

BFL ASSET FINVEST LIMITED

Regd. Office: 1, Tara Nagar, Ajmer Road, Jaipur-302006, Ph.:9214018877
CIN: L45201RJ1995PLC010646, Website: www.bflfin.com, E-mail: bfldevelopers@gmail.com

Ref. No.: BFL/2024-25/79

Date: February 10, 2025

To,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street
Mumbai- 400 001 (Maharashtra)

Scrip ID: 539662

Sub: Outcome of the Meeting of the Members of Rights Issue Committee held on Monday, February 10, 2025 pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

Dear Sir / Ma'am,

With reference to the captioned subject matter and with reference to the outcome of meeting of Board of Directors of the Company dated February 10, 2025 whereby the Board of Directors of the Company approved the issuance of fully paid-up equity shares of the Company for an amount not exceeding **Rs. 29,00,00,000/- (Rupees Twenty-Nine Crores only)** (including premium) [increased from **Rs. 15,00,00,000/- (Rupees Fifteen Crore only)** (including premium)] on rights issue basis to the existing eligible equity shareholders of the Company and empowered rights issue committee to revise the terms of the issue, in accordance with the provisions of Companies Act, 2013 and the rules made thereunder, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, each as amended, and other applicable laws, and pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to inform you that the Meeting of Members of the **Rights Issue Committee** of the Company was held on **Monday, February 10, 2025** which commenced at **04:00 P.M.** and concluded at **06:10 P.M.** at the registered office of the Company situated at 1, Tara Nagar, Ajmer Road, Jaipur 302006 (Rajasthan) where the following business was transacted, namely:

The Rights Issue Committee approved and adopted the Draft Letter of Offer dated February 10, 2025 (the "Draft Letter of Offer/DLOF") for raising of funds through issuance and allotment of fully paid-up equity shares of Rs. 10/- each ("Equity Shares") to the eligible equity shareholders of the Company on a Rights basis, on such terms and at such price and ratio as may be decided by the Board (including Right Issue Committee) at a later date, as on the record date (to be notified later), for an amount not exceeding **Rs. 29,00,00,000/- (Rupees Twenty-Nine Crores only)** subject to receipt of in-principle approval of stock exchange where the shares of the Company are listed i.e. BSE Limited, in accordance with the applicable laws including the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 and rules made there under, as amended from time to time ("Rights Issue").

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The detailed disclosure as required under Regulation 30 of the Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 is enclosed as **Annexure-1**;

The Company will apply to the Stock Exchange seeking its in-principle approval for the proposed Issue and listing of Equity Shares, issued pursuant to the same.

A copy of the Draft Letter of Offer is attached herewith as **Annexure-2** for your records and it shall also be made available on the website of the Company at www.bflfin.com.

**Thanking You,
Yours Faithfully
For BFL ASSET FINVEST LIMITED**

**ILMA SUZA
COMPANY SECRETARY AND COMPLIANCE OFFICER
MEMBERSHIP NUMBER: A70063**

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ANNEXURE-1

Disclosure of information pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024

DETAILS PERTAINING TO THE ISSUANCE OF SECURITIES (RIGHTS ISSUE OF EQUITY SHARES):

Sr. No.	Particulars	Description
1.	Type of securities proposed to be issued (viz. equity shares, convertibles, etc.)	Equity Shares of face value of Rs. 10/- each
2.	Type of issuance (further public offering, right issue, depository receipts, qualified institutions placement, preferential allotment etc.)	Rights Issue
3.	Total number of securities proposed to be issued or total amount for which the securities will be issued (approximately)	Total Amount not exceeding Rs. 29,00,00,000/- (Rupees Twenty-Nine Crore Only)
4.	Any Cancellation or termination of proposal for issuance of securities including reasons thereof.	Not Applicable

For BFL ASSET FINVEST LIMITED

ILMA SUZA
COMPANY SECRETARY AND COMPLIANCE OFFICER
MEMBERSHIP NUMBER: A70063

BFL ASSET FINVEST LIMITED

Our Company was incorporated on August 31, 1995 as 'BFL Properties and Investments Limited', a public limited company under the Companies Act, 1956 with the Registrar of Companies, Rajasthan at Jaipur. The Company obtained Certificate of Commencement of Business on September 06, 1995. The Reserve Bank of India granted a certificate of registration bearing registration no. B-10.00202 to our Company, for the registration of our Company as a non-deposit taking Non-Banking Financial Company under Section 45IA of the Reserve Bank of India Act, 1934 on July 30, 2007. At the time of incorporation, the Registered Office of our Company was situated at 3, Jaipur Tower, M.I. Road, Jaipur- 302001 (Rajasthan), India. For details in relation to changes in the name of our Company and changes in MOA and in the registered office of the Company, please refer to "General Information" on page 41.

Registered Office: 1, Tara Nagar, Ajmer Road, Jaipur- 302006 (Rajasthan), India; **Tel:** +91 9214018877; **Facsimile:** N.A.

E-mail: bfldevelopers@gmail.com; **Website:** www.bflfin.com; **Contact Person:** Ilma Suza, Company Secretary and Compliance Officer;

Corporate Identification Number: L45201RJ1995PLC010646

OUR PROMOTER- MAHENDRA KUMAR BAID

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF THE COMPANY ONLY

WE HEREBY CONFIRM THAT NEITHER OUR COMPANY NOR OUR PROMOTER OR ANY OF OUR DIRECTORS ARE IDENTIFIED AS WILFUL DEFAULTER OR A FRAUDULENT BORROWER AS ON DATE OF THIS DRAFT LETTER OF OFFER

ISSUE OF UPTO [●] FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("RIGHTS EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [●] PER RIGHTS EQUITY SHARE (INCLUDING A PREMIUM OF ₹ [●] PER RIGHTS EQUITY SHARE) (THE "ISSUE PRICE"), AGGREGATING UPTO ₹ 2,856.98* LAKHS ON A RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [●] RIGHTS EQUITY SHARE(S) FOR EVERY [●] FULLY PAID-UP EQUITY SHARE(S) OF THE COMPANY HELD BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON [●] (THE "ISSUE"). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS [●] TIME THE FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, PLEASE REFER TO THE CHAPTER TITLED "TERMS OF THE ISSUE" ON PAGE 162 OF THIS DRAFT LETTER OF OFFER.

*Assuming full subscription. Subject to finalization of the Basis of Allotment.

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this offer 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 this Issue. For taking an investment decision, investors shall rely on their own examination of our Company and the Issue including the risks involved. The Rights Equity Shares 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 document. Specific attention of the investors is invited to the section titled "Risk Factors" on page no. 23 of this Draft Letter of Offer.

OUR COMPANY'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regard to our Company and this Issue, which is material in the context of this Issue, that the information contained in this Draft 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 Draft 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 are listed on BSE Limited ("BSE") (the "Stock Exchange"). Our Company has received 'in-principle' approvals from BSE for listing the Rights Equity Shares to be allotted pursuant to this Issue vide its letter dated [●]. Our Company will also make applications to BSE to obtain trading approvals for the Rights Entitlements as required under the SEBI Master Circular (as defined hereinafter). For the purpose of this Issue, the Designated Stock Exchange is BSE.

REGISTRAR TO THE ISSUE



MCS SHARE TRANSFER AGENT LIMITED

Registered Office: 179-180, DSIDC Shed, 3rd Floor, Okhla Industrial Area, Phase – 1 New Delhi – 110020, India **Telephone:** 011-41406149

Facsimile: NA

E-mail: admin@mcsregistrars.com

Website: www.mcsregistrars.com

Investor grievance: helpdeskdelhi@mcsregistrars.com

Contact person: Narender Negi **SEBI Registration No:** INR000004108 **Validity of Registration:** Permanent

ISSUE PROGRAMME

ISSUE OPENS ON	LAST DATE FOR ON MARKET RENUNCIATION*	ISSUE CLOSURES ON**
[●]	[●]	[●]

* 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 Renouncees on or prior to the Issue Closing Date.

** Our Board or the Rights Issue Committee 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.

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**SECTION I – GENERAL DEFINITIONS AND
ABBREVIATIONS**

This Draft Letter of Offer uses certain 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 Draft Letter of Offer is intended for the convenience of the reader/prospective investor only and is not exhaustive.

Unless otherwise specified, the capitalized terms used in this Draft Letter of Offer shall have the meaning as defined hereunder. References to any legislations, acts, regulation, rules, guidelines, circulars, notifications, policies or clarifications shall be deemed to include all amendments, supplements or re-enactments and modifications thereto notified from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under such provision.

Provided that terms used in the sections/ chapters titled “Industry Overview”, “Summary of this Draft Letter of Offer”, “Financial Information”, “Statement of Special Tax Benefits”, “Outstanding Litigation and Material Developments” and “Issue Information” on pages 61, 21, 77, 56, 154 and 150 respectively, shall, unless indicated otherwise, have the meanings ascribed to such terms in the respective sections/ chapters.

Company Related Terms

Term	Description
“Company”, “our Company”, “the Company”, “the Issuer” or “BFL”	BFL Asset Finvest Limited, a public limited company incorporated under the Companies Act, 1956, having its registered office at 1, Tara Nagar, Ajmer Road, Jaipur-302006 (Rajasthan) India.
“we”, “us”, or “our”	Unless the context otherwise indicates or implies, refers to our Company.
Annual Audited Financial Statements	The audited financial statements of our Company for Fiscal 2024 and Fiscal 2023, were prepared in line with Ind AS notified under the Companies Act, 2013, as amended read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time. The audited financial statements of the Company comprise of the balance sheet, the profit and loss account, the cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
Articles / Articles of Association / AoA	Articles / Articles of Association of our Company, as amended from time to time.
Audit Committee	The committee of the Board of Directors constituted as our Company’s audit committee in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and Section 177 of the Companies Act, 2013. For details, see “Our Management” on page no. 72 of the Draft Letter of Offer.
Auditor / Statutory Auditor/ Peer Review Auditor	Statutory and Peer Review Auditor of our Company, namely, M/s Khilnani & Associates. Chartered Accountant, Jaipur.
Board / Board of Directors	Board of Directors of our Company or a duly constituted committee thereof.
Chief Financial Officer / CFO	Ravi Bohra, the Chief Financial Officer of our Company.
Company Secretary and Compliance Officer/ CS	Ilma Suza, the Company Secretary and the Compliance Officer of our Company.
Director(s)	The director(s) on the Board of our Company, unless otherwise specified, as disclosed in “Our Management” on page 72 of this Draft Letter of Offer.
Equity Shareholder	A holder of Equity Shares of our Company.
Equity Shares	Fully paid-up Equity shares of our Company of face value of ₹ 10 each.
Executive Director	Mahendra Kumar Baid, Managing Director of our Company.
Executive Officers	Executive Director, CS and CFO.
Independent Director(s)	The Independent Director(s) of our Company, in terms of Section 2(47) and Section 149 (6) of the Companies Act, 2013. For details of the Independent Directors, see “Our Management” on Page 72 of this Draft Letter of Offer

Key Managerial Personnel / KMP	Key Managerial Personnel of our Company in terms of the Companies Act, 2013 and the SEBI ICDR Regulations as described in the subsection titled “ <i>Our Management– Key Managerial Personnel</i> ” on page 75 of this Draft Letter of Offer.
Limited Reviewed Financial Information or Limited Reviewed Financial Statements	The limited reviewed unaudited financial results of our Company for the quarter and nine-months ended on December 31, 2024, prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards 34 ‘Interim Financial Reporting’ prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. For details, see “ <i>Financial Information</i> ” on page 77 of this Draft Letter of Offer.
Memorandum / Memorandum of Association / MOA)	Memorandum of Association of our Company, as amended from time to time.
Nomination and Remuneration Committee	The committee of the Board of directors reconstituted as our Company’s Nomination and Remuneration Committee in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013.
Non-Executive and Independent Director	Non-Executive and Independent Directors of our Company, unless otherwise specified.
Non-executive Directors	Non-executive Directors of our Company.
Promoter(s)	Mahendra Kumar Baid
Promoter Group	Individuals and entities forming part of the promoter and promoter group in accordance with SEBI ICDR Regulations. As on date of this Draft Letter of offer Mrs. Meena Baid and Ganpati Holdings Private Limited form part of our promoter group but they do not hold any shares of our Company.
Registered Office	The Registered Office of our Company situated at 1, Tara Nagar, Ajmer Road, Jaipur- 302006 (Rajasthan) India.
Registrar of Companies/ RoC	Registrar of Companies, Rajasthan at Jaipur having its office at Corporate Bhawan, G/6-7, Second Floor, Residency Area, Civil Lines, Jaipur-302001 (Rajasthan) India.
Rights Issue Committee	The committee of our Board constituted for purposes of the Issue and incidental matters thereof.
Senior Management	Senior management of our Company determined in accordance with Regulation 2(1)(bbbb) of the SEBI ICDR Regulations. For details, see “ <i>Our Management</i> ” on page 72 of this Draft Letter of Offer.
Shareholders/ Equity Shareholders	The Equity Shareholders of our Company, from time to time.
Stakeholders’ Relationship Committee	The committee of the Board of Directors constituted as our Company’s Stakeholders’ Relationship Committee in accordance with Regulation 20 of the SEBI Listing Regulations.

Issue Related Terms

Term	Description
2009 ASBA Circular	The SEBI circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009
2011 ASBA Circular	The SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011
“Abridged Letter of Offer” or “ALOF”	Abridged letter of offer to be sent to the Eligible Equity Shareholders with respect to the Issue in accordance with the provisions of the SEBI ICDR Regulations and the Companies Act.
“Allot” or “Allotment” or “Allotted”	Allotment of Rights Equity Shares pursuant to the Issue.
Allotment Account	The account opened with the Banker(s) to the Issue, into which the Application Money lying to the credit of 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.
Allotment Advice	Note, advice or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Rights Equity Shares pursuant to the Issue.
Allotment Date	Date on which the Allotment is made pursuant to the Issue.
Allottee(s)	Person(s) to whom the Rights Equity Shares are Allotted pursuant to the Issue.

Applicant(s) / Investor(s)	Eligible Equity Shareholder(s) and/or Renouncee(s) who make an application For the Rights Equity Shares pursuant to the Issue in terms of this Draft Letter of Offer, including an ASBA Investor.
Application	Application made through 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.
Application Supported by Blocked Amount/ASBA	Application (whether physical or electronic) used by ASBA Applicants to make an Application authorizing the SCSB to block the Application Money in the ASBA Account
ASBA Account	Account maintained with SCSB and specified in the Application Form or plain paper application, as the case may be, for blocking the amount mentioned in the Application Form or the plain paper application, in case of Eligible Equity Shareholders, as the case may be.
ASBA Applicant / ASBA Investor	As per the SEBI Master Circular, all investors (including renouncee) shall make an application for a rights issue only through ASBA facility.
ASBA Bid	A Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations.
Banker(s) to the Issue	Collectively, the Escrow Collection Bank and the Refund Banks to the Issue.
Bankers to the Issue Agreement	Agreement dated [●] entered into by and among 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 thereof.
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful applicants in the Issue and which is described in “ <i>Terms of the Issue</i> ” on page 162 of this Draft Letter of Offer.
Consolidated Certificate	The certificate that would be issued for Rights Equity Shares Allotted to each folio in case of Eligible Equity Shareholders who hold Equity Shares in physical form.
“Controlling Branches” “Controlling Branches of the SCSBs”	Such branches of SCSBs which coordinate Bids under the Issue with the Registrar to the Issue and the Stock Exchanges, a list of which is available on the website of SEBI at updated from time to time, or at such other website(s) as may be prescribed by the SEBI from time to time.
Demographic Details	Details of Investors including the Investor’s address, name of the Investor’s father/ husband, investor status, PAN, DP ID, Client ID, occupation and bank account details, where applicable.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms submitted by ASBA Bidders, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	BSE Limited
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996.
“Draft Letter of Offer” “DLoF”, “DLOF”	The draft letter of offer dated February 10, 2025 filed with the Stock Exchanges for its observations and in-principal listing approval.

Eligible Equity Shareholders	Existing Equity Shareholders as on the Record Date. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders. For further details, see “ <i>Notice to Investors</i> ” on page 12.
Escrow Account	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– eligible equity shareholders as on record date making an Application through the ASBA facility.
Escrow Collection Bank	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom Escrow Account(s) will be opened, in this case being [●].
“Issue” or “Rights Issue”	Issue of up to [●] Equity Shares of face value of ₹ 10 each of our Company for cash at a price of ₹ [●] per Rights Equity Share (including a premium of ₹[●] per Rights Equity Share) aggregating up to ₹ 2,856.98 lakhs* on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of [●] Rights Equity Shares for every [●] Equity Shares held by the Eligible Equity Shareholders of our Company on the Record Date i.e. [●]. <small>*Assuming full subscription. Subject to finalization of the Basis of Allotment.</small>
Issue Closing Date	[●]
Issue Material	Collectively, the Abridged Letter of Offer, the Common Application Form and Rights Entitlement Letter, and any other material relating to the Issue.
Issue Opening Date	[●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/Investors can submit their Applications, in accordance with the SEBI ICDR Regulations.
Issue Price	₹ [●] per Rights Equity Share.
Issue Proceeds	The Gross proceeds raised through the Issue.
Issue Size	The issue of up to [●] Rights Equity Shares of face value of ₹10 each aggregating up to ₹ 2,856.98 Lakh*. <small>*Assuming full subscription. Subject to finalization of the Basis of Allotment.</small>
“Letter of Offer” or “LOF”	The final letter of offer dated [●] which has been filed with the Stock Exchanges and SEBI for record purposes.
Multiple Application Forms	More than one Application form submitted by an Eligible Equity Shareholder/ Renouncee in respect of the same Rights Entitlement available in their demat account. However additional applications in relation to additional Rights Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application
Net Proceeds	Proceeds of the Issue less our Company’s share of Issue related expenses. For further information about the Issue related expenses, see “ <i>Objects of the Issue</i> ” on page 51 of this Draft Letter of Offer.
“Non-Institutional Bidders” or “NIIs”	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI ICDR Regulations.
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 Master 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 Exchanges through a registered stock broker in accordance with the SEBI Master Circulars and the circulars issued by the Stock Exchanges, from time to time, and other applicable laws, on or before [●].
QIBs or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Record Date	Designated date for the purpose of determining the Equity Shareholders eligible to apply for Rights Equity Shares, to be decided prior to filing of the Draft Letter of Offer, being [●].
Refund Bank(s)	The Banker(s) to the Issue with whom the Refund Account(s) will be opened, in this case being [●].
“Registrar to the Company”	MCS Share Transfer Agent Limited.

Registrar Agreement	Agreement dated June 04, 2024 entered into among our Company and the Registrar in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Renouncee(s)	Any person(s) who has/have acquired the Rights Entitlement from the Eligible Equity Shareholders on renunciation in accordance with the SEBI Master Circular.
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 [●] in case of On 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 Bidders(s)” or “Retail Individual Investor(s)” or “RII(s)” or “RIB(s)”	An individual Investor (including an HUF applying through Karta) who has applied for Rights Equity Shares and whose Application Money is not more than two lakh rupees in the Issue as defined under Regulation 2(1)(v) of the SEBI ICDR Regulations.
RE ISIN	ISIN for Rights Entitlement i.e. [●]
Rights Entitlement	The number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, in this case being [●] Rights Equity Share for every [●] Rights Equity Shares for every [●] Equity Shares held on [●]. The Rights Entitlements with a separate ISIN: [●] will be credited to your demat account before the date of opening of the Issue, against the equity shares held by the Equity Shareholders as on the record date.
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders.
Rights Equity Shares	Equity Shares of our Company to be Allotted pursuant to this Issue.
SEBI	Securities And Exchange Board Of India.
SEBI Master Circular	Master circular dated November 11, 2024 issued by the Securities and Exchange Board of India in order to enable the stakeholders to have access to all circulars/directions issued under the relevant provisions of the SEBI ICDR Regulations, 2018 at one place. The SEBI Master Circular, bearing reference number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 has been rescinded pursuant to the SEBI Master Circular.
“Self-Certified Syndicate Banks” or “SCSBs	The banks registered with SEBI, offering services (i) in relation to ASBA (other than through UPI mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmlId=34 or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmlId=35 , as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI mechanism), a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmlId=40 or such other website as updated from time to time
Stock Exchange	Stock Exchange where the Equity Shares are presently listed i.e. BSE Limited.
Transfer Date	The date on which the amount held in the escrow account(s) and the amount blocked in the ASBA Account will be transferred to the Allotment Account, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange.
Wilful Defaulter(s) or Fraudulent Borrower(s)	Company or person, as the case may be, categorized as a wilful defaulter(s) or fraudulent borrower(s) by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by RBI and in terms of Regulation 2(1)(III) of the SEBI ICDR Regulations.

Working Day	All days other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Jaipur are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Issue Period, Term Description the term Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Jaipur are open for business; and (c) the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges. "Working Day" shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI.
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Business and Industry related Terms or Abbreviations

Term	Description
AUM	Asset Under Management
BFSI	Banking, Financial Services and Insurance
CAs	Current Assets
CIBIL	Credit Information Bureau Indian Limited
CLs	Current Liabilities
CUSTOMER INTERFACE	The interaction between NBFC and its customers while conducting its NBFI business.
DSA	Direct Selling Agents
DNBS	Department of Non-Banking Supervisions
ECL	Expected Credit Loss
EMI	Equated Monthly Installment
E-Nach	Electronic National Automated Clearing House
FLDG	First Loss Default Guarantee
GDP	Gross Domestic Product
GNPA	Gross Non-Performing Assets
GST	Goods and Service Tax
ICC	Investment and Credit Company
KYC	Know Your Customer
NBFC	Non-Banking Financial Company
NBFC-BL	Non-Banking Finance Company-Base layer
NBFC-D	Deposit taking NBFC
NBFC –ML	Non-Banking Finance Company-Middle Layer
NBFC-ND	Non-Deposit taking NBFC
NBFC-SI	Systematically Important NBFC
NBFC-TL	Non-Banking Finance Company-Top Layer
NBFC-UL	Non-Banking Finance Company-Upper Layer
NEFT	National electronic fund transfer
NET WORTH	<p>Net worth as defined under Regulation 2(1)(hh) of the SEBI ICDR Regulations, i.e., the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation.</p> <p>Net worth for our Company is paid up share capital and all reserves excluding capital reserve, amalgamation reserve, revaluation reserve and other comprehensive income.</p>
NNPA	Net Non-Performing Asset
NOC	No Objection Certificate
NOF	Net Owned Funds
NPA	Non-Performing Asset
ROA	Return on Assets
ROE	Return on Equity
RBI	Reserve Bank of India
TU CIBIL	TransUnion CIBIL
TYPE-1 NBFC	A financial institution/ NBFC that does not accept public funds and does not have a customer interface

TYPE-2 NBFC	A financial institution/ NBFC that accept public funds or have customer-facing operations.
UPI	United Payments Interface

Conventional and General Terms or Abbreviations

Term	Description
“₹” or “Rs.” Or “Rupees” or “INR”	Indian Rupee
A/c	Account
AGM	Annual General Meeting
AIF	Alternative Investment Fund, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
A.Y./ AY	Assessment Year
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIBIL	Credit Information Bureau (India) Limited
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CLRA	Contract Labour (Regulation and Abolition) Act, 1970
Companies Act, 2013 / Companies Act	Companies Act, 2013 along with rules made thereunder
Companies Act 1956	Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections)
CSR	Corporate Social Responsibility
Depository(ies)	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DP ID	Depository Participant’s Identification Number
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
EGM	Extraordinary General Meeting
EPF Act	Employees’ Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ESI Act	Employees’ State Insurance Act, 1948
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Regulations	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
Financial Year/Fiscal	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FPIs	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations, provided that any FII who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 2019
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GDP	Gross Domestic Product
GoI / Government	The Government of India
GST	Goods and Services Tax
HUF(s)	Hindu Undivided Family(ies)

ICAI	Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Income Tax Act / IT Act	Income Tax Act, 1961
Ind AS	The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015, as amended
Indian GAAP	Generally Accepted Accounting Principles in India
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time
Insolvency Code	Insolvency and Bankruptcy Code, 2016, as amended from time to time
INR or ₹ or Rs.	Indian Rupee, the official currency of the Republic of India.
ISIN	International Securities Identification Number
IT	Information Technology
MCA	The Ministry of Corporate Affairs, Gol
Mn / mn	Million
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not Applicable
NAV	Net Asset Value
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect.
NSDL	National Securities Depository Limited
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Issue.
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
Payment of Bonus Act	Payment of Bonus Act, 1965
Payment of Gratuity Act	Payment of Gratuity Act, 1972
RBI	The Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
SCRA	Securities Contract (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, as amended
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended.
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, since repealed and replaced by the SEBI (AIF) Regulations
Securities Act	The United States Securities Act of 1933.
STT	Securities Transaction Tax
State Government	The Government of a state in India
Trademarks Act	Trademarks Act, 1999, as amended
TDS	Tax Deducted at Source

US\$/ USD/ US Dollar	United States Dollar, the official currency of the United States of America
USA/ U.S./ US	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
VAT	Value Added Tax
VCFs	Venture Capital Funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be
w.e.f.	With effect from
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve-month period ending December 31

NOTICE TO INVESTORS

The distribution of this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter and the issue of Rights Entitlement (collectively “**Issue Material**”) 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 Draft Letter of Offer, the 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 electronically dispatch through email and physical dispatch through speed post this Draft Letter of Offer, the Letter of Offer / Abridged Letter of Offer and 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 Draft Letter of Offer, the Letter of Offer will be provided, through email and speed post, 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 Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer and the Application Form on the websites of the Registrar, our Company, SEBI and the Stock Exchange.

In case the Eligible Equity Shareholders have provided their valid e-mail address registered with the depositories/ Company, the Issue Material will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, by registered or speed post on a reasonable effort basis, to the Indian addresses provided by them. Our Company, and the Registrar will not be liable for non-dispatch of physical copies of Issue Materials.

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 Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer or any Issue material 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 Draft Letter of Offer, the 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 Draft Letter of Offer, the 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 Draft Letter of Offer, the 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 Draft Letter of Offer, the 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 Draft Letter of Offer, the 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 Draft Letter of Offer, the 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 Draft Letter of Offer, the 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 Draft Letter of Offer, the 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 DRAFT LETTER OF OFFER SHOULD NOT BE CONSTRUED AS BUSINESS, 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 ITS 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 Draft 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 Draft Letter of Offer/ the 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 Draft Letter of Offer/ the 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.

Our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

Rights Entitlements may not be transferred or sold to any person in the United States.

The Rights Entitlements and the Equity Shares have not been approved or disapproved by the US Securities and Exchange Commission (the "**US SEC**"), any state securities commission in the United States or any other US regulatory

authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Entitlements, the Equity Shares or the accuracy or adequacy of this Draft Letter of Offer. Any representation to the contrary is a criminal offence in the United States.

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 Draft Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

THIS DOCUMENT IS SOLELY FOR THE USE OF THE PERSON WHO RECEIVED IT FROM OUR COMPANY OR FROM THE REGISTRAR. THIS DOCUMENT IS NOT TO BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSON.

ENFORCEMENT OF CIVIL LIABILITIES

The Company is a Public Limited (Listed) Company under the laws of India and all the Directors and all Executive Officers are residents of India. It may not be possible or may be difficult for investors to affect service of process upon the Company or these other persons outside India or to enforce against them in courts in India, judgments obtained in courts outside India. India is not a party to any international treaty in relation to the automatic recognition or enforcement of foreign judgments.

