share Warrants	-10,07,50,000	-
	Net Cash Outflow from Financing Activities	12,78,74,529	16,21,69,396
	Net Increase in cash and cash equilents	47,45,887	(15,49,788)
	Cash & Cash Equivalents		
	- Opening	5,27,415	20,77,205
	Cash & Cash Equivalents		
	- Closing	52,73,302	5,27,415

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UNAUDITED PROFIT AND LOSS FOR THE QUARTER AND HALF YEAR ENDED 30TH
SEPTEMBER, 2024

PRO FIN CAPITAL SERVICES LIMITED							
CIN L51909MH1991PLC250695							
Regd. Off.: 503, Western Edge II, Western Express Highway, Borival East, Mumbai - 400 056							
Website : www.profincapital.com							
STATEMENT OF UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED ON 30.09.2024							
(Amount in Lakhs, except EPS)							
STANDARD ONE							
Sr. No.	Particulars	3 months ended	Preceding 3	Corresponding 3	6 Month ended	Corresponding 6	Previous year
		30-09-2024	months ended	months ended in	Month ended	months ended in	year
		Un-Audited	30-06-2023	the previous year	30-09-2023	the previous year	ended
			Un-Audited	UN-Audited	UN-Audited	UN-Audited	Audited
1	Income						
	(a) Revenue From Operations	1059.052	523.178	423.378	1587.200	1025.540	2179.241
	(b) Other revenue from operations	-362.285	362.203	0.000	0.000	0.000	0.000
	(b) Other Income	0.000	0.000	13.250	0.000	39.450	-2.800
	Total Income	696.767	885.381	436.628	1587.200	1,064.990	2,176.441
2	Expenses						
	(a) Cost of materials consumed/ Shares Purchased	0.000	0.000	0.000	0.000	0.000	0.000
	(b) Purchases of stock-in-trade	-0.326	278.876	0.000	278.550	0.000	0.000
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-1.041	98.961	0.000	97.800	0.000	0.000
	(d) Employee benefits Expenses	12.262	17.108	15.891	29.870	30.680	60.341
	(e) Finance Cost	300.799	279.923	262.314	580.700	568.430	1208.209
	(f) Depreciation and amortisation expense	7.385	7.385	7.324	14.770	15.850	11.298
	(g) Fees and commission expense	0.000	0.000	0.000	0.000	0.000	0.000
	(g) Other expenses (Any item exceeding 10% of the total expenses relating to continuing operations to be shown separately)	41.185	30.225	38.911	71.420	82.200	893.487
	Total Expenses	360.244	714.488	444.469	1074.220	797.020	2,555.343
3	Profit / (Loss) before exceptional items and tax (1-2)	336.523	170.893	92.159	512.980	267.970	(21.902)
4	Exceptional Items	0.000	0.000	0.000	0.000	0.000	0.000
5	Profit / (Loss) before tax (3-4)	336.523	170.893	92.159	512.980	267.970	(21.902)
6	Tax Expenses						
	(a) Current Tax	0.000	40.000	21.964	130.000	87.950	0.000
	(b) Deferred Tax	0.242	0.508	0.603	0.800	1.200	3.391
7	Total Tax Expenses	0.242	40.508	22.567	130.800	89.150	3.391
8	Profit/ (Loss) for a period from continuing operations (5-7)	246.291	130.385	69.592	382.180	178.820	(25.693)
9	Profit/ (Loss) for a period from dis-continuing operations	0.000	0.000	0.000	0.000	0.000	0.000
10	Tax Expenses of discontinued operations	0.000	0.000	0.000	0.000	0.000	0.000
11	Profit/ (Loss) for a period from dis-continuing operations (after tax) (9-10)	0.000	0.000	0.000	0.000	0.000	0.000
12	Other Comprehensive Income/ (Loss)						
	A) (i) Amount of items that will not be reclassified to profit or loss	0.000	0.000	0.000	0.000	0.000	0.000
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.000	0.000	0.000	0.000	0.000	0.000
	B) (i) Amount of items that will be reclassified to profit or loss	0.000	0.000	0.000	0.000	0.000	0.000
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.000	0.000	0.000	0.000	0.000	0.000
	Total Comprehensive Income for the period (comprising profit/loss) and other comprehensive income for the period) (6-11-12)	246.291	130.385	69.592	382.180	178.820	(25.693)
13	Paid-up Equity Share Capital (Face Value of Rs. 1/- each)	2,120.070	2,120.070	2,120.070	2,120.070	2,120.070	2,120.070
14	Earning Per Share (For continuing operations)						
	(a) Basic	0.116	0.062	0.033	0.179	0.121	(0.012)
	(b) Diluted	0.116	0.062	0.033	0.179	0.121	(0.012)

- The above results were reviewed by the Audit Committee at the meeting held on 14.11.2024 and approved by the Board of Directors at the meeting held on 24.11.2024
- The Company has no subsidiaries.
- The statement has been prepared in accordance with Companies (Indian Accounting Standard) Rules, 2011 (and AS) prescribed under section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.
- The previous year/period figures have been reclassified / regrouped to conform to the figures of the current period.

For Pro Fin Capital Services Limited

 Anupam Gupta
 Managing Director
 DIN: 02294687
 Date: 14-11-2024
 Place: Mumbai

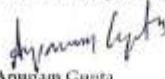


PRO FIN CAPITAL SERVICES LIMITED
(CIN-L51909MH1991PLC250695)

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH
SEPTEMBER, 2024

PRO FIN CAPITAL SERVICES LIMITED CIN : L51909MH1991PLC250695 503, WesternEdge II, Western Express High Way, Borivali East Mumbai Mumbai City MH 400066 IN STATEMENT OF ASSETS AND LIABILITIES		
Particulars	As at (Current Half Year End) 30-09-2024	As at (Year End) 31-03-2024
	(Rs. in Lacs)	(Rs. in Lacs)
ASSETS		
Financial Assets		
(a) Cash and cash equivalents	70.99	52.73
(b) Loans & Advances	34,262.38	32,391.01
(c) Investments	521.06	521.06
(d) Trade Receivables	39.87	-
(e) Other financial assets	23.80	10.00
Total Financial Assets	34,924.10	32,903.30
Non-Financial Assets		
(a) Deferred tax assets (Net)	-	-
(b) Current tax assets (Net)	218.24	823.91
(c) Property, Plant and Equipment	392.80	497.33
(d) Investment Property	1,772.92	1,772.92
(e) Inventories	108.02	257.64
(f) Other Non-Financial assets	-	-
Total Non-Financial Assets	2,543.23	2,261.79
TOTAL ASSETS	37,467.48	36,245.00
LIABILITIES AND EQUITY		
Liabilities		
Financial Liabilities		
(a) Trade payables	10.90	17.40
(b) Borrowings (Other than Debt Securities)	30,036.07	31,563.63
(c) Other Financial liabilities	1,996.30	1,632.94
Total Non-Financial Liabilities	34,049.33	33,213.97
Non-Financial liabilities		
(a) Deferred Tax Liabilities (Net)	16.75	15.20
(b) Provisions	137.06	129.57
(c) Other Non-Financial liabilities	-	-
(d) Current Tax Liabilities (Net)	-	-
Total Financial Liabilities	153.81	145.46
Equity		
(a) Equity Share capital	2,120.07	2,120.07
(b) Other Equity	1,144.37	765.60
Total Equity	3,264.34	2,885.67
TOTAL EQUITY AND LIABILITIES	37,467.48	36,245.00

For Pro Fin Capital Services Limited


Anupam Gupta
Managing Director
DIN: 02294687

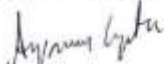
Date: 14-11-2024
Place: Mumbai





PRO FIN CAPITAL SERVICES LIMITED
(CIN-L51909MH1991PLC250695)

UNAUDITED CASH FLOW STATEMENTS FOR THE QUARTER AND HALF YEAR ENDED 30TH
SEPTEMBER, 2024

PRO FIN CAPITAL SERVICES LIMITED CIN - L51909MH1991PLC250695 Cash Flow Statement as on 30th September, 2024			
Sr. No	PARTICULARS	As at 31st September 2024	As at 31st March 2024
		Rupees	Rupees
A)	Cash Flow from Operating Activities		
	Net Profit/(Loss) before tax and extra ordinary items	517.03	-23.30
	Add: Depreciation	34.77	31.30
	Less:- Interest Income	.00	.00
	Add:- Interest Exps	580.17	1268.21
	Operating profit/(Loss) before working capital Change	1111.97	1276.20
	Decrease/ (Increase) in Trade Receivables	-39.87	.00
	Decrease/ (Increase) in Other Financial Assets	-5.35	60.33
	Decrease/ (Increase) in Loans & Advances	-1671.38	-1252.92
	Decrease/ (Increase) in Inventory	97.92	.00
	Increase/ (Decrease) in Other Non-Financial Liabilities	.00	.00
	Increase/ (Decrease) in Other Financial Liabilities	2303.45	-1167.44
	Increase/ (Decrease) in Trade Payables	-4.41	-54.41
	Cash Generate from operations	1656.30	-1138.23
	Direct Tax/FBT Paid (net of refund)	476.68	-93.06
	Net Cash Outflow from Operating Activities	2131.98	-1231.29
B)	Cash Flow from Investing Activities etc		
	Purchase of Investment Property	.00	.00
	Purchase in Fixed Assets	.00	.00
	(Increase)/ Decrease of Investments	.00	.00
	Net Cash Inflow from Investing activities	.00	.00
C)	Cash Flow from Financing Activities		
	Repayments of Long Term Secured Loans	.00	.00
	Interest Received	.00	.00
	Proceeds Received in Long Term Borrowings	-1527.56	3554.45
	Interest Paid	-580.17	-1268.21
	Proceeds from Issue of Share Warrants	.00	-1007.50
	Net Cash Outflow from Financing Activities	-2107.73	1278.75
	Net Increase in cash and cash equivalents	24.25	47.46
	Cash & Cash Equivalents		
	- Opening	52.73	5.27
	Cash & Cash Equivalents		
	- Closing	76.98	52.73
<p>For Pro Fin Capital Services Limited</p> <p></p> <p>Anupam Gupta Managing Director DIN: 02294687</p> <p>Date: 14-11-2024 Place: Mumbai</p>			



GENERAL INFORMATION

Our Company was originally incorporated on July 22, 1991 as a private limited company under the name and style of "Pro Fin Capital Services Private Limited" under the provisions of the Companies Act, 1956 with the Registrar of Companies, Delhi & Haryana. Subsequently, our Company was converted into a public limited company and the name of our Company was changed to "Pro Fin Capital Services Limited" and a fresh certificate of incorporation was issued on March 21, 1994 by Registrar of Companies, Mumbai, Maharashtra. The Corporate Identification Number of the Company is L51909MH1991PLC250695.

OFFICE(S) OF OUR COMPANY

REGISTERED OFFICE

Pro Fin Capital Services Limited

503, Western Edge II, Western Express High Way,
Borivali East, Mumbai, Maharashtra, India, 400066

CIN: L51909MH1991PLC250695

Email: profin.capital1@gmail.com

Website: www.profincapital.co.in

Tel: 022-3267 0651

ADDRESS OF REGISTRAR OF COMPANIES

Registrar of Companies Mumbai, Maharashtra

100, Everest, Marine Drive,

Mumbai- 400002, Maharashtra

Contact No: 022-22812627/22020295/22846954

Email: roc.mumbai@mca.gov.in

CHANGES IN REGISTERED OFFICE

There has been no change in the registered office of the Company in the last three years.

BOARD OF DIRECTORS OF OUR COMPANY

NAME	DESIGNATION	DIN	PAN	ADDRESS
Anupam Gupta	Managing Director	02294687	AIQPG8113N	A 2601 Oberoi Gardens, Thakur Village, Near Mahindra and Mahindra, Kandivali (East), Mumbai - 400101
Abhay Narain Gupta	Whole Time Director	02294699	AIZPG5166A	PH-03 27 th Floor Oberoi Gardens, Thakur Village, Near Mahindra and Mahindra, Kandivali (East), Mumbai - 400101
Pinkesh Jain	Executive Director	05276155	AHTPJ9816F	A-301, Arihant Villa, Shanti Nagar, Sumerpur Road, Pali, Rajasthan-306401



PRO FIN CAPITAL SERVICES LIMITED
(CIN-L51909MH1991PLC250695)

NAME	DESIGNATION	DIN	PAN	ADDRESS
Neeraj Arora	Non-Executive Independent Director	00177569	ABLPA9797J	35 Satnam Apartments, 93 Cuffe Parade, Opp World Trade Centre, Colaba, Mumbai - 400005
Manav Kumar	Non-Executive Independent Director	08309105	ASZPK8377K	503, Western Edge II, Western Express Highway, Borivali East, Mumbai, Maharashtra, 400066
Dhanpal Jitendra Kumar Gandhi	Non-Executive Independent Director	05193985	AJZPG6251F	8 Nandkishore Apartments, Above Dapran Medical Store, Near Chandranagar, Society, Narayan Nagar Road, Ahmedabad City, Gujarat - 380007

For more details, please see the section titled "Our Management" on page 78 of this Letter of Offer.

COMPANY SECRETARY & COMPLIANCE OFFICER:

Ms. Aakansha Khandelwal

503, Western Edge II, Western Express High Way,
Borivali East, Mumbai, Maharashtra, India, 400066

Email: profin.capital1@gmail.com

Website: www.profincapital.co.in

Tel: 022-3267 0651

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSB (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e-mail address of the sole/ first holder, folio number or demat account, number of Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSB where the Application Forms, or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, see "Terms of the Issue" beginning on page 107 of this Letter of Offer.

CHIEF FINANCIAL OFFICER:

Mr. Abhay Narain Gupta

503, Western Edge II, Western Express High Way,
Borivali East, Mumbai, Maharashtra, India, 400066

Email: profin.capital1@gmail.com

Website: www.profincapital.co.in

Tel: 022-3267 0651

REGISTRAR TO THE ISSUE

Beetal Financial & Computer Services Private Limited

Beetal House, 3rd Floor, 99 Madangir, Behind LSC
Near Dada Harsukhdas Mandir, New Delhi-110062

Tel No.: 011-29961281-83



Fax No.: 011-29961284
Website: www.beetalfinancial.com
E-mail ID: beetal@beetalfinancial.com
Contact Person: Mr. Punit Mittal
SEBI Registration No: INR000000262

STATUTORY AUDITORS:

M/s. K. S. Subrahmanyam & Co.
Chartered Accountants
503/ C Wing, Sreepati Chs Ltd Building no 2, Poonam Saagar,
Mira Road (East) Mumbai- 401107
Tel: 7400201247
Email: caksswamy2@gmail.com

EXPERT OPINION

Our Company has not obtained any expert opinion.

BANKER TO THE ISSUE AND REFUND BANK:

AXIS BANK LTD
Add: Ground Floor Jalaram Business Centre Gajawala Lane,
Off Chamunda Circle, Borivali (west) Mumbai - 400 092
Email id: dayanand.chavan@axisbank.com
Website: www.axisbank.com
Tel No.: +919833201580 / +917506514015
Contact person: Dayanand Chavan

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSB for the ASBA process is provided on <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. Details relating to Designated Branches of SCSBs collecting the ASBA application forms are available at the above mentioned link.

Credit rating

This being a Rights Issue of Equity Shares, no credit rating is required.

Debenture Trustee

As the Issue is of Equity Shares, the appointment of a debenture trustee is not required.

Monitoring Agency

Since the size of the Issue is less than Rs. 10,000 Lakh, our Company is not required to appoint a monitoring agency.



Appraising Agency

None of the purposes for which the Net Proceeds are proposed to be utilized have been appraised by any bank or financial institution.

Underwriting

This Issue is not underwritten and our Company has not entered into any underwriting arrangement.

Minimum Subscription

The objects of the Issue are meeting our capital base and provide for our fund requirements for increasing our operational scale with respect to our NBFC activities and General Corporate Purpose and do not involve financing of Capital Expenditure for a project.

However, our promotor has indicated that they will subscribe fully to their portion of right entitlement. Accordingly, in terms of Regulation 86(1) of the SEBI ICDR Regulations, the requirements of minimum subscription are not applicable to the issue.

Any participation by our Promoters and Promoter Group, over and above their Rights Entitlements, shall not result in a breach of the minimum public shareholding requirements prescribed under applicable law.

FILING OF THE DRAFT LETTER OF OFFER

SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3(b) of the SEBI ICDR Regulations has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this threshold, the Draft Letter of Offer will be filed with the Stock Exchange and not with SEBI. However, the Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchange.

ISSUE SCHEDULE:

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

Issue Opening Date	Thursday, January 09, 2025
Last Date of Market renunciation of rights entitlements*	Monday, January 20, 2025
Issue Closing Date**	Friday, January 24, 2025

**Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.*

***Our Board or the Rights Issue Committee, duly constituted and authorized by the Board of Directors, thereof will*



have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date. Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., 21st January, 2025 to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., 23rd January, 2025.

Investors are advised to ensure that the Application Forms are submitted on or before the Issue Closing Date. Our Company or the Registrar will not be liable for any loss on account of non-submission of Application Forms on or before the Issue Closing Date. For details on submitting Application Forms, see "Terms of the Issue - Process of making an Application in the Issue" beginning on page 109 of this Letter of Offer.

The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar at www.beetalfinancial.com after keying in their respective details along with other security control measures implemented thereat. For further details, see "Terms of the Issue - Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders" beginning on page 121 of this Letter of Offer.

Please note that if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under Issue.



CAPITAL STRUCTURE

The share capital of our Company as on the date of this Letter of Offer is set forth below:

(Rs. in Lakh, except the shares data)

	Particulars	Aggregate value at face value	Aggregate value at Issue Price
A.	AUTHORIZED SHARE CAPITAL		
	65,00,00,000 Equity Shares of Re. 1.00 each	6,500.00	-
B.	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE ISSUE		
	21,20,07,000 Equity Shares of Re. 1.00 each	2,120.07	-
C.	PRESENT ISSUE BEING OFFERED TO THE EXISTING EQUITY SHAREHOLDERS THROUGH THIS LETTER OF OFFER ⁽¹⁾		
	Upto 10,60,03,500 Equity Shares at an Issue Price of Rs. 4.50 per Equity Share	1060.03	4,770.16
D.	ISSUED, SUBSCRIBED AND PAID UP CAPITAL AFTER THE ISSUE ⁽²⁾		
	Upto 3,18,010,500 Equity Shares of face value of Re. 1.00 each paid up	3,180.11	
E.	SECURITIES PREMIUM ACCOUNT		
	Before the Issue	381.15	
	After the Issue	4091.27	

(1) The Issue has been authorized by a resolution of our Board passed at its meeting held on 16th October, 2024 pursuant to Section 62 of the Companies Act, 2013.

(2) Assuming full subscription for and allotment of the Rights Entitlement.

Notes to the Capital Structure:

- Our Company does not have any employee stock option scheme or employee stock purchase scheme.
- Our Company does not have any outstanding warrants, options, convertible loans, debentures or any other securities convertible at a later date into Equity Shares, as on the date of this Letter of Offer, which would entitle the holders to acquire further Equity Shares.

3. Shareholding of Promoter and Promoter Group:

The details of specified securities held by the Promoter and Promoter Group including the details of lock-in, pledge and encumbrance on such securities as on September 30, 2024 are set forth hereunder:



Sr. No.	Name of the Promoter & Promoter Group	Category	No. of Equity Shares held	% of total share capital	Details of Equity Shares pledged/ encumbered		Details of Equity Shares locked-in	
					No. of Equity Shares	% of total shares held	No. of Equity Shares	% of total share capital
1.	Mr. Abhay Narain Gupta	Promoter	200	0	-	-	-	-
2.	Mr. Anupam Narain Gupta	Promoter	33,23,160	1.57	31,97,706	96.22	-	-
3.	M/s Anupam Gupta HUF	Promoter	5,55,000	0.26	-	-	-	-
4.	Mrs. Neha Anupam Gupta	Promoter	11,12,520	0.52	-	-	-	-
5.	M/s Ambe Securities Private Limited	Promoter	1,49,100	0.07	1,49,100	100%	-	-
6.	M/s Triyamb Securities Private Limited	Promoter	45,74,043	2.16	7,00,000	15.30	-	-

None of the Equity Shares held by our Promoter and Promoter Group are pledged with any bank or institution, locked-in or otherwise encumbered except 40,46,806 shares mentioned above.

4. No Equity Shares have been acquired by the Promoter or members of the Promoter Group in the year immediately preceding the date of filing of Letter of Offer.

5. Intention and extent of participation in the Issue by the Promoter and Promoter Group

The Promoters of our Company have, vide their letters dated 15th October, 2024 ("Subscription Letters") indicated that they will subscribe fully to their portion of right entitlement. Further, the promoters have confirmed that do intend to apply for, and subscribe to, additional Rights Equity Shares over and above their Rights Entitlements (including unsubscribed portion of the Issue, if any).

The Company shall maintain minimum public shareholding requirements as stipulated under the SEBI Listing Regulations.

As such, other than meeting the requirements indicated in the chapter titled "Objects of the Issue" at page 55 of this Letter of Offer, there is no other intention / purpose for the Issue, including any intention to delist our Equity Shares.

In case the Rights Issue remains unsubscribed and / or minimum subscription is not achieved, the Board of Directors may dispose of such unsubscribed portion in the best interest of the Company and the Equity Shareholders and in compliance with the applicable laws.

6. All the Equity Shares of our Company are fully paid-up as on the date of this Letter of Offer. Further, the Equity Shares offered in the Rights Issue shall be made fully paid at the time of their allotment.