However, recognition and enforcement of foreign judgments is provided for under Sections 13, 14 and 44A of the Code of Civil Procedure, 1908, as amended (the “**Civil Procedure Code**”). Section 44A of the Civil Procedure Code provides that where a certified copy of a decree of any superior court (within the meaning of that section) in any country or territory outside India which the Government of India has by notification declared to be a reciprocating territory, is filed before a district court in India, such decree may be executed in India as if the decree has been rendered by a district court in India. Section 44A of the Civil Procedure Code is applicable only to monetary decrees or judgments not being in the nature of amounts payable in respect of taxes or other charges of a similar nature or in respect of fines or other penalties. Section 44A of the Civil Procedure Code does not apply to arbitration awards even if such awards are enforceable as a decree or judgment. Among others, the United Kingdom, Singapore, Hong Kong and the United Arab Emirates have been declared by the Government of India to be reciprocating territories within the meaning of Section 44A of the Civil Procedure Code.

The United States has not been declared by the Government of India to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code. Under Section 14 of the Civil Procedure Code, an Indian court shall, on production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction unless the contrary appears on the record; but such presumption may be displaced by proving want of jurisdiction.

A judgment of a court in any non-reciprocating territory, such as the United States, may be enforced in India only by a suit upon the judgment subject to Section 13 of the Civil Procedure Code, and not by proceedings in execution. Section 13 of the Civil Procedure Code, which is the statutory basis for the recognition of foreign judgments (other than arbitration awards), states that a foreign judgment shall be conclusive as to any matter directly adjudicated upon between the same parties or between parties under whom they or any of them claim litigating under the same title except where:

- The judgment has not been pronounced by a court of competent jurisdiction;
- The judgment has not been given on the merits of the case;
- The judgment appears on the face of the proceedings to be founded on an incorrect view of international law or a refusal to recognize the law of India in cases where such law is applicable;
- The proceedings in which the judgment was obtained are opposed to natural justice;
- The judgment has been obtained by fraud; and/or
- The judgment sustains a claim founded on a breach of any law in force in India.

A suit to enforce a foreign judgment must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. In addition, it is unlikely that an Indian court would enforce foreign judgments if it considered the amount of damages awarded as excessive or inconsistent with public policy or if the judgments are in breach of or contrary to Indian law. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the Reserve Bank of India to repatriate any amount recovered pursuant to execution of such judgment. Any judgment in a foreign currency would be converted into Rupees on the date of such judgment and not on the date of payment and any such amount may be subject to income tax in accordance with applicable laws. The Company cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

PRESENTATION OF FINANCIAL INFORMATION AND USE OF MARKET DATA

CERTAIN CONVENTIONS

All references to “India” contained in this Draft Letter of Offer are to the Republic of India and its territories and possessions and all references herein to the “Government”, “Indian Government”, “GoI”, Central Government” or the “State Government” are to the Government of India, central or state, as applicable.

Unless otherwise specified or the context otherwise requires, all references in this Draft Letter of Offer to the ‘US’ or ‘U.S.’ or the ‘United States’ are to the United States of America and its territories and possessions.

Unless otherwise specified, any time mentioned in this Draft Letter of Offer is in Indian Standard Time (“IST”). Unless indicated otherwise, all references to a year in this Draft Letter of Offer are to a calendar year.

A reference to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable.

Unless stated otherwise, all references to page numbers in this Draft Letter of Offer are to the page numbers of this Draft Letter of Offer.

FINANCIAL DATA

Unless stated otherwise or the context otherwise requires, the financial data in this Draft Letter of Offer is derived from the un-audited financial results of our Company for the quarter and nine-months ended on December 31, 2024 and audited financial statements of the Company for the financial year ended on March 31, 2024 which have been prepared in terms of the requirements of the Companies Act, 2013 and in accordance with the recognition and measurement principles laid down in Indian Accounting Standards 34 ‘Interim Financial Reporting’ prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our Company publishes its financial statements in Indian Rupees. For further information, see “*Financial Statements*” beginning on page 77 of this Draft Letter of Offer.

BFL has adopted the Indian accounting standards (“**Ind AS**”), which are converged with the International Financial Reporting Standards of the International Accounting Standards Board (“**IFRS**”) and notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (the “**Ind AS Rules**”).

We have prepared our annual Audited Financial Statements in accordance with Ind AS and recognition and measurement principles laid down in Ind AS 34 prescribed under the Section 133 of the Companies Act 2013 and Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements), 2015. 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 Draft Letter of Offer should accordingly be limited.

In this Draft 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. Our Company has presented all numerical information in this Draft Letter of Offer in “lakh” units or in whole numbers where the numbers have been too small to represent in lakh. One lakh represents 1,00,000 and one million represents 1,000,000.

There are significant differences between Ind AS, US GAAP and IFRS. We have not provided a reconciliation of the financial information to IFRS or US GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Letter of Offer, and you are urged to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Letter of Offer will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Ind AS, the

Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Draft Letter of Offer should accordingly be limited. For further information, see *"Financial Information"* on page 77 of this Draft Letter of Offer.

Certain figures contained in this Draft Letter of Offer, including financial information, have been subject to rounded off adjustments. All figures in decimals (including percentages) have been rounded off to one or two decimals. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Draft Letter of Offer rounded-off to such number of decimal points as provided in such respective sources. In this Draft Letter of Offer, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies are due to rounding off.

CURRENCY AND UNITS OF PRESENTATION

All references to:

- "Rupees" or "₹" or "INR" or "Rs." are to Indian Rupee, the official currency of the Republic of India;
- "USD" or "US\$" or "\$" are to United States Dollar, the official currency of the United States of America; and
- "Euro" or "€" are to Euros, the official currency of the European Union.

Unless stated otherwise, throughout this Draft Letter of Offer, our Company has presented numerical information in this Draft Letter of Offer in "lakh" or "Lac" units. One lakh represents 1,00,000 and one million represents 1,000,000. All the numbers in the document have been presented in lakh or in whole numbers where the numbers have been too small to present in lakh. Any percentage amounts, as set forth in *"Risk Factors"*, *"Our Business"*, *"Management's Discussion and Analysis of Financial Conditions and Results of Operation"* and elsewhere in this Draft Letter of Offer, unless otherwise indicated, have been calculated based on our Financial Information.

INDUSTRY AND MARKET DATA

Unless stated otherwise, industry and market data used in this Draft Letter of Offer has been obtained or derived from publicly available information as well as industry publications and sources.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured.

Although we believe the industry and market data used in this Draft Letter of Offer is reliable, it has not been independently verified by us, or any of its affiliates or advisors. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such

data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” on page 23, of this Draft Letter of Offer. Accordingly, investment decisions should not be based solely on such information.

The extent to which the market and industry data used in this Draft 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 the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

FORWARD - LOOKING STATEMENTS

This Draft Letter of Offer contains certain “forward-looking statements”. Forward looking statements appear throughout this Draft Letter of Offer, including, without limitation, under the chapters titled “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and “*Industry Overview*”. Forward-looking statements include statements concerning our Company’s plans, objectives, goals, strategies, future events, future revenues or financial performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, our Company’s competitive strengths and weaknesses, our Company’s business strategy and the trends our Company anticipates in the industries and the political and legal environment, and geographical locations, in which our Company operates, and other information that is not historical information. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “continue”, “can”, “could”, “expect”, “estimate”, “intend”, “likely”, “may”, “objective”, “plan”, “potential”, “project”, “pursue”, “shall”, “seek to”, “will”, “will continue”, “will pursue”, “forecast”, “target”, or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding our Company’s expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company’s business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Draft Letter of Offer that are not historical facts. These forward-looking statements contained in this Draft 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.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, the competition in our industry and markets, technological changes, our exposure to market risks, general economic and political conditions in India and globally which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in laws, regulations and taxes, incidence of natural calamities and/or acts of violence. Important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- The Company is dealing in shares and stock trading which is quite unpredictable in terms of the economic scenario, GDP Growth of the Country, Government policies, political situation and global trends etc.
- Our business is particularly vulnerable to interest rate risk, and volatility in interest rates could have an adverse effect on our net interest income and net interest margin, thereby affecting our results of operations and cash flows.
- Our operations are concentrated in investment activities and dealing in stock trading, any adverse developments or volatile fluctuation in the Stock market could have an adverse effect on our business’s financial condition, results of operations and cash flows.
- We may face various risks associated with investments and trading activities such as liquidity risk, interest rate risk, operational risk, concentration risk, capital risk, and regulatory risk.
- Market conditions have direct impact on the business conditions of our company.
- We operate in a highly competitive industry and our inability to compete effectively may adversely affect our business.
- Our business will require substantial funds, and any disruption in funding sources would have a material adverse effect on our liquidity and financial condition.
- The proposed objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.
- If we are not able to obtain, renew or maintain our statutory and regulatory licenses, registrations and approvals required to operate our business, it may have a material adverse effect on our business, results of

operations and financial condition.

- We do not have a customer interface.
- There are outstanding litigations involving Promoter of our Company, if determined adversely, may affect the company indirectly.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on pages 23, 68 and 138, respectively, of this Draft Letter of Offer. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect the current views of our Company as of the date of this Draft Letter of Offer and are not a guarantee of future performance. These statements are based on the management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, our Promoters, the Syndicate Member(s) nor any of their respective affiliates or advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company will ensure that investors are informed of material developments from the date of this Draft Letter of Offer until the time of receipt of the listing and trading permissions from the Stock Exchange.

SUMMARY OF THIS DRAFT LETTER OF OFFER

The following is a general summary of certain disclosures included in this Draft Letter of Offer and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer or all details relevant to the prospective investors. This summary should be read in conjunction with and is qualified by the more detailed information appearing in this Draft Letter of Offer, including the sections titled “Risk Factors”, “The Issue”, “Capital Structure”, “Objects of the Issue”, “Our Business”, “Industry Overview”, “Outstanding Litigation and Material Developments” and “Terms of the Issue” on pages 23, 41, 48, 51, 68, 61, 151 and 162 respectively.

1. Summary of primary Business

We are a Non-Banking Finance Company (“NBFC”) – Investment and Credit Company (“ICC”) and we are non-deposit taking-non-systemically important NBFC classified into the Base Layer of NBFCs pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023. The Company’s main business is dealing in shares, Futures and Options. All other activities of the Company revolve around its main business. For further details, please see “Our Business - Overview” on page 68.

2. Our Promoter(s)

Mahendra Kumar Baid.

For further details please see chapter titled “Our Management” beginning on page 72 of this Draft Letter of Offer.

3. Objects of the Issue

The Net Proceeds are proposed to be used in the manner set out in the following table:

		(₹ in lakhs)
Sr. No.	Particulars	Estimated amount
1.	Funding of long-term working capital requirements of our Company	[●]
2.	General corporate purposes*	[●]
Net proceeds**		[●]

*The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

** Assuming full subscription in the Issue and subject to finalisation of Basis of Allotment. Estimated and subject to change.

For further details, please see chapter titled “Objects of the Issue” beginning on page 51 of this Draft Letter of Offer.

4. Intention and extent of participation by our Promoters and Promoter Group with respect to (i) their rights entitlement; and (ii) their intention to subscribe over and above their rights entitlement

Our Promoters and Promoter Group vide their letters dated February 03, 2025 (the “Subscription Letters”) have confirmed that they will:

- (i) Subscribe and apply in the proposed rights issue to the full extent of their Rights Entitlements or renounce their rights entitlement only to the extent of renunciation within the Promoter and Promoter Group;
- (ii) Subscribe to rights entitlement, if any, which are renounced in their favour by any other member(s) of the Promoter and Promoter Group; and
- (iii) Subscribe to additional Rights Equity Shares in the issue to the extent of the issue size, subject to compliance with the minimum public shareholding requirements as prescribed under the Securities Contract (Regulation) Rules, 1957 in the event of any under-subscription.

The acquisition of Rights Equity Shares by our Promoters and other members of our Promoter Group in this Issue will be eligible for exemption from open offer requirements, and it will be subject to requirements of Regulation 10(4)(a) and 10(4)(b) of the SEBI Takeover Regulations. Further, the Issue shall not result in a change of control of the management of our Company in accordance with provisions of the SEBI Takeover Regulations. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue.

5. Summary of Outstanding Litigation

A summary of the pending tax proceedings and other material litigations involving our Company, our Promoter, and our Directors is provided below:

(₹ in lakhs)

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigation	Aggregate amount involved
COMPANY						
By our Company	NIL	NIL	NIL	NIL	NIL	NIL
Against our Company	NIL	NIL	NIL	NIL	NIL	NIL
DIRECTORS						
By our Directors	NIL	NIL	NIL	NIL	NIL	NIL
Against our Directors	1.40 ⁵	0.018*	NIL	NIL	NIL	0.018*
PROMOTERS						
By our Promoter	NIL	NIL	NIL	NIL	NIL	NIL
Against our Promoters	NIL	8.84**	NIL	NIL	NIL	8.84**

⁵To the extent quantifiable.

*The outstanding demand is raised against Mr. Mahendra Kumar Baid, Managing Director and Promoter of our Company for ₹ 8.84 Lakh and against Mr. Ajay Agarwal, Independent Director of the Company for Rs. 0.018 Lakh only.

** The outstanding demand is raised against Mr. Mahendra Kumar Baid, Managing Director and Promoter of our Company. Therefore, the same amount is incorporated twice under both heads "Directors" and "Promoters". The net liability of ₹ 8.84 Lakh is only against the said Promoter.

For further details, please refer the chapter titled "Outstanding Litigations, defaults and Material Developments" on page 151 of this Draft Letter of Offer.

6. Risk Factors

Please see the chapter titled "Risk Factors" on page 23 of this Draft Letter of Offer. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue.

7. Summary of Contingent Liabilities

For details regarding our contingent liabilities as per Ind AS 37 as at March 31, 2024, see "Financial Statements" on page 77.

8. Summary of Related Party Transactions

For details regarding our related party transactions as per Ind AS 24 entered into by our Company for Fiscal 2024 and Fiscal 2023, see "Financial Information" on page 77.

9. Issue of equity shares made in last one year for consideration other than cash

Our Company has not issued equity shares in last one year immediately preceding the date of this Draft Letter of Offer for consideration other than cash.

SECTION II - RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Letter of Offer, including the risks and uncertainties described below, before making an investment in the Equity Shares. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Issue including the merits and risks involved. The risks described below are not the only ones relevant to us, our Equity Shares, the industry or the segment in which we operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may arise or may become material in the future and may also impair our business, results of operations and financial condition. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the trading price of our Equity Shares could decline, and as prospective investors, you may lose all or part of your investment. You should consult your tax, financial and legal advisors about particular consequences to you of an investment in this Issue. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors.

To obtain a complete understanding of our company, prospective investors should read this section in conjunction with the sections "Industry Overview", "Our Business" and "Management's Discussion and Analysis of Financial Position and Results of Operations" on pages 61, 68 and 138 of this Draft Letter of Offer, respectively. The industry-related information disclosed in this section that is not otherwise publicly available is derived from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

This Draft Letter of Offer also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and, in the section titled "Forward-Looking Statements" on page 19 of this Draft Letter of Offer.

Our Financial Year ends on March 31 of each year, so all references to a particular FY, Financial or Financial Year are to the 12 months ended March 31 of that year. Unless stated otherwise, the figures for the nine months ended on December 31, 2024 and December 31, 2023 have been presented on an un-annualized basis and are not indicative of our Company's annual performance. Accordingly, these are not comparable with the figures for a complete Fiscal. 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 requires otherwise, the financial information of our Company has been derived from our financial statements.

Materiality:

The Risk Factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality of Risk Factors:

- *Some events may not be material individually but may be found material collectively;*
- *Some events may have material impact qualitatively instead of quantitatively; and*
- *Some events may not be material at present but may have a material impact in future.*

The financial and other related implications of risks concerned, whether quantifiable have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence, the same has not been disclosed in such risk factors. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk over another.

In this Draft Letter of Offer, any discrepancies in any table between total and sums of the amount listed are due to rounding off.

In this section, unless the context requires otherwise, any reference to "we", "us" or "our" refers to BFL Asset Finvest Limited.

The risk factors are classified as under for the sake of better clarity and increased understanding.

INTERNAL RISK FACTORS BUSINESS

RELATED RISKS

- 1. The Company is dealing in shares and stock trading which is quite unpredictable in terms of the economic scenario, GDP Growth of the Country, Government policies, political situation and global trends etc.***

Our Company is a Base Layer NBFC-ICC-ND-NSI and we are primarily engaged in the business of investment and trading in the stock market. Our business activities expose us to various risks due to unpredictability of Stock market. Various elements that affect the stock market thereby eventually affecting the operations of the business of our company are as follows:

a. Economic Scenario:

The overall economic environment directly impacts stock market performance. During periods of economic growth, investor confidence tends to rise, leading to higher stock prices. Conversely, during economic downturns, stock markets can experience volatility, as a result our business may suffer losses which are quite unpredictable and cannot be calculated in advance.

b. GDP Growth of the Country:

Gross Domestic Product (GDP) is a critical indicator of a country's economic health. A growing GDP often signals that businesses are thriving, which can result in rising stock values. On the other hand, a shrinking GDP might signal a recession, leading to lower investor confidence and declining stock prices. When the investor confidence is low, they tend to withdraw their funds from the market leading to fluctuations in the stock prices of the shares of companies and volatile market is riskier to do the trading activities.

c. Government Policies:

Monetary policies, such as interest rates and inflation control measures, can influence stock market activity. For example, lower interest rates can make borrowing cheaper, which can drive investment in stocks. Tax policies, trade regulations, and other government interventions can also directly or indirectly affect stock market behavior. Market movements clearly show the reception of any change in government policies by the market quite evidently.

d. Political Situation:

Political stability is essential for maintaining investor confidence. Political uncertainty, such as changes in leadership, policy shifts, or geopolitical tensions, can lead to market instability. For example, elections, changes in government regulations, or political unrest can cause short-term fluctuations in stock prices as investors react to potential risks.

e. Global Trends:

The stock market is increasingly influenced by global events. For instance, international trade relations, supply chain disruptions, and global financial crises can have a ripple effect on national markets. Moreover, global events like pandemics, wars, or natural disasters can lead to significant market volatility, as they may affect global demand, production, and consumption patterns.

Given these factors, the stock market can be very unpredictable, as our company is involved in this it is prone to be adversely affected by the all these elements.

- 2. Our business is particularly vulnerable to interest rate risk, and volatility in interest rates could have an adverse effect on our net interest income and net interest margin, thereby affecting our results of operations and cash flows.***

Net Interest Income (NII) refers to the difference between the interest income our business earns from its assets (like loans or investments) and the interest expenses it pays on its liabilities (like deposits or borrowings). Volatility in interest rates can cause fluctuations in both the income and expenses, which can either increase or decrease NII e.g. If

interest rates rise, we may earn more from your loans or investments but also pay more on any variable-rate liabilities; whereas on the other hand, if rates fall, the income from loans or investments could decrease, while we may benefit from lower interest payments on liabilities.

Net Interest Margin (NIM) is a profitability metric that shows how effectively a financial institution is managing its interest income versus its interest expenses, relative to its assets. A volatile interest rate environment can lead to fluctuations in NIM, making it harder for the business to maintain consistent profitability. If interest rates rise or fall unpredictably, it can cause NII and NIM to vary widely, leading to greater uncertainty in overall profitability and operational performance. Cash flow volatility may occur because changes in interest rates affect both inflows (loan interest) and outflows (debt servicing costs).

In a nutshell, volatility in interest rates can negatively affect both NII and NIM, which in turn impacts your bottom line and cash flows of the company.

3. *Our operations are concentrated in investment activities and dealing in stock trading, any adverse developments or volatile fluctuation in the Stock market could have an adverse effect on our business's financial condition, results of operations and cash flows.*

If any adverse developments or volatile fluctuation happens in the Stock market the value of investments in stocks or other securities can fluctuate significantly. If investments lose value due to market conditions, our assets will be worth less, potentially impairing financial position of our company. Moreover, if stock markets become illiquid (e.g., during a market crash or tight economic conditions), it may become more difficult to sell our investments at favorable prices, affecting cash flows and liquidity. Dealing in futures and options becomes riskier in volatile market and can cause significant adverse impact on the financial position of the Company.

4. *We may face various risks associated with investments and trading activities such as liquidity risk, interest rate risk, operational risk, concentration risk, capital risk, and regulatory risk.*

Various risks faced by our Company which may have potential adverse impact on the business operations of the Company and they affect the Company as follows:

- a. **Liquidity risk:** Liquidity risk arises when an asset cannot be bought or sold quickly enough in the market to prevent or minimize a loss. If the securities held by the Company become illiquid securities, we may be unable to sell them at desired prices, potentially leading to significant losses or an inability to meet financial obligation and during market disruptions or economic downturns, liquidity can dry up, making it difficult to execute trades at favorable prices.
- b. **Interest rate risk:** It refers to the potential impact of changes in interest rates on the value of investments and the cost of borrowing. Volatile interest rates can increase market uncertainty, which could negatively affect stock prices and trading volumes.
- c. **Operational Risk:** Operational risk involves the potential for losses due to failures in internal processes, systems, people, or external events. Technical issues or system failures can prevent trades from being executed, potentially resulting in financial losses or missed opportunities. Operational failures in compliance procedures could lead to regulatory penalties or reputational damage.
- d. **Concentration risk:** It occurs when a significant portion of assets, investments, or revenue is concentrated in one area (e.g., a specific sector, market, or counterparty). This can increase vulnerability to adverse developments in that area. If a significant portion of our investments is concentrated in one stock, industry, or region, any adverse market movement in that area could lead to substantial losses. High exposure to a single counterparty (e.g., a trading partner or lender) increases the risk that their default or failure could severely affect your financial stability.
- e. **Capital risk:** It refers to the possibility that the capital allocated to your business may not be sufficient to support your operations or withstand market fluctuations. This can also relate to the risk of a reduction in capital due to losses, poor returns on investments, or excessive borrowing.
- f. **Regulatory risk** arises from the possibility that changes in laws, regulations, or government policies may affect your business operations, investments, or profitability

5. *Market conditions have direct impact on the business conditions of our company.*

A volatile stock market can lead to uncertainty, causing investors to become more risk-averse, potentially affecting your ability to raise capital or access financing. If the stock market is performing well, investors might be more willing to fund new ventures or expand operations, improving liquidity and business prospects. As our company is heavily involved in investment activities, a market downturn could lead to portfolio losses, while a strong bull market could lead to gains in our investment income.

6. *We operate in a highly competitive industry and our inability to compete effectively may adversely affect our business.*

Stock exchange trading and investment industry presents unique challenges and risks. This industry is fast-paced, heavily regulated, and influenced by numerous external factors such as market trends, technology, economic cycles, and investor sentiment. Inability to compete effectively in this environment can have serious consequences for our business, including reduced market share, lower profitability, and even financial instability.

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

The need for substantial funds in stock market trading and investment is inherent due to the high capital requirements for trading in large volumes, leveraging positions, and managing operational costs associated with investment activities. Disruptions in funding sources—whether through a reduction in available capital, higher borrowing costs, or difficulty accessing new investment—can negatively impact liquidity, cash flow, and ultimately Company's ability to execute investment strategies.

8. *The proposed objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.*

The objects of the Issue for which the funds are being raised have not been appraised by any bank or financial institution. In the absence of such independent appraisal, the requirement of funds raised through this Issue, as specified in the section titled "*Objects of the Issue*" are based on the company's estimates and internal research. We may have to revise our management estimates from time to time and consequently our funding requirements may also change. This may result in rescheduling of our expenditure plans and an increase or decrease in our proposed expenditure for a particular object. Deployment of these funds is at the discretion of the management and the Board of Directors of the company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

9. *If we are not able to obtain, renew or maintain our statutory and regulatory licenses, registrations and approvals required to operate our business, it may have a material adverse effect on our business, results of operations and financial condition.*

We require certain statutory and regulatory licenses, registrations and approvals to operate our business. Further, in future, we may also be required to obtain new licenses, registrations and approvals for any proposed operations, including any expansion of existing operations. There can be no assurance that the relevant authorities will renew such licenses, registrations and approvals in a timely manner or at all. Further, these licenses, registrations and approvals are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant licenses, approvals and registrations. We may be subject to penalties or suffer a disruption in our business activities, any of which could adversely affect our results of operations. Further, our Company will be responsible for bearing any and all liabilities arising out of this non-compliance. If we are unable to renew, maintain or obtain the required registrations or approvals, it may result in the interruption of our operations and may have a material adverse effect on our revenues and operations. Failure by our Company to renew, maintain or obtain the required licenses or approvals, or cancellation, suspension, or revocation of any of the licenses, approvals and registrations may result in the interruption of our Company's operations and may have a material adverse effect on our business. For further details on the licenses obtained by our Company and licenses for which renewal applications have been made, kindly refer the chapter titled "*Government and Other Approvals*" beginning on page 154 of this Draft Letter of Offer.

10. We do not have a customer interface.

As our Company is a Type-1 NBFC and our Company is focused only on investments without direct customer interaction due to which it does not face the same operational risks as a lending-focused NBFCs, it still encounters several significant risks primarily related to market fluctuations, credit, liquidity, regulatory compliance, and operational efficiency. These risks collectively can affect the financial conditions of the Company significantly.

11. There are outstanding litigations involving Promoter of our Company, if determined adversely, may affect the company indirectly.

As on the date of this Draft Letter of Offer, the Promoter of our Company is involved in certain legal proceedings are pending at different levels of adjudication before income tax authorities. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and/or severally from the promoter of the Company. We cannot assure you that these legal proceedings will be decided in favour of the Promoter of our Company, or that no further liability will arise out of these proceedings. Promoter's personal liabilities generally does not affect the company directly, as the tax liabilities and penalties of an individual promoter are considered separate from the company. However, there are certain indirect ways in which this situation could impact the company such as it could damage the company's reputation or investors may lose confidence in the company or the company's corporate governance may come under scrutiny or financial institutions may view the company as a higher-risk entity.

A summary of the pending tax proceedings and other material litigations involving our Company, our Promoter and our Directors are provided below:

(₹ in lakhs)

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigation	Aggregate amount involved (₹ in lakhs)
COMPANY						
By our Company	NIL	NIL	NIL	NIL	NIL	NIL
Against our Company	NIL	NIL	NIL	NIL	NIL	NIL
DIRECTORS						
By our Directors	NIL	NIL	NIL	NIL	NIL	NIL
Against our Directors	1.40 [§]	0.018*	NIL	NIL	NIL	0.018*
PROMOTERS						
By our Promoter	NIL	NIL	NIL	NIL	NIL	NIL
Against our Promoters	NIL	8.84**	NIL	NIL	NIL	8.84**

[§]To the extent quantifiable.

*The outstanding demand is raised against Mr. Mahendra Kumar Baid, Managing Director and Promoter of our Company for ₹ 8.84 Lakh and against Mr. Ajay Agarwal, Independent Director of the Company for Rs. 0.018 Lakh only.

** The outstanding demand is raised against Mr. Mahendra Kumar Baid, Managing Director and Promoter of our Company. Therefore, the same amount is incorporated twice under both heads "Directors" and "Promoters". The net liability of ₹ 8.84 Lakh is only against the said Promoter.