7. At any given time, there shall be only one denomination of the Equity Shares of our Company, excluding any equity shares with superior rights, if any, issued by our Company.
8. The ex-rights price per Equity Share arrived in accordance with Regulation 10(4)(b) of the SEBI Takeover Regulations is 3.43.
9. The details of the shareholders holding more than 1% of the share capital of the Company as on September 30, 2024 are as under:

Sr. No.	Name of Shareholders	No. of Equity Shares held	% of total share capital
1.	Triyamb Securities Private Limited	45,74,043	2.16
2.	Apurva Chopra	33,69,051	1.59
3.	Anupam Narain Gupta	33,23,160	1.57
4.	Seema Aggarwal	31,00,000	1.46
5.	Uma	22,82,669	1.08
6.	Rashmi Pratap Lodaya	41,58,889	1.96
7.	Rajesh Paila	24,69,695	1.16
8.	Nilesh Kanwarlal Chopra	25,27,578	1.19
9.	Mehul Hasmukh Bhai Shah	27,00,000	1.27
10.	Mamta Kapil Kothari	28,50,000	1.34

10. Shareholding Pattern of our Company

Shareholding Pattern of the Equity Shares of our Company as per the last filing with the Stock Exchange, i.e., as on September 30, 2024 can be accessed on the website of the BSE at

<https://www.bseindia.com/stock-share-price/pro-fin-capital-services-ltd/profinc/511557/shareholding-pattern/>

The statement showing the holding of Equity Shares of persons belonging to the category “Promoter and Promoters Group” as on September 30, 2024 can be accessed on the website of the BSE at

<https://www.bseindia.com/stock-share-price/pro-fin-capital-servicesltd/profinc/511557/shareholding-pattern/>

The Statement of showing the details of shares pledged, encumbrance by promoters and promoter group as on September 30, 2024 can be accessed on the website of the BSE at

<https://www.bseindia.com/stock-share-price/pro-fin-capital-servicesltd/profinc/511557/shareholding-pattern/>

11. Details of options and convertible securities outstanding as on the date of this Letter of Offer

There are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Letter of Offer.



OBJECTS OF THE ISSUE

Our Company intends to utilize the proceeds of the Issue, after deducting Issue related expenses (“Net Proceeds”) towards the following objects:

1. To augment our capital base and provide for our fund requirements for increasing our operational scale with respect to our NBFC activities; and
2. General corporate purposes
(Collectively, referred to herein as the “Objects”)

The main objects clause of our Memorandum of Association and the objects incidental and ancillary to the main objects enables us to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum of Association.

We intend to utilize the gross proceeds raised through the Issue (the “Issue Proceeds”) after deducting the Issue related expenses (“Net Proceeds”) for the abovementioned Objects.

The objects set out in the Memorandum of Association enable us to undertake our existing activities and the activities for which funds are being raised by us through the Issue and the activities for which the borrowings proposed to be prepaid in full or part from the Net Proceeds.

Details of the Object of the Issue

The details of objects of the Issue are set forth in the following table:

		(Rs. In Lacs)
S. No.	Particulars	Amounts
1)	Gross Proceeds from the Issue	4,770.16
2)	(Less) Issue related expenses*	25.00
3)	Net Proceeds from the Issue	4,745.16

FUND REQUIREMENTS

The details of the Gross Proceeds are set forth in the following table:

			(Rs. In lacs)	
S.No.	Particulars	Amounts	% of gross proceeds	% of Net proceeds
1.	To augment our capital base and provide for our fund requirements for increasing our operational scale with respect to our NBFC activities	3,700.00	77.57%	77.97%
2.	General Corporate Purposes**	1,045.16	21.91%	22.03%
3.	Issue Related Expenses	25.00	0.52%	0.53%
	Total	4,770.16	100.00%	-

** The amount utilized towards general corporate purposes shall not exceed 25% of the Gross Proceeds.



Schedule of implementation/ Utilization of Issue Proceeds

Our Company proposes to deploy the entire Net Proceeds towards the Objects as described herein during Fiscal 2024- 25.

The funds deployment described herein is based on management estimates and current circumstances of our business and operations. Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of variety of factors such as our financial condition, business strategy, including external factors which may not be within the control of our management. This may entail rescheduling and revising the planned funding requirements and deployment and increasing or decreasing the funding requirements from the planned funding requirements at the discretion of our management. Accordingly, the Net Proceeds of the Issue would be used to meet all or any of the purposes of the fund requirements described herein. Subject to applicable law, if the actual utilisation towards issue expense is lower than the stated above, the balance will be used towards general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the gross proceeds. In case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the Objects, business considerations may require us to explore a range of options including utilising our internal accruals. We believe that such alternate arrangements would be available to fund any such shortfalls. To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects, per the estimated scheduled of deployment specified above, our Company shall deploy the Net Proceeds in subsequent financial years towards the aforementioned objects.

The above fund requirements are based on our current business plan, internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to revisions in light of changes in external circumstances or costs, or our financial condition, business or strategy. For further details of factors that may affect these estimates, see “Risk Factor No: 10 – “Any inability on our part to effectively utilize the Issue Proceeds could adversely affect our financial results. The objects of the Issue are based on the internal estimates of our management and have not been appraised by any bank or financial institution.” on page 30 of this Letter of Offer.

MEANS OF FINANCE:

Our Company proposes to meet the entire requirement of funds for the proposed objects of the Issue from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue.

DETAILS OF THE OBJECTS

The details of the objects of the Issue are set out below:

1. To augment our capital base and provide for our fund requirements for increasing our operational scale with respect to our NBFC activities.

We are RBI Registered NBFC involved in the business of equity and debt investments, trading in securities and providing unsecured financing to individuals and small businesses. We propose to augment our capital base by Rs. 3,700.00 lakhs through this Issue and utilize the funds raised to further increase the operational scale of its business of NBFC activities. Primarily the amount will be used to expand our business operations. With the Issue Proceeds our Company envisages increasing its lending/



financing portfolio qualitatively and quantitatively to target eligible clients for secured and unsecured loans. The Company also seeks to utilize the amounts raised to increase its present investment & trading portfolio by making short term and long- term investments & trades in form of Equity of listed and unlisted companies, Strategic investments, Debt, Derivatives, and other instruments/ Securities. Our investment scope and strategy depend upon the opportunities and market conditions; both long term and short term and we invest in variety of sectors. There are no prefixed criteria or predefined limitations to the Company's investments. Besides we aim to leverage the combined experience of our network of professionals and Board members to make strategic investments in areas of growth and transformation with a long-term perspective.

(Rs. In lacs)

Sr. No.	Particulars	31.03.2023	31.03.2024	31.03.2025
		Audited	Audited	Estimated
A.	Current Assets			
	Inventories	257.54	257.54	250.00
	Trade Receivable	0.00	0.00	0.00
	Short Term Loans & Advances and Other Current Assets	31737.98	32930.56	33000.00
	Total Current Assets	31995.53	33188.11	33250.00
B.	Current Liabilities			
	Trade payable			
	Other current liabilities	71.81	17.40	18.00
	Short Term Provisions	2800.28	1632.84	1600.00
	Total Current Liabilities	0.00	0.00	0.00
C.	Working Capital Gap (A-B)	2872.09	1650.24	1618.00
D.	Owned Funds /Internal Accruals/Borrowings	29123.43	31537.86	27932.00
E.	Working Capital funding through Issue Proceeds	-	-	3700.00

We are into NBFC activities and majorly our business involves granting loans and advances. As per our estimates we would require upto Rs. 3,700.00 Lacs out of the issue proceeds to meet the working capital requirements.

Assumption for Working Capital Requirement

Assumptions for holding level (Months)

Particulars	March 31, 2023	March 31, 2024	March 31, 2025
Inventory	1.53	1.42	1.25
Trade Receivable	0.00	0.00	0.00
Trade Payable	0.43	0.10	0.09



Justification of Holding Level of last 2 years and estimated for FY 25:

Sr. No.	Particulars	Assumptions
Current Assets		
1	Revenues from operations:	The revenues from operations from FY 2023 to FY 2024 was increased by 8.16%. However, going forward we have estimated the rationalization in increase our revenues in FY 2025 by 10.13% which is in line with the operations of the company.
2	Inventories:	We have maintained average inventory in fiscal 2023 of 1.53 months and in fiscal 2024 of 1.42 months. Going forward we estimate average inventory of 1.25 months in financial year 2024-2025.
3	Other current assets including other financial assets.	The key items under this head are advance to suppliers, staff, other advances, security deposit with statutory authorities, Balances of taxes with Government authorities, prepaid expenses etc.
Current Liabilities		
4	Trade payables	Our payable's credit period was 0.43 months in financial year 2022-23 and credit period in the financial year 2023-24 was 0.10 months. The Company has estimated lower credit period of around 0.9 months in a FY 2024-25 which would in turn help in reducing the cost of sales and improve profitability margins.
5	Other current liabilities	Other current liabilities include provisions, statutory dues, expenses payable etc.

*The holding period of Inventories and Trade Payable is calculated as cost of sales respectively.

2. General Corporate Purposes:

Our Company intends to deploy the balance Net Proceeds aggregating to Rs. 1,045.16 Lakhs towards general corporate purposes, subject to such utilization not exceeding 25% of the Issue Proceeds, in compliance with applicable laws, to drive our business growth, including, amongst other things, (a) funding growth opportunities, including strategic initiatives; (b) acquiring assets, such as plant and machinery, furniture and fixtures, and intangibles; (c) meeting any expenses incurred in the ordinary course of business by our Company including salaries and wages, rent, administration expenses, insurance related expenses, and the payment of taxes and duties; (d) meeting of exigencies which our Company may face in course of any business, (e) brand building and other marketing expenses and (f) any other purpose in the ordinary course of business as permitted by applicable laws and as approved by our Board or a duly appointed committee thereof.

Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds and increasing or decreasing expenditure for a particular object i.e., the utilization of Net Proceeds. In case of a shortfall in the Net Proceeds, our management may explore a range of options including utilizing our internal accruals or seeking debt from future lenders. Our management expects that such alternate arrangements would be available to fund any such shortfall. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount in the next Fiscal.



ISSUE RELATED EXPENSES

The expenses for this Issue include issue management fees, underwriting fees, registrar fees, printing and distribution expenses, advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed Rs. 25.00 Lacs.

Particulars	Amount (Rs. in Lacs)	% of Total Issue Expenses	% of Total Issue Size
Issue management fees, selling commissions, brokerages, Payment to other intermediaries such as Registrars etc.	10.00	40.00%	0.21%
Advertising, printing, distribution, marketing and stationery expenses	5.00	20.00%	0.10%
Regulatory fees, filing fees, listing fees and other miscellaneous expenses	10.00	40.00%	0.21%
Total Estimated Issue Expenses	25.00	100.00%	0.52%

In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards General Corporate Purposes. All Issue related expenses will be paid out of the Gross Proceeds received at the time of receipt of the subscription amount to the Rights Issue.

Details of funds already deployed till date and sources of funds deployed

The funds deployed up to 15th October, 2024 pursuant to the object of this Issue as certified by the Auditors of our Company, viz. M/s. K. S. Subrahmanyam & Co., Chartered Accountants pursuant to their certificate dated 16th October, 2024 is given below:

Deployment of funds	Amount (Rs. In Lacs)
Issue Related Expenses	-
Objects Related Expenses	-
Total	-

Sources of funds	Amount (Rs. In Lacs)
Internal Accruals	-
Bank Finance	-
Total	-

BRIDGE FINANCING

We have not entered into any bridge finance arrangements that will be repaid from the Net Issue Proceeds.

APPRAISAL BY APPRAISING AGENCY

None of the Objects have been appraised by any bank or financial institution or any other independent third party organization.



STRATEGIC AND FINANCIAL PARTNERS

There are no strategic or financial partners to the Objects of the Issue.

INTERIM USE OF FUNDS

Our Company, in accordance with the policies formulated by our Board from time to time, will have flexibility to deploy the Net Proceeds. Pending utilization of the Net Proceeds for the purposes described above, our Company may buy, trade or otherwise dealing in shares of any unlisted company or any other listed company or for any investment in the equity markets or we may invest the funds in high quality interest bearing liquid instruments including money market mutual funds, deposits with banks or temporarily deploy the funds in working capital loan accounts and other investment grade interest bearing securities as may be approved by the Board and in accordance with the MOA and AOA of the company. Such investments would be in accordance with the investment policies approved by our Board and Shareholders, if applicable/ required from time to time and at the prevailing commercial rates at the time of investment

MONITORING UTILIZATION OF FUNDS

As the size of the Issue does not exceed Rs. 10,000 lakhs, in terms of Regulation 16 of the SEBI Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds.

Pursuant to Regulation 32 of the Listing Regulations, our Company shall on a Quarterly yearly basis disclose to the Audit Committee the uses and application of the Issue Proceeds. Until such time as any part of the Issue Proceeds remains unutilized, our Company will disclose the utilization of the Issue Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Issue Proceeds have been utilized so far, and details of amounts out of the Issue Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Issue Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Issue Proceeds in a Fiscal Year, we will utilize such unutilized amount in the next financial year.

Further, in accordance with Regulation 32(1) (a) of the Listing Regulations our Company shall furnish to the Stock Exchange on a Quarterly basis, a statement indicating material deviations, if any, in the utilization of the Issue Proceeds for the objects stated in this Letter of offer.

KEY INDUSTRY REGULATIONS FOR THE OBJECTS OF THE ISSUE

No additional provisions of any act, regulations, rules and other laws are or will be applicable to the company for the proposed Rights Issue.

OTHER CONFIRMATIONS

No part of the proceeds of the Issue will be paid by us to the Promoter and Promoter Group, the Directors, associates or Key Management Personnel, except as stated above and in the normal course of business and in compliance with applicable.



STATEMENT OF SPECIAL TAX BENEFITS

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS AS PER THE CERTIFICATE ISSUED BY STATUTORY AUDITORS OF THE COMPANY

To,
The Board of Directors,
Pro Fin Capital Services Limited
503, Western Edge II, Western Express High Way,
Borivali East, Mumbai, Maharashtra - 400066

Dear Sirs,

Subject: Proposed Rights Issue of equity shares with a Face value of Re. 1.00/- each by Pro Fin Capital Services Limited (the "Company") (the "Issue")

We hereby confirm that the enclosed statement states the possible special direct tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 ("Act") as amended from time to time, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company may or may not choose to fulfill.

This statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the rights issue of equity shares of the Company particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. Neither are we suggesting nor are we advising the investor to invest money based on this statement.

The contents of the enclosed statement are based on the information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company. We do not express any opinion or provide any assurance as to whether:

- i) the Company or its shareholders will continue to obtain these benefits in future; or
- ii) the conditions prescribed for availing the benefits have been/would be met with

This statement is intended solely for information and for inclusion in the Letter of Offer in relation to the Issue of equity shares of the Company and is not to be used, circulated or referred to for any other purpose without our prior written consent. Our views are based on the existing provisions of law referred to earlier and its interpretation, which are subject to change from time to time.



We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this Statement.

For M/s. K. S. Subrahmanyam & Co.
Chartered Accountants
Firm Registration No.- 017461S
Sd/-
CA Kanuparth Subrahmanyam Swamy
(Proprietor)
Membership No: 018630
Place: Mumbai
Date: 16/10/2024
UDIN: 24018630BKBLDC5096



Annexure

ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA

I Special Tax Benefits available to the Company under the Act:

There are no special tax benefits available to the Company.

II. Special Tax Benefits available to the Shareholders under the Act:

There are no special tax benefits available for the shareholders of the Company under the provisions of the Act.

For M/s. K. S. Subrahmanyam & Co.
Chartered Accountants
Firm Registration No.- 017461S
Sd/-
CA Kanuparth Subrahmanyam Swamy
(Proprietor)
Membership No: 018630
Place: Mumbai
Date: 16/10/2024
UDIN: 24018630BKBLDC5096



SECTION V: ABOUT OUR COMPANY

OUR INDUSTRY

The information contained in 'Industry Overview' in this section is derived from publicly available sources. Neither we, nor any other person connected with the Issue has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

Shareholders should note that this is only a summary of the industry in which we operate and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, shareholders should read this entire Letter of Offer, including the information in the sections "Risk Factors" and "Financial Statements" on pages 25 and 82, respectively of this Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section 'Risk Factors' on page 25 of this Letter of Offer.

GLOBAL PROSPECTS AND POLICIES

Global growth is projected to stabilize at 2.6 percent this year, holding steady for the first time in three years despite flaring geopolitical tensions and high interest rates. It is then expected to edge up to 2.7 percent in 2025-26 amid modest growth in trade and investment. Global inflation is projected to moderate—but at a slower clip than previously assumed, averaging 3.5 percent this year. Given continued inflationary pressures, central banks in both advanced economies and emerging market and developing economies (EMDEs) will likely remain cautious in easing monetary policy. As such, average benchmark policy interest rates over the next few years are expected to remain about double the 2000-19 average.

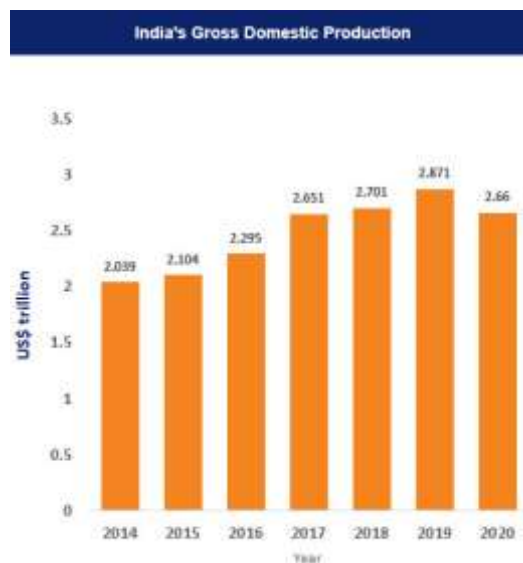
Despite an improvement in near-term growth prospects, the outlook remains subdued by historical standards in advanced economies and EMDEs alike. Global growth over the forecast horizon is expected to be nearly half a percentage point below its 2010-19 average pace. In 2024-25, growth is set to underperform its 2010s average in nearly 60 percent of economies, representing more than 80 percent of global population and world output. EMDE growth is forecast to moderate from 4.2 percent in 2023 to 4 percent in both 2024 and 2025. Prospects remain especially lackluster in many vulnerable economies—over half of economies facing fragile- and conflict-affected situations will still be poorer by the end of this year than on the eve of the pandemic.

(Source: <https://openknowledge.worldbank.org/server/api/core/bitstreams/6feb9566-e973-4706-a4e1-b3b82a1a758d/content>)



Market Size

Real GDP or GDP at Constant (2011-12) Prices in the year 2023-24 is estimated at Rs. 173.82 lakh crores (US\$ 2.08 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 160.71 lakh crores (US\$ 1.92 trillion). The growth in real GDP during 2023-24 is estimated at 8.2% as compared to 7.0% in 2022-23. There are 113 unicorn startups in India, with a combined valuation of over US\$ 350 billion. As many as 14 tech startups are expected to list in 2024 Fintech sector poised to generate the largest number of future unicorns in India. With India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.



According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time periods. India's current account deficit (CAD) narrowed to 0.7% of GDP in FY24. The CAD stood at US\$ 23.2 billion for the 2023-24 compared to US\$ 67.0 billion or 2.0% of GDP in the preceding year. This was largely due to decrease in merchandise trade deficit.

Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal, Indian exports are expected to reach US\$ 1 trillion by 2030.

Introduction to the Financial Services Industry

India has a diversified financial sector undergoing rapid expansion, both in terms of strong growth of existing financial services firms and new entities entering the market. The sector comprises commercial banks, insurance companies, non-banking financial companies, co-operatives, pension funds, mutual funds and other smaller financial entities. The banking regulator has allowed new entities such as payment banks to be created recently, thereby adding to the type of entities operating in the sector. However, the financial sector in India is predominantly a banking sector with commercial banks accounting for more than 64% of the total assets held by the financial system.

The Government of India has introduced several reforms to liberalise, regulate and enhance this industry. The Government and Reserve Bank of India (RBI) have taken various measures to facilitate easy access to finance for Micro, Small and Medium Enterprises (MSMEs). These measures include launching Credit Guarantee Fund Scheme for MSMEs, issuing guidelines to banks regarding collateral requirements and setting up a Micro Units Development and Refinance Agency (MUDRA). With a combined push by Government and private sector, India is undoubtedly one of the world's most vibrant capital markets.



(Source: <https://www.ibef.org/industry/financial-services-india>)

Historical Context

Historically, NBFCs have been a vital cornerstone of the Indian financial ecosystem as important financial intermediaries channelizing savings and investments, especially for small-scale and retail sectors as well as underserved areas and unbanked sectors of the Indian economy.

A Non-Banking Financial company (NBFC) is a company registered under the Companies Act, 1956 or under Companies Act, 2013 engaged in the business of loans and advances, acquisition of shares/stocks/bonds/debentures/securities issued by Government or local authority or other marketable securities of a like nature, leasing, hire-purchase, insurance business, chit business but does not include any institution whose principal business is that of agriculture activity, industrial activity, purchase or sale of any goods (other than securities) or providing any services and sale/purchase/construction of immovable property. A non-banking institution which is a company and has principal business of receiving deposits under any scheme or arrangement in one lump sum or in instalments by way of contributions or in any other manner, is also a non-banking financial company (Residuary non-banking company).

In terms of Section 45-IA of the RBI Act, 1934, no Non-banking Financial Company can commence or carry on business of a non-banking financial institution without a) obtaining a certificate of registration from the Bank and without having a Net Owned Funds of ₹ 25 lakhs (₹ Two crore since April 1999). However, in terms of the powers given to the Bank, to obviate dual regulation, certain categories of NBFCs which are regulated by other regulators are exempted from the requirement of registration with RBI viz. Venture Capital Fund/Merchant Banking companies/Stock broking companies registered with SEBI, Insurance company holding a valid Certificate of Registration issued by IRDA, Nidhi companies as notified under Section 620A of the Companies Act, 1956, Chit companies as defined in clause (b) of Section 2 of the Chit Funds Act, 1982, Housing Finance Companies regulated by National Housing Bank, Stock Exchange or a Mutual Benefit Company.

A Company incorporated under the Companies Act, 1956 and desirous of commencing business of non-banking financial institution as defined under Section 45 I(a) of the RBI Act, 1934 should comply with the following:

1. It should be a company registered under Section 3 of the companies Act, 1956
2. It should have a minimum net owned fund of ₹ 200 lakh.

(Source: <https://www.rbi.org.in/Scripts/FAQView.aspx?Id=92>)

Categories of NBFCs

NBFCs are categorized

- a) in terms of the type of liabilities into Deposit and Non-Deposit accepting NBFCs,
- b) non deposit taking NBFCs by their size into systemically important and other non-deposit holding companies (NBFC-NDSI and NBFC-ND) and c) by the kind of activity they conduct. Within this broad categorization the different types of NBFCs are as follows:

1. Asset Finance Company (AFC): An AFC is a company which is a financial institution carrying on as its principal business the financing of physical assets supporting productive/economic activity, such as



automobiles, tractors, lathe machines, generator sets, earth moving and material handling equipment, moving on own power and general purpose industrial machines. Principal business for this purpose is defined as aggregate of financing real/physical assets supporting economic activity and income arising therefrom is not less than 60% of its total assets company total income respectively.

2. Investment Company (IC): IC means any Company which is a financial institution carrying on as its principal business the acquisition of securities,

3. Loan Company (LC): LC means any company which is a financial institution carrying on as its principal business the providing of finance whether by making loans or advances or otherwise for any activity other than its own but does not include an Asset Finance Company.

4. Infrastructure Finance Company (IFC): IFC is a non-banking finance company a) which deploys at least 75 per cent of its total assets in infrastructure loans, b) has a minimum Net Owned Funds of ₹ 300 crore, c) has a minimum credit rating of 'A' or equivalent d) and a CRAR of 15%.

5. Systemically Important Core Investment Company (CIC-ND-SI): CIC-ND-SI is an NBFC carrying on the business of acquisition of shares and securities which satisfies the following conditions: -

a) it holds not less than 90% of its Total Assets in the form of investment in equity shares, preference shares, debt or loans in group companies;

b) its investments in the equity shares (including instruments compulsorily convertible into equity shares within a period not exceeding 10 years from the date of issue) in group companies constitutes not less than 60% of its Total Assets;

c) it does not trade in its investments in shares, debt or loans in group companies except through block sale for the purpose of dilution or disinvestment;

d) it does not carry on any other financial activity referred to in Section 45I(c) and 45I(f) of the RBI Act, 1934 except investment in bank deposits, money market instruments, government securities, loans to and investments in debt issuances of group companies or guarantees issued on behalf of group companies.

e) Its asset size is ₹ 100 crore or above; and

f) It accepts public funds

6. Infrastructure Debt Fund: Non- Banking Financial Company (IDF-NBFC): IDF-NBFC is a company registered as NBFC to facilitate the flow of long term debt into infrastructure projects. IDF-NBFC raise resources through issue of Rupee or Dollar denominated bonds of minimum 5 year maturity. Only Infrastructure Finance Companies (IFC) can sponsor IDF-NBFCs.

7. Non-Banking Financial Company - Micro Finance Institution (NBFC-MFI): NBFC-MFI is a non-deposit taking NBFC having not less than 85% of its assets in the nature of qualifying assets which satisfy the following criteria:

a) loan disbursed by an NBFC-MFI to a borrower with a rural household annual income not exceeding ₹ 1,00,000 or urban and semi-urban household income not exceeding ₹ 1,60,000;

b) loan amount does not exceed ₹ 50,000 in the first cycle and ₹ 1,00,000 in subsequent cycles;

c) total indebtedness of the borrower does not exceed ₹ 1,00,000;



-
- d) tenure of the loan not to be less than 24 months for loan amount in excess of ₹ 15,000 with prepayment without penalty;
- e) loan to be extended without collateral;
- f) aggregate amount of loans, given for income generation, is not less than 50 per cent of the total loans given by the MFIs;
- g) loan is repayable on weekly, fortnightly or monthly instalments at the choice of the borrower
- h) Non-Banking Financial Company – Factors (NBFC-Factors): NBFC-Factor is a non-deposit taking NBFC engaged in the principal business of factoring. The financial assets in the factoring business should constitute at least 50 percent of its total assets and its income derived from factoring business should not be less than 50 percent of its gross income.

8. Mortgage Guarantee Companies (MGC) - MGC are financial institutions for which at least 90% of the business turnover is mortgage guarantee business or at least 90% of the gross income is from mortgage guarantee business and net owned fund is ₹ 100 crore.

9. NBFC- Non-Operative Financial Holding Company (NOFHC) is financial institution through which promoter / promoter groups will be permitted to set up a new bank. It's a wholly-owned Non-operative Financial Holding Company (NOFHC) which will hold the bank as well as all other financial services companies regulated by RBI or other financial sector regulators, to the extent permissible under the applicable regulatory prescriptions.

(Source: <https://www.rbi.org.in/Scripts/FAQView.aspx?Id=92>)

Evolution

Over the years, NBFCs have evolved given the extensive changes in the regulatory framework for NBFCs in India which have moved from simplified regulations to stringent and extensive regulations as well as towards rationalisation per the currently revised NBFC regulatory framework. Given these high levels of regulation, NBFCs have also emerged as preferred options to meet credit needs since the low cost of operations has provided these NBFCs an edge over banks.

Financial Access and Supportive Government Schemes

Additionally, NBFCs have gradually become important mechanisms to fuel growth and entrepreneurship due to the launch of government-backed schemes including Pradhan Mantri Jan-Dhan Yojana which has contributed to a significant increase in the number of bank accounts.

These NBFCs have also been key in being able to mitigate and manage the spread of risks during times of financial duress and have increasingly become recognized as complementary services to banks.

NBFCs have become integral for all business services, including loans and credit facilities, retirement planning, money markets, underwriting and merger activities. As such these companies play an important role in providing credit to the unorganized sector and for small borrowers at local level. Additionally, hire purchase finance is also the largest activity of NBFCs and the rapid growth of NBFCs has gradually blurred the lines between banks and NBFCs although commercial banks have retained importance. These NBFCs facilitate long term investment and financing, which is challenging for banking sector, and the growth of NBFCs widens range of products available for individuals/institutions with resources to invest.

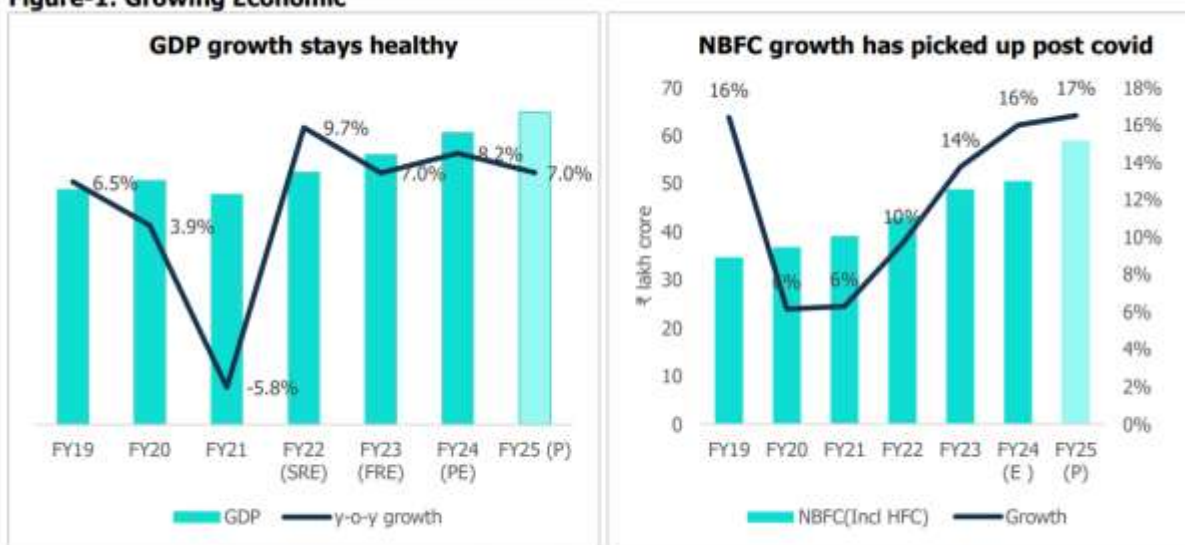


Opportunities for NBFCs

Economic Growth and Credit Demand

India's economy is on a robust growth trajectory, with healthy GDP growth rates despite geo-political challenges and growth concerns around the globe. The NBFCs sector has demonstrated significant resilience, with credit growth accelerating in the post-pandemic period. NBFCs play a crucial role in the financial ecosystem, growing at a CAGR of 14%. Amongst banks, NBFC and AIFs (All India Financial Institutions), NBFCs have maintained 21-24% share of credit from FY17 to FY24. The banks account for approximately 70% and AIFs make up remaining 5-7%. As India targets becoming a USD 5 trillion economy in the coming years, the demand for financing is set to increase, underscoring the vital role of NBFCs in supporting economic growth and development. The sector's ability to adapt and innovate will be crucial in addressing the evolving needs of the expanding economy. We expect NBFCs to grow at 17% in FY25.

Figure-1: Growing Economic



Source: MOSPI, CareEdge Estimates; SRE: Second Revised Estimate; FRE: First Revised Estimate; PE: Provisional Estimate

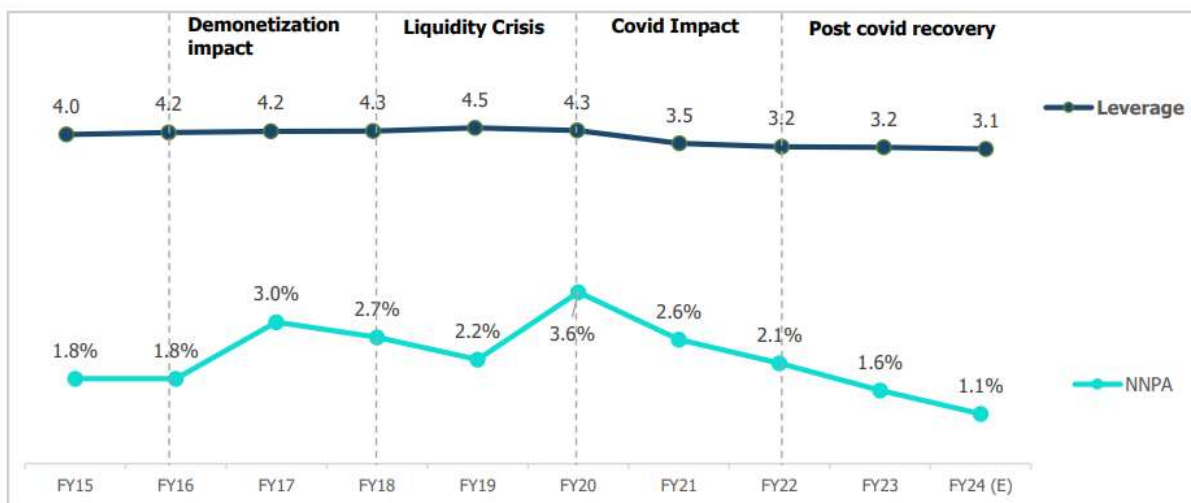
Strengthened Financial Metrics

Over the past decade, NBFCs have shown remarkable resilience, even amidst systemic shocks like the pandemic, thanks to crucial regulatory support and government initiatives. Currently, at aggregate level, NBFC balance sheets are stronger, with leverage ratios reduced to 3.1x from a peak of 4.5x. Asset quality has improved significantly, with the net non-performing asset (NNPA) ratio at an all-time low of 1.1%, despite the stricter Income Recognition, Asset Classification, and Provisioning (IRAC) norms introduced in November 2021. A similar trend is observed in credit costs (computed as provisioning & write off charged to P&L divided by average assets), which are near their bottom. However, an uptick in credit costs is anticipated over the medium term.

We also note that asset liability maturity pattern profile has strengthened with reliance on short-term funding, such as commercial papers, reducing from approximately 9% in FY17 to about 3% in FY24.

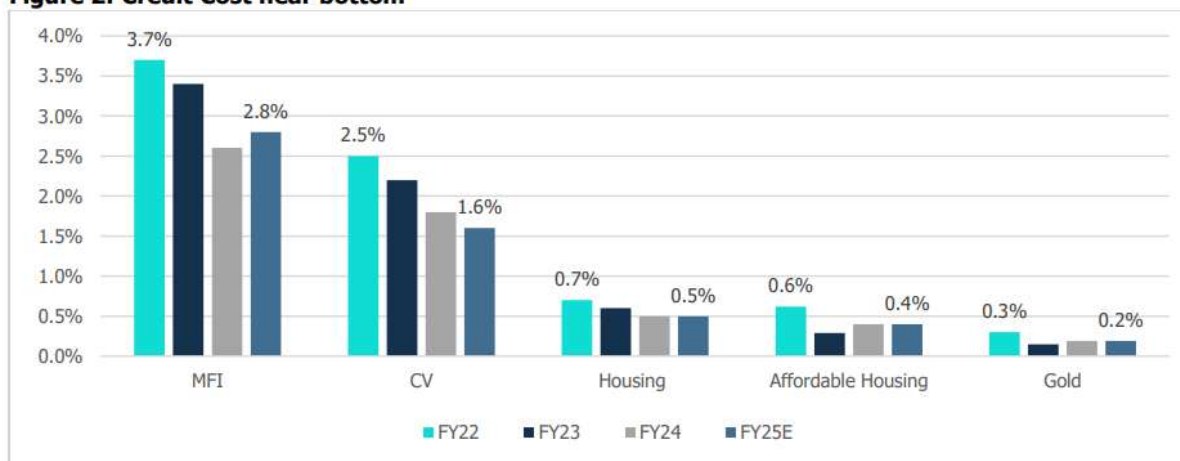


Figure 1: NBFCs – On Firm Footing



Source: RBI, CareEdge database

Figure 2: Credit Cost near bottom



Source: Company data, CareEdge estimates

Shift Towards Retail Lending

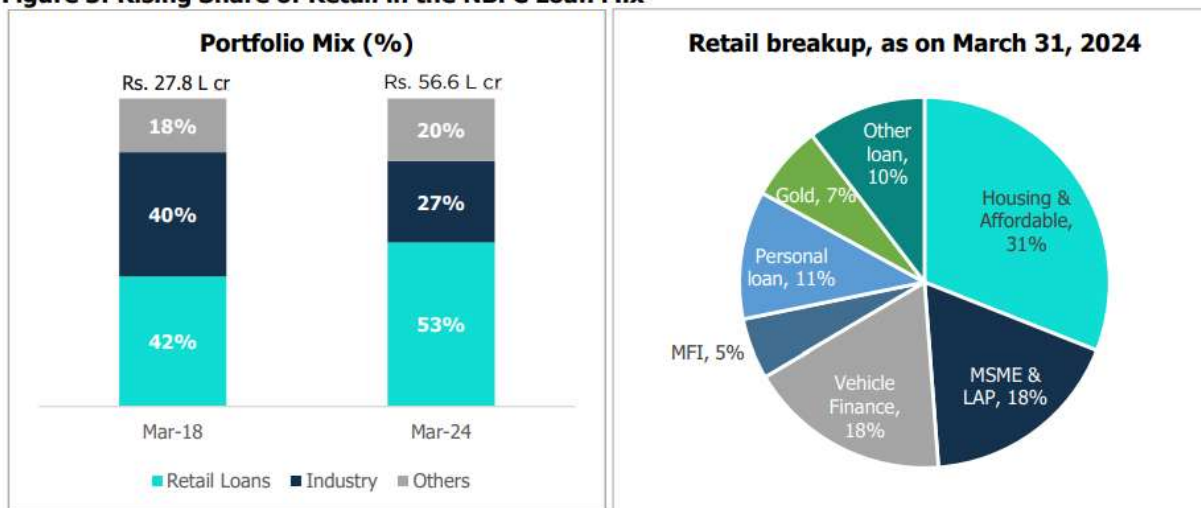
The portfolio mix of NBFCs has significantly evolved, reflecting a shift from wholesale lending to a focus on retail loans. Retail loans now drive NBFC growth, with housing loans leading the share, followed by MSME loans, Loan Against Property (LAP), and vehicle loans. This transition has resulted in a more diversified and resilient loan portfolio. This transition was supported by emergence of new players like credit AIFs and private credit market. The preference of lenders and equity investor to support retail focused NBFCs also enabled this swift transition.

The wholesale lending within NBFC space is now predominantly handled by specialized entities registered Infrastructure Finance Companies (IFCs) or Infrastructure Debt Funds (IDFs). These entities are largely mandated to cater to this space and notable names include PFC, REC, IRFC, NaBFID, NIIF



IDF, Aseem Infra. Overall proportion of retail loans has gone up from 42% in FY2018 to 53% in FY24.

Figure 3: Rising Share of Retail in the NBFC Loan Mix

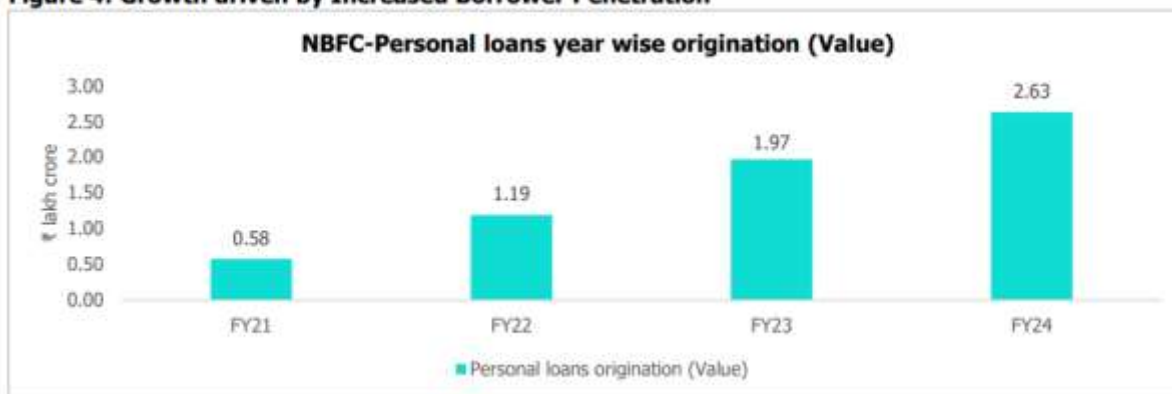


Source: RBI, NHB, CareEdge database

Unsecured Personal Loans and Digital Lending

The growth of unsecured personal loans within the NBFCs sector has been striking, driven by increased borrower penetration. The value of personal loans originated by NBFCs surged from INR 0.58 lakh crore in FY21 to INR 2.85 lakh crore in FY24. This expansion is accompanied by a substantial rise in the number of loans originated, increasing from 1.9 crore in FY21 to 10.4 crore in FY24. The average ticket size currently stands at INR 25,000. However, we also see shift towards higher ticket and longer tenure loans. This segment also shows higher delinquency trends, underscoring the need for vigilant risk management as NBFCs broaden their personal loan offerings.

Figure 4: Growth driven by Increased Borrower Penetration



Source: CRIFHIGHMARK and CareEdge estimates

Top of Form Bottom of Form the Rise of Fintech NBFCs

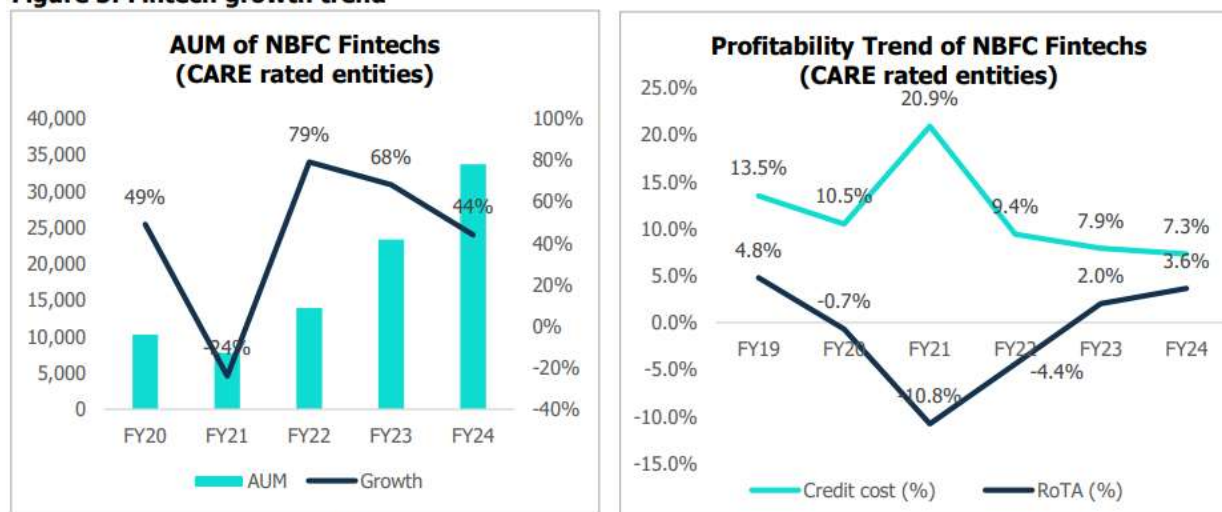
Fintech Non-Banking Financial Companies (NBFCs) have experienced rapid growth in recent years,



harnessing technology to boost efficiency and expand customer reach. The Assets Under Management (AUM) of CARE-rated fintech NBFCs have surged from ₹10,262 crore in FY20 to ₹33,676 crore in FY24, reflecting a notable year-on-year increase. However, growth rates are expected to moderate for the current fiscal year due to a higher base and potential funding constraints.

Fintech NBFCs have been able to maintain healthy Pre-Provision Operating Profit (PPOP) margins and reduction in credit costs has in turn improved the bottom-line, making them increasingly economically viable.