For further details, please refer to the section titled "Outstanding Litigations, Defaults and Material Developments" on page 151 of this Draft Letter of Offer.

12. Penalty was imposed by the Adjudicating Officer of the Securities and Exchange Board of India (SEBI) on the Company during Financial Year 2022-23 in the matter pertaining to Financial Year 2016-17 and the same was reported by the Secretarial Auditor of the Company in its report for the Financial Year 2022-23.

During the Financial Year 2022-23, the Adjudicating Officer appointed by the Securities and Exchange Board of India imposed penalty of Rs. 25,00,000/- (Rupees Twenty-Five Lakh only) by an order dated February 27, 2023 jointly and severally on 3 companies (Co-Noticee) including our Company for alleged non-compliance with the provisions of:

- Regulations 3(a), (b), (c), (d) and Regulations 4 (1) and 4(2)(f) of Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 read with Section 12A(a), (b), (c) of Securities and Exchange Board of India Act, 1992 read with Section 67(2) read with Section 24(1) of Chapter III of Companies Act, 2013.
- Regulation 73(1)(e) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
- Regulation 31(1), 31A (3)(a) and 31A(8) of SEBI Listing Regulations read with Section 21 of Securities Contracts (Regulation) Act, 1956.

In respect of the said order, the amount of penalty has been paid in full by one of the Co-Noticee and the same was reimbursed in full by the Company to the Co-Noticee.

The said penalty has also been reported by the Secretarial Auditor of the Company in Annual Secretarial Compliance Report of the Company and in its Secretarial Audit Report. The observation as mentioned in the Secretarial Audit Report is reiterated below:

“We further report that during the audit period the company has received an Adjudication Order under Section 15-I of SEBI Act read with Rule 5 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 and under Section 23-I of Securities Contracts (Regulation) Act, 1956 read with Rule 5 of Securities Contracts (Regulation) (Procedure for holding Inquiry and Imposing Penalties) Rules, 2005 from Adjudicating Officer, Securities And Exchange Board of India thereby imposing a penalty of Rs. 25,00,000/- (Rupees Twenty Five Lakh Only) under Section 15HA of SEBI Act (i.e. Penalty for fraudulent and unfair trade practices) read with SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003; SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and Securities Contracts (Regulation) Act, 1956; jointly and severally on the Company and the other 2 noticees (i.e. Baid Finserv Limited [Erstwhile Baid Leasing and Finance Co. Ltd.] and Dream Finhold Private Limited) mentioned in the Adjudication Order.”

As on the date of this Draft Letter of Offer, no amount of penalty is yet to be paid by the Company.

13. As the securities of our Company are listed on Stock Exchanges in India, our Company is subject to certain obligations and reporting requirements under the SEBI Listing Regulations. Any non-compliances/delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties.

Our Company’s securities are listed on stock exchange in India, and as such, we are subject to certain obligations and reporting requirements under the SEBI Listing Regulations, 2015. Non-compliance or delays in meeting these obligations could result in penalties, fines, or other regulatory actions, including suspension or delisting of our securities. Such non-compliance could also expose us to reputational risks and adversely affect investor confidence, liquidity, and the market price of our securities. While we strive to ensure timely and accurate compliance with all applicable regulations, there can be no assurance that we will always be in full compliance with these obligations, which could materially impact our business, financial condition, and operations.

14. If we are unable to establish and maintain an effective system of internal controls and compliances, our business and reputation could be adversely affected.

We manage our internal compliance by monitoring and evaluating internal controls and ensuring all relevant statutory and regulatory compliances. However, there can be no assurance that deficiencies in our internal controls will not arise or that we will be able to implement and continue to maintain adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all. If we are unable to establish and maintain an effective system of internal controls and compliances, our business and reputation could be adversely affected.

15. System failures or inadequacy and security breaches in computer systems may adversely affect our business.

Our business is increasingly dependent on our ability to process transactions, placing trades, bidding and banking data into well managed accounts systems. Our financial, accounting or other data processing systems may fail to operate adequately or become disabled as a result of events that are wholly or partially beyond our control, including a disruption of electrical or communication services. Our ability to operate and remain competitive will depend in part on our ability to maintain and upgrade our information technology systems on a timely and cost-

effective basis. The information available to and received by our management through our existing systems may not be timely and sufficient to manage risks or to plan for and respond to changes in market conditions and other developments in our operations. Any failure to effectively maintain or improve or upgrade our management information systems in a timely manner could materially and adversely affect our competitiveness, financial position and results of operations. Moreover, if any of these systems do not operate properly or are disabled or if there are other shortcomings or failures in our internal processes or systems, it could affect our operations or result in financial loss, disruption of our businesses, regulatory intervention or damage to our reputation.

16. *Our Company requires significant amount of working capital for a continuing growth. Our inability to meet our working capital requirements may adversely affect our results of operations.*

Our business requires a significant amount of working capital. As we need to place bids comprising of a large sum of money, as a result, significant amount of our working capital is often required to finance the trading activities of the Company. In the event, we are unable to source the required amount of working capital, we might not be able to efficiently do the trading and investment activities. Even if we are able to source the required amount of funds, we cannot assure you that such funds would be sufficient to meet our cost estimates.

Further, one of the objects of this Issue includes funding of working capital requirements of our Company, which is based on management estimates and certain assumptions. For more information in relation to such management estimates and assumptions, please see “*Objects of the Issue*” on page 51.

17. *We are dependent on information technology systems in carrying out our business activities and it forms an integral part of our business. Further, if we are unable to adapt to technological changes and successfully implement new technologies or if we face failure of our information technology systems, we may not be able to compete effectively which may result in higher costs and would adversely affect our business and results of operations.*

We are dependent on information technology system in connection with carrying out our business activities and such systems form an integral part of our business. Any failure of our information technology systems could result in business interruptions, including the loss of our customers, loss of reputation and weakening of our competitive position, and could have a material adverse effect on our business, financial condition and results of operations. Additionally, our information technology systems, specifically our software may be vulnerable to computer viruses, piracy, hacking or similar disruptive problems. Computer viruses or problems caused by third parties could lead to disruptions in our business activities. Fixing such problems caused by computer viruses or security breaches may require interruptions, delays or temporary suspension of our business activities, which could adversely affect our operations. Breaches of our information technology systems may result in unauthorized access to confidential information. Such breaches of our information technology systems may require us to incur further expenditure to put in place advanced security systems to prevent any unauthorised access to our networks. In the event, any breach of our systems or software leads to the leaking of our trade secrets or any inventive techniques devised by our Company, it might lead to loss of our originality in the market and increase the chance of our products being substituted by the products of our competitors.

Our future success depends in part of our ability to respond to technological advancements and emerging standards and practices on a cost-effective and a timely basis. Our failure to successfully adopt such technologies in a cost-effective manner could increase our costs thereby compelling us to bid at lower margins which might lead to loss of bidding opportunities vis-à-vis such competitors. Additionally, the government authorities may require adherence with certain technologies and we cannot assure you that we would be able to implement such technologies in a timely manner or at all. The cost of upgrading or implementing new technologies or upgrading our existing equipment or expanding our capacity could be significant, less cost effective and therefore could negatively impact our profitability, results of operations, financial condition as well as our future prospects.

18. *Our Promoter, Directors and Key Managerial Personnel have interests in our Company other than reimbursement of expenses incurred or normal remuneration or benefits.*

Our Promoters, Directors and Key Managerial Personnel, may be deemed to be interested in our Company, in addition to the regular remuneration or benefits, reimbursements of expenses, Equity Shares held by them or their relatives, their dividend or bonus entitlement, benefits arising from their directorship in our Company. Our Promoters, Director and Key Managerial Personnel may also be interested to the extent of any transaction entered

into by our Company with any other company or firm in which they are directors or partners. There can be no assurance that our Promoters, Directors, Key Management Personnel will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters and members of our Promoter Group will continue to exercise significant control over our Company, 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 Directors and our Key Management Personnel may take or block actions with respect to our business, which may conflict with the best interests of our Company or that of minority shareholders.

19. *In past, we have entered into related-party transactions and we may continue to do so in future.*

Previously, we have entered into certain transactions with related parties and are likely to continue to do so in the future. For details on our related-party transactions as per Ind AS 24 read with the SEBI ICDR Regulations, see Note No. 4.23 of notes to standalone audited financial statements for the Financial Year 2024. Although all related-party transactions are conducted on arm's length bases and have been subject to approval by our Audit Committee, Board or shareholders, as required under the Companies Act, 2013 and the SEBI Listing Regulations, we cannot assure you that such transactions in the future or any future transactions, individually or in aggregate, will not have an adverse effect on our financial condition, results of operations and cash flows or that we could not have achieved more favorable terms if such transactions had not been entered into with related parties. Such related-party transactions may potentially involve conflicts of interest which may be detrimental to the interest of our Company.

20. *Our success largely depends upon the knowledge and experience of our Promoter, Directors and our Key Managerial Personnel. Loss of any of our Directors and key managerial personnel or our ability to attract and retain them could adversely affect our business, operations and financial condition.*

The growth and success of our Company's future significantly depends upon the experience of our Promoter and continued services and the management skills of our Key Managerial Personnel and the guidance of our Promoters and Directors for development of business strategies, monitoring its successful implementation and meeting future challenges. We believe the expertise, experience and continued efforts of our Key Managerial Personnel and their inputs are valuable for the operations of our Company. Our future success and growth depend largely on our ability to attract, motivate and retain the continued service of our highly skilled management personnel. Our Company has never been faced with a challenge of high rate of attrition of our Key Management Personnel in the past, however, any attrition of our experienced Key Managerial Personnel, would adversely impact our growth strategy. We cannot assure you that we will be successful in recruiting and retaining a sufficient number of personnel with the requisite skills to replace those Key Managerial Personnel who leave. In the event we are unable to motivate and retain our key managerial personnel and thereby lose the services of our highly skilled Key Managerial Personnel may adversely affect the operations, financial condition and profitability of our Company and thereby hampering and adversely affecting our ability to expand our business. For further details on our Directors and Key Managerial Personnel, please refer to the chapter titled — "Our Management" on page 86 of this Draft Letter of Offer.

21. *We have not independently verified certain data in this Draft Letter of Offer.*

We have not independently verified data from the Industry and related data contained in this Draft Letter of Offer. Such data may also be produced on a different basis from comparable information compiled with regards to other countries.

Therefore, discussions of matters relating to India, its economy or the industries in which we operate that is included herein are subject to the caveat that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete, inaccurate or unreliable. Due to incorrect 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, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

22. *The price of the Equity Shares may be highly volatile after the Issue.*

The price of the Equity Shares on the Indian stock exchanges may fluctuate after this Issue as a result of several factors, including, volatility in the Indian and global securities market; our operations and performance; performance of our competitors and the perception in the market about investments in the our industry; adverse media reports on us or the industry; changes in the estimates of our performance or recommendations by financial analysts;

significant developments in India's economic liberalization and deregulation policies; and significant developments in India's fiscal and environmental regulations. There can be no assurance that the prices at which the Equity Shares are initially traded will correspond to the prices at which the Equity Shares will trade in the market subsequently.

23. Any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in the Draft Letter of Offer would be subject to certain compliance requirements, including prior shareholders' approval.

Our Company intends to use the Net Proceeds towards funding of long-term working capital requirements as disclosed in the section titled "Objects of the Issue" on page 51.

In case of any exigencies arising out of business conditions, economic conditions, competition or other factors beyond our control which adversely affect our business, we may require to use the Net Proceeds to meet any other expenditure or fund which expenditure cannot be determined with certainty as on the date of this Draft Letter of Offer. In terms of Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in the Draft Letter of Offer without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances requiring us to undertake variation in the utilisation of the Net Proceeds disclosed in the Draft Letter of Offer, we cannot assure that we will be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect our business or operations.

Further, our Promoters would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the objects of the Issue. Additionally, the requirement on Promoters to provide an exit opportunity to such dissenting shareholders may deter the Promoters from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI.

In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Fresh Issue, if any, or vary the terms of any contract referred to in the Draft Letter of Offer, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilised portion of Net Proceeds, if any, which may adversely affect our business and results of operations.

24. The price of the Equity Shares may be volatile, which could result in substantial losses for investors acquiring the Equity Shares in the Issue.

The market price of the Equity Shares may be volatile and could fluctuate significantly and rapidly in response to, among others, the following factors, some of which are beyond our control:

- volatility in the Indian and global securities market or in the value of the Rupee relative to the U.S. Dollar, the Euro and other foreign currencies;
- our profitability and performance;
- changes in financial analysts' estimates of our performance or recommendations;
- perceptions about our future performance or the performance of Indian companies in general;
- significant developments in India's economic liberalisation and deregulation policies;
- significant developments in India's fiscal and environmental regulations;
- economic developments in India and in other countries; and
- any other political or economic factors.

These fluctuations may be exaggerated if the trading volume of the Equity Shares is low. Volatility in the price of the Equity Shares may be unrelated or disproportionate to our results of operations. It may be difficult to assess our performance against either domestic or international benchmarks.

Indian stock exchanges, including the Stock Exchanges, have experienced substantial fluctuations in the prices of

listed securities and problems such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. The governing bodies of Indian stock exchanges have also, from time to time, imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Further, disputes have occurred between listed companies, stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment. If such or similar problems were to continue or recur, they could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares.

25. Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by our Company may dilute your shareholding and any sale of Equity Shares by our Promoters or members of our Promoter Group may adversely affect the trading price of the Equity Shares.

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by our Company may dilute your shareholding in our Company; adversely affect the trading price of the Equity Shares and our ability to raise capital through further issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoters and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that our Promoters and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

26. Sale of Equity Shares by our Promoters or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.

Any instance of disinvestments of Equity Shares by our Promoters or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sale of Equity Shares might occur.

ISSUE SPECIFIC RISKS

27. *We will not distribute this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter to overseas Shareholders who have not provided an address in India for service of documents.*

In accordance with the SEBI ICDR Regulations and SEBI Master Circular our Company will send, only through email, the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material to the email addresses of all 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 permitted under laws of such jurisdictions and in each case who make a request in this regard. The Issue Materials will not be distributed to addresses outside India on account of restrictions that apply to circulation of such materials in overseas jurisdictions. However, the Companies Act, 2013 requires companies to serve documents at any address which may be provided by the members as well as through e-mail. Presently, there is lack of clarity under the Companies Act, 2013 and the rules made thereunder with respect to distribution of Issue Materials in overseas jurisdictions where such distribution may be prohibited under the applicable laws of such jurisdictions. While we have requested all the shareholders to provide an address in India for the purposes of distribution of Issue Materials, we cannot assure you that the regulator or authorities would not adopt a different view with respect to compliance with the Companies Act, 2013 and may subject us to fines or penalties.

28. *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 Gross 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. The deployment of the Net Proceeds will be at the discretion of our Board.

Accordingly, prospective investors in the Issue will need to rely upon our management's judgment with respect to the use of the Net Proceeds. For details, see "Objects of the Issue" on page 51 of this Draft Letter of Offer.

29. *SEBI has recently, by way of SEBI Master Circular, streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars, and in this Draft Letter of Offer.*

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI Master Circular and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, see "Terms of the Issue" on page 162 of this Draft Letter of Offer.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Master Circular, the credit of Rights Entitlements and Allotment of Rights 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 opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or suspended for debit or credit or details of which are unavailable with our Company or with the Registrar on the Record Date; 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.

30. *The Rights Entitlement of Eligible Equity Shareholders holding Equity Shares in physical form ("Physical Shareholder") may lapse in case they fail to furnish the details of their demat account to the Registrar.*

In accordance with the circular SEBI Master Circular, the credit of Rights Entitlement and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited

in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date, shall lapse. Further, pursuant to a press release dated December 03, 2018 issued by the SEBI, with effect from April 01, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form. For details, please refer chapter “*Terms of the Issue*” on page 162 of this Draft Letter of Offer.

31. *Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.*

The Rights Entitlements that are not exercised prior to the end of the Issue 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. 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 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 Issue with respect to such Rights Entitlements. For details, see “*Terms of the Issue*” on page 162 of this Draft Letter of Offer.

32. *Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by our Company may dilute your shareholding and any sale of Equity Shares by our Promoters or members of our Promoter Group may adversely affect the trading price of the Equity Shares.*

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by our Company may dilute your shareholding in our Company; adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoters and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that our Promoters and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

33. *Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.*

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares of an Indian company are generally taxable in India. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares may be partially or completely exempt from taxation in India in cases where such exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on gains made upon the sale of the Equity Shares.

34. *Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.*

In terms of the SEBI ICDR Regulations, Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Equity Shares to the Applicant’s demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation, cash flows or financial condition, or other events affecting the Applicant’s decision to invest in the Equity

Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Equity Shares at a price that will be higher than the actual market price for the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants' ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

35. *Investors will be subject to market risks until the Equity Shares credited to the investors demat account are listed and permitted to trade.*

Investors can start trading the Equity Shares allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. Since the Equity Shares are currently traded on the Stock Exchange, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that the Equity Shares allocated to an investor will be credited to the investor's demat account or that trading in the Equity Shares will commence in a timely manner.

36. *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.

37. *The trading price of our Equity Shares may be subject to volatility and you may not be able to sell your Equity Shares at or above the Issue Price.*

The trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. In addition, if the stock markets in general experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could adversely affect the price of our Equity Shares.

38. *Holder of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.*

Under the Companies Act, any company incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the shares voted on such resolution, unless our Company has obtained government approval to issue without such rights. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in us would be reduced.

39. *Investors will not have the option of getting the allotment of Equity Shares in physical form.*

In accordance with the SEBI ICDR Regulations, the Equity Shares shall be issued only in dematerialized form. Investors

will not have the option of getting the allotment of Equity Shares in physical form. The Equity Shares Allotted to the Applicants who do not have demat accounts or who have not specified their demat details, will be kept in abeyance till receipt of the details of the demat account of such Applicants. For details, see “*Terms of the Issue*” on page 162 of this Draft Letter of Offer. This may impact the ability of our shareholders to receive the Equity Shares in the Issue.

40. *There is no guarantee that our Equity Shares will be listed, or continue to be listed, on the Indian stock exchanges in a timely manner, or at all, and prospective investors will not be able to immediately sell their Equity Shares on the Stock Exchange.*

In accordance with Indian law and practice, final approval for listing and trading of our Equity Shares will not be applied for or granted until after our Equity Shares have been issued and allotted. Such approval will require the submission of all other relevant documents authorizing the issuance of our Equity Shares. Accordingly, there could be a failure or delay in listing our Equity Shares on the Stock Exchange, which would adversely affect your ability to sell our Equity Shares.

41. *Sale of Equity Shares by our Promoters or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.*

Any instance of disinvestments of equity shares by our Promoters or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

42. *Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.*

Indian legal principles related to corporate procedures, directors’ fiduciary duties and liabilities, and shareholders’ rights may differ from those that would apply to a company in another jurisdiction. Shareholders’ rights including in relation to class actions, under Indian law may not be as extensive as shareholders’ rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

EXTERNAL RISK FACTORS

43. *Significant differences exist between Ind AS, Indian GAAP and other accounting principles, such as US GAAP and International Financial Reporting Standards (“IFRS”), which investors may be more familiar with and consider material to their assessment of our financial condition.*

Our summary statements of assets and liabilities and summary statements of profit and loss (including other comprehensive income), cash flows and changes in equity, as per the Financial Statements, have been prepared in accordance with the Ind GAAP notified under the Companies Act, 2013, read with the applicable Rules, the SEBI Circular and the Prospectus Guidance Note.

We have not attempted to quantify the impact of Ind AS, US GAAP, IFRS or any other system of accounting principles on the financial data included in this Draft Letter of Offer, nor do we provide a reconciliation of our financial statements to those of Ind AS, US GAAP, IFRS or any other accounting principles. US GAAP and IFRS differ in significant respects from Ind AS and Indian GAAP. Accordingly, the degree to which the Financial Information included in this Draft Letter of Offer will provide meaningful information is entirely dependent on the reader’s level of familiarity with Ind AS, Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Letter of Offer should accordingly be limited.

44. *Political, economic or other factors that are beyond our control may have adversely affect our business and results of operations.*

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors’ reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares.

Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our products or services may be adversely affected by an economic downturn in domestic, regional and global economies.

Economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production.

Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

45. A slowdown in economic growth in India could cause our business to suffer.

We are incorporated in India, and all of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. A slowdown in the Indian economy could adversely affect our business, including our ability to grow our assets, the quality of our assets, and our ability to implement our strategy.

Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- any increase in Indian interest rates or inflation;
- any scarcity of credit or other financing in India;
- prevailing income conditions among Indian consumers and Indian corporations;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- variations in exchange rates;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries;
- prevailing regional or global economic conditions; and
- other significant regulatory or economic developments in or affecting India

Any slowdown in the Indian economy or in the growth of the sectors we participate in or future volatility in global commodity prices could adversely affect our borrowers and contractual counterparties. This in turn could adversely affect our business and financial performance and the price of our Equity Shares.

46. Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, prospects and results of operations.

Our business, financial condition and results of operations could be adversely affected by changes in the laws, rules, regulations or directions applicable to us and our business operations across India. The governmental and regulatory bodies may notify new regulations or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, or impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently, or change the manner in which we conduct KYC or authenticate our customers. Any such changes and the related uncertainties with respect to the implementation of new regulations may have an adverse effect on our business, financial condition and results of operations. Any failure to comply with any new regulations applicable to us may adversely affect our business, results of operations and prospects.

In addition, unfavourable changes in interpretations of existing rules and regulations, including foreign investment laws governing our business, operations and investments in our Company by non-residents, could result in us being deemed to be in contravention of such laws and/or may require us to apply for additional approvals. We may incur increased

costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent, maybe time-consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future. For instance, the Supreme Court of India has in a decision clarified the components of basic wages which need to be considered by companies while making provident fund payments, which resulted in an increase in the provident fund payments to be made by companies. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations. Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, turnover tax, goods and service tax, stamp duty and other special taxes and surcharges that are introduced on a temporary or permanent basis from time to time. The final determination of our tax liabilities involves the interpretation of local tax laws related regulations in each jurisdiction as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the nature of income earned and expenditures incurred. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time. Any future increases or amendments could affect the overall tax efficiency of companies operating in India and could result in significant additional taxes becoming payable. If the tax costs associated with certain transactions because of a particular tax risk materializing are greater than anticipated, it could affect the profitability of such transactions.

47. *Financial instability in both Indian and international financial markets could adversely affect our results of operations and financial condition.*

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the United States and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have an adverse effect on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any global financial instability, including further deterioration of credit conditions in the U.S. market, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our results of operations and financial condition. The Indian economy is also influenced by economic and market conditions in other countries. This includes, but is not limited to, the conditions in the United States, Europe and certain economies in Asia. Financial turmoil in Asia and elsewhere in the world in recent years has affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and its business.

Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby impact the Indian economy. Financial disruptions in the future could adversely affect our business, prospects, financial condition and results of operations. The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections.

These could include further falls in Stock Exchange's indices and greater volatility of markets in general due to the increased uncertainty. These and other related events could have a significant impact on the global credit and financial markets as a whole, and could result in reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in the global credit and financial markets. There are also concerns that a tightening of monetary policy in emerging markets and some developed markets will lead to a moderation in global growth. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have had the intended stabilizing effects. Any significant financial disruption in the future could have an adverse effect on our cost of funding, loan portfolio, business, future financial performance and the trading price of the Equity Shares.

48. *Inflation in India could have an adverse impact 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, and the same may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs. 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. Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.

As an Indian Company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA. Such regulatory restrictions limit our financing sources for our projects under development and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. Limitations on foreign debt may adversely affect our business growth, results of operations and financial condition.

Further, under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

49. Any downgrading of India's debt rating by an independent agency may harm our ability to raise financing.

Any adverse revisions to India's credit ratings international debt by international rating agencies may adversely affect our ability to raise additional overseas financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

50. The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business.

Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

51. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. 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. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our

business, our future financial performance and the prices of the Equity Shares.

For instance, outbreak of Novel Coronavirus has significantly affected financial markets around the world. Any other global economic developments or the perception that any of them could occur may continue to have an adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

SECTION III – INTRODUCTION

THE ISSUE

This Issue has been authorized through a resolution passed by our Board at its meeting held on Monday, February 10, 2025 pursuant to Section 62(1)(a) of the Companies Act. The terms and conditions of the Issue including the Rights Entitlement, Issue Price, Record Date, timing of the Issue and other related matters, have been approved by a resolution passed by our Rights Issue Committee at its meeting held on [●]. The following is a summary of this Issue, and should be read in conjunction with and is qualified entirely by the information detailed in the chapter titled “*Terms of the Issue*” on page 162 of this Draft Letter of Offer.

Particulars	Details of Equity Shares
Equity Shares proposed to be issued	Upto [●] * Rights Equity Shares. <i>*Assuming full subscription. Subject to finalization of the Basis of Allotment. To be finalised upon determination of the Issue Price.</i>
Rights Entitlement	Upto [●] Rights Equity Share(s) for [●] fully paid-up Equity Share(s) of the Company held on the Record Date, being [●].
Record Date	[●]
Face value per Equity Shares	₹ 10/- each
Issue Price per Rights Equity Shares	₹ [●] per Rights Equity Share of face value of ₹10/- each (including a premium of ₹ [●] per Rights Equity Share)
Issue Size	Upto ₹ 2,856.98* lakhs. <i>*Assuming full subscription. Subject to finalization of the Basis of Allotment.</i>
Voting Rights and Dividend	The Equity Shares issued pursuant to this Issue shall rank <i>pari passu</i> in all respects with the Equity Shares of our Company.
Equity Shares issued, subscribed and are outstanding prior to the Issue	1,02,03,500 Equity Shares of face value of ₹ 10/- each. For details, see “ <i>Capital Structure</i> ” on page 48 of this Draft Letter of Offer.
Equity Shares paid-up and outstanding prior to the Issue	1,02,03,500 Equity Shares of face value of ₹ 10/- each.
Equity Shares issued, subscribed, paid-up and outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlement)	[●] Equity Shares.
Money payable at the time of Application/ Terms of payment	₹ [●] /- per Equity Share
Scrip Details	ISIN: INE948Q01018 BSE: 539662 Symbol: BFLAFL ISIN for Rights Entitlement: [●] [#] <small>#Our Company would obtain a separate ISIN for the Rights Equity Shares for each Call, as may be required under applicable law.</small>
Use of Issue Proceeds	For details please refer to the chapter titled “ <i>Objects of the Issue</i> ” on page 51 of this Draft Letter of Offer.
Terms of the Issue	For details please refer to the chapter titled “ <i>Terms of the Issue</i> ” on page 162 of this Draft Letter of Offer.

Please refer to the chapter titled “*Terms of the Issue*” on page 162 of this Draft Letter of Offer.