Figure 5: Fintech growth trend

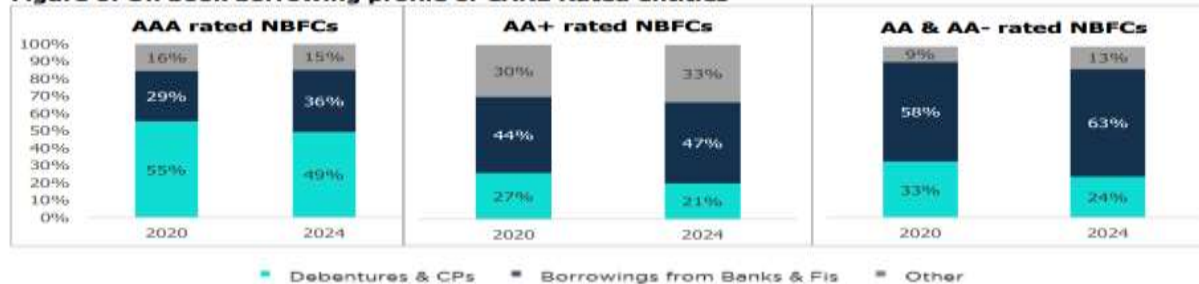


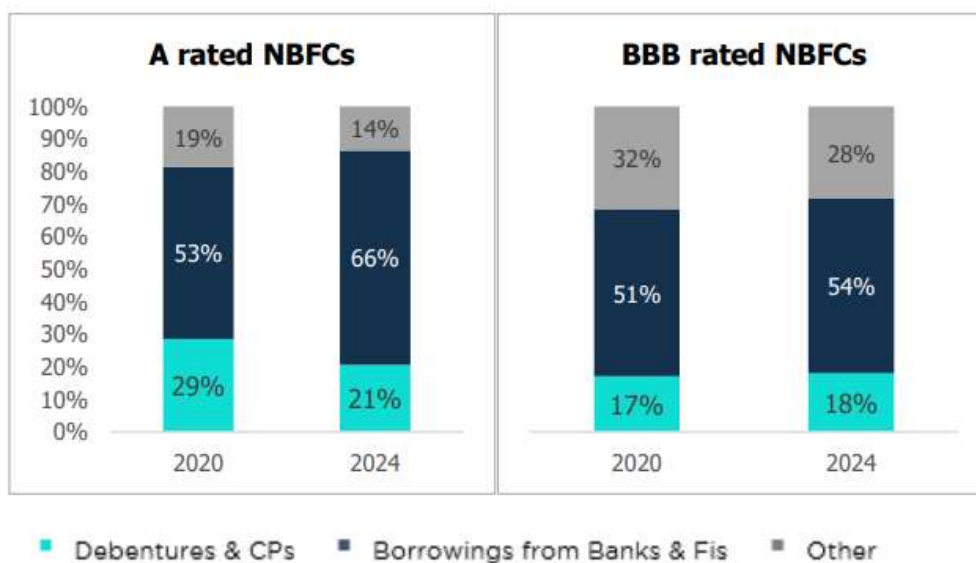
Source: Company data, CareEdge Estimates

Rising share of bank borrowings in the funding profile

The absolute exposure of all sets of debt providers have increased to NBFCs in line with book growth of NBFCs. However, in percentage terms, the funding patterns for NBFCs shows increased reliance on bank loans and a decline in bond market's share. This trend is visible across the rating categories. In terms of borrowing share, while market instruments dominate the borrowing mix of AAA rated entities, for entities rated AA and below, bank borrowings dominate the funding profile. We note that around 90% of bank debt to NBFCs is extended to entities rated in AA category or higher.

Figure 6: On book borrowing profile of CARE Rated entities



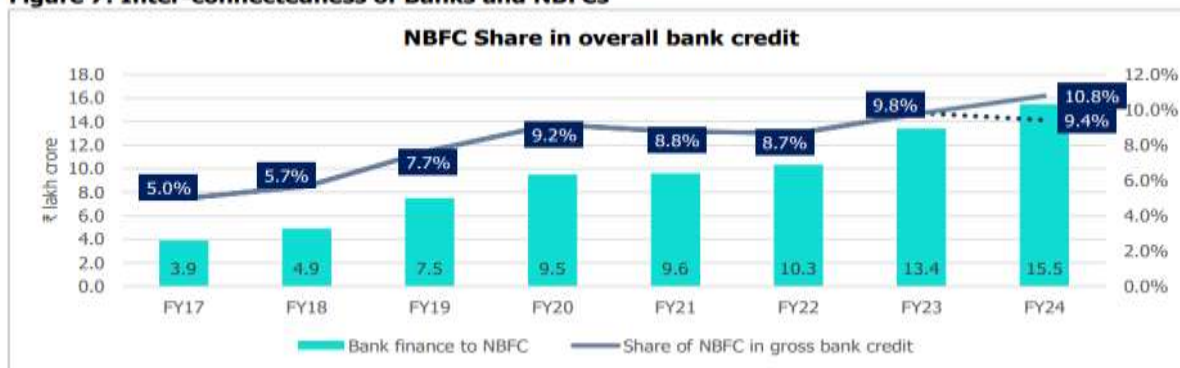


Source: Company data, CareEdge Estimates
Other includes Fixed deposits, Inter-corporate borrowings, Securitization

Rising Interconnectedness with Banks

The interconnectedness between banks and NBFCs has grown significantly, with bank finance to NBFCs increasing fourfold over the past seven years. Bank finance to NBFCs has risen from 5% to ~9.4% over the same period. If we ignore the likely impact of HDFC merger, bank finance to NBFCs would be near 10.8%. The Reserve Bank of India has raised concerns about the growing interconnectedness and are encouraging NBFCs to diversify their funding sources.

Figure 7: Inter-connectedness of Banks and NBFCs



Source: RBI, CareEdge database



In addition to bank loans, banks also support NBFCs through their investment books (investment in NCDs, CPs, and PTCs) as well as through buyouts such as Direct Assignments (DA) and Co-lending Mechanisms (CLM).

Regulatory Framework balances Risk and Growth

The proactive regulatory framework, supported by swift penal actions, has been and will be instrumental in balancing risk and growth within the NBFC sector. A few notable regulations in recent history including scale-based norms, alignment of IRAC norms of NBFC to that of banks, capital treatment for exposure to Alternative Investment Funds (AIFs) etc. are contributing to a more robust sector. Additionally, the Reserve Bank of India (RBI) has taken decisive penal measures against several prominent NBFCs in recent years for regulatory violations and exploitation of regulatory gaps, reinforcing the importance of adherence to regulatory standards and maintaining sector stability.

Strengths and Challenges

The NBFCs sector in India is currently experiencing several positive trends. Retail lending is increasing, with a focus on productive financing. NBFCs are effectively utilizing digital data to improve credit assessments and operational efficiency. Their balance sheets are stronger and credit costs are contained compared to previous years. The interest of equity investors remains robust and there is vast pool of debt capital overseas which is largely untapped.

However, challenges persist. Pressure on banks' credit-deposit ratios raises concerns about NBFCs' ability to secure funds. Enhanced regulatory supervision will lead to higher compliance costs, though necessary for stability. There is a growing discussion on need to monitor the end-use of funds by NBFC. Additionally, smaller NBFCs and smaller fintechs are facing challenges on liability-side, underscoring the need for strategic solutions to address these challenges.

Conclusion

The NBFC sector in India is well-positioned for continued growth, bolstered by a thriving economy, robust balance sheets and a good portfolio mix. The sector's resilience and adaptability provide a strong foundation for future success. The last mile reach, understanding and focus on niche micro markets are expected to continue as their USP. As NBFCs continue to innovate and harness technology, their role in the financial ecosystem will become increasingly crucial, driving significant contributions to India's overall economic development, especially lower strata of the economy.

(Source: https://www.careratings.com/uploads/newsfiles/1723195327_NBFC-Navigating%20growth%20amidst%20regulatory%20changes.pdf)



OUR BUSINESS

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read section titled "Risk Factors" on page 25, for a discussion of the risks and uncertainties related to those statements, as well as "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 82 and 86, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Audited Standalone and Limited Review Standalone Financial Statements.

Overview

Our Company was originally incorporated as "Pro Fin Capital Services Private Limited" at New Delhi, as a Private Limited Company under the provision of Companies Act, 1956 vide Certificate of Incorporation dated July 22, 1991. Subsequently our Company was converted into a public limited company and the name of our Company was changed to "Pro Fin Capital Services Limited" vide a Fresh Certificate of Incorporation dated March 21, 1994, issued by Registrar of Companies, Delhi & Haryana. The Corporate Identification number of our Company is L51909MH1991PLC250695. Our Company has no holding/subsidiary company as on date of filing of this Letter of Offer.

Pro Fin Capital Services Limited was Incorporated under the Companies Act, 1956 in the year 1991. It is registered with Reserve Bank of India as a Non - Banking Financial Company. The Equity Shares of the Company are listed at Bombay Stock Exchange. The shares of the company are admitted with both the depositories Central Depository Services Ltd. & National Securities Depository Ltd.

Pro Fin Capital Services Limited is presently engaged in the activities of investments and trading in shares and securities and providing short-term loans and advances.

Our Company follows a customer -centric business philosophy, with its growth strategy centered on transparency in term of offerings, suitability of products and variety of choices to meet a range of needs of its customers. A key strength of your company is the variety of its funding sources, which helps it optimize funding costs, protect interest margins, and retain its diversified funding portfolio. At the same time, this also enables the Company to achieve funding stability and liquidity, facilitating reduction in average borrowing costs.

OUR COMPETITIVE STRENGTHS

Experienced Leadership Team

Our company is managed by people who have a proven track record of delivering results & they possess the right acumen necessary in the build out phase of any organisation. Our senior management have diverse experience in various financial services and functions related to our business. We believe that the knowledge and experience of our senior and mid-level management team members provides us with a significant competitive advantage as we seek to grow our business and expand to new geographies.



Strong Corporate Governance Standards

Creating an institution that is built to last requires strong corporate governance standards. The governance standards are further strengthened by strong policies and processes enshrined in the Articles of Association and strong human resource. We have successfully placed process of credit evaluation, risk management, technology upliftment and business development. Further, we believe in fair trade practices and follow high standards of governance in managing the business of the Company.

OUR STRATEGIES

In line with the vision, our Company is implementing a business strategy with the following key components.

Improve the investment process

Our company has in the past made losses while investing and trading in securities. The Company will continue to trade and invest in Stock Markets and other avenues; however, we intend to improve our internal systems and processes in order to maximize the risk adjusted returns of the available assets. Further, we intend to assess better market opportunities for loans and advances and aim at diversifying the customer base in order to reduce per account risks

Increase our client database

The Company believes that business is a by-product of relationship. Since, most of our loans are short term as well as unsecured in nature, this business model is heavily reliant on client relationships that are established over period of time. The Company believes that a long term client relationship with large clients fetches better dividends. The Company intends to establish strategic alliances and share risks with companies whose resources, skills and strategies are complementary to the Company's business and are likely to enhance its opportunities.

COMPETITION

In financial services, the Company competes with NBFCs as well as large commercial banks. NBFCs dominated India's retail credit market during the 1990s and early 2000s. However, during the past five years, large commercial banks have invested significant amounts to develop the infrastructure to offer financial services. As a result of these efforts, large commercial banks now dominate this market. Following the entry of commercial banks, there is significant competition in the Indian financial services market.

MARKET TRENDS

Our business is dependent on general economic scenario and favourable financial market conditions and other factors that affect the overall business environment in India. In recent years, the Indian and world markets have fluctuated considerably. The Indian financial markets have been witnessing volatile conditions for some time now. There are many factors outside our control which may offset future increases or result in a decline in business. Our strategy is to de-risk by having multiple growth revenue streams.



INSURANCE

As on the date of this Letter of Offer our company has not taken any insurance policies.

HUMAN RESOURCES

We believe our human capital is one of our most important strengths and a key driver of growth, efficiency and productivity. We invest in developing our talent and leadership through various initiatives aimed at strengthening the ability of our managers to bring together people, strategies, and execution to drive business results.

PROPERTIES

Sr. No.	Location of the Property	Licensor/Lessor	Lease Rent/ License Fee	Tenor	
				From	To
1.	503, Western Edge II, Western Express High Way, Borivali East, Mumbai City, Mumbai, Maharashtra, India, 400066	Mr. Jagdish Thakkar			
2.	One Farmhouse at GT Road Panipat -132103	Owned	-	-	-
3.	Office at 801 & 810 Mittal Tower Mahatma Gandhi Rd, Shanthala Nagar, Ashok Nagar, Bengaluru, Karnataka 560001	Owned	-	-	-



OUR MANAGEMENT

Board of Directors

Currently, our Company has 5 (Five) Directors on our Board i , comprising of 3 (Three) Executive Directors and 2 (Two) Non-Executive Independent Directors. The composition of the Board of Directors is governed by the provisions of the Companies Act and the SEBI Listing Regulations and the norms of the code of corporate governance as applicable to listed companies in India.

The Articles of Association provide that our Company shall not have less than three Directors and not more than 12 Directors.

Pursuant to the provisions of the Companies Act, 2013, at least two-third of the total number of Directors, excluding the Independent Directors, are liable to retire by rotation, with one-third of such number retiring at each Annual General Meeting. A retiring director is eligible for re-appointment. Further, an Independent Director may be appointed for a maximum of two consecutive terms of up to five years each.

The following table sets forth details regarding our Board of Directors as of the date of this Letter of Offer.

Name, Father's name, Address, Occupation, Nationality, tenure & DIN	Date of Birth	Status of Directorship in our Company	Other Directorships
<p>1. Mr. Anupam Gupta S/o Mr. Narain Gupta Address: A-2601, Oberoi Gardens, Thakur Village, Near Mahindra and Mahindra, Kandivali (East), Mumbai - 400101 Occupation: Business Nationality: Indian Tenure: Five years DIN: 02294687 PAN: AIQPG8113N</p>	27/05/1976	Managing Director	<ol style="list-style-type: none"> 1. Asian Commtrade Private Limited. 2. Ind Renewable Energy Limited 3. Koshika Bioscience Private Limited 4. Triyamb Securities Private Limited 5. Asian Fintrade Services Private Limited 6. Ananta Infrastructure LLP- Partner
<p>2. Mr. Abhay Narain Gupta S/o Narain Gupta Address: PH-03, 27th Floor, Oberoi Gardens, Thakur Village, Near Mahindra and Mahindra, Kandivali (East), Mumbai - 400101 Occupation: Business Nationality: Indian Tenure: Five years DIN: 02294699 PAN: AIZPG5166A</p>	30/08/1981	Whole-Time Director	<ol style="list-style-type: none"> 1. Milgrey Finance and Investments Limited 2. Koshika Bioscience Private Limited 3. Asian Commtrade Private Limited 4. Triyamb Securities Private Limited 5. Asian Fintrade Services Private Limited 6. Ind Renewable Energy Limited



PRO FIN CAPITAL SERVICES LIMITED
(CIN-L51909MH1991PLC250695)

Name, Father's name, Address, Occupation, Nationality, tenure & DIN	Date of Birth	Status of Directorship in our Company	Other Directorships
3. Mr. Pinkesh Jain S/o Kamlesh Kumar Jain Address: A-301, Arihant Villa, Shanti Nagar, Sumerpur Road, Pali, Rajasthan- 306401 Occupation: Professional Nationality: Indian Tenure: Retire by Rotation DIN: 05276155 PAN: AHTPJ9816F	03/09/1989	Executive Director	1. Reverie Ceramics Private Limited
4. Mr. Neeraj Arora S/o: Davinderkumar Arora Address: 35 Satnam Apartments, 93 Cuffe Parade, Opp. World Trade Centre, Colaba, Mumbai - 400005 Occupation: Service Nationality: Indian Tenure: Five Years DIN: 00177569 PAN: ABLPA9797J	26/01/1969	Non-Executive Independent Director	1. Hans Financial Consultancy Private Limited
5. Mr. Manav Kumar Address: 503, Western Edge II, Western Express Highway, Borivali East, Mumbai, Maharashtra, 400066 S/o: Ashok Kumar Occupation: Service Nationality: Indian Tenure: Five Years DIN: 08309105 PAN: ASZPK8377K	12/07/1987	Non-Executive Independent Director	1. Winpro Industries Limited 2. Milgrey Finance and Investments Limited
6. Mr. Dhanpal Jitendra Kumar Gandhi S/o Jitendra Kumar Gandhi Address: 8 Nandkishore Apartments, Above Dapran Medical Store, Near Chandranagar, Society, Narayan Nagar Road, Ahmedabad City, Gujarat - 380007 Occupation: Professional Nationality: Indian Tenure: Five Years DIN: 05193985 PAN: AJZPG6251F	16/02/1985	Non-Executive Independent Director	Nil



Relationship between Directors

None of the Directors are related to each other as per the provisions of the Companies Act, 2013, except Anupam Gupta & Abhay Narain Gupta are brothers of each other.

Brief Profiles of Directors

1. Mr. Anupam Gupta

Anupam Narain Gupta, aged 48 years, is one of the promoters and Managing Director of our Company. He has qualified bachelor degree in commerce from Kurukshetra University. He having more than 12 years of experience in the field of finance and Capital Market activities. He started his career as Vice President in Indiabulls Securities Limited from 2008 to 2012. He was Senior head in Multiplex Capital Limited from 2013 to 2016. He is responsible for the company's vision and strategy, products, and global operations.

2. Mr. Abhay Narain Gupta

Abhay Narain Gupta, aged 43 years is one of the promoters and Whole Time Director of our Company. He has completed his Higher Secondary Examinations from Central Board of Secondary Education. He has an experience of about more than 13 years of experience in the field of finance and capital market activities. He is responsible for the company's vision and strategy, products, and global operations.

3. Mr. Pinkesh Jain

Pinkesh Jain aged 35 years is Executive Director of our Company. Mr. Pinkesh Jain is a seasoned professional with over 15 years of experience in Accounting, Finance and Stock Market. He holds a bachelor's degree in commerce from Mumbai University.

4. Mr. Neeraj Arora

Neeraj Arora, aged 55 years is Non-Executive & Independent Director of our Company. He has knowledge field of finance and capital market and has varied experience.

5. Mr. Manav Kumar

Manav Kumar, aged 37 years is Non-Executive & Independent Director of our Company. Mr. Manav Kumar has over 18+ years of experience in Accounting, Finance and Stock Market. He holds a bachelor's degree in commerce from Mumbai University.

6. Mr. Dhanpal Jitendra Kumar Gandhi

Dhanpal Jitendra Kumar Gandhi aged 39 years is Non-Executive & Independent Director of our Company. He is a seasoned professional with over 10 years of experience in Finance and Stock Market. He holds a bachelor's degree in commerce.

Details of any arrangement or understanding with major shareholders, customers, suppliers or others

Our Company has not entered into any arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the above mentioned Directors have been appointed in the Board.



Other Confirmations:

1. None of Directors are currently, or have been in the past five years, on the Board of Directors of a listed company whose shares have been or were suspended from being traded on the Stock Exchange.
2. None of our Directors is or was, in the past ten years, a director of any listed company which has been or was delisted from any stock exchange in India during the term of their directorship in such company.

CORPORATE GOVERNANCE

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting.

We have Board constituted Board Committees in compliance with the Companies Act. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our executive management provides the Board with detailed reports on its performance periodically.

Currently, our Company has 6 (Six) Directors on our Board including Women Director, comprising of 2 (Two) Executive Directors and 4 (Four) Non-Executive Independent Directors.

The following committees have been formed in compliance with the Corporate Governance norms:

- A) Audit Committee
- B) Stakeholders Relationship Committee
- C) Nomination and Remuneration Committee

Our Key Management Personnel and Senior Management Personnel

S.No.	Name of key Management Personnel and Senior Management Personnel	Designation	Associated with the Company Since
1.	Mr. Anupam Gupta	Managing Director	16/02/2011
2.	Mr. Abhay Narain Gupta	Whole Time Director and Chief Financial officer	16/02/2011 and 01/03/2019
3.	Ms. Aakansha Khandelwal	Company Secretary & Compliance Officer	28/06/2024

Relationship of Key Managerial Personnel with our Directors, Promoter and / or other Key Managerial Personnel

There is no relationship between Key managerial personnel with Our Directors, Promoters and/ or Other Key Managerial personnel, except Anupam Gupta & Abhay Narain Gupta are brothers of each other.



SECTION VI - FINANCIAL INFORMATION

FINANCIAL STATEMENTS

Particulars	Page No.
Audited Financial Statements for the financial year ended on March 31, 2024	F1
Limited Review report along with the financial result for the quarter and half year ended on September 30, 2024	F12
Statement of Accounting Ratios	83

Material changes and commitments, if any, affecting our financial position

There are no material changes and commitments, which are likely to affect our financial position since March 31, 2024 till date of this Letter of Offer. We have not given Restated Financials because we fall under Part-B of SEBI (ICDR), 2018.

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MOHANDAS & CO.B.M.SHETTY
B.Com, F.C.A

Chartered accountants

10,Krishna Cottage, Dattapada Road No.2, Dattapada Subway, Borivali (East), Mumbai – 400066

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF
PRO FIN CAPITAL SERVICES LIMITED****REPORT ON THE FINANCIAL STATEMENTS****OPINION**

We have audited the accompanying financial statements of **Pro Fin Capital Services Limited** ("The Company"), which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss, Cash Flow Statement for the year then ended and a summary of the significant accounting policies and their explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and profit and its cash flows for the year ended on that date.

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. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, 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.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



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INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

RESPONSIBILITY OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



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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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in exercise of powers conferred by sub-section 11 of section 143 of the Act, we give in the Annexure-A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the financial adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure-B



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- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule-11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does have disclosed the impact of pending litigation on its financial position in its financial statements.
 - ii. The Company has made provision as required under applicable law and accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required, to the Investor Education and Protection Fund by the Company.
 - a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or behalf of the company ("ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate beneficiaries.
 - b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person or entity including foreign entities ("Funding Parties") with the understanding, whether recorded in writing or otherwise, that the company shall, whether directly or indirectly, lend or invest in other person or entity identified in any manner whatsoever by or behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries; and
 - c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that representations under sub clause (a) and (b) contain any material mis-statement.
 - iv. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
 - v. With respect to the matter to be included in the Auditors' Report under section 197(16) of the act: In our opinion and according to the information and



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explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For Mohandas & Co.
Chartered Accountants
Firm Reg. No. 106529W



CA. Belle Mohandas Shetty
(Proprietor)
M. NO.: 031256
UDIN: 24031256BKADPV4593

Place: Mumbai
Date: 29th May 2024

MOHANDAS & CO.