Rights 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:

Event	Indicative Date
Last date for Credit of the Rights Entitlement	[●]
Issue Opening Date	[●]
Last Date for On Market Renunciation of Rights Entitlements*	[●]
Issue Closing Date**	[●]
Finalisation of Basis of Allotment (on or about)	[●]
Date of Allotment (on or about)	[●]
Date of credit (on or about)	[●]
Date of listing (on or about)	[●]

**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.*

***The Board of Directors or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that the Issue will not remain open in excess of 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.*

GENERAL INFORMATION

Our Company was incorporated on August 31, 1995 as 'BFL Properties and Investments Limited', a public limited company under the Companies Act, 1956 with the Registrar of Companies, Rajasthan at Jaipur. The Company obtained Certificate of Commencement of Business on September 06, 1995. The Reserve Bank of India granted a certificate of registration bearing registration no. B-10.00202 to our Company, for the registration of our Company as a non-deposit taking Non-Banking Financial Company under Section 45IA of the Reserve Bank of India Act, 1934 on July 30, 2007. At the time of incorporation, the Registered Office of our Company was situated at 3, Jaipur Tower, M.I. Road, Jaipur-302001 (Rajasthan), India. The details of the changes undertaken in the name, MOA and registered office of our Company are as follows:

S. No.	Date of Change	Particulars of change	Reason for change
1.	March 15, 1996	The name of the Company was changed from "BFL Properties and Investments Limited" to "BFL Developers Limited". New Certificate of Incorporation was issued on March 15, 1996.	To better reflect the business activities of the Company.
2.	December 01, 1997	The Registered Office of the Company was shifted from "3, Jaipur Tower, M.I. Road, Jaipur- 302001 (Rajasthan), India" to "1, Tara Nagar, Ajmer Road, Jaipur- 302006 (Rajasthan), India".	Business and commercial reasons.
3.	July 10, 2006	The main object of the Company was altered by inserting new sub-clauses 7 to 9 after the existing sub-clause 6 by passing a special resolution through postal ballot on July 10, 2006. New Certificate of Incorporation was issued on August 04, 2006.	Business and commercial reasons.
4.	June 21, 2017	The Authorised Share Capital of the Company was increased from ₹ 5,50,00,000/- to ₹ 12,00,00,000/- through postal ballot on June 21, 2017.	Business and commercial reasons.
5.	July 21, 2017	The name of the Company was changed from "BFL Developers Limited" to "BFL Asset Finvest Limited" through postal ballot on July 21, 2017. New Certificate of Incorporation was issued on November 02, 2017.	To better reflect the business activities of the Company.
6.	March 29, 2024	The Authorised Share Capital of the Company was increased from ₹ 12,00,00,000/- to ₹ 31,00,00,000/- through postal ballot on March 29, 2024.	Business and commercial reasons.

REGISTERED OFFICE OF OUR COMPANY

BFL Asset Finvest Limited

1, Tara Nagar, Ajmer Road, Jaipur- 302006 (Rajasthan), India.

Telephone: 9214018877

Facsimile: NA

E-mail: bfldevelopers@gmail.com

Website: www.bflfin.com Registration Number: 010646

CIN: L45201RJ1995PLC010646

As on date of this Draft Letter of Offer, our Company does not have a corporate office.

REGISTRAR OF COMPANIES

Our Company is registered with the Registrar of Companies, Rajasthan at Jaipur situated at the following address:

Registrar of Companies,
 Ministry of Corporate Affairs, C/6-7, 1st Floor, Residency Area, Civil Lines,
 Jaipur-302001, Rajasthan, India.
Telephone: 0141-2981913/2981914/2981915/2981917
Facsimile: 0141-2981916

BOARD OF DIRECTORS OF OUR COMPANY

Set forth below are the details of our Board of Directors as on the date of this Draft Letter of Offer:

Sr. No.	Name	Date of Birth	Designation	Address	DIN
1.	Mahendra Kumar Baid	December 06, 1966	Managing Director	C-142, Dayanand Marg, Tilak Nagar, Jawahar Nagar, Jaipur-302004 (Rajasthan) India	00009828
2.	Aditya Baid	January 04, 1992	Non-Executive Director	C-142, Dayanand Marg, Tilak Nagar, Jawahar Nagar, Jaipur-302004 (Rajasthan) India	03100584
3.	Ajay Agarwal	March 18, 1978	Independent Director	209, Mansarovar Colony, Kalwar Road, Jhotwara, Jaipur-302012 (Rajasthan) India	10727170
4.	Alpana Baid	September 14, 1967	Non-Executive Director	C-142, Dayanand Marg, Tilak Nagar, Jawahar Nagar, Jaipur-302004 (Rajasthan) India	06362806
5.	Amit Kumar Parashar	April 06, 1987	Independent Director	14/235, Kaweri Path, Mansarovar, Jaipur, 302020 (Rajasthan) India	07891761
6.	Kuldeep Jain	January 13, 1963	Independent Director	Jain Mohalla, Vishwkarma Mandir Ke Samne, Bagru Rawan, Jaipur-303007 (Rajasthan) India	08189540

For detailed profile of our Directors, please refer to the chapter titled “Our Management” on page 72 of this Draft Letter of Offer.

CHIEF FINANCIAL OFFICER	COMPANY SECRETARY AND COMPLIANCE OFFICER	REGISTRAR TO THE ISSUE
RAVI BOHRA Address: 57, Boharo ka Bas, Neota, Jaipur-302029 (Rajasthan) India. Telephone: +91 98290 45752 Facsimile: NA E-mail: bohra03ravi@gmail.com	ILMA SUZA Address: A-114, Gandhi Vihar, Kho-Nagoriyan, Jaipur-302031 (Rajasthan) India Telephone: 85030 85889 Facsimile: NA E-mail: bfldevelopers@gmail.com	MCS SHARE TRANSFER AGENT LIMITED Address: 179-180, DSIDC Shed, 3rd Floor Okhla Industrial Area, Phase – 1 New Delhi – 110020 India Telephone: 011-41406149 Facsimile: NA E-mail: admin@mcsregistrars.com Website: www.mcsregistrars.com Investor grievance: helpdeskdelhi@mcsregistrars.com SEBI Registration No: INR000004108 Contact person: Narender Negi
LEGAL ADVISOR TO THE ISSUE	STATUTORY AND PEER REVIEW AUDITOR OF OUR COMPANY	BANKERS TO THE ISSUE/ REFUND BANK
V. M. & ASSOCIATES Company Secretaries Address: 403, Royal World, S.C. Road, Jaipur-302001 (Rajasthan) India Telephone: 0141-4075010 Facsimile: N.A. Email: cs.vmanda@gmail.com Contact Person: CS Manoj Maheshwari	KHILNANI & ASSOCIATES, Chartered Accountants Address: 104, Saroj Park, R-7, Yudhishtir Marg, C-Scheme, Jaipur-302001 (Rajasthan) India. Telephone: +91-141-4700675 Email: khilnaniassociates@gmail.com Contact Person: CA Kishan Kumar	[●] Address: [●] Telephone: [●] Facsimile: [●] Website: [●] Email: [●] Contact Person: [●]

PRATEEK KEDAWAT & ASSOCIATES Advocates & Solicitors Address: 43, Sundar Vihar, Durgapura, Tonk Road, Jaipur-302018 Tel.: +91 88822 41741 Email: prateek.kedawat@gmail.com Contact Person: CS Prateek Kedawat	Khilnani Membership No.: 072736 Firm Registration No.: 005776C Peer Review Certificate No.: 015746	
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DESIGNATED INTERMEDIARIES

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. On Allotment, the amount will be unblocked and the account will be debited only to the extent required to pay for the Rights Equity Shares Allotted.

INTER-SE ALLOCATION OF RESPONSIBILITIES

The Company has not appointed any merchant banker as the Issue size is less than ₹5,000.00 lakhs and hence there is no inter-se allocation of responsibilities.

EXPERT OPINION

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received a written consent dated January 27, 2025, from its Statutory Auditor, M/s Khilnani & Associates, Chartered Accountants, Jaipur, holding a valid peer review certificate from ICAI bearing no. 015746, to include their name as required under Section 26(5) of the Companies Act in this Draft Letter of Offer as an 'expert', as defined under Section 2(38) of the Companies Act, to the extent and in their capacity as statutory auditor of our Company and in respect of their reports on the Audited Financial Statements for the financial year ended on March 31, 2024; limited review report dated February 10, 2025 on our Limited Reviewed Financial Results for the nine-months ended on December 31, 2024 and the statement of special tax benefits and such consent has not been withdrawn as on the date of this Draft Letter of Offer.

INVESTOR GRIEVANCES

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

Investors are advised to contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related problems such as non-receipt of Abridged Letter of Offer/ Application Form and Rights Entitlement Letter/ Letter of Allotment, or Refund Orders, etc. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs, giving full details such as name, address of the applicant, ASBA Account number and the Designated Branch of the SCSBs, number of Equity Shares applied for, amount blocked, where the Application Form and Rights Entitlement Letter or the plain paper application, in case of Eligible Equity Shareholder, was submitted by the ASBA Investors through ASBA process.

CREDIT RATING

As this is an Issue of Equity Shares, credit rating is not required.

DEBENTURE TRUSTEES

As the Issue is of Equity Shares, the appointment of Debenture trustees is not required.

MONITORING AGENCY

As the net proceeds of the Issue shall not exceed ₹10,000 lakhs, under the SEBI ICDR Regulations, it is not required that a monitoring agency be appointed by our Company.

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 was filed with BSE Limited and not with SEBI.**

CHANGES IN AUDITORS DURING THE LAST THREE YEARS

There has not been any change in the statutory auditors of our Company during the last three years.

UNDERWRITING AGREEMENT

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

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:

Event	Indicative Date
Last date for Credit of the Rights Entitlement	[●]
Issue Opening Date	[●]
Last Date for On Market Renunciation of Rights Entitlements*	[●]
Issue Closing Date**	[●]
Finalisation of Basis of Allotment (on or about)	[●]
Date of Allotment (on or about)	[●]
Date of credit (on or about)	[●]
Date of listing (on or about)	[●]

**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.*

***The Board of Directors or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that the Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date.*

The above schedule is indicative and does not constitute any obligation on our Company.

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., [●], 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 Working Day before the Issue Closing Date, i.e., [●].

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. Further, it is also encouraged that the Applications are submitted well in advance before Issue Closing Date. For details on submitting Application Forms, see "Terms of the Issue - Process of making an Application in the Issue" on page 164 of this Draft 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.mcsregistrars.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" on page 165 of this Draft 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 lapse and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the amount paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Rights Equity Shares offered under the Issue for subscribing to the Rights Equity Shares offered under the Issue.

MINIMUM SUBSCRIPTION

The objects of the Issue involve financing other than financing of capital expenditure for a project and our Promoters and members of our Promoter Group have undertaken to:

- (i) subscribe to the full extent of their respective Rights Entitlements, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR;
- (ii) have also confirmed that they shall not renounce their Rights Entitlements, except to the extent of renunciation within the promoter group. Accordingly, in terms of the SEBI ICDR Regulations, the requirement of minimum subscription in the Issue is not applicable; and
- (iii) subscribe to, either individually or jointly and/or severally with any other Promoters or member of the Promoter Group, for additional Rights Equity Shares, subject to compliance with the Companies Act, the SEBI ICDR Regulations, the SEBI Takeover Regulations and other applicable laws.

APPRAISING ENTITY

None of the purposes for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution or any other independent agency.

CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Draft Letter of Offer and after giving effect to the Issue is set forth below:

(Amount in ₹ Lakhs, except share data)

S. No.	Particulars	Aggregate value at nominal value	Aggregate value at Issue Price
A.	Authorised Share Capital		
	3,10,00,000 (Three Crore and Ten Lakh) Equity Shares of face value ₹ 10/- each	3,100.00	-
B.	Issued, Subscribed and Paid-Up Share Capital before the Issue		
	1,02,03,500 (One Crore Two lakh Three Thousand and Five Hundred) Equity Shares of face value ₹ 10/- each	1,020.35	-
C.	Present Issue in terms of this Draft Letter of Offer⁽¹⁾		
	[●] ([●]) Issue of Rights Equity Shares, each at a premium of ₹ [●]/- (Rupees [●]) per Rights Equity Share, at an Issue Price of ₹ [●]/- (Rupees [●]) per Rights Equity Share	[●]	[●]
D.	Issued, Subscribed and Paid-Up Share Capital after the Issue⁽²⁾		
	[●] ([●]) Equity Shares of face value of ₹ 10 each		[●]
E.	Securities Premium Account		
	Before the Issue	176.74	
	After the Issue		[●]

⁽¹⁾The present Issue has been authorised vide a resolution passed at the meeting of the Board of Directors of the Company on Monday, February 10, 2025. The terms of the Issue including the Rights Entitlement Ratio etc., have been approved by a resolution passed by the Rights Issue Committee of the Board of Directors at its meeting held on [●].

⁽²⁾Assuming full subscription for and Allotment of Equity Shares. Subject to finalisation of Basis of Allotment, Allotment and deduction of Issue related expenses.

NOTES TO CAPITAL STRUCTURE

1. Details of outstanding instruments as on the date of this Draft Letter of Offer:

As on date of this Draft 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 the Equity.

2. Intention and extent of participation by our Promoter and Promoter Group in the Issue:

Our Promoter and members of our Promoter Group have, vide their letters each dated **February 03, 2025** (the “**Subscription Letters**”), undertaken to subscribe, jointly and/or severally to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement that may be renounced in their favour by any other Promoters or member(s) of the Promoter Group of our Company. Further, our Promoters and members of our Promoter Group shall subscribe to, either individually or jointly and/or severally with any other Promoters or member of the Promoter Group, for additional Rights Equity Shares, subject to compliance with the Companies Act, the SEBI ICDR Regulations, the SEBI Takeover Regulations and other applicable laws.

Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding. Any such acquisition of additional Rights Equity Shares (including any unsubscribed portion of the Issue) is exempt in terms of Regulation 10(4)(b) of the Takeover Regulations as conditions mentioned therein have been fulfilled and shall not result in a change of control of the management of our Company in accordance with provisions of the Takeover Regulations.

Further, the Promoter and Promoter Group have vide their letters dated **February 03, 2025** informed the Board that their individual shareholding shall not exceed 25% of post rights issue paid up capital of the Company.

The additional subscription by the Promoters shall be made subject to such additional subscription not resulting in the minimum public shareholding of the issuer falling below the level prescribed in SEBI Listing Regulations/ SCRR. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

3. Shareholding pattern of our Company as per the last quarterly filing with the Stock Exchanges in compliance with the SEBI Listing Regulations

- i. The shareholding pattern of our Company as on December 31, 2024, can be accessed on the website of the BSE at: <https://www.bseindia.com/stock-share-price/bfl-asset-finvest-ltd/bflafl/539662/shareholding-pattern/>
- ii. Statement showing shareholding pattern of the Promoters including details of lock-in, pledge of and encumbrance thereon, as on December 31, 2024 can be accessed on the website of the BSE at: <https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=539662&qtrid=124.00&QtrName=December%202024> .
- iii. Statement showing holding of Equity Shares of persons belonging to the category “Public” including shareholders holding more than 1% of the total number of Equity Shares as on December 31, 2024 can be accessed on the website of BSE at: <https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=539662&qtrid=124.00&QtrName=December%202024>.

4. Details of shares locked-in, pledged, encumbrance by Promoter and promoter group:

As on the date of this Draft Letter of Offer, none of the Equity Shares held by the members of the Promoter and Promoter Group of the Company are locked-in, pledged and encumbered.

5. Details of specified securities acquired by the promoter and promoter group in the last one year immediately preceding the date of filing of the Draft Letter of Offer:

The Promoter and Promoter Group of the Company have not acquired any Equity Shares of the Company from open market in the last one year prior to the filing of this Draft Letter of Offer. However, there was an off-market inter-se transfer of shares within the Promoter and Promoter Group of the Company the details of which are as follows:

Sr. No.	Name of the Promoter or Member of Promoter Group	Number of equity shares held prior to the transfer	Percentage of shareholding prior to acquisition/disposition	Number of shares acquired/disposed off	Number of equity shares held after the transfer	Percentage of shareholding post acquisition/disposition
1.	Mahendra Kumar Baid	10,93,000 equity shares	10.71%	40,200 equity shares acquired	11,33,200 equity shares	11.11%
2.	Meena Baid	40,200 equity shares	0.39%	40,200 equity shares disposed off	NIL	0.00%

6. Details of the shareholders holding more than 1% of the issued and paid-up Equity Share capital

The table sets forth the details of Equity Shareholders holding more than 1% of the issued and paid-up Equity Share capital of our Company, as of December 31, 2024:

Sr. No.	Name of Equity Shareholders	Number of Equity Shares held	Percentage of equity shares held (%)
1.	Bharti Yogesh Vadher	1,04,310	1.02
2.	Vikashkumar Jain	1,18,187	1.16
3.	Mohan Agarwal	2,25,800	2.21

7. As on the date of this Draft Letter of Offer, our Company does not have a stock option scheme.

8. The ex-rights price of the Rights Equity Shares as per Regulation 10(4)(b) of the Takeover Regulations is ₹ [●] per equity share.

9. At any given time, there shall be only one denomination of the Equity Shares of our Company.
10. All Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Letter of Offer. Further, the Equity Shares allotted pursuant to the Issue, shall be fully paid up.

OBJECTS OF THE ISSUE

The main objects clause and objects incidental and ancillary to the main objects clause as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities for which funds are proposed to be raised by our Company through the Issue. Our Company proposes to utilize the Net Proceeds from the Issue towards the following objects:

1. Funding of long-term working capital requirements of our Company; and
2. General Corporate Purposes.

(Collectively, referred to herein as the “Objects”)

ISSUE PROCEEDS

The details of the proceeds of the Issue are set out in the following table:

(₹ in Lakh)

Particulars	Estimated amount
Gross Proceeds from the Issue	Upto ₹ 2,856.98*
(Less) Issue related expenses	[●]**
Net Proceeds	[●]**

**Assuming full subscription in the Issue, Allotment and receipt of all Call Monies with respect to the Rights Equity Shares. Subject to finalisation of Basis of Allotment.*

*** To be finalized upon determination of the Issue Price and updated in this Draft Letter of Offer.*

REQUIREMENT OF FUNDS AND UTILIZATION OF NET PROCEEDS

The Net Proceeds are proposed to be used in the manner set out in the following table:

(₹ in Lakh)

Sr. No.	Particulars	Estimated amount
1.	Funding of long-term working capital requirements of our Company	Up to ₹ 2,142.74
2.	General corporate purposes	[●]*

**The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue and it is subject to the finalization of the Basis of Allotment/ issue price and/or the Allotment. The amount is subject to adjustment upon finalization of Issue related expenses.*

SCHEDULE OF IMPLEMENTATION

We propose to deploy the Net Proceeds towards the aforesaid Objects in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below.

(₹ in Lakh)

Sr. No.	Particulars	Total Estimated Cost	Amount to Proceeds	Amount to be funded from internal accruals	Estimated utilisation of Net Proceeds
		₹	₹	₹	Fiscal 2025
1.	Funding of long-term working capital requirements of our Company	2,142.74	2,142.74	NIL	2,142.74
2.	General corporate purposes	[●]*	[●]*	NIL	[●]*

**The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue and it is subject to the finalization of the Basis of Allotment/ issue price and/or the Allotment. The amount is subject to adjustment upon finalization of Issue related expenses.*

Since, the entire fund requirement of the objects detailed above are intended to be funded from the Net Proceeds. In view of the above, we confirm that our Company is not required to obtain firm arrangements of finance under Regulation 62(1)(c) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue is not applicable. The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan and management estimates, and other commercial factors. We may have to revise our funding requirements and deployment on account of variety of factors such as our financial and market condition, government approval and clearance, business and strategy, competition, negotiation with suppliers, variation in cost estimates on account of factors, and other external factors including changes in the price of the exhibition material prices which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding

requirements, including the expenditure for a particular purpose, subject to compliance with applicable law. For further details, see “Risk Factors” beginning on page no 23 of this Draft Letter of Offer.

The Objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution. To the extent our Company is unable to utilize any portion of the Net Proceeds towards the Object, as per the estimated schedule of deployment specified above; our Company shall deploy the Net Proceeds in the subsequent Financial Year(s) towards the Object. In case of variations in the actual utilization of funds earmarked for the purpose set forth or shortfall in the Net Proceeds or delay in raising funds through the Issue, increased fund requirements for a particular purpose may be financed from our internal accruals and/ or debt financing, as required. If the actual utilization towards any of the objects is lower than the proposed deployment, such balance will be used for funding other objects as mentioned above or 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 from the Issue in accordance with the SEBI ICDR Regulations. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds. For further details on the risks involved in our business plans and executing our business strategies, please see the section titled “Risk Factors” beginning on page no. 23 of this Draft Letter of Offer.

DEPLOYMENT OF FUNDS AND SOURCES OF FUNDS

As on date of this Draft Letter of Offer, our Company has not deployed any funds towards the Objects of the Issue.

DETAILS OF OBJECTS OF THE ISSUE

1. FUNDING OF LONG-TERM WORKING CAPITAL REQUIREMENTS OF OUR COMPANY;

Existing Working Capital Requirements of the Company are as follows:

(₹ in Lakh)				
Sr. No.	Particulars	As at December 31, 2024	As at March 31, 2024	As at March 31, 2023
(A)	Current Assets			
	Inventories	1427.95	582.32	85.47
	Trade Receivables	771.87	576.01	0.00
	Cash and bank balances	54.36	9.60	4.69
	Loans	21.07	431.87	667.42
	Investments	0.16	9.66	9.66
	Other financial and current assets	48.78	93.84	258.67
	Total Current assets (A)	2324.19	1703.30	1025.91
(B)	Current Liabilities			
	Trade Payables	0.12	0.07	0.12
	Borrowings (other than debt securities)	95.00	200.00	0.00
	Other financial and current liabilities (includes provisions)	338.29	6.80	7.05
	Current Tax Liabilities (Net)	0.00	77.34	0.00
	Total Current Liabilities (B)	433.41	284.21	7.17
	Net Working Capital Requirements (A-B)	1890.78	1419.09	1018.74
(C)	Funding pattern			
	Borrowings from banks	0.00	0.00	0.00
	Internal Accruals/ unsecured loans from promoters	0.00	0.00	0.00
	Total Means of Finance	0.00	0.00	0.00

The details of our Company’s projected working capital requirements on a standalone basis for the Financial Years 2024, 2025 and 2026, and the proposed funding of such working capital requirements are set forth in the table below:

(₹ in Lakh)					
S. No.	Particulars	March 31, 2024	December, 2024	March 31, 2025 (Projected)	March 31, 2026 (Projected)
(A)	Current Assets				
	Inventories	582.32	1427.95	1400.00	1550.00
	Trade Receivables	576.01	771.87	250.00	125.00
	Other financial and current assets	544.97	124.37	3849.00	1617.00
	Total Current assets (A)	1703.30	2324.19	5499.00	3292.00

(B)	Current Liabilities				
	Trade Payables	0.07	0.12	3.00	5.00
	Other Current liabilities	284.14	433.29	631.00	943.00
	Total Current Liabilities (B)	284.21	433.41	634.00	948.00
	Net working capital requirements (A-B)	1419.09	1890.78	4865.00	2344.00
(C)	Funding pattern				
	Short term borrowings from Banks	0.00	0.00	0.00	0.00
	Internal accruals/ unsecured loans from promoters	0.00	0.00	0.00	0.00
	Proceeds from the Offer	0.00	0.00	2856.00	0.00
	Total Means of Finance	0.00	0.00	2856.00	0.00

Assumptions for our estimated working capital requirements

To augment the existing and incremental working capital requirement of our company.

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals and availed working capital loan from other companies as inter-corporate loans. We operate in a competitive and dynamic market conditions and may have to revise our estimates from time to time on account of external circumstances, business or strategy, foreseeable opportunity. Consequently, our fund requirements may also change.

Basis of estimation of working capital requirement

The details of our Company's working capital as at March 31, 2024 and March 31, 2023 and source of funding of the same are provided in the table below:

		(₹ in lakhs)	
Sr. No	Particulars	FY 2022-23	FY 2023-24
A	Current Assets		
1	Trade receivables	0.00	576.01
2	Other current assets	935.75	535.37
3	Inventories	85.47	582.32
4	Cash and cash equivalents (including bank balance)	4.69	9.60
	Total(A)	1025.91	1703.30
B	Current Liabilities		
	Trade payables	0.12	0.07
	Other current liabilities	4.56	281.65
	Other Financial Liabilities	2.49	2.49
	Total(B)	7.17	284.21
C	Net Working capital requirement (A-B)	1018.74	1419.09
D	Means of Finance (Existing Funding Pattern)		
1	Internal Accruals/unsecured loans from promoters	0.00	0.00
2	Current Borrowings (other than current maturities from long-term borrowings)	0.00	0.00
	Total (D)	0.00	0.00

2. GENERAL CORPORATE PURPOSES

Our Company intends to deploy the balance Gross Proceeds, aggregating to ₹ [●] lakhs towards general corporate purposes as approved by our management from time to time, subject to such utilisation not exceeding 25% of the Gross proceeds in compliance with the SEBI ICDR Regulations.

The general corporate purposes for which our Company proposes to utilise Net Proceeds may include, but are not restricted to,

drive our business growth, including, amongst other things, funding growth opportunities, maximizing returns, managing risk, and creating sustainable value for shareholders, active trading, strategic investment, risk management, and maintaining regulatory compliance, prepayment or repayment of borrowings availed by our Company, meeting of exigencies which our Company may face in the course of any business, brand building and other marketing expenses and any other purpose as permitted by applicable laws; subject to meeting regulatory requirements and obtaining necessary approvals/consents, as applicable.

The quantum of utilisation of funds towards each of the above purposes will be determined by our Board or the Audit Committee, based on the amount actually available under this head and the business requirements of our Company, from time to time, subject to compliance with applicable law.

In addition to the above, our Company may utilise the Net Proceeds towards other purposes considered expedient and as approved periodically by our Board, subject to compliance with necessary provisions of the Companies Act. Our Company's management shall have flexibility in utilising surplus amounts, if any. Our management will have the discretion to revise our 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. 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 subsequent Fiscals.

ISSUE RELATED EXPENSES

The Issue related expenses include, among others, fees to various advisors, printing and distribution expenses, advertisement expenses and registrar and depository fees. The estimated Issue related expenses are as follows:

(₹ in lakhs)

Sr. No.	Activity	Estimated amount* (in ₹ lakhs)	As a % of the total estimated Issue expenses*	As a % of the total estimated Issue expenses*
1.	Registrar to the Issue	[●]	[●]	[●]
2.	Legal counsel to the Issue	[●]	[●]	[●]
3.	Advertising and marketing expenses	[●]	[●]	[●]
4.	Regulators including Stock Exchange	[●]	[●]	[●]
5.	Expenses relating to advertising, printing, distribution, marketing and stationery expenses	[●]	[●]	[●]
6.	Others, if any (Approx.)	[●]	[●]	[●]
Total estimated Issue expenses		[●]	[●]	[●]

*Subject to finalisation of Basis of Allotment and actual Allotment. 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 from the Issue.

INTERIM USE OF FUNDS

Our Company, in accordance with the policies established by our Board from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilization for the purposes described above, our Company intends to temporarily deposit the funds in the scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934 as may be approved by our Board of Directors or any committee thereof.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilization of the proceeds of the Issue as described above, it shall not use the funds from the Net Issue Proceeds for any investment in equity and/ or real estate products and/ or equity linked and/ or real estate linked products.

APPRAISAL BY APPRAISAL AGENCY

None of the objects have been appraised by any bank or financial institution or any other independent third –party organizations.

BRIDGE FINANCING FACILITIES

As on the date of this Draft Letter of Offer, we have not entered into any bridge financing arrangements which is subject to being

repaid from the Issue Proceeds.