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ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").**

We have audited the internal financial controls over financial reporting of **Pro Fin Capital Services Limited** as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

MOHANDAS & CO.

Chartered accountants

B.M.SHETTY
B.Com, F.C.A

10,Krishna Cottage, Dattapada Road No.2, Dattapada Subway, Borivali (East), Mumbai – 400066

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Mohandas & Co.
Chartered Accountants
Firm Reg. No. 106529W



CA. Belle Mohandas Shetty
(Proprietor)
M. NO.: 031256
UDIN: 24031256BKADPV4593

Place: Mumbai
Date: 29th May 2024

Statement of audited Results for the Year Ended 31/03/2024

Sr. No.	Particulars (Refer Notes Below)	Quarter Ended			9 Months Ended	Annual	
		31-03-2024 (Audited)	31-12-2023 (Reviewed)	31-03-2023 (Audited)	31-12-2023 (Reviewed)	31-03-2024 Audited	31-03-2023 Audited
1	Income						
	Revenue from operations						
(i)	Interest Income	583.702	569.701	385.588	1595.539	2179.241	1934.470
(ix)	Other revenue from operations						
1	Net Sale of stock (Shares)	0.000	0.000	0.000	0.000	0.000	80.360
	Total other revenue from operations	0.000	0.000	0.000	0.000	0.000	80.360
	Total Revenue From Operations	583.702	569.701	385.588	1595.54	2179.24	2014.83
	Other income	13.200	13.200	16.040	39.600	52.800	39.600
	Total income	596.902	582.901	401.628	1635.14	2232.04	2054.43
2	Expenses						
	Cost of materials consumed	0.000	0.000	0.000	0.000	0.000	0.000
	Purchases of stock-in-trade	0.000	0.000	370.333	0.000	0.000	405.110
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	0.000	0.000	-9.030	0.000	0.000	-39.770
	Employee benefit expense	11.834	17.828	41.584	48.507	60.341	117.180
	Finance costs	280.100	419.683	-108.670	988.109	1268.209	1214.910
	Depreciation, depletion and amortisation expense	7.823	7.824	7.850	23.473	31.296	31.390
	Fees and commission expense	0.000	0.000	12.570	0.000	0.000	12.570
	Net loss on fair value changes	0.000	0.000	0.000	0.000	0.000	0.000
	Net loss on derecognition of financial instruments under amortised cost category	0.000	0.000	0.000	0.000	0.000	0.000
	Impairment on financial instruments	0.000	0.000	0.000	0.000	0.000	0.000
(f)	Other expenses						
1	Other expenses	763.917	39.320	85.874	131.580	895.497	193.780
	Total other expenses	763.917	39.320	85.874	131.580	895.497	193.780
	Total expenses	1063.674	484.655	400.511	1191.669	2255.343	1935.170
3	Total profit before exceptional items and tax	-466.772	98.246	1.117	443.470	-23.302	119.260
4	Exceptional items	0.000	0.000	0.000	0.000	0.000	0.000
5	Total profit before tax	-466.772	98.246	1.117	443.470	-23.302	119.260
7	Tax expense						
8	Current tax	-113.971	24.823	16.200	113.971	0.000	43.850
9	Deferred tax	2.391	0.000	2.270	0.000	2.391	2.270
10	Total tax expenses	-111.580	24.823	18.470	113.971	2.391	46.120
14	Net Profit Loss for the period from continuing operations	-355.192	73.423	-17.353	329.499	-25.693	73.140
15	Profit (loss) from discontinued operations before tax	0.000	0.000	0.000	0.000	0.000	0.000
16	Tax expense of discontinued operations	0.000	0.000	0.000	0.000	0.000	0.000
17	Net profit (loss) from discontinued operation after tax	0.000	0.000	0.000	0.000	0.000	0.000
19	Share of profit (loss) of associates and joint ventures accounted for using equity method	0.000	0.000	0.000	0.000	0.000	0.000
21	Total profit (loss) for period	-355.192	73.423	-17.353	329.499	-25.693	73.140
22	Other comprehensive income net of taxes	0.000	0.000	0.000	0.000	0.000	0.000
23	Total Comprehensive income for the period	0.000	0.000	0.000	0.000	0.000	0.000
24	Total profit or loss, attributable to	-355.192	73.423	-17.353	329.499	-25.693	73.140
	Profit or loss, attributable to owners of parent	0.000	0.000	0.000	0.000	0.000	0.000
	Total profit or loss, attributable to non-controlling interests	-355.192	73.423	-17.353	329.499	-25.693	73.140
25	Total Comprehensive income for the period attributable to						
	Comprehensive income for the period attributable to owners of parent	0.000	0.000	0.000	0.000	0.000	0.000
	Total comprehensive income for the period attributable to owners of parent non-controlling interests	0.000	0.000	0.000	0.000	0.000	0.000
26	Details of equity share capital						
	Paid-up equity share capital	2120.070	2120.070	2120.070	2120.070	2120.070	2120.070
	Face value of equity share capital	1.00000	1.000	1.00000	1.00000	1.00000	1.00000
28	Reserves excluding revaluation reserve	765.599	1132.060	1824.410	1132.060	765.599	1824.410
29	Earnings per share						
i	Earnings per equity share for continuing operations						
	Basic earnings per share from continuing operations	-0.168	0.035	-0.008	0.155	-0.012	0.034
	Diluted earnings per share from continuing operations	-0.168	0.035	-0.008	0.155	-0.012	0.034
ii	Earnings per equity share for discontinued operations						
	Basic earnings per share from discontinued operations	0.000	0.000	0.000	0.000	0.000	0.000
	Diluted earnings per share from discontinued operations	0.000	0.000	0.000	0.000	0.000	0.000
ii	Earnings per equity share						
	Basic earnings per share	-0.168	0.035	-0.008	0.155	-0.012	0.034
	Diluted earnings per share	-0.168	0.035	-0.008	0.155	-0.012	0.034

Notes :

- The above results were reviewed by the Audit Committee at the meeting held on 29.05.2024 and approved by the Board of directors at the meeting held on 29.05.2024
- The Company has no subsidiaries
- The statement has been prepared in accordance with Companies (Indian Accounting Standard) Rules, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable
- The figures of the current quarter and quarter ended March 31, 2024 are the balancing figures between the audited figures of the full financial year ended March 31, 2024 and March 31, 2023 respectively and the published year to date figures for the nine months ended.
- The previous year/period figures have been reclassified / regrouped to conform to the figure of the current period.

For Pro Fin Capital Services Limited

Abhay Gupta
 Director
 DIN: 02294699

PRO FIN CAPITAL SERVICES LIMITED
CIN - L51909MH1991PLC250695
Balance Sheet as at 31st March, 2024

Particulars	As at 31st March 2024	As at 31st March 2023
	Rupees	Rupees
ASSETS		
Financial Assets		
(a) Cash and Cash Equivalents	52,73,302	5,27,415
(b) Loans & Advances	3,23,91,00,583	3,11,38,08,944
(c) Investments	5,21,05,959	5,21,05,959
(d) Trade Receivable	-	-
(e) Other financial assets	18,49,900	78,83,186
Total Financial Assets	3,29,83,29,744	3,17,43,25,504
Non-Financial Assets		
(a) Deferred tax assets (Net)	-	-
(b) Current tax assets (Net)	8,23,90,760	7,30,84,969
(c) Property, Plant and Equipment	4,07,32,777	4,38,62,405
(d) Investment Property	17,72,91,709	17,72,91,709
(e) Inventories	2,57,54,432	2,57,54,432
(F) Other Non-Financial assets		
Total Non-Financial Assets	32,61,69,678	31,99,93,515
TOTAL ASSETS	3,62,44,99,422	3,49,43,19,019
LIABILITIES AND EQUITY		
Liabilities		
Financial Liabilities		
(a) Trade payables	17,39,961	71,80,924
(b) Borrowings (Other than Debt Securities)	3,15,63,62,584	2,80,09,17,125
(c) Other Financial liabilities	16,32,84,461	28,00,28,272
Total Non-Financial Liabilities	3,32,13,87,006	3,08,81,26,321
Non-Financial liabilities		
(a) Deferred Tax Liabilities (Net)	15,89,077	13,49,994
(b) Provisions	1,29,56,405	1,18,29,236
(c) Other Non-Financial liabilities	-	-
(d) Current Tax Liabilities (Net)		
Total Financial Liabilities	1,45,45,482	1,31,79,230
Equity		
(a) Equity Share capital	21,20,07,000	21,20,07,000
(b) Other Equity	7,65,59,935	18,10,06,469
Total Equity	28,85,66,935	39,30,13,469
TOTAL EQUITY AND LIABILITIES	3,62,44,99,422	3,49,43,19,020

PRO FIN CAPITAL SERVICES LIMITED
CIN - L51909MH1991PLC250695
Cash Flow Statement as on 31st March, 2024

Sr. No	PARTICULARS	As at 31st March 2024	As at 31st March 2023
		Rupees	Rupees
A)	Cash Flow from Operating Activities		
	Net Profit/(Loss) before tax and extra ordinary items	-23,30,285	1,33,60,826
	Add: Depreciation	31,29,628	31,39,500
	Less:- Interest Income	0	-
	Add:- Interest Exps	12,68,20,930	12,14,85,142
	Operating profit/(Loss) before working capital Change	12,76,20,273	13,79,85,468
	Decrease/ (Increase) in Trade Recivables	0	-
	Decrease/ (Increase) in Other Financial Assets	60,33,286	(51,08,290)
	Decrease/ (Increase) in Loans & Advances	-12,52,91,639	(37,66,44,229)
	Decrease/ (Increase) in Inventory	0	(39,77,635)
	Increase/ (Decrease) in Other Non-Financial Liabilities	0	-
	Increase/ (Decrease) in Other Financial Liabilities	-11,67,43,811	17,08,64,735
	Increase/ (Decrease) in Trade Payables	-54,40,960	(2,51,96,461)
	Cash Generate from operations	-11,38,22,851	(10,20,76,412)
	Direct Tax/FBT Paid (net of refund)	-93,05,791	(5,16,42,772)
	Net Cash Outflow from Operating Activities	-12,31,28,642	(15,37,19,184)
B)	Cash Flow from Investing Activities etc		
	Purchase of Investment Property	0	-
	Purchase in Fixed Assets	0	-
	(Increase)/ Decrease of Investments	0	-
	Net Cash Inflow from Investing activities	0	-
C)	Cash Flow from Financing Activities		
	Repayments of Long Term Secured Loans	0	-
	Interest Received	0	-
	Proceeds Received in Long Term Borrowings	35,54,45,459	27,36,54,538
	Interest Paid	-12,68,20,930	(12,14,85,142)
	Proceeds from Issue of Share Warrants	-10,07,50,000	-
	Net Cash Outflow from Financing Activities	12,78,74,529	15,21,69,396
	Net Increase in cash and cash equilents	47,45,887	(15,49,788)
	Cash & Cash Equivalents		
	- Opening	5,27,415	20,77,205
	Cash & Cash Equivalents		
	- Closing	52,73,302	5,27,415



K S SUBRAHMANYAM & CO.

CHARTERED ACCOUNTANTS

Flat no 202 , Rajnigandha Apt CHSL, Veer savarkar nagar, Near platform no. 1,
vasai west, Palghar – 401202

Independent Auditor's Review Report on the Quarterly Unaudited Financial Results of the Company Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to

The Board of Directors,
PRO FIN CAPITAL SERVICES LIMITED
503, Western Edge II,
Western Express Highway,
Borivali (East). Mumbai - 400 066

1. We have reviewed the accompanying statement of Un-audited Financial Results of **PRO FIN CAPITAL SERVICES LIMITED** (the 'Company') for the quarter ended on 30th September 2024 (the 'Statement') attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015, as amended (the 'Listing Regulations'). Our responsibility is to issue a report on these financial statements based on our review.
2. The Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The Statement has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Engagements to Review Financial Statements issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For K. S. Subrahmanyam & Co
Chartered Accountants

K. S. Subrahmanyam

Proprietor

M No : 018630

FRN : 017461S

UDIN NO:- 24018630BKBLHY8256

Place: Mumbai

Date: 14/11/2024



PRO FIN CAPITAL SERVICES LIMITED							
CIN L51909MH1991PLC250695							
Regd. Off.: 503, Western Edge II, Western Express Highway, Borivali (East), Mumbai - 400 066							
Website : www.profincapital.com							
STATEMENT OF Un-AUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED ON 30.09.2024							
(Amount in Lakhs except EPS)							
STANDALONE							
Sr. No.	Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	6 Month Ended	Corresponding 6 months ended in the previous year	Previous year ended
		30-09-2024	30-06-2023	30-09-2023	30-09-2023	30-09-2023	31-03-2024
		Un-Audited	Un-Audited	UN-Audited	UN-Audited	UN-Audited	Audited
1	Income						
	(a) Revenue From Operations	1059.082	523.178	423.378	1582.260	1025.840	2179.241
	(b) Other revenue from operations	-362.285	362.285	0.000	0.000	0.000	0.000
	(b) Other Income	0.000	0.000	13.200	0.000	26.400	52.800
	Total Income	696.797	885.463	436.578	1582.260	1,052.240	2,232.041
2	Expenses						
	(a) Cost of materials consumed/ Shares Purchased	0.000	0.000	0.000	0.000	0.000	0.000
	(b) Purchases of stock-in-trade	-0.326	278.876	0.000	278.550	0.000	0.000
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-1.041	98.961	0.000	97.920	0.000	0.000
	(d) Employee Benefits Expenses	12.262	17.108	15.399	29.370	30.680	60.341
	(e) Finance Cost	300.799	279.901	282.264	580.700	568.430	1268.209
	(f) Depreciation and amortisation expense	7.385	7.385	7.826	14.770	15.650	31.296
	(g) Fees and commission expense	0.000	0.000	0.000	0.000	0.000	0.000
	(g) Other expenses (Any item exceeding 10% of the total expenses relating to continuing operations to be shown separately)	41.165	30.255	38.971	71.420	92.260	895.497
	Total Expenses	360.244	712.486	344.460	1072.730	707.020	2,255.343
3	Profit / (Loss) before exceptional items and tax (1-2)	336.553	172.977	92.118	509.530	345.220	(23.302)
4	Exceptional Items	0.000	0.000	0.000	0.000	0.000	0.000
5	Profit / (Loss) before tax (3-4)	336.553	172.977	92.118	509.530	345.220	(23.302)
6	Tax Expenses						
	(a) Current Tax	90.000	40.000	23.966	130.000	87.950	0.000
	(b) Deferred Tax	0.262	0.598	0.602	0.860	1.200	2.391
7	Total Tax Expenses	90.262	40.598	24.568	130.860	89.150	2.391
8	Profit/ (Loss) for a period from continuing operations (5-7)	246.291	132.379	67.550	378.670	256.070	(25.693)
9	Profit/ (Loss) for a period from dis-continuing operations	0.000	0.000	0.000	0.000	0.000	0.000
10	Tax Expenses of discontinued operations	0.000	0.000	0.000	0.000	0.000	0.000
11	Profit/ (Loss) for a period from dis-continuing operations (after tax) (9-10)	0.000	0.000	0.000	0.000	0.000	0.000
12	Other Comprehensive Income/ (Loss)						
	A) (i) Amount of items that will not be reclassified to profit or loss	0.000	0.000	0.000	0.000	0.000	0.000
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.000	0.000	0.000	0.000	0.000	0.000
	B.) (i) Amount of items that will be reclassified to profit or loss	0.000	0.000	0.000	0.000	0.000	0.000
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.000	0.000	0.000	0.000	0.000	0.000
13	Total Comprehensive income for the period (comprising profit/loss) and other comprehensive income for the period (8-11-12)	246.291	132.379	67.550	378.670	256.070	(25.693)
14	Earning Per Share (For continuing operations)						
	(a) Basic	0.116	0.062	0.032	0.179	0.121	(0.012)
	(b) Diluted	0.116	0.062	0.032	0.179	0.121	(0.012)

- The above results were reviewed by the Audit Committee at the meeting held on 14.11.2024 and approved by the Board of directors at the meeting held on 24.11.2024
- The Company has no subsidiaries
The statement has been prepared in accordance with Companies (Indian Accounting Standard) Rules, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 and
- other recognized accounting practices and policies to the extent applicable.
- The previous year/period figures have been reclassified / regrouped to conform to the figure of the current period.

For Pro Fin Capital Services Limited

Anupam Gupta
Managing Director
DIN: 02294687

Date: 14-11-2024
Place: Mumbai



PRO FIN CAPITAL SERVICES LIMITED CIN : L51909MH1991PLC250695 503, WesternEdge II, Western Express High Way, Borivali East Mumbai Mumbai City MH 400066 IN STATEMENT OF ASSETS AND LIABILITIES		
Particulars	As at (Current Half Year End) 30-09-2024	As at (Year End) 31-03-2024
	(Rs. In Lacs)	(Rs. In Lacs)
ASSETS		
Financial Assets		
(a) Cash and cash equivalents	76.99	52.73
(b) Loans & Advances	34,262.38	32,391.01
(c) Investments	521.06	521.06
(d) Trade Receivables	39.87	-
(d) Other financial assets	23.05	18.50
Total Financial Assets	34,924.15	32,983.30
Non-Financial Assets		
(a) Deferred tax assets (Net)	-	-
(b) Current tax assets (Net)	218.23	823.91
(c) Property, Plant and Equipment	392.56	407.33
(d) Investment Property	1,772.92	1,772.92
(e) Inventories	159.02	257.54
(f) Other Non-Financial assets		
Total Non-Financial Assets	2,543.33	3,261.70
TOTAL ASSETS	37,467.48	36,245.00
LIABILITIES AND EQUITY		
Liabilities		
Financial Liabilities		
(a) Trade payables	10.96	17.40
(b) Borrowings (Other than Debt Securities)	30,036.07	31,563.63
(c) Other Financial liabilities	3,996.30	1,632.84
Total Non-Financial Liabilities	34,049.33	33,213.87
Non-Financial liabilities		
(a) Deferred Tax Liabilities (Net)	16.75	15.89
(b) Provisions	137.06	129.57
(c) Other Non-Financial liabilities		
(d) Current Tax Liabilities (Net)		
Total Financial Liabilities	153.81	145.46
Equity		
(a) Equity Share capital	2,120.07	2,120.07
(b) Other Equity	1,144.27	765.60
Total Equity	3,264.34	2,885.67
TOTAL EQUITY AND LIABILITIES	37,467.48	36,245.00

For Pro Fin Capital Services Limited

Anupam Gupta
 Managing Director
 DIN: 02294687



Date: 14-11-2024
 Place: Mumbai

PRO FIN CAPITAL SERVICES LIMITED
CIN - L51909MH1991PLC250695
Cash Flow Statement as on 30th September , 2024

Sr. No	PARTICULARS	As at 31st September 2024	As at 31st March 2024
		Rupees	Rupees
A)	Cash Flow from Operating Activities		
	Net Profit/(Loss) before tax and extra ordinary items	517.03	-23.30
	Add: Depreciation	14.77	31.30
	Less:- Interest Income	.00	.00
	Add:- Interest Exps	580.17	1268.21
	Operating profit/(Loss) before working capital Change	1111.97	1276.20
	Decrease/ (Increase) in Trade Recivables	-39.87	.00
	Decrease/ (Increase) in Other Financial Assets	-5.35	60.33
	Decrease/ (Increase) in Loans & Advances	-1871.38	-1252.92
	Decrease/ (Increase) in Inventory	97.92	.00
	Increase/ (Decrease) in Other Non-Financial Liabilities	.00	.00
	Increase/ (Decrease) in Other Financial Liabilities	2363.45	-1167.44
	Increase/ (Decrease) in Trade Payables	-44	-54.41
	Cash Generate from operations	1656.30	-1138.23
	Direct Tax/FBT Paid (net of refund)	475.68	-93.06
	Net Cash Outflow from Operating Activities	2131.98	-1231.29
B)	Cash Flow from Investing Activities etc		
	Purchase of Investment Property	.00	.00
	Purchase in Fixed Assets	.00	.00
	(Increase)/ Decrease of Investments	.00	.00
	Net Cash Inflow from Investing activities	.00	.00
C)	Cash Flow from Financing Activities		
	Repayments of Long Term Secured Loans	.00	.00
	Interest Received	.00	.00
	Proceeds Received in Long Term Borrowings	-1527.55	3554.45
	Interest Paid	-580.17	-1268.21
	Proceeds from Issue of Share Warrants	.00	-1007.50
	Net Cash Outflow from Financing Activities	-2107.73	1278.75
	Net Increase in cash and cash equilents	24.25	47.46
	Cash & Cash Equivalents		
	- Opening	52.73	5.27
	Cash & Cash Equivalents		
	- Closing	76.99	52.73

For Pro Fin Capital Services Limited


Anupam Gupta
Managing Director
DIN: 02294687

Date: 14-11-2024
Place: Mumbai



STATEMENT OF ACCOUNTING RATIOS

Accounting Ratios

The following table presents certain accounting and other ratios derived from our audited standalone financial statements included in the section titled “Financial Information” beginning on page 82 of this Letter of Offer.

Accounting Ratios (Standalone)

Particulars	Period ended September 30, 2024	Period ended March 31, 2024
Earnings Per Share		
(a) Basic Earnings Per Share (after extraordinary items) (in Rs.)	0.18	(0.01)
(b) Diluted Earnings Per Share (after extraordinary items) (In Rs.)	0.18	(0.01)
Return on Net Worth (after extraordinary items and excluding Revaluation reserves) (%)	11.60%	(1.28%)
Net Asset Value / Book Value per Equity Share each	1.54	1.36
Face Value per Equity Share	1	1
EBITDA (Rs. in Lakhs)	1,105.00	1,322.81

Capitalization Statement

The statement on our capitalisation is as set out below:

Standalone Capitalization statement

(Rs. in Lakhs)

Particulars	As at September 30, 2024 (Pre-Issue)	As adjusted for proposed Issue
Borrowings		
Current Borrowings	30,036.07	30,036.07
Non-Current Borrowings (including current maturity)	-	-
Total borrowings (A)	30,036.07	30,036.07
Total Equity		
Share capital	2,120.07	5,300.18
Reserves and surplus*	1,144.27	4,851.39
Total Equity (B)	3,264.34	10,151.57
Non-current Borrowings / Total Equity ratio	-	-
Total borrowings / Total Equity ratio (A/B)	9.20	2.96

*Excluding other Comprehensive Income.



MARKET PRICE INFORMATION

The Equity Shares of our Company are listed on the BSE. As our Equity Shares are listed only on the BSE, stock market data for our Equity Shares has been given for BSE.

For the purpose of this section:

- Year is a Financial Year;
- Average price is the average of the daily closing prices of the Equity Shares, for the year, or the month, or the week, as the case may be;
- High price is the maximum of the daily high prices and Low price is the minimum of the daily low prices of the Equity Shares, for the year, or the month, as the case may be; and
- In case of two days with the same high/low/closing price, the date with higher volume has been considered.

Yearly Stock Market Quotation at BSE

The high, low prices and average of closing prices recorded on the BSE for the preceding three Financial Years and the number of Equity Shares traded on the days the high and low prices were recorded are stated below:

Year ended on March 31	High (in Rs)	Date of High	No. of Shares traded on date of high	Low (in Rs)	Date of Low	No. of Shares traded on date of low	Average price for the year (in Rs.)
2024	2.19	11 th January, 2024	1,12,90,909	0.96	24 th July, 2023	15,36,662	1.27
2023	216.15	27 th April, 2022	1,18,429	1.00	27 th February, 2023	16,24,459	13.30
2022	191.70	23 rd March, 2022	84,812	28.40	16 th April, 2021	477	45.38

(Source: www.bseindia.com)

Monthly Stock Market Quotation at BSE

The high and low prices and volume of the Equity Shares traded on the respective dates during the last six months is as follows:

Month	High (in Rs.)	Date of High	No. of Shares traded on date of high	Low (in Rs.)	Date of Low	No. of Shares traded on date of low	Average price for the Month (in Rs.)	Total No of Trading Days
November, 2024	3.61	29 th November, 2024	7,06,183	2.65	04 th November, 2024	11,83,218	3.10	18



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Month	High (in Rs.)	Date of High	No. of Shares traded on date of high	Low (in Rs.)	Date of Low	No. of Shares traded on date of low	Average price for the Month (in Rs.)	Total No of Trading Days
October, 2024	2.6	31 st October, 2024	8,67,815	1.74	08 th October, 2024	9,78,377	2.13	22
September, 2024	1.87	27 th September, 2024	39,65,626	1.70	02 nd September, 2024	41,08,622	1.79	21
August, 2024	1.61	30 th August, 2024	62,58,433	1.00	21 st August, 2024	9,03,151	1.12	21
July, 2024	1.16	01 st July, 24	32,36,545	1.04	03 rd July, 2024	77,63,962	1.06	22
June, 2024	1.16	20 th June, 2024	10,13,738	0.98	05 th June, 2024	5,92,663	1.07	19

(Source: www.bseindia.com). In case where closing price is same the number of shares traded higher on that day is taken.

Weekly Stock Market Quotation at BSE

Week end closing prices of the Equity Shares for the last four weeks on the BSE are as below:

Week Ended on	Closing Price (In Rs.)	High (in Rs.)	Date of High	Low (in Rs.)	Date of Low
27 th December, 2024	5.02	5.02	27 th December 2024	4.75	23 rd December, 2024
20 th December, 2024	4.66	4.66	20 th December 2024	4.43	16 th December, 2024
13 th December, 2024	4.35	4.35	13 th December, 2024	4.03	09 th December, 2024
06 th December, 2024	3.96	3.96	06 th December, 2024	3.68	02 nd December, 2024

(Source: www.bseindia.com). In case where closing price is same the number of shares traded higher on that day is taken.

The closing price of the Equity Shares as on 15th October, 2024 was Rs. 2.04 on the BSE, the trading day immediately preceding the day on which Board of Directors approved the Issue.



**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND
RESULTS OF OPERATIONS**

The following discussion of our financial condition and results of operations should be read in conjunction with the "Financial Statements" beginning on page 82 of this Letter of Offer.

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should also read "Risk Factors" and "Forward Looking Statements" beginning on page 25 and 19, respectively of this Letter of Offer, which discuss a number of factors and contingencies that could affect our financial condition and results of operations.

Our financial statements included in this Letter of Offer are prepared in accordance with Ind AS, which differs in certain material respects from other accounting standards such as IFRS. Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are for the 12 months ended March 31 of that year. Unless otherwise indicated or the context requires, the financial information for Fiscal 2023 included herein is based on the Audited Financial Statements included in this Letter of Offer. For further information, see "Financial Statements" beginning on page 82 of this Letter of Offer.

Neither we, nor any of our affiliates or advisors, nor any other person connected with the Issue has independently verified such information. For further information, see "Presentation of Financial and other Information" beginning on page 17 of this Letter of Offer.

Business overview

Our Company was originally incorporated as "Pro Fin Capital Services Private Limited" at New Delhi, as a Private Limited Company under the provision of Companies Act, 1956 vide Certificate of Incorporation dated July 22, 1991. Subsequently our Company was converted into a public limited company and the name of our Company was changed to "Pro Fin Capital Services Limited" vide a Fresh Certificate of Incorporation dated March 21, 1994, issued by Registrar of Companies, Delhi & Haryana. The Corporate Identification number of our Company is L51909MH1991PLC250695. Our Company has no holding/subsidiary company as on date of filing of this Letter of Offer.

Pro Fin Capital Services Limited was Incorporated under the Companies Act, 1956 in the year 1991. It is registered with Reserve Bank of India as a Non - Banking Financial Company. The Equity Shares of the Company are listed at Bombay Stock Exchange. The shares of the company are admitted with both the depositories Central Depository Services Ltd. & National Securities Depository Ltd.

Pro Fin Capital Services Limited is presently engaged in the activities of investments and trading in shares and securities and providing short-term loans and advances.

For further details, refer chapter titled "Our Business" on page 75.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR

To the knowledge of our Company and except as disclosed herein, since the date of the last financial statements contained in this Letter of Offer, no other circumstances have arisen which would materially and adversely affect or which would be likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 (twelve) months.



FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "Risk Factors" beginning on page 25 of this Letter of offer. Our results of operations and financial conditions are affected by numerous factors including the following:

- Revenue Generation
- Increasing competition in the industry
- General Economic and business condition
- Our Financial Expenses

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been applied consistently to the periods presented in the Financial Statements and Financial results for the year ended March 31, 2024 and quarter ended September 30, 2024 respectively. For details of our significant accounting policies, please refer chapter titled "Financial Statements" on page 82 of this Letter of Offer.

CHANGE IN ACCOUNTING POLICIES

Except as mentioned in chapter titled "Financial Statements" on page 82, There has been no change in accounting policies for the period which has been included in this Letter of Offer.

RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS

For details, please refer chapter titled "Financial Statements" on page 82 of this Letter of Offer.

SUMMARY OF OPERATIONS

The following discussion on result of operations should be read in conjunction with the financial statements of our Company for the financial year ended March 31, 2024 and March 31, 2023. The following table sets forth, for the fiscal years indicated, certain items derived from our Company's Audited financial statements, in each case stated in absolute terms and as a percentage of total sales and/or total revenue:

Financial Statement

Particulars	(Rs. In Lacs)			
	30.09.2024	30.09.2023	31.03.2024	31.03.2023
	Quarter ended	Quarter ended	Year ended	Year ended
Income: -				
Revenue from Operations	1,582.26	1,025.84	2,179.24	2,014.83
<i>As a % of Total Revenue</i>	100.00%	97.49%	97.63%	98.07%
Other Income	0.00	26.40	52.80	39.60
<i>As a % of Total Revenue</i>	0.00	2.51%	2.37%	1.93%
Total Revenue (A)	1,582.26	1,052.24	2,232.04	2,054.43
Growth %				



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Expenditure: -				
Cost of Material Consumed	0.00	0.00	0.00	0.00
<i>As a % of Total Revenue</i>	<i>0.00%</i>	<i>0.00%</i>	<i>0.00%</i>	<i>0.00%</i>
Purchase of stock-in-trade	278.55	0.00	0.00	405.11
<i>As a % of Total Revenue</i>	<i>17.60%</i>	<i>0.00%</i>	<i>0.00%</i>	<i>19.72%</i>
Changes in inventory of finished goods, Work-in-progress and Stock- in- trade	97.92	0.00	0.00	(39.78)
<i>As a % of Total Revenue</i>	<i>6.19%</i>	<i>0.00%</i>	<i>0.00%</i>	<i>(1.94%)</i>
Employees Benefit Expenses	29.37	30.68	60.34	108.32
<i>As a % of Total Revenue</i>	<i>1.86%</i>	<i>2.92%</i>	<i>2.70%</i>	<i>5.27%</i>
Finance Cost	580.70	568.43	1,268.21	1,215.38
<i>As a % of Total Revenue</i>	<i>36.70%</i>	<i>54.02%</i>	<i>56.82%</i>	<i>59.16%</i>
Depreciation and Amortization Expenses	14.77	15.65	31.30	31.40
<i>As a % of Total Revenue</i>	<i>0.93%</i>	<i>1.49%</i>	<i>1.40%</i>	<i>1.53%</i>
Other Expenses	71.42	92.26	895.50	200.39
<i>As a % of Total Revenue</i>	<i>4.51%</i>	<i>8.77%</i>	<i>40.12%</i>	<i>9.75%</i>
Total Expenses (B)	1,072.73	707.02	2,255.34	1,920.82
<i>As a % of Total Revenue</i>	<i>67.80%</i>	<i>67.19%</i>	<i>101.04%</i>	<i>93.50%</i>
Profit before exceptional items and tax	509.53	345.22	(23.30)	133.61
<i>As a % of Total Revenue</i>	<i>32.20%</i>	<i>32.81%</i>	<i>(1.04%)</i>	<i>6.50%</i>
Exceptional Items	0	0	0	0
Profit before Tax	509.53	345.22	(23.30)	133.61
<i>PBT Margin</i>	<i>32.20%</i>	<i>32.81%</i>	<i>(1.04%)</i>	<i>6.50%</i>
Tax Expense:				
i. Current Tax	130.00	87.95	0.00	43.85
ii. Deferred Tax	0.86	1.20	2.39	2.27
Provision For Standard Assets	-	-	11.27	14.35
Statutory reserve	-	-	0	17.50
Profit after Tax	378.67	256.07	(36.97)	55.64
<i>PAT Margin %</i>	<i>23.93%</i>	<i>24.34%</i>	<i>(1.66%)</i>	<i>2.71%</i>

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2024 WITH FINANCIAL YEAR ENDED MARCH 31, 2023
INCOME

Income from Operations

(Rs. In Lacs)

Particulars	2023-24	2022-23	Variance In %
Revenue from Operations	2179.24	2014.83	8.16%



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The operating income of the Company for the year ending March 31, 2024 is Rs. 2179.24 lakhs as compared to Rs. 2014.83 lakhs for the year ending March 31, 2023, showing an increase of 8.16%, and such increase is due to increase in volume of our sales.

Other Income

Our other income increased from the year ending March 31, 2024 to Rs. 52.80 Lacs as compared to Rs. 39.60 lacs for the year ending March 31, 2023. This was primarily due to an increase in rent income.

Direct Expenses

(Rs. In Lacs)

Particulars	2023-24	2022-23	Variance In %
Cost of material consumed	0.00	0.00	-
Purchase of Stock-in-Trade	-	405.11	
Changes in Inventory of finished goods	-	(39.78)	
Total	-	365.33	

Our Direct Expenses consists of Cost of material consumed, purchases and change in inventories of shares which has decreased to Rs. Nil in financial year 2023-24 as compared to Rs. 365.33 lacs in financial year 2022-23 to Nil in financial year 2023-24.

Employee Benefit Expenses

(Rs. In Lacs)

Particulars	2023-24	2022-23	Variance In %
Employee Benefit Expenses	60.34	108.32	(44.29%)

There is 44.29% decrease in employee benefit expenses from Rs. 108.32 lacs in financial year 2022-23 to Rs. 60.34 lacs in financial year 2023-24 which is due to decrease in staff and salary & wages.

Finance Cost

Finance Cost for the Financial Year 2023-2024 has increased to Rs. 1,268.21 lacs as compared to Rs. 1,215.38 lacs for the Financial Year 2022-2023. This increase in Finance Cost was majorly due to increase in Borrowings.

Depreciation

Depreciation expenses for the Financial Year 2023-2024 have decreased to Rs. 31.30 lacs as compared to Rs. 31.40 lacs for the Financial Year 2022-2023. The decrease in depreciation was due to decrease in value of tangible assets.



Profit Before Tax

(Rs. In Lacs)

Particulars	2023-24	2022-23	Variance In %
Profit Before Tax	(23.30)	133.61	(117.44%)

Profit before tax decreased by 117.44% from Rs. 133.61 lacs in the financial year 2022-23 to Rs. 23.30 lacs in financial year 2023-24.

Provision for Tax and Net Profit

(Rs. In Lacs)

Particulars	2023-24	2022-23	Variance In %
Taxation Expenses	2.39	46.12	(94.82%)
Profit After Tax	(36.97)	55.64	(166.43%)

Our profit after tax decreased by 166.43% from Rs. 55.64 lacs in financial year 2022-23 to Rs. 36.97% lacs in financial year 2023-24. This decrease was due to increase in expenses.

COMPARISON OF QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2024 WITH QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2023

INCOME

Income from Operations

(Rs. In Lacs)

Particulars	30-09-2024	30-09-2023	Variance In %
Revenue from Operations	1,582.26	1,025.84	54.24%

The operating income of the Company for the quarter and half year ended September 30, 2024, is Rs. 1,582.26 lakhs as compared to Rs. 1,025.84 lakhs for the quarter and half year ended September 30, 2023, showing an increase of 54.24% and such increase is due to increase in volume of our sales.

Other Income

Our other income decreased to Rs. Nil during the quarter and half year ended September 30, 2024 from Rs. 26.40 lakhs as compared for the quarter and half year ended September 30, 2023. This was primarily due to decreased in Interest Income etc.



Direct Expenses

(Rs. In Lacs)

Particulars	30-09-2024	30-09-2023	Variance In %
Cost of material consumed	0.00	0.00	-
Purchase of Stock-in-Trade	278.55	0.00	
Changes in Inventory of finished goods	97.92	0.00	
Total	376.47	0.00	

Our Direct Expenses consists of Cost of material consumed, purchases and change in inventories of shares which has increased to Rs 376.47 lakhs during the quarter and half year ended September 30, 2024 as compared to Rs. Nil in the quarter and half year ended September 30, 2023. The increase is due to the increase in the buying and trading of shares.

Employee Benefit Expenses

(Rs. In Lacs)

Particulars	30-09-2024	30-09-2023	Variance In %
Employee Benefit Expenses	29.37	30.68	(4.27%)

There is 4.27% decrease in employee benefit expenses to Rs. 29.37 lacs in quarter and half year ended September 30, 2024 from Rs. 30.68 lacs in quarter and half year ended September 30, 2023 which is due to decrease in staff and salary & wages.

Depreciation

Depreciation for the quarter and half year ended September 30, 2024 have decreased to Rs 14.77 Lacs from Rs 15.65 Lacs for the quarter and half year ended September 30, 2023.

Profit Before Tax

(Rs. In Lacs)

Particulars	30-09-2024	30-09-2023	Variance In %
Profit Before Tax	509.53	345.22	47.60%

Profit before tax increased by 47.60% from Rs. 345.22 lacs during the quarter and half year ended September 30, 2023 to Rs. 509.53 lacs in quarter and half year ended September 30, 2024.

Provision for Tax and Net Profit

(Rs. In Lacs)

Particulars	30-09-2024	30-09-2023	Variance In %
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Particulars	30-09-2024	30-09-2023	Variance In %
Taxation Expenses	130.86	89.15	46.79%
Profit After Tax	378.67	256.07	47.88%

Our profit after tax increased by 46.79% from Rs. 256.07 lacs in quarter and half year ended September 30, 2023 to Rs. 378.67 lacs in quarter and half year ended September 30, 2024. This increase is due to increase in sales volume.

Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

Other than as described in the chapter titled “Risk Factors” and chapter titled “Management's Discussion and Analysis of Financial Conditions and Results of Operations” beginning on pages 25 and 86, respectively, of this Letter of Offer, to our knowledge there are no known trends or uncertainties that have or are expected to have a material adverse impact on our income from continuing operations.

Unusual or Infrequent Events or Transactions

Except as described elsewhere in this Letter of Offer, there have been no events or transactions to our knowledge which may be described as “unusual” or “infrequent”.

Significant economic/regulatory changes

Government policies governing the sector in which we operate as well as the overall growth of the Indian economy has a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected our Company's operations or are likely to affect income except as mentioned in the chapter titled “Risk Factors” on page 25 of this Letter of Offer.

Expected future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known

Other than as described in the chapter titled “Risk Factors” and chapter titled “Management's Discussion and Analysis of Financial Conditions and Results of Operations” beginning on pages 25 and 86, respectively, and elsewhere in this Letter of Offer, there are no known factors to our knowledge which would have a material adverse impact on the relationship between costs and income of our Company. Our Company's future costs and revenues will be determined by demand/supply situation and government policies.

The extent to which material increases in net sales or revenue are due to increased sales volume or increased sales prices

Increase in revenues is by and large linked to increase in sale of our services.



Competitive Conditions

We expect competition in the sector from existing and potential competitors to intensify. However, on account of cost reduction and cost control, consistently delivering quality services, we are able to stay competitive. For further details, kindly refer the chapter titled “Our Business” beginning on page 75 of this Letter of Offer.



SECTION VII - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND OTHER DEFAULTS

*Our Company is subject to various legal proceedings from time to time, primarily arising in the ordinary course of business. There is no outstanding litigation which has been considered material in accordance with our Company's 'Policy for Determination of Materiality', framed in accordance with Regulation 30 of the SEBI Listing Regulations, and accordingly, there is no such outstanding litigation involving our Company that requires disclosure in this Letter of Offer. However, solely for the purpose of the Issue, the following outstanding litigations have been disclosed in this section of this Letter of Offer, to the extent applicable: any outstanding civil litigation, including tax litigation, involving our Company, where the amount involved is where the amount involved is 20% of Turnover or Net Worth of the Company for the immediately preceding financial year ("**Materiality Threshold**") or above.*

Except as disclosed below, there are no outstanding litigation with respect to (i) issues of moral turpitude or criminal liability on the part of our Company; (ii) material violations of statutory regulations by our Company; (iii) economic offences where proceedings have been initiated against our Company;(iv) any pending matters, which if they result in an adverse outcome, would materially and adversely affect our operations or our financial position.

Pre-litigation notices received by our Company from third-parties (excluding notices pertaining to any offence involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings related to economic offences) shall not be evaluated for materiality until such time our Company are impleaded as defendants in litigation proceedings before any judicial forum.

LITIGATIONS INVOLVING OUR COMPANY

Litigations Against our Company

Criminal proceeding against our Company

Nil

Action and Proceeding initiated by Statutory / Regulatory Authority including economic offences against our Company

Other Proceeding against our Company including matters which are considered material as per Materiality Policy

Nil

Litigations by our Company

Criminal proceeding by our Company

Nil

Litigation involving our Directors, Promoters and Promoter Group



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SR. No.	Appellant	Respondent	Brief Details	Amount involved (Amount in Rs. Lakhs)
1	Anupam Narain Gupta	Motilal Oswal Financial Services Limited	<p>M/s. Motilal Oswal Financial Services Limited a stock broker misused the account maintained with him of Mr. Anupam Narain Gupta. Wherein the out of pocket expenses were unreasonable amount and so the appellant filed with Arbitration Panel of National Stock Exchange of India Ltd (NSE) and the panel has vide its order dated 3rd April, 2023 has passed an order in arbitration matter no. AM No: NSEWRO/0010372/22-23/ARB whereby an order was passed against Mr. Anupam Narain Gupta and he was directed to the Respondent an amount of Rs. 1,026.30 Lakhs within 90 days of the date of order along failing which he will also pay interest of 9.00% p.a.</p> <p>Against this order, he moved an appeal with Arbitral Appellate Tribunal vide appeal dated 18th May, 2023.</p> <p>Currently, the appeal is pending before the Appellate Tribunal.</p>	Rs. 1,026.30 Lakhs

LITIGATIONS INVOLVING SUBSIDIARY COMPANIES

Litigations against Subsidiary Companies

Criminal proceeding against our Subsidiary Companies

Nil

Action and Proceeding initiated by Statutory/Regulatory Authority against of our Subsidiary Companies

Nil

Other Proceeding against our Subsidiary Companies

Nil

Litigations by Subsidiary Companies

Criminal proceeding by our Subsidiary Companies

Nil



Other Proceeding by our Subsidiary Companies

Nil

Revenue Matters:

Nil

DISCLOSURES PERTAINING TO WILFUL DEFAULTERS OR FRAUDULENT BORROWERS

Neither our Company, our Promoters, our Directors are or have been classified as a willful defaulter or fraudulent borrower by a bank or financial institution or a consortium thereof in accordance with the guidelines on willful defaulters or fraudulent borrower issued by RBI.

AMOUNT DUE TO MSME

There are no pending dues to MSME supplier for more than 45 (Forty Five) days as on 30th September, 2024.