STRATEGIC OR FINANCIAL PARTNERS

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

MONITORING OF UTILIZATION OF FUNDS

Since the Issue is for an amount not exceeding ₹10,000 lakhs, in terms of Regulation 82(1) of the SEBI ICDR Regulations, 2018, our Company is not required to appoint a monitoring agency for the purposes of the Issue. As required under the SEBI Listing Regulations, the Audit Committee appointed by the Board shall monitor the utilization of the proceeds of the Issue. We will disclose the details of the utilization of the Net Proceeds of the Issue, including interim use, under a separate head in our financial statements specifying the purpose for which such proceeds have been utilized or otherwise disclosed as per the disclosure requirements.

As per the requirements of Regulations 18 of the SEBI Listing Regulations, we will disclose to the Audit Committee the uses/applications of funds on a quarterly basis as part of our quarterly declaration of results. Further, on an annual basis, we shall prepare a statement of funds utilized for purposes other than those stated in the Draft Letter of Offer and place it before the Audit Committee. The said disclosure shall be made till such time that the Gross Proceeds raised through the Issue have been fully spent. The statement shall be certified by our Auditor.

Further, in terms of Regulation 32 of the SEBI Listing Regulations, we will furnish to the Stock Exchanges on a quarterly basis, a statement indicating material deviations, if any, in the use of proceeds from the objects stated in the Draft Letter of Offer. Further, this information shall be furnished to the Stock Exchanges along with the interim or annual financial results submitted under Regulations 33 of the SEBI Listing Regulations, after placing it before the Audit Committee in terms of Regulation 18 of the SEBI Listing Regulations.

KEY INDUSTRIAL REGULATIONS FOR THE OBJECTS OF THE ISSUE

No additional provisions of any acts, rules and other laws are or will be applicable to the Company for the proposed Objects of the Issue as the proposed objects of the issue is not different from existing business of the Company.

OTHER CONFIRMATIONS/INTEREST OF PROMOTER, PROMOTER GROUP, DIRECTORS AND OTHER.

No part of the Net Proceeds will be paid by our Company to the promoter and promoter group, the directors, key management personnel, senior management or associate companies, except in the normal course of business and in compliance with the applicable law. There are no material existing or anticipated transactions in relation to utilization of Net Proceeds with our Promoter, our Directors, Key Managerial Personnel and our Associate Company. Our Company does not require any material government and regulatory approvals in relation to the objects of the Issue.



STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

Date: February 04, 2025

To,
The Board of Directors
BFL Asset Finvest Limited
1, Tara Nagar, Ajmer Road,
Jaipur, Rajasthan-302006

Dear Sir(s):

Sub: Statement of possible special tax benefits available for the Proposed Rights Issue of Equity Shares of BFL Asset Finvest Limited ("the Company") to its eligible Equity shareholders under the direct tax and indirect tax laws.

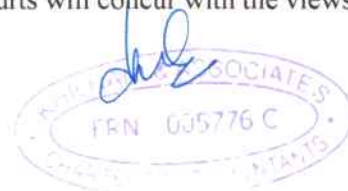
We refer to the proposed right issue of the equity shares of the Company. We enclose herewith the statement in **Annexure A** showing the current position of possible special tax benefits available to the Company and to its shareholders under the applicable direct and indirect tax laws presently in force in India including the Income Tax Act, 1961 and Income tax Rules, 1962, as amended by the Finance Act, 2024 (hereinafter referred to as "**Income Tax Laws**"), the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (**'Indirect Tax'**), applicable for the Financial Year ending March 31, 2025, relevant to the assessment year ending March 31, 2026 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 Tax Laws. Hence, the ability of the Company or its shareholders to derive the stated possible special direct and indirect tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives that the Company or its shareholders may face in the future and accordingly, the Company and its shareholders may or may not choose to fulfil.

The possible special tax benefits discussed in the enclosed annexure are neither exhaustive nor conclusive. The contents stated in the Annexure (Annexure A) are based on the information and explanations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. This Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and 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 proposed right issue. We are neither suggesting nor advising the investor to invest money based on this statement. Further, any benefits available under any other laws within or outside India have not been examined and covered by this Statement.

We do not express any opinion or provide any assurance as to whether:

- i) the Company or its shareholders will continue to avail these possible special tax benefits in future; or
- ii) the conditions prescribed for availing the benefits have been/would be met with.
- iii) the revenue authorities/courts will concur with the views expressed herein.



The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

We hereby consent to the extracts of this certificate being used in the Draft Offer Letter of the Company in connection with the Issue or in any other documents in connection with the Issue, and the submission of this certificate as may be necessary, to any regulatory authority and/or for the records to be maintained by the company in connection with the issue and in accordance with applicable law, and for the purpose of any defence they may wish to advance in any claim or proceeding in connection with the contents of the Offer Documents.

This certificate may also be relied upon by the Company and the legal counsel in relation to the issue.

The above certificate shall not be used for any other purpose without our prior consent in writing and we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**For Khilnani & Associates,
Chartered Accountants**



K. K. Khilnani
Partner
M. No: 072736
FRN: 005776C
UDIN:25072736BMLFUR7188

Place: Jaipur
Date: February 04, 2025

Annexure-A

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

The information provided below sets out the possible special tax benefits available to **BFL Asset Finvest Limited** ("the Company") and its Equity Shareholders in a summary manner and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of Equity Shares of the Company, under the current Tax Laws presently in force in India. Several of these benefits are dependent on the shareholders fulfilling the conditions prescribed under the relevant Tax Laws. Hence, the ability of the shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which, based on business

/ commercial imperatives a shareholder faces, may or may not choose to fulfil. We do not express any opinion or provide any assurance as to whether the Company and its shareholders will continue to obtain these benefits in future. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his own tax consultant with respect to the tax implications arising out of their participation in the Offer of 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. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

A. Special tax benefits available to the Company

The Statement of possible tax benefits enumerated below is as per the Income Tax Act, 1961 ('the Act') as amended from time to time and as applicable for the financial year 2024-25 relevant to assessment year 2025-

26. Except as mentioned herein, there are no possible special tax benefits available to the Company under Income Tax Act, 1961 read with the relevant Income Tax Rules, 1962, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 and Goods and Services Tax (Compensation to States) Act, 2017 read with the relevant Central Goods and Services Tax Rules, 2017, Integrated Goods and Services Tax Rules, 2017, State Goods and Services Tax Rules, 2017 and notifications issued under these Acts and Rules.

1. Lower corporate tax rate under Section 115BAA of the Income-tax Act, 1961 ('the Act'/ 'IT Act'):

The Company has filed return under Section 115BAA (a lower tax rate) in FY 2023-24 (AY 2024-25) and paying Income tax at Effective Rate: 25.168%. The concessional rate is subject to the company not availing any of the following deductions/exemptions under the provisions of the Act:

- (i) Section 10AA: Tax holiday available to units in a Special Economic Zone.
- (ii) Section 32(1) (iia)
- (iii) Additional depreciation; Section 32AD
- (iv) Investment allowance. Section 33AB/33ABA: Tea coffee rubber development expenses/site restoration expenses
- (v) sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (i) or sub-section (2AA) or sub-section (2AB) of Section 35: Expenditure on scientific research.
- (vi) Section 35AD: Deduction for capital expenditure incurred on specified businesses.
- (vii) Section 35CCC/35CCD: expenditure on agricultural extension /skill development.



B. Special direct tax (Income Tax) benefits available to the Shareholders:

There are no special tax benefits available to the shareholders for investing in the shares of the Company under the Act.

STATEMENT OF POSSIBLE SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

The Statement of possible tax benefits enumerated below is as per the Central Goods and Services Tax Act, 2017 ('CGST Act'), the Integrated Goods and Services Tax Act, 2017 ('IGST Act'), respective State Goods and Services Tax Act, 2017 ('SGST Act') (All these legislations collectively referred to as 'GST Legislation'), (collectively referred to as "Indirect Tax") as amended from time to time and as applicable for financial year 2024-25.

A. Special tax benefits available to the Company under Indirect Tax laws:

There are no special Indirect tax benefits available to the Company under the GST Acts.

B. Special direct tax benefits available to the Shareholders

There are no special Indirect tax benefits available to the shareholders of the Company.

Notes:

- 1 The Statement of tax benefits enumerated above is as per the Indirect Tax Laws including amendments as set out in the Finance Act, 2024.
- 2 The above statement covers only above-mentioned Indirect Tax Laws benefits and does not cover any indirect tax law benefits or benefit under any other law.
- 3 This Statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice.
- 4 No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.



(viii) Deduction under any provisions of Chapter VI-A except for the provisions of Section 80JJAA or section 134 ix. 80M.

(ix) Without set-off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred from clause i) to viii) above.

(x) No set off of any loss or allowance for unabsorbed depreciation deemed so under Section 72A, if such loss or depreciation is attributable to any of the deductions referred from clause i) to viii) above.

Further, it was clarified by the Central Board of Direct Taxes vide Circular No. 29/2019 dated October 2, 2019 and under section 115JB(5A) that if the Company opts for concessional income tax rate under Section 115BAA, the provisions of Minimum Alternate Tax ('MAT') under Section 115JB of the Act shall not be applicable. Further, any carried forward MAT credit also cannot be claimed.

2. Accelerated deduction of bad and doubtful debts in terms of provision for bad and doubtful debts up to a specified limit under Section 36(1)(viia) of IT Act –

The Company is a Non-Banking Financial Company and is entitled to accelerated deduction of bad and doubtful debts in terms of provision for bad and doubtful debts up to a specified limit under section 36(1)(viia) of the Act in computing its income under the head "Profits and gains of business or profession". As per the provisions of Section 36(1)(viia) of the IT Act, the Company could claim a deduction of provision created for bad and doubtful debts in its books of accounts to the extent of five per cent of its gross total income (computed before making any deduction under this section and Chapter VI-A of the Act), subject to satisfaction of certain prescribed conditions.

3. Deductions from Gross Total Income: 80JJAA of IT Act-

Subject to fulfilment of prescribed conditions, the Company is entitled to claim deduction, under the provisions of Section 80JJAA of the Act, of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided.

Notes:

1. The Statement of tax benefits enumerated above is as per the Direct Tax Laws including amendments as set out in the Finance Act, 2024.
2. The above statement is based upon the provisions of the specified Direct Tax Laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure.
3. This Statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
4. In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non-resident has fiscal domicile.
5. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.



SECTION IV – ABOUT THE COMPANY

Unless otherwise indicated, information contained in this section has been obtained or derived from publicly available information as well as various industry publications and sources, as referred to herein (collectively, the "Sources"). The information in the Sources is as of specified dates and opinions in the Sources may be based on estimates, projections, forecasts and assumptions that may be as of such dates, which may no longer be current or reflect current trends. Further, forecasts, estimates, predictions, and other forward-looking statements contained in the Sources are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements. Accordingly, investment decisions should not be based on such information. Each Source is not a recommendation to invest or disinvest in any company covered in such Source. The views expressed in the Sources are that of its authors. Prospective investors are advised not to unduly rely on the Sources, and should conduct their own investigation and analysis of all facts and information contained in this Draft Letter of Offer. Unless otherwise indicated, all financial, operational, industry and other related information derived from the applicable Source and included herein with respect to any particular Financial Year or as the case may be, calendar year, refers to such information for the relevant Financial Year or as the case may be, calendar year.

INDUSTRY OVERVIEW

The Non-Banking Financial Companies (NBFCs) sector in India has undergone remarkable growth, establishing itself as a significant player within the country's financial landscape. Also, the space as a whole, has witnessed notable transformations ever since its emergence, with segments such as housing finance, microfinance and consumer finance contributing to its expansion. This growth is driven by various factors, such as a rising middle class, enhanced financial inclusion and positive policy interventions.

The Indian economy was among the fastest-growing in the world before the onset of the COVID-19 pandemic. In the years leading up to the global health crisis, the country's economic indicators posted gradual improvements. The twin deficits, namely current account and fiscal deficits, narrowed, while the growth-inflation mix showed a positive and sustainable trend. Despite the geopolitical tensions worldwide, India's economy is expected to grow by 6.21 per cent in FY24, driven by robust domestic demand and strong growth in the manufacturing and services sectors. As the country progresses, demand for credit is likely to remain strong, especially among Micro, Small and Medium Enterprises (MSMEs) and retail, and is projected to grow by 13.5–14.0 per cent.

NBFCs have emerged as the crucial source of finance for a large segment of the population, including SMEs and economically unserved and underserved people. They have managed to cater to the diverse needs of the borrowers in the fastest and most efficient manner, considering their vast geographical scope, understanding of the various financial requirements of the people and extremely fast turnaround times. Nonbank money lenders have played an important role in the financial inclusion process by supporting the growth of millions of MSMEs and independently employing people. The sector has grown significantly, with a number of players with heterogeneous business models starting operations. The last few years have seen a transformation in the Indian financial services landscape. The increasing penetration of neo-banking, digital authentication, rise of UPI and mobile phone usage as well as mobile internet has resulted in the modularisation of financial services, particularly credit.

As of September 30, 2023, there were a total of 9,356 NBFCs registered with the Reserve Bank of India (RBI). Based on liability structure, NBFCs have been traditionally categorised into deposit-taking NBFCs (NBFCs-D), which are allowed to raise term deposits and non-deposit-taking NBFCs (NBFCs-ND). In October 2021, the RBI introduced a scale-based regulation for NBFCs to align its regulatory framework and further classify these financial institutions based on their evolving risk profile, considering the evolution of NBFCs with regard to size, complexity and interconnection within the financial sector. This framework categorises:

- NBFCs in the base layer (NBFC-BL) with assets less than INR 1,000 crore
- Middle layer (NBFC-ML) with assets more than INR 1,000 crore
- Upper layer (NBFC-UL) and top layer (NBFC-TL) which are specifically identified by the RBI based on a set of parameters and scoring methodology.

NBFCs have various ways to grow their business, including obtaining affordable loans from multilateral development banks and using blended finance instruments to access concessional capital. Additionally, NBFCs can transform their operations by utilising digital tools and resources, which not only reduces their environmental impact but also improves governance and resource management. Overall, opportunities and sustainability are important drivers for growth in the NBFC sector and being innovative and ahead of the curve will lead to success in the market.

NBFCs are expected to play a crucial role in the India growth story fuelling formalised credit penetration among the underserved. Policy push, regulatory oversight and digital across the value chain are expected to define the growth of this sector.

[(Source: <https://assets.kpmg.com/content/dam/kpmgsites/in/pdf/2024/02/nbfc-in-india-growth-and-stability.pdf.coredownload.inline.pdf>)]

A list of 15 NBFCs-UL, identified as per the methodology specified in scale-based regulation for NBFCs, was released on January 16, 2025. (Source: https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=59537)

GLOBAL ECONOMY

Global economic growth is projected to remain at 2.8 per cent in 2025, unchanged from 2024, according to the United Nations flagship report, World Economic Situation and Prospects (WESP) 2025, released January 09, 2025. While the global economy has demonstrated resilience, withstanding a series of mutually reinforcing shocks, growth remains below the pre-pandemic average of 3.2 per cent, constrained by weak investment, sluggish productivity growth, and high debt levels.

The report notes that lower inflation and ongoing monetary easing in many economies could provide a modest boost to global economic activity in 2025. However, uncertainty still looms large, with risks stemming from geopolitical conflicts, rising trade tensions and elevated borrowing costs in many parts of the world. These challenges are particularly acute for low-income and vulnerable countries, where sub-par and fragile growth threatens to further undermine progress towards the Sustainable Development Goals (SDGs).

“Countries cannot ignore these perils. In our interconnected economy, shocks on one side of the world push up prices on the other. Every country is affected and must be part of the solution—building on progress made,” said António Guterres, United Nations Secretary-General, in the foreword to the report. “We’ve set a path. Now it’s time to deliver. Together, let’s make 2025 the year we put the world on track for a prosperous, sustainable future for all.”

Lower inflation and monetary easing offer relief, but trade tensions, high debt burdens, and geopolitical risks cloud the outlook. Despite falling inflation, improving labour market conditions, and monetary easing, global growth is projected to remain below the pace seen before the pandemic, and the world economy continues to face significant uncertainties. This continues to gravely impact progress towards the Sustainable Development Goals (SDGs), especially for many developing countries that are still suffering from the accumulated impacts of successive crises.

Source: [https://www.un.org/sustainabledevelopment/blog/2025/01/press-release-wesp2025/#:~:text=New%20York%2C%209%20January%202025,WESP\)%202025%2C%20released%20today](https://www.un.org/sustainabledevelopment/blog/2025/01/press-release-wesp2025/#:~:text=New%20York%2C%209%20January%202025,WESP)%202025%2C%20released%20today)
<https://www.un.org/development/desa/dpad/publication/world-economic-situation-and-prospects-2025/>

INDIAN ECONOMY

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP or GDP at Current Prices in the year 2023-24 is estimated at Rs. 293.90 lakh crores (US\$ 3.52 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 269.50 lakh crores (US\$ 3.23 trillion). The growth in nominal GDP during 2023-24 is estimated at 9.1% as compared to 14.2% in 2022-23. Strong domestic

demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the first half of FY24. During the period January-March 2024, India's exports stood at US\$119.10 billion, with Engineering Goods (25.01%), Petroleum Products (17.88%) and Organic and Inorganic Chemicals (7.65%) being the top three exported commodity. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers. The contact-based services sector has demonstrated promise to boost growth by unleashing the pent-up demand. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

India's appeal as a destination for investments has grown stronger and more sustainable because of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative. (Source: <https://www.ibef.org/economy/indian-economy-overview>).

India's economy is set to grow at 6.6% in 2025, maintaining its position as a major driver of global growth at a time when the overall world economy is projected to remain relatively stagnant, according to the United Nations' flagship economic report. South Asia is expected to remain the world's fastest-growing region, fueled by India's robust economic performance and recoveries across neighboring countries.

As the largest economy in South Asia, India is expected to see 6.6% growth this year and 6.8% growth in 2026, driven by strong private consumption and investment. (Source: [World Economic Situation and Prospects 2025](#))

INDIAN FINANCIAL SECTOR

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>)

NON-BANKING FINANCIAL COMPANY (NBFC)

A Non-Banking Financial Company (NBFC) is a company registered under the Companies Act, 1956 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 installments by way of contributions or in any other manner, is also a non-banking financial company (Residuary non-banking company).

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. **Investment and Credit Company (ICC)** : An ICC is a company which is a financial institution carrying on as its principal business- asset finance, the providing of finance, whether by making loans or advances or otherwise, for any activity other than its own and the acquisition of securities
2. **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%.
3. **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
4. **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.
5. **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
6. **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.
 7. **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.
 8. **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>)

REGULATORY FRAMEWORK APPLICABLE TO NBFCs

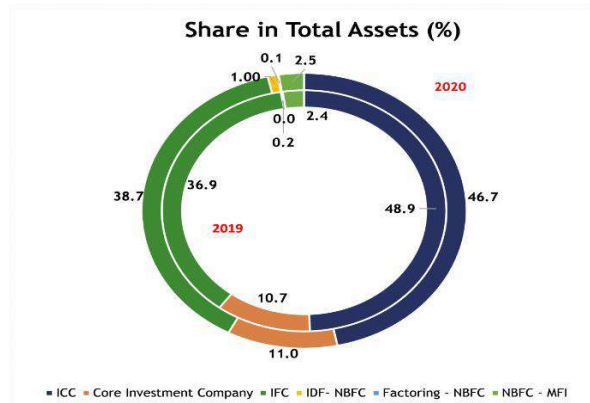
The following regulations, master directions, circulars etc. notified by the Reserve Bank of India are applicable on our Company, namely:

1. The Reserve Bank of India Act, 1934;
2. Master Direction - Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016;
3. Master Direction - Information Technology Framework for the NBFC Sector;
4. Master Direction – Know your Customer (KYC) Directions, 2016;
5. Master Direction – Reserve Bank of India (Filing of Supervisory Returns) Directions – 2024;
6. Master Direction- Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023;
7. Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs and guidelines notified thereunder.

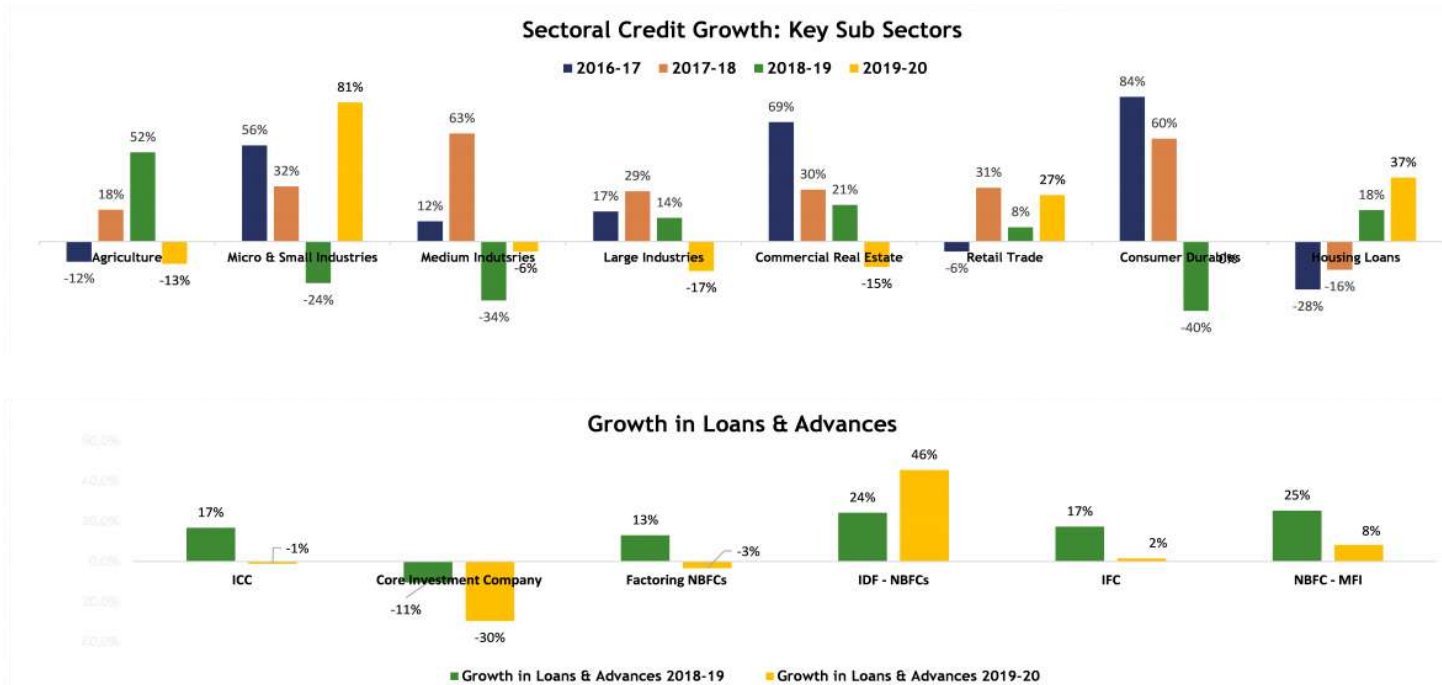
OPPORTUNITIES FOR NBFCs

Ongoing stress in public sector banks (PSUs) because of increasing bad debt, lending in rural areas deterioration has provided NBFCs with the opportunity to increase presence. The success of these NBFCs vs. PSUs can be attributed to product lines, lower cost, wider and effective reach, strong risk management capabilities to check and control bad debts, and a better understanding of customer segments versus banks. NBFCs have witnessed success in the passenger and commercial vehicle finance segments as well as growing AUM in personal loan and housing finance sector. Additionally, improving macro-economic conditions, higher credit penetrations, consumption themes and disruptive digital trends have influenced NBFC credit growth. Stress in public sector units (PSUs), underlying credit demand, digital disruption for MSMEs and SMEs as well as increased consumption and distribution access and sectors where traditional banks do not lend are major reasons for the switch from traditional banks to NBFCs.

Most recently, as of January 22, 2021, there were 9,425 NBFCs registered with the RBI categorized as Asset Finance Companies, Loan Companies, Infrastructure Finance Companies (IFCs), Systematically Important Core Investment Company (NBFC – CIC – ND – SI), Infrastructure Debt Fund (NBFC – IDF) and Micro Finance Institutions (NBFC – MFIs). As a share of total assets in NBFC market, the Investment Credit Companies (ICC) have maintained the dominant share of total assets as have IFCs per the below over a 2019-2020 timeframe:



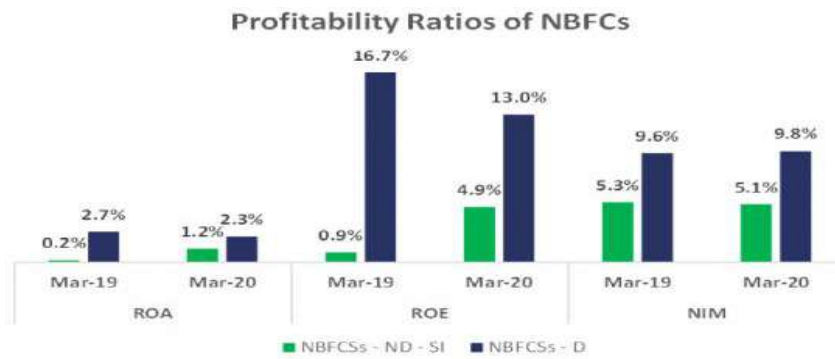
Some of the key sectoral credit growth across key sub-sectors is for MFIs which have clocked 80% growth in 2019-20 and housing loans which have registered 37% growth in the same timeframe. Similarly, growth in loans and advances for NBFC-IDFs and NBFC-MFIs have registered strong growth at 46% and 8% respectively for 2019-20 period and similarly also demonstrated an upward growth trend in 2018-19.



Source: <https://www.investindia.gov.in/blogs/importance-nbfc-india>

PROFITABILITY

Due to reduced expenses, NBFCs are more profitable than the banking industry. This enables them to give clients loans at lower costs. Because of this, the credit growth of NBFCs is greater than that of the banking industry, which refers to the rise in the quantity of money provided to consumers. Compared to banks, NBFCs had credit growth of an average of 24.3% annually. This demonstrates that more clients are choosing NBFCs. Profitability ratios from March, 2019 to March, 2020 are as follows:



Sources: <https://paisabuddy.com/the-importance-of-nbfc-in-indian-economy/>,
<https://www.investindia.gov.in/blogs/importance-nbfc-india>

CHALLENGES IN NBFC SECTOR AND ROAD AHEAD

NBFC sector is facing the following challenges:

- Business is highly regulated, and it may be adversely affected by future regulatory changes.
- Financial performance is vulnerable to interest rate risk, as most of the funding is from banking channels.
- Greater competition from NBFCs/banks/fintech could impact growth in AUM and profits.

NBFC segments provides huge growth opportunities particularly after the development of last few years. NBFCs have witnessed reasonable degree of consolidation in the NBFC sector. Liability side stress in the sector has largely reduced in last couple of years led by focused efforts from the regulators side. With the passing of the second COVID wave, the outlook is brightening. During the year under review, the balance sheet of NBFCs expanded at a faster rate than a year ago, driven essentially by growth in credit and investments of NBFCs-NDSI.

OUR BUSINESS

Some of the information in the following section, especially information with respect to our plans and strategies, contain certain forward-looking statements which are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Our actual results may differ materially from those expressed in or implied in these forward-looking statements. Our Company's strengths and its ability to successfully implement its business strategies may be affected by various factors that have an influence on its operations, or on the industry segment in which our Company operates, which may have been disclosed in "Risk Factors" on page 23. This section should be read in conjunction with such risk factors.

Unless otherwise indicated, industry and market data included in this section has been derived from the external industry sources. This section should be read in conjunction with the "Industry Overview" on page 61 of this Draft Letter of Offer. Our Financial Year ends on March 31 of each year, and references to a particular Financial Year are to the 12-month period ended March 31 of that year.

Unless otherwise indicated, all financial, operational, industry and other related information derived from the applicable Source and included herein with respect to any particular Financial Year or as the case may be, calendar year, refers to such information for the relevant Financial Year or as the case may be, calendar year.

BFL Asset Finvest Limited was incorporated on August 31, 1995 as 'BFL Properties and Investments Limited', a public limited company under the Companies Act, 1956 with the Registrar of Companies, Rajasthan at Jaipur. The Company obtained Certificate of Commencement of Business on September 06, 1995. The Reserve Bank of India granted a certificate of registration bearing registration no. B-10.00202 to our Company, for the registration of our Company as a non-deposit taking Non-Banking Financial Company under Section 45IA of the Reserve Bank of India Act, 1934 on July 30, 2007. At the time of incorporation, the Registered Office of our Company was situated at 3, Jaipur Tower, M.I. Road, Jaipur- 302001 (Rajasthan), India. For details of changes in the name, main object and registered office of the company, refer to *General Information* on page no. 43.

We operate under the leadership of our Managing Director, Mr. Mahendra Kumar Baid, who possesses expertise in financing activities and has been involved with our company since 2005. He has played a crucial role in advancing our business operations, growth, and future prospects. Everything that the company has achieved and all that it will achieve will all be because of the exceptional guidance and visionary leadership of Mr. Mahendra Kumar Baid. His ability to lead with foresight, integrity, and strategic thinking has been a constant source of inspiration for the Company and its various stakeholders.

With the worldwide economy rebalancing, emerging markets are increasingly becoming the drivers of the global economy, offering more opportunities and calling for more capital. BFL Asset Finvest Limited is positioned right in the center of this emerging paradigm. We are focused on tapping these opportunities and growing along with our key stakeholders. We are registered as NBFC-ICC and on the basis of our size/ activity/ perceived riskiness we have been classified into the Base Layer of NBFCs in compliance with the provisions of Master Direction- Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023. We are mainly engaged in dealing in shares, Futures and Options. All other activities of the Company revolve around its main business.

OUR BUSINESS OPERATIONS

Our Company started its commercial operations in 1995. Since then, the company started expanding and changed its line of business several times. The below table captures the financial information of the Company:

(₹ in Lakh)

Particulars	For the period ended on December 31, 2024	For the year ended March 2024	For the year ended March 2023
Equity Share Capital	1,020.35	1,020.35	1,020.35
Net Worth	1893.29	1456.19	1226.25
Total Income	1706.17	2,740.53	149.70
Profit / (loss) after tax	400.69	229.94	36.66
Basic EPS	3.93	2.25	0.36
Diluted EPS	3.93	2.25	0.36
Net asset value per Equity Share	18.56	14.27	12.02
Total borrowings	95.00	423.95	202.13

OUR SERVICES

Our Company's main business is dealing in shares, Futures and Options. All other activities of the Company revolve around its main business. We are an NBFC having no customer interface, accordingly, we do not render any kind of services and there are no end-users.

COMPETITIVE STRENGTHS

Diverse Funding Sources

Our Company can raise funds from a variety of sources, including debt markets, private equity, and even foreign investment. This diverse capital base allows us to engage in a broad range of financial products while managing liquidity efficiently.

Regulatory and Capital Adequacy Strength

Our Company is regulated by the Reserve Bank of India (RBI), which ensures a certain level of transparency, accountability, and solvency. The RBI also provides guidelines on capital adequacy ratios, which helps ensure the stability of the company. In addition to that, investment and share trading activities are regulated by the Securities and Exchange Board of India (SEBI). This provides a level of protection and ensures that the company adheres to the highest standards of governance, transparency, and accountability, which enhances investor trust.

Higher Returns for Investors

By investing in our company, institutional investors and retail investors can diversify their portfolios, gaining exposure to different types of credit and investment products in the financial services sector. The capital appreciation potential in stock markets is significant over the long term, and NBFCs specializing in investment and trading can help clients capitalize on this growth.

Ability to Offer Diversified Investment Products

Our Company is focused on share trading have a strong understanding of the equity markets and can offer a wide range of products like stocks, index funds, ETFs (Exchange-Traded Funds), and even commodity and currency trading.

Access to Market Liquidity

Our Company is engaged in share trading and investment and it can quickly liquidate securities or reallocate portfolios, providing clients with access to liquidity when needed.

OUR BUSINESS STRATEGIES

Focus on Risk Management

The global financial crisis has highlighted the need to manage risks regarding financial instruments such as derivatives, currency futures etc. Our Company is dealing in financial services and hence risk management is of utmost importance. We intend to focus on deploying more resources in terms of technology, people and processes to manage our risk management function. We intend to monitor and control our risk exposure through financial, credit, operational, compliance and legal reporting systems based on mandatory regulatory requirements and as per our business needs. We plan to further strengthen our risk management procedures for evaluating and managing the market, credit and other risks to which we are exposed, as well as protecting our reputation in the market.

Focus on customer services by efficient use of technology

We intend to continue investing in technology to improve our operational efficiencies, functionality, reduce errors and improve our productivity. We also believe in deploying strong technology systems that will enable us to respond to market opportunities and challenges swiftly, and improve our risk management capabilities. We intend to remain committed to technological innovation to ensure our ability to respond to our increasingly sophisticated and competitive market and to mitigate the risks we face as a NBFC.

Attract and retain talented employees

Employees are essential for the success of every organization. As part of our business strategy, we are focused on attracting and retaining high quality talent as we continue to expand our service offering. We have recruited and retained talented employees from a variety of backgrounds. We expect to continue to attract talented employees through our retention initiatives. We intend to invest adequate time and resources for training our employees, which we believe would foster mutual trust, improve the quality of our services and place further emphasis on continued.

Augment our fund based capacities for our activities

We are RBI registered NBFC with a focus on investment and share trading activities. Our business is characterised by high capital requirements to be able to do our principal business activities. We generally source our capital for our business, by availing inter-corporate loans. We intend to raise funds from the Fresh Issue Proceeds of this Offer and augment our fund based capital requirements. Funding our augmentation of capital requirement from the proceeds of the Fresh Issue will also enable us to save a considerable interest cost due to lower borrowings.

EXPORT AND EXPORT OBLIGATIONS

Our Company does not have any export and export obligation.

CAPACITY AND CAPACITY UTILIZATION

Capacity and capacity utilization is not applicable to our Company, since, our business is not in the nature of a manufacturing concern with specified installed capacity.

COMPETITION

As our Company is primarily engaged in investment and share trading activities, it faces competition from a diverse set of players, including traditional banks, discount brokers, fintech platforms, mutual fund houses, and cryptocurrency exchanges. Each competitor offers a unique value proposition, whether its low fees, advanced trading technology, professional portfolio management, or access to alternative investments like private equity or cryptocurrencies. To stay competitive, we must leverage technology, provide personalized advisory services, and offer diversified, high-return products while maintaining trust and compliance with regulatory standards.

TRADEMARK

Our company does not have any trademark.

INSURANCE DETAILS

Our company has not taken any Insurance policy.

SWOT ANALYSIS

STRENGTHS	WEAKNESS
<ul style="list-style-type: none">• Market expertise.• Diverse offerings.• Technological capabilities• Access to capital, to take up more lucrative trading opportunities and leverage assets effectively• Cutting-edge tools, algorithms, and data analytics for high-frequency trading and algorithmic strategies can help outperform competitors	<ul style="list-style-type: none">• Intense competition• Market volatility• Regulatory risks• Reputation risk• Complex regulatory environment• Dependence on market conditions• High operational cost
OPPORTUNITIES	THREATS
<ul style="list-style-type: none">• Technological Advancements• Wealth Management and Advisory Expansion• Diversification into Alternative Investments• New investment product viz. ESG funds, cryptocurrency based portfolios	<ul style="list-style-type: none">• Regulatory changes• Market downturns• Cyber security risks• Intense competition• Market volatility• Economic and political instability

OUR MANAGEMENT

BOARD OF DIRECTORS

The composition of the Board of Directors of our Company is governed by and is in conformity with the relevant applicable provisions of the Companies Act, 2013, the rules made thereunder, the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and the Articles of Association, as amended from time to time. In accordance with the provisions of the Articles of Association of the company, our Board shall consist of minimum 3 (Three) Directors and not more than 15 (Fifteen) Directors, unless otherwise determined by our Company in a general meeting.

As on date of this Draft Letter of Offer, our company has Six (6) Directors on our Board, which includes, one (1) Executive Director, two (2) Non-Executive Directors and three (3) Independent Directors. Our Board of Directors also comprises of one (1) Woman Director.

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

Particulars	Details of Board of Directors of the Company					
Name	Mahendra Kumar Baid	Aditya Baid	Alpana Baid	Ajay Agarwal	Amit Kumar Parashar	Kuldeep Jain
Designation	Managing Director	Non-Executive Director	Non-Executive Director	Independent Director	Independent Director	Independent Director
Date of Birth	December 06, 1966	January 01, 1992	September 14, 1967	March 18, 1978	April 06, 1987	January 13, 1963
Age (in years)	58 years	32 years	57 years	46 years	37 years	61 years
DIN	00009828	03100584	06362806	10727170	07891761	08189540
Nationality	Indian	Indian	Indian	Indian	Indian	Indian
Address	C-142, Dayanand Marg, Tilak Nagar, Jawahar Nagar, Jaipur-302004 (Rajasthan), India.	C-142, Dayanand Marg, Tilak Nagar, Jawahar Nagar, Jaipur-302004 (Rajasthan), India.	C-142, Dayanand Marg, Tilak Nagar, Jawahar Nagar, Jaipur-302004 (Rajasthan), India.	209, Mansarovar Colony, Kalwar Road, Jhotwara, VTC, Jaipur-302012 (Rajasthan), India	14/235 Kaweri Path, Mansarovar, Jaipur-302020, (Rajasthan), India	Jain Mohalla, Vishwkarma Mandir ke Samne, Bagru, Rawan, Jaipur-303007 (Rajasthan), India.
Occupation	Business	Business	Business	Service	Service	Service
Experience	More than 34 years	More than 11 years	More than 19 years	More than 9 years	More than 17 years	More than 16 years
Period of Directorship	More than 19 years	More than 4 years	More than 2 years	Less than 1 year	More than 7 years	More than 6 years
Term	Director since August 31, 2005, re-appointed for a period of three (3) years with effect from July 28, 2023 until July 27, 2026, liable to retire by rotation	Director since March 21, 2020, re-appointed on September 20, 2022 by shareholders, liable to retire by rotation.	Director since June 30, 2022, re-appointed on September 26, 2024 by shareholders, Liable to retire by rotation	Director since August 09, 2024, not liable to retire by rotation.	Director since August 04, 2017, re-appointed on September 20, 2021 by shareholders, not liable to retire by rotation.	Director since August 09, 2018, re-appointed on September 20, 2022 by shareholders, not liable to retire by rotation.

Date of expiration of current term of office	Executive Director, liable to retire by rotation.	Non-Executive Director, liable to retire by rotation.	Non-Executive Director, liable to retire by rotation.	August 08, 2029	August 03, 2027	August 08, 2028
Other directorships	<p>Indian Companies</p> <ol style="list-style-type: none"> 1. Tradeswift Commodities Private Limited 2. Tradeswift Derivatives Private Limited 3. Tradeswift Broking Private Limited 4. Care Well Builders Private Limited 5. Tradeswift Developers Private Limited 6. Dream Realmart Private Limited 7. StarBuildhomes Private Limited 8. Kashyan Promoters and Developers Private Limited 9. Anjali Consultants Private Limited <p>Limited Liability Partnerships</p>	<p>Indian Companies</p> <ol style="list-style-type: none"> 1. Star Buildhomes Private Limited 2. Niranjana Properties Private Limited; 3. Shiva Mega Buildcon Private Limited 4. Skylite Realmart Private Limited; 5. Realstone Buildcon Private Limited 6. Pragati Dreamland Developers Private Limited 7. Revant Trading Private Limited <p>Limited Liability Partnerships (LLPs)</p> <ol style="list-style-type: none"> 1. Narain Land Developers LLP 	<p>Indian Companies</p> <ol style="list-style-type: none"> 1. Baid Finserv Limited 2. Goodfortune Trading Private Limited 3. Care Well Builders Private Limited <p>Limited Liability Partnerships (LLPs)</p> <p>NIL</p> <p>Foreign companies</p> <p>NIL</p>	<p>Indian Companies</p> <p>NIL</p> <p>Limited Liability Partnerships (LLPs)</p> <p>NIL</p> <p>Foreign Companies</p> <p>NIL</p>	<p>Indian Companies</p> <ol style="list-style-type: none"> 1. Starrise Infraheights Private Limited 2. Omtech Trading Private Limited <p>Limited Liability Partnerships (LLPs)</p> <ol style="list-style-type: none"> 1. Vayu Prime Developers LLP <p>Foreign Companies</p> <p>NIL</p>	<p>Indian Companies</p> <p>NIL</p> <p>Limited Liability Partnerships (LLPs)</p> <p>NIL</p> <p>Foreign Companies</p> <p>NIL</p>

	<p>(LLPs)</p> <p>1. Tradeswift Wealth Managers LLP</p> <p>Foreign Companies</p> <p>NIL</p>	<p>2. Abhi Jyoti Marketing LLP</p> <p>3. Siddhi Infragold LLP</p> <p>Foreign Companies</p> <p>NIL</p>				
Relationship between directors	Father of Mr. Aditya Baid and Spouse of Mrs. Alpana Baid, Non-Executive Directors of the Company.	Son of Mr. Mahendra Kumar Baid, Managing Director of the Company and Mrs. Alpana Baid, Non-Executive Director of the Company.	Mother of Mr. Aditya Baid, Non-Executive Director of the Company and Spouse of Mr. Mahendra Kumar Baid Managing Director of the Company.	NA	NA	NA

PAST DIRECTORSHIPS IN SUSPENDED COMPANIES

None of our Directors are, or were a director of any listed company, whose shares have been, or were suspended from being traded on any of the Stock Exchanges during the term of their directorships in such companies during the last 5 (Five) years preceding the date of this Draft Letter of Offer.

PAST DIRECTORSHIPS IN DELISTED COMPANIES

None of our Directors are or were a director of any listed company, which has been, or was delisted from any stock exchange during the term of their directorship in such Company during the last 10 (Ten) years preceding the date of this Draft Letter of Offer.

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.

DETAILS OF SERVICE CONTRACTS ENTERED WITH DIRECTORS

Our Company has not entered any service contracts with the present Board of Directors for providing benefits upon termination of employment.

OTHER CONFIRMATIONS

- As on the date of this Draft Letter of Offer, none of our directors are on the RBI List of wilful defaulters.
- As on the date of this Draft Letter of Offer, none of our Directors are Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
- As on the date of this Draft Letter of Offer, none of the Promoters, Persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a

promoters, director or person in control of any other Company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

- o No proceedings / investigations have been initiated by SEBI against any Company, the Board of Directors of which also comprises any of the Directors of our Company.

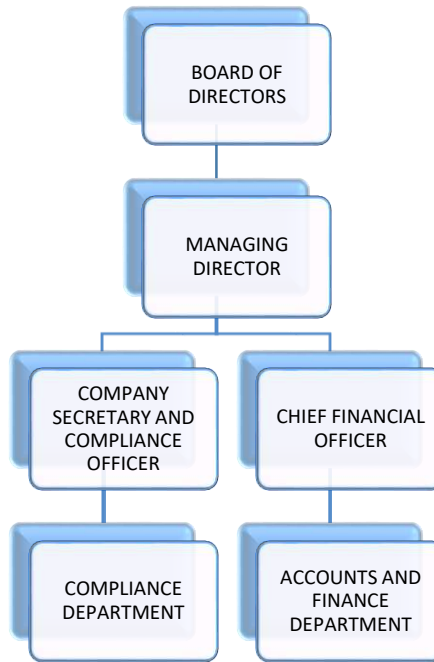
DETAILS OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Our Company is managed by our Board of Directors and assisted by qualified and experienced professionals, who are permanent employees of our Company. Following are the Key Managerial Personnel of our Company:

Particulars	Details of Key Managerial Personnel and Senior Management		
Name	Mahendra Kumar Baid	Ilma Suza	Ravi Bohra
Designation	Managing Director	Company Secretary and Compliance Officer	Chief Financial Officer
Nationality	Indian	Indian	Indian
Educational Qualification	Graduate	Company Secretary and B.Com	BSC in Mathematics
Occupation	Business	Service	Service
Experience	More than 34 years	More than 2 years	More than 20 years
Date of joining	August 31, 2005	February 02, 2023	March 09, 2018
Previous employment	NA	NA	NA
Description of functional role in the Company	Managing day to day affairs of the company.	Legal and Secretarial Work.	Managing finance department of the Company.
Area of expertise	He possesses appropriate skills, experience and knowledge; inter alia, in the field of securities and finance market.	Legal and Secretarial Work.	Has vast experience in Management & Finance.
Relationship with any director or Key Managerial Personnel	Father of Mr. Aditya Baid and Spouse of Mrs. Alpana Baid, Non-Executive Directors of the Company.	NA	NA
Service contract	NA	NA	NA

MANAGEMENT ORGANIZATION STRUCTURE

The current organizational structure of our Company is as follows:



PROMOTER GROUP

Our Promoter Group as defined under Regulations 2(1)(pp) of the SEBI ICDR Regulations includes the body corporates. For Promoter Group, we have restricted it only to the entity that hold equity shares in the Company and has been disclosed as Promoter Group to the Stock Exchanges in the shareholding pattern.

The following is the promoter group, with their shareholding pattern as on December 31, 2024:

Sr. No.	Name of the Member of Promoter Group	No. share equity shares held	Percentage (%)
1.	Mahapragya Land Developers Private Limited	10,00,000 equity shares	9.80
2.	Baid Finserv Limited	1,67,500 equity shares	1.64
3.	Carewell Builders Private Limited	1 equity share	0.00

OUR SUBSIDIARIES

As on the date of this draft letter of offer, neither the Company has any subsidiary Company nor is the Company a subsidiary of any other Company.

SECTION-V: FINANCIAL INFORMATION

FINANCIAL INFORMATION

Sr. No.	Details	Page No.
1.	Independent Auditor's Report on the Audited Financial Statements for the financial year ended on March 31, 2024	78-95
2.	Audited Financial Statements for the financial year ended March 31, 2024	96-132
3.	Limited Reviewed Unaudited Financial Results for the quarter and nine-months ended on December 31, 2024	133-135

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Independent Auditor's Report

To the Members of
BFL Asset Finvest Limited
1, Tara Nagar, Ajmer Road,
Jaipur – 302006

Report on the Ind AS Financial Statements

Opinion:

We have audited the accompanying standalone Ind-AS Financial Statements of **BFL Asset Finvest Limited (CIN:L45201RJ1995PLC010646)** which comprise the Balance Sheet as at **31st March 2024**, and the Statement of Profit and Loss (including the Statement of Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash flow for the year then ended, and notes to the Standalone Ind-AS Financial Statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind-AS Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind-AS") and other accounting standards generally accepted in India, of the state of affairs of the Company as at 31 March, 2024, its Profit, total comprehensive income, changes in equity and its Cash flow for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind-AS financial statements in accordance with the standards on auditing specified under Section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind-AS 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 Ind-AS financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on standalone Ind-AS financial statements.



Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report.

Description of Key Audit Matters

<u>Key audit matters</u>	<u>Auditor's Response</u>
<p>(a) Impairment of financial assets (expected credit losses)</p> <p>Ind AS 109 requires the Company to recognize impairment loss allowance towards its financial assets (designated at amortized cost and fair value through other comprehensive income) using the expected credit loss (ECL) approach. Such ECL allowance is required to be measured considering the guiding principles of Ind AS 109. In the process, a significant degree of judgement has been applied by the management for calculation of Expected Credit Losses("ECL").</p>	<p>Our Audit procedures are as under:</p> <ul style="list-style-type: none"> • We read and assessed the Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109. • We tested the criteria for staging of loans based on their past-due status to check compliance with requirement of Ind AS 109. • We evaluated the reasonableness of the Management estimates by understanding the process of ECL estimation and tested the controls around data extraction and validation. • Tested the ECL model, including assumptions and underlying computation. • Assessed the floor/minimum rates of provisioning applied by the Company for loan products with inadequate historical defaults. • Audited disclosures included in the Ind AS financial statements in respect of expected credit losses. • As there is no specific stipulation as to repayment of principal and periodicity of payment of interest on

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loans given by the Company, ECL calculation has been made assuming these loans repayable on demand and no stipulation as to payment of interest. Residual period has been assumed as informed by the management. All loans have been treated as standard and falling under stage 1 and ECL calculation made accordingly.

Information Other than the Financial Statements and Auditor's Report there on

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS 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 Ind AS 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 Ind AS 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.

Management's Responsibility for the Ind AS Financial Statements

The Company's board of directors are responsible for the matters stated in Section 134 (5) of the Act with respect to the preparation of these Ind AS 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 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 Ind AS 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.

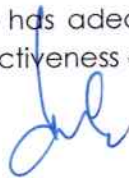
The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Standard of Auditing 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 Ind AS Financial Statements.

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

- Identify and assess the risks of material misstatement of the Ind AS 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 act, 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 Ind AS 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 Ind AS Financial Statements, including the disclosures, and whether the Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone Ind AS Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Ind AS Financial Statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS 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 terms of sub-Section (11) of Section 143 of the Act, we give in the '**Annexure A**', a statement on the matters specified in clauses 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 including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts.
 - d) In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act read with the companies (Indian Accounting Standards) Rules 2015, as amended.
 - 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 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**'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
 - h) 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, as



amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds which are material either individually or in the aggregate 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on 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 which are material either individually or in the aggregate 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, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as mentioned under (a) and (b) above, contain any material misstatement.

- v. The company has not declared any final or interim dividend during the year.
- vi. Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the year ended 31 March 2024 which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.



As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended 31 March 2024.

Place: Jaipur
Date: May 10, 2024

For Khilnani & Associates
Chartered Accountants



K. K. Khilnani
K. K. Khilnani
Partner

M. No.: 072736

FRN. 005776C

UDIN: 24072736BKBZTK1330

Annexure 'A'

The Annexure referred to in paragraph 1 under "Other Legal and Regulatory Requirements" section our report of even date.

I. We report that:

a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company does not have any intangible asset. Accordingly, clause 1(a)(B) of the order is not applicable.

b) The Company has a regular program of physical verification of its 'Property, Plant and Equipment' under which 'Property, Plant and Equipment' are verified in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, all the 'Property, Plant and Equipment' were verified during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us and the records examined by us, The Company does not hold any immovable property (in the nature of 'property, plant and equipment') as on balance sheet date i.e. March 31, 2024.

d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year. Accordingly, the provisions of clause 3(i)(d) of the Order are not applicable.

e) There are no proceedings which have been initiated or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder. Accordingly, the provisions of clause 3(i)(e) of the Order are not applicable.

II. a) Company has inventory of shares in demat form. The same has been duly verified.

b) In our opinion and according to the information and explanations given to us, during the year, the company has not been sanctioned any working



capital limits. Accordingly, the provisions of clause 3(ii)(b) of the Order is not applicable.

III. The Company has made investments in, provided guarantee or security and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:

(a) The Company has provided loans, during the year and details of which are given below:

	(Rs. in Lakhs)
A. Aggregate amount of Loan's granted / provided during the year:	664.00
B. Balance of Loan's outstanding as at balance sheet date in respect of above cases:	726.83

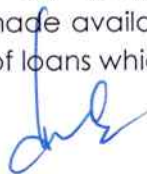
(b) The investments made, guarantees provided, security given and the terms and conditions of the grant of all the above mentioned loans and advances in the nature of loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted and advances in the nature of loans provided by the Company, these are repayable on demand. Therefore, there is no schedule of repayment. However, interest has been charged on these loans.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, are repayable on demand and there are no specific terms as to periodicity of payment of interest. As such, there is no overdue principal and interest amount remaining outstanding as at balance sheet date.

(e) According to information and explanations given to us and based on the audit procedures performed, in respect of loan or advance in the nature of loan granted which has fallen due during the year, has not been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.

(f) Based on our audit procedures and according to the information and explanation made available to us, the Company has granted loans or advances in the nature of loans which are repayable on demand. Details are given below:



	All Parties	Promoters/ Related Party/Other related company
Aggregate amount of loans/ advances in nature of loans		
- Repayable on demand (A)		
- During the year	664.00 Lakhs	464.00 Lakhs
- Balance outstanding as on 31.03.2024	726.83 Lakhs	254.64 Lakhs
- Agreement does not specify any terms or period	-	-
Percentage of loans/advances in nature of loan to the total loans (outstanding balance as on 31.03.2024)	100%	35.03%

- IV. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made investments or provided guarantees in contravention of provisions of Section 185 of the Act. The Company has complied with the provisions of Section 186(1) of the Act; the other provisions of Section 186 of the Act are not applicable to the Company.
- V. In our opinion and according to the information and explanations given to us, the Company being a non-banking financial company registered with the Reserve Bank of India, the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted are not applicable to the Company. We are further informed by the Management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.
- VI. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the activities of the Company and accordingly clause 3 (vi) of the order is not applicable.



VII. (a) According to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

(b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) that have not been deposited with the appropriate authorities on account of any dispute.

VIII. In our opinion and according to the information and explanations given to us, there are no such transactions which were not recorded in the books of account earlier and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

IX. (a) In our opinion and according to the information and explanations given to us, the Company has not taken any loans or borrowings from banks, financial institutions and Government.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or other lender, government or any government authority.

(c) In our opinion and according to the information and explanations given to us, the Company has not taken any term loan during the year and there are no unutilized term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us, since the Company does not have subsidiaries, associates or joint ventures. Accordingly, the provisions of clause 3(ix) (e) of the Order are not applicable.

(f) According to the information and explanations given to us, since the Company does not have subsidiaries, associates or joint ventures. Accordingly, the provisions of clause 3(ix) (f) of the Order are not applicable.



- X. (a) In our opinion and according to the information and explanations given to us, the Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable.
- (b) According to the information and explanations given to us, during the year, the Company has not made private placement of shares (fully and partially paid). Accordingly, the provisions of clause 3(x)(b) of the Order are not applicable.
- XI. (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
- (b) In our opinion and according to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- XII. The company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- XIII. According to the information and explanations given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
- XIV. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date, for the period under audit.
- XV. In our opinion and according to the information and explanations given to us, the Company has not entered into a non-cash transaction with the directors or persons connected with them covered under Section 192 of the Act.
- XVI. (a) The Company is required to be registered under Section 45-IA of the RBI Act, 1934 and such registration has been obtained by the Company.



(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration from the RBI as per the RBI Act, 1934.

© The Company is not a Core Investment Company (CIC) as defined in the regulations made by the RBI.