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GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company requires various consents, licenses, permissions and approvals from various central and state authorities under various rules and regulations for carrying on its present business activities. We have received the necessary consents, licenses, permissions and approvals from the Government of India and various governmental agencies required for our present business and to undertake the Issue. Such consents, licenses, permissions and approvals may be required to be renewed periodically and applications for the same are made at the appropriate stage.

We are not required to obtain any licenses or approvals from any government or regulatory authority for the objects of this Issue.



MATERIAL DEVELOPMENTS

There have not arisen, since the date of the last financial statements disclosed in this Letter of Offer, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

For further details, please refer to the chapter titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 86 of this Letter of Offer.



OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

This Issue has been authorized by the resolution passed by our Board at its meeting held on 16th October, 2024 pursuant to Section 62 (1) (a) of the Companies Act, 2013 and other applicable provisions. The Rights Issue Committee has approved the Record Date for the Issue at its meeting held on 24th December, 2024 and the Letter of Offer at its meeting held on 31st December, 2024.

Our Board, in its meeting held on 16th October, 2024, has resolved to issue Equity Shares to the Eligible Equity Shareholders, at Rs. 4.50 per Equity Share aggregating up to Rs. 4,770.16 Lakhs. The Issue Price is Rs. 4.50 per Equity Share has been arrived at by our Company prior to determination of the Record Date.

Our Company has received in-principle approval from BSE in accordance with Regulation 28(1) of the SEBI Listing Regulations for listing of the Equity Shares to be Allotted in this Issue pursuant to their letter dated November 29, 2024. Our Company will also make application to BSE to obtain its trading approval for the Rights Entitlements as required under the SEBI Rights Issue Circulars.

Our Company has been allotted the ISIN INE732K20019 for the Rights Entitlements to be credited to the respective demat accounts of the Equity Shareholders of our Company. For details, see "*Terms of the Issue*" beginning on page 107 of this Letter of Offer.

Prohibition by SEBI

Our Company, our Promoter, our Directors, the members of our Promoter Group and persons in control of our Company have not been prohibited from accessing the capital market or debarred from buying or selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any authority/court as on date of this Letter of Offer.

Further, our Promoter and our Directors are not promoter or director of any other company which is debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI. None our Directors or Promoter is associated with the securities market in any manner. Further, there is no outstanding action initiated against any of our Directors or Promoters by SEBI in the five years preceding the date of filing of this Letter of Offer.

Neither our Promoter nor our Directors have been declared as fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018).

Prohibition by RBI

Neither our Company, nor our Promoter, and Directors have been categorized or identified as wilful defaulters or fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

Eligibility for this Issue

Our Company is a listed company and has been incorporated under the Companies Act, 1956. Our Equity Shares are presently listed on the BSE. Our Company is eligible to offer Equity Shares pursuant to this



Issue in terms of Chapter III and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with Part B of Schedule VI of the SEBI ICDR Regulations.

Compliance with Regulations 61 and 62 of the SEBI ICDR Regulations

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company has made application to the Stock Exchange and has received its in-principle approval for listing of the Equity Shares to be issued pursuant to this Issue. BSE is the Designated Stock Exchange for the Issue.

Compliance with Part B of Schedule VI of the SEBI ICDR Regulations

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations as explained below:

1. Our Company has been filing periodic reports, statements and information in compliance with the SEBI Listing Regulations, as applicable for the last one year immediately preceding the date of filing of this Letter of Offer with the Designated Stock Exchange;
2. The reports, statements and information referred to above are available on the websites of BSE; and
3. Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by our Board as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations, and given that the conditions specified in Clause (3) of Part B of Schedule VI of SEBI ICDR Regulations are not applicable to our Company, the disclosures in this Letter of Offer are in terms of Clause (4) of Part B of Schedule VI of the SEBI ICDR Regulations.

Disclaimer Clause of SEBI

The Draft Letter of Offer has not been filed with SEBI in terms of SEBI ICDR Regulations as the size of issue is up to Rs. 4,770.16 Lakhs. The present Issue being of less than Rs. 5,000 lakhs, our Company is in compliance with first proviso to Regulation 3 of the SEBI ICDR Regulations and our Company shall file the copy of the Letter of Offer prepared in accordance with the SEBI ICDR Regulations with SEBI for information and dissemination on the website of SEBI i.e. www.sebi.gov.in.

Disclaimer from our Company, our Director(s)

Our Company accept no responsibility for statements made otherwise than in this Letter of Offer or in any advertisement or other material issued by our Company or by any other persons at the instance of our Company and anyone placing reliance on any other source of information would be doing so at their own risk.



Investors who invest in the Issue will be deemed to have represented to our Company and its officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares, and are relying on independent advice / evaluation as to their ability and quantum of investment in the Issue.

Caution

Our Company shall make all relevant information available to the Eligible Equity Shareholders in accordance with SEBI ICDR Regulations and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of this Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Letter of Offer. You must not rely on any unauthorized information or representations. This Letter of Offer is an offer to sell only the Equity Shares and rights to purchase the Equity Shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this Letter of Offer is current only as of its date.

Disclaimer with respect to jurisdiction

This Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Mumbai, Maharashtra, India only.

Designated Stock Exchange

The Designated Stock Exchange for the purpose of the Issue is BSE.

Listing

Our Company will apply to BSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

Disclaimer Clause of BSE

As required, a copy of this Letter of Offer has been submitted to the BSE. The Disclaimer Clause as intimated by BSE to us, post scrutiny of this Letter of Offer is set out below:

"BSE Limited ("the Exchange") has given, vide its letter dated November 29, 2024 permission to this Company to use the Exchange's name in this Letter of Offer as one of the stock exchanges on which this Company's securities are proposed to be listed. The Exchange has scrutinized this Letter of Offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

- Warrant, certify or endorse the correctness or completeness of any of the contents of this Letter of Offer; or



-
- Warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
 - Take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this Letter of Offer has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE RIGHTS ENTITLEMENTS AND EQUITY SHARES REFERRED TO IN THE LETTER OF OFFER ARE BEING OFFERED IN INDIA, BUT NOT IN THE UNITED STATES. THE OFFERING TO WHICH THE LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY EQUITY SHARES OR RIGHTS ENTITLEMENTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. Envelopes containing an Application Form should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under this Letter of Offer. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and this Letter of Offer/ Abridged Letter of Offer, Application Form and the Rights Entitlement Letter will be dispatched to the Eligible Equity Shareholders who have provided an Indian address to our Company. Any person who acquires the Rights Entitlements and the Equity Shares will be deemed to have declared, represented, warranted and agreed, by accepting the delivery of the Letter of Offer, (i) that it is not and that, at the time of subscribing for the Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made; and (ii) is authorised to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws, rules and regulations.

Our Company reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in or dispatched from the United States of America; (ii) does not include the relevant certification set out in the Application Form headed "Overseas Shareholders" to the effect that the person accepting and/or renouncing the Application Form does not have a registered address (and is not otherwise located) in the United States, and such person is complying with laws of the jurisdictions applicable to such person in connection with the Issue, among



others; (iii) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; or (iv) where a registered Indian address is not provided, and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such Application Form.

None of the Rights Entitlements or the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), or any state securities laws in the United States. Accordingly, the Rights Entitlements and Equity Shares are being offered and sold only outside the United States in compliance with Regulations under the Securities Act and the applicable laws of the jurisdictions where those offers and sales are made.

NO OFFER IN ANY JURISDICTION OUTSIDE INDIA

NO OFFER OR INVITATION TO PURCHASE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES IS BEING MADE IN ANY JURISDICTION OUTSIDE OF INDIA, INCLUDING, BUT NOT LIMITED TO AUSTRALIA, BAHRAIN, CANADA, THE EUROPEAN ECONOMIC AREA, GHANA, HONG KONG, INDONESIA, JAPAN, KENYA, KUWAIT, MALAYSIA, NEW ZEALAND, SULTANATE OF OMAN, PEOPLE'S REPUBLIC OF CHINA, QATAR, SINGAPORE, SOUTH AFRICA, SWITZERLAND, THAILAND, THE UNITED ARAB EMIRATES, THE UNITED KINGDOM AND THE UNITED STATES. THE OFFERING TO WHICH THIS LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN ANY JURISDICTION OUTSIDE INDIA OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THIS LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME.

Consents

Consents in writing of our Directors, the Registrar to the Issue and the Bankers to the Issue/ Refund Bank to act in their respective capacities, have been obtained and such consents have not been withdrawn up to the date of this Letter of Offer.

Expert Opinion

Our Company has not obtained any expert opinions.

Performance vis-à-vis objects – Public/Rights Issue of our Company

Our Company has not made any public issues during last one year immediately preceding the date of this Letter of Offer. There have been no instances in the past, wherein our Company has failed to achieve the objects in its previous issues.

Filing

SEBI *vide* the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI ICDR Regulations has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this



threshold, the Draft Letter of Offer has been filed with the Stock Exchange and not with SEBI. However, the Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchange.

Mechanism for Redressal of Investor Grievances

Our Company has adequate arrangements for redressal of investor grievances in compliance with the SEBI Listing Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/ OIAE/ 2/ 2011 dated June 3, 2011. Consequently, investor grievances are tracked online by our Company.

Our Company has a Stakeholders Relationship Committee which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of Shareholders in relation to transfer of shares and effective exercise of voting rights. Our Registrar and Share Transfer Agent. All investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer.

Investor complaints received by our Company are typically disposed of within 15 days from the receipt of the complaint.

Investors may contact the Registrar or our Company Secretary and Compliance Officer for any pre-Issue or post Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e mail address of the sole/ first holder, folio number or demat account number, number of Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, see "Terms of the Issue" beginning on page 107. The contact details of Registrar to the Issue and our Company Secretary and Compliance Officer are as follows:

Investor Grievances arising out of this Issue

Investors may contact the Registrar to the Issue at:

Beetal Financial & Computer Services Private Limited

Beetal House, 3rd Floor, 99 Madangir, Behind LSC
Near Dada Harsukhdas Mandir, New Delhi-110062

Tel No.: 011-29961281-82

Fax No.: 011-29961284

Website: www.beetalfinancial.com

E-mail ID: beetal@beetalfinancial.com

Contact Person: Mr. Punit Mittal

SEBI Registration No: INR000000262

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue/post- Issue related matter such as non-receipt of letter of Allotment, credit of Rights Equity Shares, refund and such other matters. The contact details of the Compliance Officer are as follows:



Company Secretary and Compliance Officer

Ms. Aakansha Khandelwal

503, Western Edge II, Western Express High Way,
Borivali East, Mumbai, Maharashtra, India, 400066

Email: profin.capital1@gmail.com

Website: www.profincapital.co.in

Tel: 022-3267 0651

Investors may contact the Company Secretary and Compliance Officer at the above mentioned address for any pre-Issue/ post-Issue related matters such as non-receipt of Letters of Allotment / share certificates/ demat credit/ Refund Orders etc.

EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI

Our Company has not submitted any application to SEBI for exemption from complying with any provisions of Securities.

Status of Complaints

- i. Total number of complaints received during Fiscal 2021: Nil
- ii. Total number of complaints received during Fiscal 2022: Nil
- iii. Total number of complaints received during Fiscal 2023: Nil
- iv. Total number of complaints received during Fiscal 2024 (till date): Nil
- v. Time normally taken for disposal of various types of investor complaints: 15 days
 - (a) Share transfer process: Within 15 days after receiving full set of documents
 - (b) Share transmission process: Within 21 days after receiving full set of documents
 - (c) Other Complaints: Within 15 days from the receipt of the complaint

Status of outstanding investor complaints

As on the date of the LOF, there were Nil outstanding investor complaints.

Changes in Auditor during the last three years

M/s. K. S. Subrahmanyam & Co., Chartered Accountants was appointed as a statutory auditor of the Company in the Board meeting held on 16.10.2024 for the term of five years due to casual vacancy caused by the previous auditor.

Minimum Subscription

The objects of the Issue are meeting our capital base and provide for our fund requirements for increasing our operational scale with respect to our NBFC activities and General Corporate Purpose and do not involve financing of Capital Expenditure for a project.



PRO FIN CAPITAL SERVICES LIMITED
(CIN-L51909MH1991PLC250695)

However, our promotor has indicated that they will subscribe fully to their portion of right entitlement. Accordingly, in terms of Regulation 86(1) of the SEBI ICDR Regulations, the requirements of minimum subscription are not applicable to the issue.

Any participation by our Promoters and Promoter Group, over and above their Rights Entitlements, shall not result in a breach of the minimum public shareholding requirements prescribed under applicable law.



SECTION VIII - ISSUE INFORMATION

TERMS OF THE ISSUE

This section is for the information of the Eligible Equity Shareholders proposing to apply in this Issue. The Eligible Equity Shareholders should carefully read the provisions contained in this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. The Eligible Equity Shareholders are advised to make their independent investigation and ensure that the Application Form is accurately filled up in accordance with instructions provided therein and this Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI Right Issue Circulars, the Eligible Equity Shareholders proposing to apply in this Issue can apply only through ASBA or by mechanism as disclosed in this Letter of Offer.

This Issue and the Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, FEMA, FEMA Rules, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with the Stock Exchange and the terms and conditions as stipulated in the Allotment advice.

DISPATCH AND AVAILABILITY OF ISSUE MATERIALS

In accordance with the SEBI ICDR Regulations, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, this Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Shareholders can access this Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Equity Shares under applicable laws) on the websites of:

- (i) Our Company at www.profincapital.co.in;
- (ii) The Registrar at www.beetalfinancial.com;
- (iii) The Stock Exchange at www.bseindia.com;



Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., Beetal Financial & Computer Services Private Limited at www.beetalfinancial.com) by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.profincapital.co.in).

Please note that neither our Company nor the Registrar shall be responsible for non-dispatch of physical copies of Issue materials, including this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.

The distribution of this Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that this Letter of Offer is being filed with the Stock Exchange. Accordingly, the Rights Entitlements and Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed.

Accordingly, persons receiving a copy of this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Equity Shares or the Rights Entitlements, distribute or send this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who makes an application to acquire Rights Entitlements and the Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is authorized to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates to make any filing or registration (other than in India).



PROCESS OF MAKING AN APPLICATION IN THE ISSUE

In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI Rights Issue Circulars and the ASBA Circulars, all Shareholders desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Shareholders should carefully read the provisions applicable to such Applications before making their Application through ASBA.

Investors can submit either the Application Form in physical mode to the Designated Branches of the SCSBs or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) authorizing the SCSB to block the Application Money in an ASBA Account maintained with the SCSB. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process. For details, titled "Making of an Application through the ASBA Process" on page 110.

Please note that subject to SCSBs complying with the requirements of SEBI Circular CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs.

Further, in terms of the SEBI Circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details refer "Grounds for Technical Rejection" on page 116. Our Company, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, refer chapter titled "Application on Plain Paper under ASBA process".

Options available to the Eligible Equity Shareholders

The Rights Entitlement Letter will clearly indicate the number of Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

- a) apply for its Equity Shares to the full extent of its Rights Entitlements; or



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- b) apply for its Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
 - c) apply for Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
 - d) apply for its Equity Shares to the full extent of its Rights Entitlements and apply for additional Equity Shares; or
 - e) renounce its Rights Entitlements in full.

Making of an Application through the ASBA process

A Shareholders, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application. Shareholders desiring to make an Application in this Issue through ASBA process, may submit the Application Form in physical mode to the Designated Branches of the SCSB or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Shareholders should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, *via* the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>.

Please note that subject to SCSBs complying with the requirements of the SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Do's for Shareholders applying through ASBA:

- a) Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated as the Equity Shares will be allotted in the dematerialized form only.
- b) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.



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- c) Ensure that there are sufficient funds (equal to {number of Equity Shares (including additional Equity Shares) applied for} X {Application Money of Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
 - d) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application Form and have signed the same.
 - e) Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
 - f) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
 - g) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.

Don'ts for Shareholders applying through ASBA:

- a) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.
- b) Do not send your physical Application to the Registrar, the Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- c) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.
- d) Do not submit Application Form using third party ASBA account.

Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an application to subscribe to this Issue on plain paper in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through e-mail or physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar, Stock Exchange. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address or is a U.S. Person or in the United States.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.



**PRO FIN CAPITAL SERVICES LIMITED
(CIN-L51909MH1991PLC250695)**

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

- (a) Name of our Company, being Pro Fin Capital Services Limited;
- (b) Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
- (c) Folio Number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP and Client ID;
- (d) Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to this Issue
- (e) Number of Equity Shares held as on Record Date;
- (f) Allotment option – only dematerialised form;
- (g) Number of Equity Shares entitled to;
- (h) Number of Equity Shares applied for within the Rights Entitlements;
- (i) Number of additional Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
- (j) Total number of Equity Shares applied for;
- (k) Total amount paid at the rate of Rs. 4.50 per Equity Share;
- (l) Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
- (m) In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
- (n) Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
- (o) Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
- (p) All such Eligible Equity Shareholders are deemed to have accepted the following:

"I/We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for Shareholders in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

I/ We understand and agree that the Rights Entitlement and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

I/We (i) am/are, and the person, if any, for whose account I/ we am/ are acquiring such Rights Entitlement and/ or the Rights Equity Shares is/ are, outside the U.S., (ii) am/ are not a "U.S. Person" as defined in ("Regulations"), and (iii) is/ are acquiring the Rights Entitlement and/ or the Rights Equity Shares in an offshore transaction meeting the requirements of Regulations.



I/ We acknowledge that the Company, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements."

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, as applicable, including cases where a Shareholders submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Shareholders are requested to strictly adhere to these instructions. Failure to do so could result in an application being rejected, with our Company, and the Registrar not having any liability to the Shareholders. The plain paper Application format will be available on the website of the Registrar at www.beetalfinancial.com.

Our Company, and the Registrar shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the Shareholders' ASBA Accounts on or before the Issue Closing Date.

Making of an Application by Eligible Equity Shareholders holding Equity Shares in physical form

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e-mail, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date;
- b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- c) The remaining procedure for Application shall be same as set out in "*Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*" mentioned above.



Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Equity Shares while submitting the Application through ASBA process.

Application for Additional Equity Shares

Shareholders are eligible to apply for additional Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalized in consultation with the Designated Stock Exchange. Applications for additional Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in "*Basis of Allotment*" mentioned below.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for additional Equity Shares. Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for additional Equity Shares.

Additional general instructions for Shareholders in relation to making of an application

- i) Please read this Letter of offer carefully to understand the Application process and applicable settlement process.
- ii) Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Letter of offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- iii) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section "*Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*" mentioned above.
- iv) Applications should be (i) submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.
- v) Applications should not be submitted to the Banker(s) to the Issue or Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar.
- vi) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Shareholders for which PAN details have not been verified shall be "suspended for



credit" and no Allotment and credit of Equity Shares pursuant to this Issue shall be made into the accounts of such Shareholders.

- vii) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation ("**Demographic Details**") are updated, true and correct, in all respects. Shareholders applying under this Issue should note that on the basis of name of the Shareholders, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Shareholders applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Shareholders including mailing of the letters intimating unblocking of bank account of the respective Shareholders and/or refund. The Demographic Details given by the Shareholders in the Application Form would not be used for any other purposes by the Registrar. Hence, Shareholders are advised to update their Demographic Details as provided to their Depository Participants. **The Allotment Advice and the e-mail intimating unblocking of ASBA Account or refund (if any) would be e-mailed to the address of the Shareholders as per the e-mail address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Equity Shares are not allotted to such Shareholders. Please note that any such delay shall be at the sole risk of the Shareholders and none of our Company, the SCSBs, Registrar shall be liable to compensate the Shareholders for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Shareholders (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.**
- viii) By signing the Application Forms, Shareholders would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
- ix) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Shareholders must sign the Application as per the specimen signature recorded with the SCSB.
- x) Shareholders should provide correct DP ID and Client ID/ Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) while submitting the Application. Such DP ID and Client ID/ Folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Shareholders will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.
- xi) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.
- xii) All communication in connection with Application for the Equity Shares, including any change in contact details of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP ID and Client ID and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the



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- intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.
- xiii) Shareholders are required to ensure that the number of Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.
 - xiv) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
 - xv) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
 - xvi) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
 - xvii) Do not pay the Application Money in cash, by money order, pay order or postal order.
 - xviii) Do not submit multiple Applications.
 - xix) No investment under the FDI route (i.e any investment which would result in the Shareholders holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the Shareholders to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. Our Company will not be responsible for any allotments made by relying on such approvals.
 - xx) An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019.

Grounds for Technical Rejection

Applications made in this Issue are liable to be rejected on the following grounds:

- i) DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar.
- ii) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.
- iii) Sending an Application to our Company, Registrar, Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB.
- iv) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- v) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- vi) Account holder not signing the Application or declaration mentioned therein.
- vii) Submission of more than one Application Form for Rights Entitlements available in a particular demat account.
- viii) Multiple Application Forms, including cases where a Shareholders submits Application Forms along with a plain paper Application.
- ix) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).



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- x) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.
 - xi) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
 - xii) Application Forms which are not submitted by the Shareholders within the time periods prescribed in the Application Form and this Letter of offer.
 - xiii) Physical Application Forms not duly signed by the sole or joint Shareholders, as applicable.
 - xiv) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand s.
 - xv) If a Shareholders is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Shareholders to subscribe to their Rights Entitlements.
 - xvi) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs and QPs) or other jurisdictions where the offer and sale of the Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) both a U.S. QIB and a QP, if in the United States or a U.S. Person or (b) outside the United States and is a non-U.S. Person, and in each case such person is eligible to subscribe for the Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Equity Shares in respect of any such Application Form.
 - xvii) Applications which have evidence of being executed or made in contravention of applicable securities laws.
 - xviii) Application from Shareholders that are residing in U.S. address as per the depository records (other than from persons in the United States who are U.S. QIBs and QPs).

Applications by non-resident Shareholders.

- a. Payment from third party bank accounts.

Multiple Applications

In case where multiple Applications are made using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Shareholders and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further supplementary Applications in relation to further Equity Shares with/without using additional Rights Entitlement will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see "*Procedure for Applications by Mutual Funds*" mentioned below.