(d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

- XVII. The Company has not incurred cash losses in the financial year and in the immediately preceding financial year. Accordingly, provisions of clause 3 (xvii) of the order are not applicable.
- XVIII. There has been no resignation of the statutory auditors of the Company during the year. Accordingly, provisions of clause 3 (xviii) of the order are not applicable.
- XIX. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- XX. The provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company. Accordingly, provision of clause 3(xx)(a) and (b) of the order is not applicable.



XXI. According to the information and explanations given to us, since the Company does not have subsidiaries, associates or joint ventures. Accordingly, the provisions of clause 3(xxi) of the Order are not applicable.

For Khilnani & Associates
Chartered Accountants



Place: Jaipur
Date: May 10, 2024

K. K. Khilnani
Partner

M. No.: 072736

FRN. 005776C

UDIN:24072736BKBZTK1330

Annexure 'B'

Report on Internal Financial Controls over Financial Reporting

The Annexure referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' Section of our report of even date of Independent Auditor's Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with respect to Ind-AS financial statements of **BFL Asset Finvest Limited** (the "Company") as of 31 March 2024 in conjunction with our audit of the Ind AS 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 Act.

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 Act, 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 judgment, including the assessment of the risks of material misstatement of the Ind AS 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

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 Ind AS 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 Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS 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.

Place: Jaipur
Date: May 10, 2024



For Khilnani & Associates
Chartered Accountants

K. K. Khilnani
Partner
M. No.: 072736
FRN. 005776C
UDIN: 24072736BKBZTK1330

BALANCE SHEET AS AT 31st MARCH, 2024

(Amount in Lakhs)

Particulars	Note No.	As at March 31,2024	As at March 31, 2023
ASSETS			
1 FINANCIAL ASSETS			
(a) Cash and cash equivalents	1	7.11	2.20
(b) Bank Balance other than (a) above	2	2.49	2.49
(c) Receivables			
(I) Trade Receivables	3	219.34	-
(II) Other Receivables		356.67	-
(d) Loans	4	690.42	1,072.05
(e) Investments	5	9.66	9.66
(f) Other Financial Assets	6	93.84	258.67
Total Financial Assets		1,379.53	1,345.07
2 NON-FINANCIAL ASSETS			
(a) Inventories	7	582.32	85.47
(b) Property, Plant and Equipment		-	-
(c) Other Non-Financial assets	8	2.51	5.02
Total Non Financial Assets		584.83	90.49
Total Assets		1,964.36	1,435.56
LIABILITIES AND EQUITY			
LIABILITIES			
1 FINANCIAL LIABILITIES			
(a) Payables			
(I) Trade Payables			
(i) Total outstanding dues of micro enterprises and small enterprises	9	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	9	0.07	0.12
(b) Borrowings (Other than Debt Securities)	10	423.95	202.13
(c) Other financial liabilities	11	2.49	2.49
Total Financial Liabilities		426.52	204.74
2 NON-FINANCIAL LIABILITIES			
(a) Current tax liabilities (Net)	12	77.34	-
(b) Provisions	13	0.59	0.82
(c) Other Non-Financial Liabilities	14	3.72	3.74
Total Non Financial Liabilities		81.65	4.56
Total Liabilities		508.17	209.30

(Handwritten Signature)



3	EQUITY			
(a)	Equity Share capital	15	1,020.35	1,020.35
(b)	Other Equity	16	435.84	205.90
	Total Equity		1,456.19	1,226.25
	Total Liabilities and Equity		1,964.36	1,435.56

Summary of significant accounting policies and the accompanying notes are an integral part of the financial statements.

As per audit report of even date attached
For Khilnani & Associates
Chartered Accountants
FRN. 005776C



K.K. Khilnani
(Partner)
M. No. 072736



Date: 10.05.2024
Place: Jaipur

For and on behalf of the Board
BFL Asset Finvest Limited


Mahendra Kumar Baid
(Managing Director)
(DIN: 00009828)


Ilma Suza
(Company Secretary)
(M. No. A70063)


Aditya Baid
(Director)
(DIN: 03100584)


Ravi Bohra
(Chief Financial Officer)



BFL ASSET FINVEST LIMITED

Regd. Office: 1, Taranagar, Ajmer Road, Jaipur - 302 006, Ph.: 9214018877

CIN: L45201RJ1995PLC010646, Website: www.bflfin.com

E-mail: bfldevelopers@gmail.com

STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 31ST MARCH, 2024

(Amount in Lakhs)

Particulars	Note No.	Period ended on 31 March, 2024	Period ended on 31 March, 2023
I. Revenue from operations			
(a) Interest Income	17	102.72	72.28
(b) Dividend Income		7.54	0.92
(c) Sale of Products	18	2,296.54	41.65
(d) Net Gain from F&O	19	333.73	0.05
(e) Other Operating Revenue			
Total Revenue from operations		2,740.53	114.89
II. Other Income	20	-	34.81
III. Total Income (I+II)		2,740.53	149.70
IV. Expenses			
(a) Cost of Material Consumed			
(b) Purchase of Stock in Trade		2,790.25	7.50
(c) Finance Costs	21	36.81	39.83
(d) Changes in Inventories of finished goods, stock-in-trade and work-in-progress	22	(496.85)	62.94
(e) Employee Benefit Expenses	23	9.55	9.76
(f) Impairment on financial instruments	24	36.41	0.00
(g) Other expenses	25	57.09	14.48
Total Expenses (IV)		2,433.25	134.51
V. Profit/Loss before Exceptional and extraordinary items and tax (III-IV)		307.28	15.19
VI. Exceptional Items		-	-
VII. Previous Year Income		-	0.02
VIII. Profit/Loss before extraordinary items and tax (V+VI+VII)		307.28	15.22
IX. Extraordinary Items		-	-
X. Profit before Tax (VIII-IX)		307.28	15.22



XI. Tax Expenses			
(1) Current Tax		77.34	-
(2) Deferred Tax		-	-
(3) Previous Year Tax		-	(21.45)
Net tax expense		77.34	(21.45)
XII. Profit for the period(X-XI)		229.94	36.66
XIII. Other Comprehensive Income			
(A) (i) Items that will not be reclassified to profit or loss			
- Fair value changes on equity instruments through other comprehensive income		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
Sub-total (A)		-	-
(B) (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Sub-total (B)		-	-
Other Comprehensive Income (A + B)		-	-
Total Comprehensive Income for the period (XII+XIII) (Comprising Profit (Loss) and other Comprehensive Income for the period)		229.94	36.66
Earnings per equity share			
Basic (Rs.)		2.25	0.36
Diluted (Rs.)		2.25	0.36

Summary of significant accounting policies and the accompanying notes are an integral part of the financial statements.

As per audit report of even date attached
For Khilnani & Associates
Chartered Accountants



K.K. Khilnani
(Partner)
M. No. 072736
FRN. 005776C

Date: 10.05.2024

Place: Jaipur

For and on behalf of the Board
BFL Asset Finvest Limited



Mahendra Kumar Baid
(Managing Director)
(DIN: 00009828)

Aditya Baid
(Director)
(DIN: 03100584)



Ilma Suza
(Company Secretary)
(M. No. A70063)

Ravi Bohra
(Chief Financial Officer)

Cash Flow Statement For the Year Ended on March 31, 2024

(Amount in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	Amount	Amount
A Cash flow from operating activities		
N.P. before tax	307.28	15.22
Adjustments for		
Adjustments for finance costs	36.81	39.83
Adjustments for decrease (increase) in inventories	(496.85)	62.94
Adjustments for decrease (Increase) in trade receivables, current	(576.01)	-
Adjustments for decrease (increase) in trade receivables, non-current	-	-
Adjustments for decrease (increase) in other current assets	381.63	(549.80)
Adjustments for decrease (increase) in other non-current assets	2.51	2.51
Adjustments for other financial assets, non-current	-	-
Adjustments for other financial assets, current	164.83	540.57
Adjustments for other bank balances	-	-
Adjustments for increase (decrease) in trade payables, current	(0.05)	-
Adjustments for increase (decrease) in trade payables, non-current	-	-
Adjustments for increase (decrease) in other current liabilities	(0.02)	1.47
Adjustments for increase (decrease) in other non-current liabilities	-	-
Adjustments for depreciation and amortisation expense	-	-
Adjustments for impairment loss reversal of impairment loss recognised in profit or loss	-	-
Adjustments for provisions, current	77.11	(23.20)
Adjustments for provisions, non-current	-	-
Adjustments for other financial liabilities, current	-	(78.75)
Adjustments for other financial liabilities, non-current	-	-
Adjustments for unrealised foreign exchange losses gains	-	-
Adjustments for dividend income	-	-
Adjustments for interest income	-	-
Adjustments for share-based payments	-	-
Adjustments for fair value losses (gains)	-	-
Adjustments for undistributed profits of associates	-	-
Other adjustments for which cash effects are investing or financing cash flow	-	-
Other adjustments to reconcile profit (loss)	-	-
Other adjustments for non-cash items	-	-
Total adjustments for reconcile profit (loss)	(410.04)	(4.45)
Net cash flows from (used in) operations	(102.77)	10.77
Dividends received	-	-
Interest paid	-	-
Interest received	-	-
Income taxes paid (refund)	77.34	(21.45)
Other inflows (outflows) of cash	-	-
Net cash flows from (used in) operating activities	(180.11)	32.22
B Cash flows from used in investing activities		
Cash flows from losing control of subsidiaries or other businesses	-	-
Cash flows used in obtaining control of subsidiaries or other businesses	-	-
Other cash receipts from sales of equity or debt instruments of other entities	-	-
Other cash payments to acquire equity or debt instruments of other entities	-	-
Proceeds from sales of property, plant and equipment	-	14.06
Purchase of property, plant and equipment	-	-
Proceeds from sales of investment property	-	0.85
Purchase of investment property	-	0.03
Proceeds from sales of intangible assets	-	-
Purchase of intangible assets	-	-
Proceeds from sales of intangible assets under development	-	-
Purchase of intangible assets under development	-	-
Proceeds from sales of goodwill	-	-
Purchase of goodwill	-	-
Proceeds from biological assets other than bearer plants	-	-

(Signature)



Purchase of biological assets other than bearer plants	-	-
Proceeds from government grants	-	-
Proceeds from sales of other long-term assets	-	-
Purchase of other long-term assets	-	-
Cash advances and loans made to other parties	-	-
Cash receipts from repayment of advances and loans made to other parties	-	-
Cash payments for future contracts, forward contracts, option contracts and swap contracts	-	-
Cash receipts from future contracts, forward contracts, option contracts and swap contracts	-	-
Dividends received	-	-
Interest received	-	-
Income taxes paid (refund)	-	-
Other inflows (outflows) of cash	-	-
Net cash flows from (used in) investing activities	-	14.95
C Cash flows from used in financing activities		
Proceeds from issuing shares	-	-
Proceeds from issuing other equity instruments	-	-
Payments to acquire or redeem entity's shares	-	-
Payments of other equity instruments	-	-
Proceeds from issuing debentures notes bonds etc	-	-
Proceeds from borrowings	221.83	(6.48)
Repayments of borrowings	-	-
Dividends paid	-	-
Interest paid	(36.81)	(39.83)
Income taxes paid (refund)	-	-
Other inflows (outflows) of cash	-	-
Net cash flows from (used in) financing activities	185.02	(46.30)
Net increase (decrease) in cash and cash equivalents	4.91	0.86
Cash and cash equivalents cash flow statement at beginning of period	2.20	1.34
Cash and cash equivalents cash flow statement at end of period	7.11	2.20

Summary of significant accounting policies and the accompanying notes are an integral part of the financial statements.

As per audit report of even date attached

For Khilnani & Associates
Chartered Accountants
FRN. 005776C

K.K. Khilnani
(Partner)
M. No. 072736



Date: 10.05.2024
Place: Jaipur

For and on behalf of the Board
BFL Asset Finvest Limited

Mahendra Kumar Baid
(Managing Director)
(DIN: 00009828)

Ilma Suza
(Company Secretary)
(M. No. A70063)

Aditya Baid
(Director)
(DIN: 03100584)

Ravi Bohra
(Chief Financial Officer)



BFL ASSET FINVEST LIMITED

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CIN: L45201RJ1995PLC010646, Website: www.bflfin.com, E-mail: bfldevelopers@gmail.com

Notes Forming Part of the Financial Statements for the Period ended 31.03.2024

(Amount in Lakhs)

Note No.	Particulars	As at 31.03.2024	As at 31.03.2023
1	Cash and Cash Equivalents		
	Cash on Hand	6.14	1.44
	Balance with Banks:		
	In Current Accounts	0.98	0.76
	Total	7.11	2.20
2	Bank Balance other than Cash and Cash Equivalents		
	Earmarked Balances with Banks:		
	Unpaid Dividend Accounts	2.49	2.49
	Total	2.49	2.49
3	Receivables		
i	Trade Receivables	219.34	-
ii	Other Receivables	-	-
	i. Nandankanan Barter Private Limited	356.67	-
	Total	576.01	-

Trade Receivables Aging Schedule as at 31 March, 2024: -

Particulars	Unbilled	Outstanding for following periods from transaction	
		< 6 Months	6 Months - 1 Year
(i) Undisputed Trade Receivable - considered good	-	343.51	232.50
(ii) Undisputed Trade Receivable - considered doubtful	-	-	-
(iii) Disputed Trade Receivable - considered good	-	-	-
(iv) Disputed Trade Receivable - considered doubtful	-	-	-
Gross	-	343.51	232.50

Trade Receivables Aging Schedule as at 31 March, 2023: -

Particulars	Unbilled	Outstanding for following periods from transaction	
		< 6 Months	6 Months - 1 Year
(i) Undisputed Trade Receivable - considered good	-	-	-
(ii) Undisputed Trade Receivable - considered doubtful	-	-	-
(iii) Disputed Trade Receivable - considered good	-	-	-
(iv) Disputed Trade Receivable - considered doubtful	-	-	-
Gross	-	-	-

4	Loans		
	(A) Loans	726.83	1,072.05
	Less: Impairment loss allowance	36.41	-
	Total (A)	690.42	1,072.05
	(B) Out of above		
	(i) Secured	-	-
	(ii) Unsecured		
	a. Jaipur Infragold Pvt Ltd	272.19	404.64
	b. Durgesh Merchants Ltd	-	63.59
	c. Tradeswift Broking Pvt. Ltd.	-	603.83
	d. Niranjana Properties Pvt Ltd	219.72	-
	e. VH Builders & Developers Private Limited	34.92	-
	f. Orvi Design Studio	200.00	-
	Total (B) - Gross	726.83	1,072.05
	Less: Impairment loss allowance	36.41	-
	Total (B) - Net	690.42	1,072.05



(C) Out of above		
(I) Loans in India		
(i) Public Sector	726.83	1,072.05
(ii) Other Sector	726.83	1,072.05
Total (C) - Gross	36.41	-
Less: Impairment loss allowance	690.42	1,072.05
Total (C) (I) - Net		
(II) Loans outside India		
Total (C) (II) - Net	690.42	1,072.05
Total (C) (I) and (C) (II)		
5 Investment		
(A) At Amortized Cost	9.66	9.66
(i) Unquoted Shares (Refer Note 5.1)		
(B) At fair value through other comprehensive income		
(i) Quoted Shares (Refer Note 5.2)		
(C) At Cost		
(i) Fixed Deposit with Kotak Mahindra Bank		
Total	9.66	9.66
(d) Out of above	9.66	9.66
(I) In India		
(II) Outside India	9.66	9.66
Total (C) (I) and (C) (II)		
5.1 Unquoted Shares	0.37	0.37
i Elect Agencies Pvt.Ltd		
[37000 Shares (Prev. Year 37000 Shares) of Rs. 1/ each fully paid up]	2.00	2.00
ii Golden Infratech Pvt. Ltd.		
[1000 Shares (Prev. Year 1000 Shares) of Rs. 10/ each fully paid up]	5.00	5.00
iii Niranjana Properties Pvt. Ltd.		
[2500 Shares (Prev. Year 2500 Shares) of Rs. 10/ each fully paid up]	2.13	2.13
iv Star Buildhome Pvt. Ltd.		
[2300 Shares (Prev. Year 2300 Shares) of Rs. 10/ each fully paid up]	0.16	0.16
v Sangotri Construction Ltd.		
[16000 Shares (Prev. Year 16000 Shares) of Rs. 10/ each fully paid up]		
Total Unquoted Shares	9.66	9.66
5.2 Quoted Shares (on FMV)		
Total Quoted Shares		
Total Shares	9.66	9.66
6 Other Financial Assets	2.99	9.91
TDS Receivables 22-23	9.21	-
TDS Receivable 23-24	701.84	248.40
Cheque received but not presented	(621.84)	-
Cheques Issued but not presented	0.28	0.28
JVVNL Deposit	0.02	0.08
Prepaid Expenses	1.34	-
Others Receivables	93.84	258.67
Total		
7 Inventory		
Stock-in-trade (Shares acquired for trading)	582.32	85.47
Shares & Securities (Valued at lower of cost and market value)		
Total	582.32	85.47
8 Other Non-Financial Assets	2.51	5.02
Amotisation Exp. (BSE Fees)		
Total	2.51	5.02

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9 Trade Payables

(i) Total outstanding dues of micro enterprises and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	0.07	0.12

Total	<u>0.07</u>	<u>0.12</u>
--------------	-------------	-------------

Notes :

Trade Payables Ageing Schedule as at 31 March, 2024: -

Particulars	Unbilled	Outstanding for following periods from transaction date of payment				
		< 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	> 3 Years
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	0.01	0.06
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Other than MSME	-	-	-	-	-	-
Total	-	-	-	-	<u>0.01</u>	<u>0.06</u>

Trade Payables Ageing Schedule as at 31 March, 2023: -

Particulars	Unbilled	Outstanding for following periods from transaction date of payment				
		< 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	> 3 Years
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	0.06	0.06	0.01
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Other than MSME	-	-	-	-	-	-
Total	-	-	-	<u>0.06</u>	<u>0.06</u>	<u>0.01</u>

10 Borrowings (Other than Debt Securities) (At amortised cost)

(A) Term loans

(i) Secured

(ii) Unsecured

a. Allied Barter Pvt. Ltd.	223.95	202.13
B. Solaron industries private limited(formerly known as brett merchandising pvt. Ltd.)	200.00	-
	<u>423.95</u>	<u>202.13</u>

(B) Out of Above

(i) Borrowings in India

(ii) Borrowings outside India

	423.95	202.13
Total (B) to tally with (A)	<u>423.95</u>	<u>202.13</u>

(The Company has not defaulted in repayment of Borrowing and Interest.)

11 Other Financial Liabilities

Unpaid Dividend*

Total

	2.49	2.49
	<u>2.49</u>	<u>2.49</u>

* There are no amount that are due to be transferred to Investor Education and Protection Fund in this year.

Non-Financial Liabilities

12 Current Tax Liabilities

Provision for Income-tax

Total

	77.34	-
	<u>77.34</u>	<u>-</u>

13 Provisions

Staff Salary

Provision for Audit Fees

Total

	0.33	0.22
	0.26	0.60
	<u>0.59</u>	<u>0.82</u>

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14 Other Non-Financial Liabilities

TDS Payable	3.72	3.74
Total	3.72	3.74

15 Share Capital

Authorised Share Capital (3,10,00,000 Equity Shares of Rs. 10 each fully paid up) (Prev. Year-1,20,00,000 Equity Shares of Rs. 10 each fully paid up)	3,100.00	1,200.00
Issued, Subscribed & Paid up Capital (1,02,03,500 Equity Shares of Rs. 10 each fully paid up) (Prev. Year-1,02,03,500 Equity Shares of Rs. 10 each fully paid up)	1,020.35	1,020.35
	1,020.35	1,020.35

a) Reconciliation of the Shares Outstanding at the beginning & at the end of the reporting period

Equity shares	No. of Share	
	At the beginning of the year	At the end of the year
At the beginning of the year	102.04	102.04
Issued during the year	-	-
At the end of the year	102.04	102.04

b) Terms/Rights/Restrictions attached to equity shares

The Company has only one class of equity shares having face value of Rs. 10/- per share. Each equity shareholder is entitled for one vote per share.

c) Details of Shareholders holding more than 5% shares in the company

Particulars	As at 31/03/2024		As at 31/03/2023	
	No. of Shares	% Holding	No. of Shares	% Holding
Mr. Mahendra Kumar Baid	10.93	10.71%	10.93	10.71%
Nandankanan Barter Pvt. Ltd.	-	-	10.03	9.83%
Mahapragya Land Developers Pvt. Ltd.	10.00	9.80%	10.00	9.80%
Total	20.93	20.51%	30.96	30.35%

d) Details of promoters share holding

Name of the promoter	As at 31/03/2024	As at 31/03/2023	% of Total Shares as on 31.03.2024	Movement during the year	% Change during the Year
	No. of Shares	No. of Shares			
Mahendra Kumar Baid	10.93	10.93	10.71%	-	-
Total	10.93	10.93	10.71%	-	-

e) During the financial year and previous financial year, the company has not made any issue of bonus shares and none of the shares issued for consideration other than cash and shares bought back.

f) During the current financial year and previous financial year, the company has not declared dividend to its shareholders.

16 Other Equity

	As At 31-Mar-2024	As At 31-Mar-2023
(a)(i) Special Reserve (In terms of Section 45-IC of Reserve Bank Of India Act, 1934)		
Balance as per Last Financial Statements	45.10	37.76
Add: Transfer from Profit & Loss Account	45.99	7.33
Closing Balance	91.08	45.10
(a)(ii) Special Reserve		
Balance as per Last Financial Statements	2.85	2.85
Add: Transfer from Profit & Loss Account	-	-
Closing Balance	2.85	2.85
(b) Capital Redemption Reserve		
Opening Balance	37.87	37.87
Add: Addition during the year	-	-
Closing Balance	37.87	37.87

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(c) Securities Premium		
Opening Balance	176.74	176.74
Add: Addition during the year	-	-
Closing Balance	<u>176.74</u>	<u>176.74</u>
(d) Other Comprehensive Income		
Opening Balance	-	0.92
Add: Addition during the year	-	-
Less: Deletion during the period	-	(0.92)
Closing Balance	<u>-</u>	<u>-</u>
(e) Surplus/(Deficit) in the Statement of Profit and Loss		
Balance as per Last Financial Statements	(56.64)	(86.76)
Add: Profit/Loss for the Year	229.94	36.66
Less: Transfer to Special Reserve	(45.99)	(7.33)
Add : OCI Transfer to Reserve & Surplus	-	0.79
Net Surplus in the Statement of Profit and Loss	<u>127.30</u>	<u>(56.64)</u>
Total	<u>435.84</u>	<u>205.90</u>

Nature and purpose of other equity

(i) Reserve fund in terms of Section 45-IC(1) of the Reserve Bank of India Act, 1934

Reserve fund is created as per the terms of section 45-IC(1) of the Reserve Bank of India Act, 1934 as a statutory reserve .

(ii) Capital Redemption Reserve

Capital Redemption Reserve is created when a company buys its own shares which reduces its share capital. The capital redemption reserve fund is transferred from undistributed profits i.e general reserves, profit or loss account. This fund can be utilized only for issuing fully paid bonus shares. No dividend can be distributed out of this fund.

(iii) Securities Premium

Securities Premium is used to record the premium on issue of shares. It can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

(iv) Other Comprehensive Income

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated in the FVOCI equity investments reserve. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

(v) Retained Earnings

Retained earnings represents the surplus in profit and loss account and appropriations. The Company recognises change on account of remeasurement of the net defined benefit liability/(asset) as part of retained earnings with separate disclosure, which comprises of:

- A) actuarial gains and losses;
- B) return on plan assets, excluding amounts included in net interest on the net defined benefit liability/(asset); and
- C) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability/(asset).

Summary of significant accounting policies and the accompanying notes are an integral part of the financial statements.

As per audit report of even date attached

For Khilnani & Associates
Chartered Accountants
FRN. 005776C

K.K. Khilnani
(Partner)
M. No. 072736

Date: 10.05.2024

Place: Jaipur



For and on behalf of the Board
BFL Asset Finvest Limited

Mahendra Kumar Baid
(Managing Director)
(DIN: 00009828)

Ilma Suza
(Company Secretary)
(M. No. A70063)



Aditya Baid
(Director)
(DIN: 03100584)

Ravi Bohra
(Chief Financial Officer)

Notes Accompanying to the Profit & Loss Statement

		(Amount in Lakhs)	
Note No.	Particulars	For the Period ended on March 31, 2024	For the Period ended on Mar 31, 2023
17	Interest Income		
	Interest on Loans & advances	102.72	72.28
	Interest on FD	-	-
	Total	<u>102.72</u>	<u>72.28</u>
18	Sale of Product		
	Shares and Securities	2,296.54	41.65
	Total	<u>2,296.54</u>	<u>41.65</u>
19	Net Gain From F&O	333.73	0.05
	Total	<u>333.73</u>	<u>0.05</u>
20	Other Income		
	Interest on IT Refund	-	0.79
	Capital Gain on sale of Fixed Assets	-	34.02
	Total	<u>-</u>	<u>34.81</u>
21	Finance Cost (On Financial liabilities measured at Amortised cost)		
	Interest on borrowings	36.81	39.83
	Total	<u>36.81</u>	<u>39.83</u>
22	CHANGES IN INVENTORY		
	Traded Goods (Equity Shares)		
	Opening Stock	85.47	148.40
	Less: Closing Stock	582.32	85.47
	Decrease / (Increase) in Inventory	<u>(496.85)</u>	<u>62.94</u>
23	Employee Benefits Expenses		
	Salaries and Wages	9.47	9.49
	Staff Welfare Expenses	0.01	0.02
	Leave Encashment	0.03	0.02
	Bonus	0.04	0.22
	Total	<u>9.55</u>	<u>9.76</u>
24	Impairment on Financial Instruments		
	Provision for Expected Credit Loss	36.41	-
	Total	<u>36.41</u>	<u>-</u>
25	Other Expenses		
	Rent	2.52	2.40
	Repairs & Maintenance	0.39	0.43
	Rates and taxes (excluding taxes on income)	3.53	1.70
	BSE Listing Fees	5.84	5.51
	Brokerage	3.83	0.05
	Advertisement Expenses	0.64	0.49
	Legal Expenses	3.69	2.80
	Audit Fees	1.11	0.72
	ROC Charges	0.29	0.21
	Stamp Duty	0.61	0.00
	STT Charges	4.71	0.04
	Demat & Custody Charges	0.24	0.01
	Clearing Charges	0.37	0.00
	Turnover Charges (F&O)	1.02	0.00
	Other Miscellaneous Exp.	0.07	0.13
	TDS Write Off	3.02	0.00

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Postage and telegraph	0.16	0.00
Telephone and mobile expenses	0.05	0.00
Sebi Penalty	25.00	0.00
Bank charges	0.01	0.00
Total	57.09	14.48

***Payment to Auditor**

Particulars	Period ended 31.03.2024	Period ended 31.3.2023
Audit Fees	0.44	0.25
Tax Audit fees	0.16	0.15
Other Services	0.00	0.00
Total	0.61	0.40

Earnings Per Share

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares of the Company.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	Period ended 31.03.2024	Period ended 31.03.2023
A) Net profit attributable to equity shareholders	229.94	36.66
B) Weighted average number of equity shares for basic earnings per share	102.04	102.04
C) Weighted average number of equity shares for diluted earnings per share	102.04	102.04
Earning per share (Basic) (A/B)	2.25	0.36
Earning per share (Diluted) (A/C)	2.25	0.36

Summary of significant accounting policies and the accompanying notes are an integral part of the financial statements.