In cases where Multiple Application Forms are submitted, including cases where (a) a Shareholders submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications



(c) or multiple applications through ASBA, such Applications shall be treated as multiple applications and are liable to be rejected.

Procedure for Applications by certain categories of Shareholders

Procedure for Applications by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, *i.e.*, the individual holding of an FPI (including its Shareholders group (which means multiple entities registered as foreign portfolio Shareholders and directly and indirectly having common ownership of more than 50% of common control) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or Shareholders group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or Shareholders group will be re-classified as FDI subject to the conditions as specified by SEBI and RBI in this regard and our Company and the Shareholders will also be required to comply with applicable reporting requirements.

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iii) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

1. Such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and
2. prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre - approved by the FPI.

No investment under the FDI route will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval.

Procedure for Applications by AIFs, FVCIs, VCFs and FDI route



The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Further, venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

No investment under the FDI route (i.e any investment which would result in the Shareholders holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the Shareholders to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. Our Company will not be responsible for any allotments made by relying on such approvals.

Procedure for Applications by NRIs

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India ("OCI") may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognized stock exchange in India, subject to the conditions, *inter alia*, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Policy has been recently amended to state that all investments by entities incorporate in a country which shares land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Shareholders**"), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Shareholders will also require prior approval of the Government of India and each Shareholders should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Shareholders shall intimate our Company and the Registrar about such approval within the Issue Period.



Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

Procedure for Applications by Systemically Important Non-Banking Financial Companies ("NBFC-SI")

In case of an application made by NBFC-SI registered with RBI, (a) the certificate of registration issued by RBI under Section 45IA of RBI Act, 1934 and (b) net worth certificates from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

Last date for Application

The last date for submission of the duly filled in the Application Form or a plain paper Application is 24th January, 2025 *i.e.*, Issue Closing Date. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchange and the Application Money is not blocked with the SCSB on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in this Letter of offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as set out in "*Basis of Allotment*" mentioned below.

Please note that on the Issue Closing Date, (Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Shareholders can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

Withdrawal of Application

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, may withdraw their Application post the Issue Closing Date.

Disposal of Application and Application Money

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form to the Eligible Equity Shareholders upon submission of the Application.



Our Board reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Shareholders within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

CREDIT OF RIGHTS ENTITLEMENTS IN DEMAT ACCOUNTS OF ELIGIBLE EQUITY SHAREHOLDERS

Rights Entitlements

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (*i.e.*, www.beetalfinancial.com) by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (*i.e.*, www.profincapital.co.in).

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is INE732K20019. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchange after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements they will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who



are credited the Rights Entitlements are required to make an application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (*i.e.* www.beetalfinancial.com). Such Eligible Equity Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account (namely, “M/S. PRO FIN CAPITAL SERVICES LIMITED-RIGHTS ESCROW ENTITLEMENT DEMAT ACCOUNT” and “M/S. PRO FIN CAPITAL SERVICES LIMITED- UNCLAIMED SECURITIES SUSPENSE ACCOUNT”) opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the IEPF authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or suspended for debit or credit or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI Listing Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non-institutional equity shareholders in the United States.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/records confirming the legal and beneficial ownership of their respective Equity Shares) to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., by 20th January, 2025 to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer.

RENUNCIATION AND TRADING OF RIGHTS ENTITLEMENT

Renounees

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renounee(s) as well.



Renunciation of Rights Entitlements

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and *vice versa* shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favor of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchange or through an off-market transfer.

Procedure for Renunciation of Rights Entitlements

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchange (the "**On Market Renunciation**"); or (b) through an off-market transfer (the "**Off Market Renunciation**"), during the Renunciation Period. The Shareholders should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Shareholders may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Shareholders who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Shareholders on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

Our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Shareholders.

On Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchange through a registered stock-broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchange under ISIN INE732K20019 subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchange for trading of Rights Entitlements. No assurance can be given regarding the active or sustained



On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchange from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, *i.e.*, from 09th January, 2025 to 20th January, 2025 (both days inclusive).

The Shareholders holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN INE732K20019 and indicating the details of the Rights Entitlements they intend to trade.

The Shareholders can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE under automatic order matching mechanism and on 'T+2 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.

Off Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat accounts of the Renounees on or prior to the Issue Closing Date to enable Renounees to subscribe to the Equity Shares in the Issue.

The Shareholders holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN INE732K20019, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Shareholders can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

MODE OF PAYMENT



All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

In case of Application through the ASBA facility, the Shareholders agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Shareholder's ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Shareholders in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in this Letter of offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account(s) which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

Mode of payment for Resident Shareholders

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

Mode of payment for Non-Resident Shareholders

As regards the Application by non-resident Shareholders, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act. However, please note that conditions applicable at the time of original investment in our Company by the Eligible Equity Shareholder including repatriation shall not change and remain the same for subscription in the Issue or subscription pursuant to renunciation in the Issue.
2. Subject to the above, in case Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Equity Shares cannot be remitted outside India.



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3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.
 4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.
 5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.
 6. Non-resident Renounees who are not Eligible Equity Shareholders must submit regulatory approval for applying for additional Equity Shares.

BASIS FOR THIS ISSUE AND TERMS OF THIS ISSUE

The Equity Shares are being offered for subscription to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

For principal terms of Issue such as face value, Issue Price, Rights Entitlement ratio, see "*The Issue*" beginning on mentioned above.

Fractional Entitlements

The Rights Shares are being offered on a rights basis to existing Eligible Shareholders in the ratio of 1 (One) Rights Share for every 2 (Two) Equity Shares held as on the Record Date. As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Shareholders is less than 2 (Two) Equity Shares or is not in the multiple of 2 (Two) Equity Shares, the fractional entitlements of such Eligible Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Security if they apply for additional Rights Shares over and above their Rights Entitlements, if any, subject to availability of Rights Shares in this Issue post allocation towards Rights Entitlements applied for.

For example, if an Eligible Equity Shareholder holds 2 (Two) Equity Shares, such Equity Shareholder will be entitled to 1 (one) Rights Share(s) and will also be given a preferential consideration for the Allotment of one additional Rights Share if such Eligible Equity Shareholder has applied for additional Rights Shares, over and above his/ her Rights Entitlements, subject to availability of Rights Shares in this Issue post allocation towards Rights Entitlements applied for.

Such Eligible Shareholders are entitled to apply for additional Rights Shares and will be given preference in the Allotment of one Rights Shares, if such Eligible Shareholders apply for additional Rights Shares, subject to availability of Rights Shares in this Issue post allocation towards Rights Entitlements applied for. However, they cannot renounce the same in favour of third parties.



Ranking

The Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of this Letter of offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchange and the terms and conditions as stipulated in the Allotment advice. The Equity Shares to be issued and Allotted under this Issue shall rank *pari passu* with the existing Equity Shares, in all respects including dividends.

Listing and trading of the Equity Shares to be issued pursuant to this Issue

Subject to receipt of the listing and trading approvals, the Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchange. Unless otherwise permitted by the SEBI ICDR Regulations, the Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in-principle approval from the BSE through letter bearing reference number LOD/RIGHT/KD/FIP/1413/2024-25 dated November 29, 2024. Our Company will apply to the Stock Exchange for final approvals for the listing and trading of the Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Equity Shares or the price at which the Equity Shares offered under this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on BSE (Scrip Code: 511557) under the ISIN: INE732K01027. The Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchange. Upon receipt of such listing and trading approvals, the Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchange, our Company shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within four days of receipt of intimation from the Stock Exchange, rejecting the application for listing of the Equity Shares, and if any such money is not refunded/ unblocked within four days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

Subscription to this Issue by our Promoter and members of the Promoter Group

For details of the intent and extent of subscription by our Promoter and members of the Promoter Group, see "*Capital Structure - Intention and extent of participation by our Promoter*" mentioned above.



Rights of the Rights Equity Shareholder

Subject to applicable laws, the Rights Equity Shareholders shall have the following rights:

- The right to receive dividend, if declared;
- The right to attend general meetings and exercise voting powers, unless prohibited by law;
- The right to vote in person or by proxy;
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to receive surplus on liquidation;
- The right to free transferability of Rights Equity Shares; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act and Memorandum of Association and Articles of Association.

General Terms of the Issue

Market Lot

The Equity Shares of our Company are tradable only in dematerialised form. The market lot for Rights Equity Shares in dematerialised mode is one Equity Share.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Equity Shares offered in this Issue.

Nomination

Nomination facility is available in respect of the Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Equity Shares to be allotted in this Issue. Nominations registered with the respective DPs of the Shareholders would prevail. Any Shareholders holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

Arrangements for Disposal of Odd Lots

The Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be One Equity Share and hence, no arrangements for disposal of odd lots are required.



Notices

In accordance with the SEBI ICDR Regulations and the SEBI Right Issue Circulars, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, this Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation and one **Marathi language national daily** newspaper with wide circulation being the **regional language of Marathi, where our Registered Office is situated.**

This Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchange for making the same available on their websites.

Offer to Non-Resident Eligible Equity Shareholders/Shareholders

As per Rule 7 of the FEMA Rules, RBI has given general permission to Indian companies to issue Equity Shares to non-resident Equity Shareholders including additional Equity Shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, (i) subscribe for additional shares over and above their Rights Entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Shareholders has specific approval from RBI or any other governmental authority, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at Beetal Financial & Computer Services Private Limited at beetal@beetalfinancial.com. It will be the sole responsibility of the Shareholders to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and our Company will not be responsible for any such allotments made by relying on such approvals.

The Abridged Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent only to the Indian addresses of the non-resident Eligible Equity Shareholders on a reasonable efforts basis, who have provided an Indian address to our Company and located in jurisdictions where the offer and sale of the Equity Shares may be permitted under laws of such jurisdictions, Eligible Equity Shareholders can access



this Letter Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Equity Shares under applicable securities laws) from the websites of the Registrar, our Company, and the Stock Exchange. Further, Application Forms will be made available at Registered and Corporate Office of our Company for the non-resident Indian Applicants. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the Allotment. The Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Equity Shares are issued on rights basis.

In case of change of status of holders, *i.e.*, from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

Please also note that pursuant to Circular No. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies ("OCBs") have been derecognized as an eligible class of Shareholders and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Shareholders being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar and our Company by submitting their respective copies of self-attested proof of address, passport, etc. by mail at beetal@beetalfinancial.com

ALLOTMENT OF THE EQUITY SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH SHAREHOLDERS ON THE RECORD DATE. FOR DETAILS, SEE "ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS" AS MENTIONED ABOVE

Issue Schedule

Last date for credit of Rights entitlements	January 06, 2025
Issue opening date	January 09, 2025
Last Date on Market Renunciation of Rights Entitlements*	January 20,2025
Issue Closing Date**	January 24, 2025
Finalisation Of Basis of Allotment (On or About)	January 30, 2025
Date Of Allotment (On or About)	January 30, 2025
Date Of Credit (On or About)	February 05,2025
Date Of Listing & Trading (On or About)	February 10, 2025

*Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date.



***Our Board or the Rights Issue Committee, duly constituted and authorized by the Board of Directors thereof will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, *i.e.*, **20th January, 2024** to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, *i.e.*, **23rd January, 2024**.

Basis of Allotment

Subject to the provisions contained in this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to allot the Equity Shares in the following order of priority:

- (a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Equity Shares renounced in their favour, in full or in part.
- (b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one additional Equity Share each if they apply for additional Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Equity Shares after allotment under (a) above. If number of Equity Shares required for Allotment under this head are more than the number of Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
- (c) Allotment to the Eligible Equity Shareholders who having applied for all the Equity Shares offered to them as part of this Issue, have also applied for additional Equity Shares. The Allotment of such additional Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Equity Shares will be on equitable basis giving due regard to the holdings as on the record date and will not be a preferential allotment.
- (d) Allotment to Renouncees who having applied for all the Equity Shares renounced in their favour, have applied for additional Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- (e) Allotment to any other person, subject to applicable laws, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.



After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Shareholders who have been allocated Equity Shares in this Issue, along with:

- i) The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
- ii) The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- iii) The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

Further, the list of Applicants eligible for refund with corresponding amount will also be shared with Escrow Collection Bank(s) to refund such Applicants.

ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS

Our Company will send/ dispatch Allotment advice, refund intimations or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them; along with crediting the Allotted Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company and our Directors who are "officers in default" shall pay interest at 15% p.a. and such other rate as specified under applicable law from the expiry of such 4 days' period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through an e-mail, to the e-mail address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Shareholders who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for additional Equity Shares in the Issue and is allotted a lesser number of Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.



PAYMENT OF REFUND

Mode of making refunds

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes.

Unblocking amounts blocked using ASBA facility.

NACH – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.

National Electronic Fund Transfer ("NEFT") – Payment of refund shall be undertaken through NEFT wherever the Shareholders' bank has been assigned the Indian Financial System Code ("**IFSC Code**"), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Shareholders have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Shareholders through this method.

Direct Credit – Shareholders having bank accounts with the Banker(s) to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company

RTGS – If the refund amount exceeds Rs. 2,00,000, the Shareholders have the option to receive refund through RTGS. Such eligible Shareholders who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the Refund Bank(s) for the same would be borne by our Company. Charges, if any, levied by the Shareholder's bank receiving the credit would be borne by the Shareholders.

For all other Shareholders, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demands drawn in favour of the sole/first Shareholders and payable at par.

Credit of refunds to Shareholders in any other electronic manner, permissible by SEBI from time to time.

Refund payment to non-residents

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.



ALLOTMENT ADVICE OR DEMAT CREDIT OF SECURITIES

Receipt of the Equity Shares in Dematerialized Form

The demat credit of securities to the respective beneficiary accounts will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

PLEASE NOTE THAT THE EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH SHAREHOLDERS ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE.

Shareholders shall be allotted the Equity Shares in dematerialized (electronic) form. Our Company has signed an agreement with NSDL and with CDSL which enables the Shareholders to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates.

SHAREHOLDERS MAY PLEASE NOTE THAT THE EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGE ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Equity Shares in this Issue in the dematerialized form is as under:

- i) Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Shareholders having various folios in our Company with different joint holders, the Shareholders will have to open separate accounts for such holdings. Those Shareholders who have already opened such beneficiary account(s) need not adhere to this step.
- ii) It should be ensured that the depository account is in the name(s) of the Shareholders and the names are in the same order as in the records of our Company or the Depositories.
- iii) The responsibility for correctness of information filled in the Application Form *vis-a-vis* such information with the Shareholder's depository participant, would rest with the Shareholders. Shareholders should ensure that the names of the Shareholders and the order in which they appear in Application Form should be the same as registered with the Shareholder's depository participant.
- iv) If incomplete or incorrect beneficiary account details are given in the Application Form, the Shareholders will not get any Equity Shares and the Application Form will be rejected.
- v) The Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by e-mail and, if



the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Equity Shares to the Applicant's depository account.

- vi) Non-transferable Allotment advice/ refund intimation will be directly sent to the Shareholders by the Registrar, by e-mail and, if the printing is feasible, through physical dispatch.
- vii) Renounees will also have to provide the necessary details about their beneficiary account for Allotment of Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

IMPERSONATION

As a matter of abundant caution, attention of the Shareholders is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least Rs. 0.1 crore or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than Rs. 0.1 crore or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to Rs. 0.5 crore or with both.

UTILISATION OF ISSUE PROCEEDS

Our Board declares that:

- A. All monies received out of this Issue shall be transferred to a separate bank account;
- B. Details of all monies utilized out of this Issue referred to under (A) above shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilized, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and
- C. Details of all unutilized monies out of this Issue referred to under (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- i) The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.



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- ii) All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchange where the Equity Shares are to be listed will be taken by our Board within seven Working Days of finalization of Basis of Allotment.
 - iii) The funds required for making refunds / unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
 - iv) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Shareholders within 4 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
 - v) In case of refund / unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
 - vi) Adequate arrangements shall be made to collect all ASBA Applications.
 - vii) Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

SHAREHOLDERS GRIEVANCES, COMMUNICATION AND IMPORTANT LINKS

1. Please read this Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of this Letter of Offer and must be carefully followed; otherwise, the Application is liable to be rejected.
2. All enquiries in connection with this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed "**Pro Fin Capital Services Limited- Rights Issue**" on the envelope and postmarked in India or in the e-mail) to the Registrar at the following address:

Beetal Financial & Computer Services Private Limited

Beetal House, 3rd Floor, 99 Madangir, Behind LSC
Near Dada Harsukhdas Mandir, New Delhi-110062

Tel No.: 011-29961281-83

Fax No.: 011-29961284

Website: www.beetalfinancial.com

E-mail ID: beetal@beetalfinancial.com

Contact Person: Mr. Punit Mittal

SEBI Registration No: INR000000262

3. In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated Shareholders helpdesk for guidance on the Application process and resolution of difficulties faced by the Shareholders will be available on the website of the Registrar (i.e., Beetal



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Financial & Computer Services Private Limited at www.beetalfinancial.com). Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is 011-29961281-83.

(i) The Shareholders can visit following links for the below-mentioned purposes:

4. Frequently asked questions and online/ electronic dedicated Shareholders helpdesk for guidance on the Application process and resolution of difficulties faced by the Shareholders: www.beetalfinancial.com).
5. Updation of Indian address/ e-mail address/ phone or mobile number in the records maintained by the Registrar or our Company: www.beetalfinancial.com or profin.capital1@gmail.com).
6. Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: www.beetalfinancial.com).
7. Submission of self-attested PAN, client master sheet and demat account details by non- resident Eligible Equity Shareholders: beetal@beetalfinancial.com.

This Issue will remain open for a minimum 7 days. However, our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Closing Date).



RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment ("FDI") and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) ("DPIIT"), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 ("FDI Circular 2020"), which, with effect from October 15, 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2020 will be valid until the DPIIT issues an updated circular.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI. The FDI Circular 2020, issued by the DPIIT, consolidates the policy framework in place as on October 15, 2020, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that (i) the activities of the investee company fall under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectorial limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

No investment under the FDI route (i.e. any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. Our Company will not be responsible for any allotments made by relying on such approvals.



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Please also note that pursuant to Circular no. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies ("OCBs") have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.



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STATUTORY AND OTHER INFORMATION

Please note that the Rights Equity Shares applied for under this Issue can be allotted only in dematerialized form and to (a) the same depository account/ corresponding pan in which the Equity Shares are held by such Investor on the Record Date, or (b) the depository account, details of which have been provided to our Company or the Registrar at least two working days prior to the Issue Closing Date by the Eligible Equity Shareholder holding Equity Shares in physical form as on the Record Date, or (c) demat suspense account where the credit of the Rights Entitlements returned/reversed/failed.



SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts referred to in para (A) have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Letter of Offer.

Copies of the above mentioned contracts and also the documents for inspection referred to in para (B), may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of this Letter of Offer until the closure of the subscription list.

Any of the contracts or documents mentioned in this Letter of Offer may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

A) MATERIAL CONTRACTS

1. Agreement dated 16th October, 2024 between our Company and M/s Beetal Financial & Computer Services Private Limited, Registrar to the Issue.
2. Tripartite Agreement dated 21st December, 2009 between our Company, National Securities Depository Ltd. (NSDL) and Registrar to the Issue;
3. Tripartite Agreement dated 17th August, 2010 between our Company, Central Depository Services (India) Limited (CDSL) and Registrar to the Issue;
4. Banker(s) to the Issue Agreement dated 27th December, 2024 amongst our Company and the Registrar to the Issue and the Escrow Collection Bank(s).

(B) DOCUMENTS FOR INSPECTION

5. Certified copy of the Memorandum of Association and Articles of Association of our Company as amended from time to time.
6. Certificate of Incorporation dated 22nd July, 1991.
7. Fresh Certificate of Incorporation dated 21st March, 1994.
8. Copy of the resolution of the Board of Directors under Section 62 of the Companies Act passed in its meeting dated 16th October, 2024 authorizing the Issue.
9. Copy of the resolution passed by the Right Issue Committee dated 16th October, 2024 approving the Draft Letter of offer and Right Issue Committee dated 31st December, 2024 approving the Letter of offer.
10. Resolution passed by the Right Issue Committee dated 24th December, 2024 determining the Record date.



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11. Consents of the Directors, Company Secretary and Compliance Officer, Statutory Auditor and Registrar to the Issue to include their names in the Offer Document to act in their respective capacities;
 12. Annual reports of our Company for the financial years ended March 31, 2022, 2023 and 2024;
 13. A statement of tax benefits dated 16th October, 2024 received from M/s. K. S. Subrahmanyam & Co., Chartered Accountants, Statutory Auditor regarding tax benefits available to our Company and its shareholders;
 14. Audited Financial Results along with Audit Report dated 29th May, 2024 received from M/s. & Co., Chartered Accountants, Statutory Auditor for the Financial Year ended March 31, 2024 and Limited review report along with the financial results for the quarter ended September 30, 2024 dated 09th August, 2024.
 15. Certificate dated 16th October, 2024 from M/s. K. S. Subrahmanyam & Co., Chartered Accountants regarding "Sources & deployment of funds";
 16. In-principle listing approval(s) dated November 29, 2024 from BSE Limited;

Any of the contracts or documents mentioned in the Letter of Offer may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without reference to the Equity Shareholders, subject to compliance with applicable law.



DECLARATION

We hereby declare that all relevant provisions of the Companies Act and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in this Letter of Offer are true and correct.

Name	Signature
Mr. Anupam Gupta Managing Director DIN: 02294687	Sd/-
Mr. Abhay Narain Gupta Whole-Time Director DIN: 02294699	Sd/-
Mr. Pinkesh Jain Executive Director DIN: 05276155	
Mr. Neeraj Arora Non-Executive and Independent Director DIN: 00177569	Sd/-
Mr. Manav Kumar Non-Executive and Independent Director DIN: 08309105	Sd/-
Mr. Dhanpal Jitendra Kumar Gandhi Non-Executive and Independent Director DIN: 05193985	Sd/-
Mr. Abhay Narain Gupta Chief Financial Officer PAN: AIZPG5166A	Sd/-
Ms. Aakansha Khandelwal Company Secretary & Compliance Officer PAN: EMCPK7782K	Sd/-

Place: Mumbai

Date: 31st December, 2024