As per audit report of even date attached
For Khilnani & Associates
Chartered Accountants
FRN. 005776C



K.K. Khilnani
(Partner)
M. No. 072736

Date: 10.05.2024
Place: Jaipur

For and on behalf of the Board
BFL Asset Finvest Limited

Mahendra Kumar Baid
(Managing Director)
(DIN: 00009828)

Iima Suza
(Company Secretary)
(M. No. A70063)

Aditya Baid
(Director)
(DIN: 03100584)

Ravi Bohra
(Chief Financial Officer)



Statement of Changes in Equity

A. Equity Share Capital

(1) Current reporting period

(Amount in Lakhs)

Balance at the beginning of the current reporting period (as at 01.04.2023)	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period (as at 31.03.2024)
1,020.35	-	1,020.35	-	1,020.35

(2) Previous reporting period

(Amount in Lakhs)

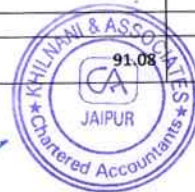
Balance at the beginning of the current reporting period (as at 01.04.2022)	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period (as at 31.03.2023)
1,020.35	-	1,020.35	-	1,020.35

B. Other Equity for the year ended 31.03.2024

(1) Current reporting period

(Amount in Lakhs)

Particulars	Securities Premium	Reserves and Surpluses					Equity Instruments through Other Comprehensive Income	Total
		Other Reserves			Retained Earnings			
		Reserve fund as per RBI	Capital Redemption Reserve	Special Reserve				
Balance at the beginning of the current reporting period (as at April 01, 2023)	176.74	45.10	37.87	2.85	(56.64)	0.00	205.90	
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	
Restated balance at the beginning of the current reporting period	176.74	45.10	37.87	2.85	(56.64)	0.00	205.90	
Profit for the year	-	-	-	-	229.94	-	229.94	
Other Comprehensive Income for the year	-	-	-	-	-	-	-	
Total Comprehensive Income for the year	-	-	-	-	229.94	-	229.94	
Dividends	-	-	-	-	-	-	-	
Transfer to/(from) (refer note 16 Other Equity)	-	45.99	-	-	(45.99)	-	-	
Any Other Changes	-	-	-	-	-	-	-	
Add: Addition during the year (Due to Amalgamation)	-	-	-	-	-	-	-	
Addition to Securities Premium	-	-	-	-	-	-	-	
Addition to General Reserve and Amalgamation Reserve (Due to Amalgamation)	-	-	-	-	-	-	-	
Other Comprehensive Income net of tax	-	-	-	-	-	-	-	
OCI Transfer to Reserve & Surplus	-	-	-	-	-	-	-	
Balance at the end of the current reporting period (as at March 31, 2024)	176.74	91.08	37.87	2.85	127.30	-	435.84	



(2) Previous reporting period

(Amount in Lakhs)

Particulars	Securities Premium	Reserves and Surpluses					Total
		Other Reserves			Retained Earnings	Equity Instruments through Other Comprehensive Income	
		Reserve fund as per RBI	Capital Redemption Reserve	Special Reserve			
Balance at the beginning of the current reporting period (as at April 01, 2022)	176.74	37.76	37.87	2.85	(86.76)	0.92	169.37
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	176.74	37.76	37.87	2.85	(86.76)	0.92	169.37
Profit for the year	-	-	-	-	36.66	-	36.66
Other Comprehensive Income for the year	-	-	-	-	0.79	(0.92)	(0.13)
Total Comprehensive Income for the year	-	-	-	-	37.45	(0.92)	36.53
Dividends	-	-	-	-	-	-	-
Transfer to/(from) (refer note 18 Other Equity)	-	7.33	-	-	(7.33)	-	-
Any Other Changes	-	-	-	-	-	-	-
Add: Addition during the year (Due to Amalgamation)	-	-	-	-	-	-	-
Addition to Securities Premium	-	-	-	-	-	-	-
Addition to General Reserve and Amalgamation Reserve (Due to Amalgamation)	-	-	-	-	-	-	-
Other Comprehensive Income net of tax	-	-	-	-	-	-	-
OCI Transfer to Reserve & Surplus	-	-	-	-	-	-	-
Balance at the end of the current reporting period (as at March 31, 2023)	176.74	45.10	37.87	2.85	(56.64)	0.00	205.90

Summary of significant accounting policies and the accompanying notes are an integral part of the financial statements.

As per audit report of even date attached
For Khilnani & Associates
Chartered Accountants
FRN. 005776C

K.K. Khilnani
(Partner)
M. No. 072736



Date: 10.05.2024
Place: Jaipur

For and on behalf of the Board
BFL Asset Finvest Limited



Mahendra Kumar Baid
(Managing Director)
(DIN: 00009828)

Aditya Baid
(Director)
(DIN: 03100584)



Ilma Suza
(Company Secretary)
(M. No. A70063)

Ravi Behra
(Chief Financial Officer)

SCHEDULE TO THE BALANCE SHEET OF NBFC AS ON 31.03.2024

As required by RBI Master Direction - Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation) Directions, 2023 ('the NBFC Master Directions').

(Rs. in Lakhs)

Particulars		Amount outstanding	Amount overdue
Liabilities Side			
1)	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid :		
a)	Debentures : Secured	-	-
	: Unsecured	-	-
	(other than falling within the meaning of public deposits)	-	-
b)	Deferred credits	-	-
c)	Term loans	-	-
d)	Inter-corporate loans and borrowing	423.95	-
e)	Commercial Paper	-	-
f)	Public Deposits	-	-
g)	Other Loans (cash credits and unsecured loans)	-	-
	* Please see Note 1 below	-	-
2)	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :		
a)	In the form of Unsecured debentures	-	-
b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
c)	Other public deposits	-	-
	* Please see Note 1 below	-	-
Assets side		Amount outstanding	
3)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :		
a)	Secured	-	
b)	Unsecured	726.83	
4)	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
(i)	Lease assets including lease rentals under sundry debtors :	-	
a)	Financial lease	-	
b)	Operating lease	-	
(ii)	Stock on hire including hire charges under sundry debtors :	-	
a)	Assets on hire	-	
b)	Repossessed Assets	-	
(iii)	Other loans counting towards AFC activities	-	
a)	Loans where assets have been repossessed	-	
b)	Loans other than (a) above	-	

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5)	Break-up of Investments		-
	Current Investments		-
1)	Quoted		-
	(i) Shares		-
	a) Equity		-
	b) Preference		-
	(ii) Debentures and bonds		-
	iii) Units of mutual funds		-
	(iv) Government Securities		-
	(v) Others (please specify)		-
2)	Unquoted		-
	i) Shares		-
	a) Equity		-
	b) Preference		-
	ii) Debentures and Bonds		-
	(iii) Units of mutual funds		-
	(iv) Government Securities		-
	(v) Others (please specify)		-
	Long term investments		-
1)	Quoted		-
	(i) Shares		-
	a) Equity		-
	b) Preference		-
	(ii) Debentures and bonds		-
	iii) Units of mutual funds		-
	(iv) Government Securities		-
	(v) Others (please specify)		-
2)	Un-quoted		-
	i) Shares		-
	a) Equity		9.66
	b) Preference		-
	ii) Debentures and Bonds		-
	(iii) Units of mutual funds		-
	(iv) Government Securities		-

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	(v) Others (please specify) (fixed deposits, gold, others)					
6	Borrower group-wise classification of assets financed as in (3) and (4) above : Please see Note 2 below					
	Category		Amount net of provisions			
			Secured	Unsecured	Total	
	1)	Related Parties **				
		(a) Subsidiaries		-	-	-
		(b) Companies in the same group		-	-	-
	(c) Other related parties		-	241.82	241.82	
2)	Other than related parties		-	448.60	448.60	
	Total		-	690.42	690.42	
7	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :					
		Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)		
	1	Related Parties **				
		(a) Subsidiaries		-	-	
		(b) Companies in the same group		-	-	
		(c) Other related parties		7.13	7.13	
2	Other than related parties		2.53	2.53		
	Total		9.66	9.66		
** As per Accounting Standard of ICAI (Please see Note 3)						
8	OTHER INFORMATION					
		Particulars	Amount			
	1	Gross Non-Performing Assets				
		a) Related parties		-		
		b) Other than related parties		-		
	2	Net Non-Performing Assets		-		
a) Related parties		-				
	b) Other than related parties		-			
3	Assets acquired in satisfaction of debt		-			
NOTES:						
1	As defined in point xxv of paragraph 3 of Chapter -2 of the NBFC Master Directions.					
2	Provisioning norms shall be applicable as prescribed in the NBFC Master Directions.					
3	All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.					



Notes to Standalone Financial Statements for the year ended 31st March, 2024

1) Corporate information

BFL Asset Finvest Limited ('the Company', 'BFL') is a company limited by shares, incorporated on August 31, 1995 and domiciled in India. The Company has its registered office at 1, Tara Nagar, Ajmer Road, Jaipur-302006 (Rajasthan). The Company is dealing in shares, securities, futures and options.

The Company is registered with the Reserve Bank of India (RBI) as a Non deposit taking Non-Banking Financial Company ("NBFC") as defined under section 45-IA of the Reserve Bank of India (RBI) Act, 1934. The Company is classified under "Base Layer" pursuant to Master Direction- Reserve Bank of India (Non-Banking Financial Company- Scale Based Regulation) Directions, 2023.

The audited financial statements were subject to review and recommendation of Audit Committee and approval of Board of Directors. On May 10, 2024, Board of Directors of the Company approved and recommended the audited financial statements for consideration and adoption by the shareholders in its Annual General Meeting.

2) Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under Section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act and the Master Direction - Reserve Bank of India (Non-Banking Financial Company- Scale Based Regulation) Directions, 2023. The financial statements have been prepared on a going concern basis. The Company uses accrual basis of accounting except in case of significant uncertainties.

The financial statements are prepared on a going concern basis, as the Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources.



The Company is involved in the business of investing Shares, Securities, Futures and Options for its own account and as such has no customer base/interface at all; therefore, there is no impact of following notifications issued by Reserve Bank of India (RBI): -

- (i) Notification RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021- 22 dated 5 May 2021 read with Notification No. RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020 -21 dated 6 August 2020.
- (ii) Restructured Accounts as per Appendix III-D of Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 (Updated as on March 21, 2024).
- (iii) Disclosure pursuant to Master Direction - Reserve Bank of India (Transfer of Loan exposure) Directions, 2021 issued by the Reserve Bank of India vide their notification no. RBI Notification no. RBI/DOR/2021-22/86 DOR.STR.REC.51/ 21.04.048/2021-22 dated 24 September 24,2021.

3) Asset Classification as per RBI Norms

Disclosure pursuant to Reserve Bank of India notification RBI/2019-20/170 DOR(NBFC).CC.PD.NO.109/22.10.106/2019-20 dated March 13, 2020 pertaining to asset classification as per RBI Norms: -

(Amount in Lakhs)

Assets Classification as per RBI Norms	Assets Classification as per IND AS 109	Gross Carrying amount as per IND AS	Loss Allowances (Provisions) as required under IND AS 109	Net carrying Amount	Provision required as per IRACP norms	Difference between IND AS 109 provision and IRACP norms
(A)	(B)	©	(D)	E = (D-C)	(F)	G- (E-F)
Performing Assets						
Standard	Stage-1	726.83	36.41	690.42	1.82	34.59
	Stage-2	-	-	-	-	-
Subtotal		726.83	36.41	690.42	1.82	34.59
Non-Performing Assets (NPA)						
Substandard	Stage 3	-	-	-	-	-



Doubtful - Up to 1 Year	Stage 3	-	-	-	-	-
1-3 years	Stage 3	-	-	-	-	-
More than 3 Years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		-	-	-	-	-
Other items such as guarantees, loan commitments etc. which are in the scope of IND AS 109 but not recognition, Asset Classification and Provisioning (IRACP) norms	Stage-1	-	-	-	-	-
	Stage-2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage-1	726.83	36.41	690.42	1.82	34.59
	Stage-2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Total	726.83	36.41	690.42	1.82	34.59

4) Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

4.1) Income

(i) Interest income

The Company recognizes interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortized cost or fair value through other comprehensive income (FVOCI). EIR is calculated by considering all costs and incomes attributable to acquisition of a financial asset or an assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset/financial liability to the gross carrying amount of a financial asset or to the amortized cost of a financial liability.



(ii) Dividend income

Dividend income on equity shares is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(iii) Other revenue from operations

Revenue (other than for those items to which Ind AS 109 - Financial Instruments are applicable) is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation.

(iv) Recoveries of financial assets written off

The Company recognizes income on recoveries of financial assets written off on realization or when the right to receive the same without any uncertainties of recovery is established.

(v) Taxes

Incomes are recognized net of the Goods and Services Tax/Service Tax, wherever applicable

4.2) Expenditures

(i) Finance costs

Borrowing costs on financial liabilities are recognized using the EIR.

(ii) Fees and commission expenses

Fees and commission expenses which are not directly linked to the sourcing of financial assets, such as commission/incentive incurred on value added services and products distribution, recovery charges and fees payable for management of portfolio etc., are recognized in the statement of profit and loss on an accrual basis.

(iii) Taxes

Expenses are recognized net of the Goods and Services Tax/Service Tax, except where credit for the input tax is not statutorily permitted.

4.3) Cash and cash equivalents

Cash and cash equivalents include cash on hand; highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.



4.4) Financial instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and payables, loan receivables, investments in securities and subsidiaries, debt securities and other borrowings, preferential and equity capital etc. are some examples of financial instruments.

All the financial instruments are recognized on the date when the Company becomes party to the contractual provisions of the financial instruments. For tradable securities, the Company recognizes the financial instruments on settlement date.

(i) Financial Assets

Financial assets include cash, or an equity instrument of another entity, or a contractual right to receive cash or another financial asset from another entity. Few examples of financial assets are loan receivables, investment inequity and debt instruments, and cash and cash equivalents.

a. Initial Measurement

All financial assets are recognized initially at fair value including transaction costs that are attributable to the acquisition of financial assets. Generally, the transaction price is treated as fair value unless proved to the contrary. However, trade receivable that do not contain a significant financing component are measured at transaction price.

b. Subsequent Measurement

Equity investments designated under FVOCI

All equity investments are in scope of Ind AS 109 'Financial instruments' are measured at fair value. The Company has strategic investments in equity for which it has elected to present subsequent changes in the fair value in OCI. The classification is made on initial recognition and is irrevocable.

All fair value changes of the equity instruments, excluding dividends, are recognized in OCI and not available for reclassification to profit or loss, even on sale of investments. Equity instruments at FVOCI are not subject to an impairment assessment.

De-recognition of financial assets

The Company derecognizes a financial asset (or, where applicable, a part of a financial asset) when

: The right to receive cash flows from the asset has expired; or



: The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under an assignment arrangement and the Company has transferred substantially all the risks and rewards of the asset. Once the asset is derecognized, the Company does not have any continuing involvement in the same.

Impairment of Financial Assets

The Company records allowance for expected credit losses for all loans, other debt financial assets not held at fair value through P & L, together with financial guarantee contracts. Equity instruments are not subject to impairment under Ind AS 109.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represents the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Lifetime ECLs and 12-month ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Company does the assessment of significant increase in credit risk at a borrower level. If a borrower has various facilities having different past due status, then the highest days past due (DPD) is considered to be applicable for all the facilities of that borrower.

Based on the above, the Company categorizes its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Company classifies all



standard advances and advances up to 30 days' default under this category. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

Stage 2

All exposures where there has been a significant increase in credit risk since initial recognition but is not credit impaired are classified under this stage. 30 Days Past Due is considered as significant increase in credit risk.

Stage 3

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognized and interest revenue is calculated by applying the effective interest rate to the amortized cost (net of provision) rather than the gross carrying amount. 90 Days Past Due is considered as default for classifying financial instrument as credit impaired. If an event (for e.g. any natural calamity) warrants a provision higher than as mandated under ECL methodology, the Company may classify the financial asset in Stage 3 accordingly.

(ii) Financial liabilities

A Financial liability includes liabilities that represent a contractual obligation to deliver cash or another financial asset to another entity, or a contract that may or will be settled in the entities own equity instruments. Few examples of financial liabilities are trade payables, debt securities and other borrowings and subordinated debts.

Initial measurement

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade payables, other payables, debt securities and other borrowings.

Subsequent measurement

After initial recognition, all financial liabilities are subsequently measured at amortized cost using the EIR. Any gains or losses arising on de-recognition of liabilities are recognized in the Statement of Profit and Loss.

4.5) Taxes

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961



and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax relating to items recognized outside profit or loss is recognized in correlation to the underlying transaction either in OCI or directly in other equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

4.6) Provisions and contingent liabilities

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. The Company also discloses present obligations for which a reliable estimate cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

4.7) Foreign currency translation

No Foreign currency transaction during the relevant financial year.

4.8) Segment Reporting

The Company operates in a single reporting segment i.e. financing. Since, it does not meet the quantitative thresholds laid down under the Ind AS 108 – Operating Segments for reportable segments, it has not been considered for segment reporting.

4.9) Title deeds of Immovable Properties not held in name of the Company

The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) whose title deeds are not held in the name of the Company in the financial statements of financial year ended March 31, 2024.

4.10) Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual currency during the financial years ended March 31, 2024 and March 31, 2023.



4.11) Details of Benami Property Held

No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under in the financial years ended March 31, 2024 and March 31, 2023.

4.12) Willful Defaulter

The Company has not been declared as a willful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2024 and March 31, 2023.

4.13) Relationship with Struck off Companies

The Company does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

4.14) Registration of Charges or Satisfaction with Registrar of Companies (ROC)

There are no charges or satisfactions which are yet to be registered with Registrar of Companies beyond the statutory period.

4.15) Compliance with number of Layers of Companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2024 and March 31, 2023.

4.16) Compliance with approved Scheme(s) of Arrangements

No scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

4.17) Utilization of Borrowed funds and share premium

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 persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company



has also not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

4.18) Investment Property

The company does not hold any investment property.

4.19) Undisclosed income

There are no transactions not recorded in the books of accounts.

4.20) CSR Expenses

The provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company.

4.21) Previous year Comparatives

Previous year's figures have been regrouped/reclassified wherever necessary, to conform to current year's classification.

4.22) Financial Ratios

Ratio	Numerator	Denominator	FY 2023-24	FY 2022-23	% Variance	Remarks for variance more than 25%
Current Ratio (in times)	Current Assets	Current Liabilities	15.44	74.35	-79.24%	Company is not having consistent business operations and is mainly dealing in shares, securities etc. Hence, not comparable.

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Debt-Equity Ratio (in times)	Total Debt	Shareholder's Equity	0.29	0.16	76.63%	The increase in ratio was due to increase in borrowing, while equity remained unchanged.
Debt Service Coverage Ratio (in times)	PAT+Interest + Depreciation + Short term loans & Advances	Interest+ Short term loans repayment	7.25	1.92	277.33%	The Company's main business is dealing in Shares, Securities, Futures and Options. So profit is fluctuating and not comparable.
Return on Equity Ratio (%)	Net Profit after tax	Equity	15.79 %	2.99%	428.10%	The Company's main business is dealing in Shares, Securities, Futures and Options. So profit is very fluctuating and not comparable.
Return on Capital employed (%)	Earnings before Interest and Tax	Capital Employed	18.28 %	3.85%	375.12%	The Company's main business is dealing in Shares, Securities, Futures and Options. So profit is very fluctuating and not comparable.

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Operating Profit Margin	Operating Profit	Revenue from operations	11.21 %	- 17.08 %	- 165.66%	The Company's main business is dealing in Shares, Securities, Futures and Options. So profit is very fluctuating and not comparable.
Interest Coverage Ratio	Earnings before interest & Tax	Interest	9.35	1.38	576.40%	The Company's main business is dealing in Shares, Securities, Futures and Options. So profit is very fluctuating and not comparable.
Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	6.87	0.60	1040.28 %	The Company's main business is dealing in Shares, Securities, Futures and Options. So profit is very fluctuating and not comparable.
Net capital turnover ratio (in times)	Revenue from operations	Working capital	2.32	0.33	595.26%	The Company's main business is dealing in Shares, Securities, Futures and Options. So profit is very fluctuating and not

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						comparable.
Net Profit Ratio (%)	Net Profit after tax	Revenue from operations	8.39%	31.91 %	-73.71%	The Company's main business is dealing in Shares, Securities, Futures and Options. So profit is very fluctuating and not comparable.
Return on investment (%)	Income generated from investments	Average Investments	78.08 %	26.95 %	189.76%	During the current year some investment were sold in which there is a substantial profit.
Capital to risk-weighted assets ratio (CRAR) (%)	(Tier I + Tier II Capital)	Risk Weighted Assets	76.70 %	86.09 %	-10.90%	Not Applicable
Tier I CRAR (%)	Tier I Capital	Risk Weighted Assets	74.83 %	86.09 %	-13.08%	Not Applicable
Tier II CRAR (%)	Tier II Capital	Risk Weighted Assets	1.87%	-	-	Not Applicable

4.23) Disclosure of transactions with related parties as required by Ind AS 24

DIRECTORS, KEY MANAGEMENT PERSONNEL AND THEIR RELATIVES:

1. MAHENDRA KUMAR BAID
2. ADITYA BAID
3. ALPANA BAID
4. PUNEET KUMAR GUPTA




5. AMIT KUMAR PARASHAR
6. KULDEEP JAIN
7. RAVI BOHRA
8. ILMA SUZA
9. PANNA LAL BAID
10. RAKESH KUMAR BAID
11. AMAN BAID
12. MEENA BAID
13. ASMITA BAID
14. DALIMA BAID
15. ALPANA BAID
16. AYUSHI PATNI
17. SAMYAK JAIN
18. KAILASH CHAND JAIN
19. USHA DEVI JAIN
20. GAURAV JAIN
21. MEENU JAIN
22. RUCHI JAIN
23. KANTA SINGHI

OTHER RELATED COMPANIES:

1. Trade swift Developers Private Limited
2. Baid Motors Private Limited
3. PLB & Sons HUF
4. Star Build Homes Private Limited
5. Baid Finserve Limited (Formerly known as Baid Leasing and Finance Co. Ltd)
6. Anjali Consultants Private Limited
7. Niranjana Properties Private Limited
8. Good fortune Trading Private Limited
9. Dream Realmart Private Limited
10. Kashyan Promoters and Developers Private Limited
11. Shiva Mega Buildcon Private Limited
12. Real stone Buildcon Private Limited
13. Shree Narayan Kripa Buildcon Private Limited
14. Trade swift Commodities Private Limited
15. Trade swift Derivatives Private Limited
16. Sunshine Infra Realtors Private Limited
17. VH Builders and Developers Private Limited
18. Tradeswift Brokings Private Limited
19. Carewell Builders Private Limited
20. Skylite Realmart Private Limited
21. Pragati Dreamland Developers Private Limited
22. Tradeswift Wealth Managers LLP
23. Mahendra Baid HUF
24. Dream Prime Developers Private Limited
25. Baid Buildhomes Private Limited (Erstwhile Nabh Multitrade Private Limited)



26. Ganpati Holdings Private Limited
27. Baid Finance Company
28. Revant Trading Private Limited
29. Narain Land Developers LLP
30. Abhi Jyoti Marketing LLP
31. Siddhi Infragold LLP
32. Rise Star Constructions LLP
33. Stoneage Trading LLP
34. Abhi Gyan Marketing LLP
35. Subhdhan Investment Consultants Private Limited
36. Starrise Infraheights Private Limited
37. Omtech Trading Private Limited
38. Futuristic Prime Developers Pvt. Ltd.
39. Mahapragya Land Developers Private Limited
40. Vayu Prime Developers LLP
41. Sukla Exports and Financial Services Private Limited
42. Abhi Jyoti Marketing LLP

Related Party Disclosure

	Director		Relative of Director		KMP		Relative of KMP		Other related companies		Total	
	C.Y.	P.Y.	C.Y.	P.Y.	C.Y.	P.Y.	C.Y.	P.Y.	C.Y.	P.Y.	C.Y.	P.Y.
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-
a) Transaction Value	-	-	-	-	-	-	-	-	-	82.89	-	82.89
b) Outstanding at the end of the year	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-
a) Transaction Value	-	-	-	-	-	-	-	-	-	-	-	-
b) Outstanding at the end of the year	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-
a) Transaction Value	34.88	-	-	-	-	-	-	-	464.00	576.66	498.88	576.66
b) Repayment	34.88	-	-	-	-	-	-	-	843.83	-	878.71	-



of advance												
b) Outstanding at the end of the year	-	-	-	-	-	-	-	-	254.64	606.85	254.64	606.85
Investments	-	-	-	-	-	-	-	-	-	-	-	-
a) Transaction Value	-	-	-	-	-	-	-	-	-	-	-	-
Held	-	-	-	-	-	-	-	-	-	-	-	-
Sold	-	-	-	-	-	-	-	-	-	-	-	-
b) Outstanding at the end of the year	-	-	-	-	-	-	-	-	7.13	7.13	7.13	7.13
Purchase of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	-	-	-	-	-	-	-	-	-	1.59	-	1.59
Interest received	-	-	-	-	-	-	-	-	52.06	30.19	52.06	30.19
Others												
Remuneratio n	2.40	2.40	-	-	4.85	4.91	-	-	-	-	7.25	7.31
Rent	-	-	-	-	-	-	-	-	2.52	2.40	2.52	2.40
Brokerage Paid	-	-	-	-	-	-	-	-	3.83	-	3.83	-

4.24) Disclosure as per Annex VII of Master Direction – Reserve Bank of India (Non-Banking Financial Company –Scale Based Regulation) Directions, 2023 (Updated as on March 21, 2024)

A. Exposure

1. Exposure to real estate sector:

There is no Real Estate exposure during the financial year ended on March 31, 2024 and March 31, 2023.

2. Exposure to Capital market

(Amount in Lakhs)

Particulars	Current Year	Previous Year
l) Direct investment in equity shares,	9.66	9.66



convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt		
Total exposure to capital market	9.66	9.66

3. Sectoral exposure

The Company has given loans in the nature of Unsecured Business Loans, therefore, guidelines as to Sectoral Exposure is not applicable to the Company.

4. Intra-group exposures:

There is no intra group exposure during the financial years ended March 31, 2024 and March 31, 2023 except Related Party Transactions as mentioned at Sl. No. 4.23 above.

5. Unhedged foreign currency:

There is no unhedged foreign currency transaction during the financial year ended March 31, 2024 and March 31, 2023.

6. Related Party Disclosure

Related party disclosures are shown in Point no. 4.23 of this report.

7. Disclosure of complaints

The Company is involved in the business of investing Shares, Securities, Futures and Options for its own account and as such has no customer base/interface at all. Therefore, it is not applicable.

4.25) Loans / Advances to Directors, Senior Officers, relatives of Directors and Entities associated with directors and their relatives

<u>Particular</u>	(Amount in Lakhs)	
	Current Year	Previous Year
Directors and their relatives		
Transaction Value	34.88	-
Outstanding Value	-	-
Entities associated with directors and their relatives		
Transaction Value	464.00	576.66
Outstanding Value	254.64	606.85



Senior Officers (KMP) & their relative	-	-
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4.26) The Reserve Bank of India has issued Scale Based Regulations (SBR): A Revised Regulatory Framework for NBFCs ("the framework") vide circular No. RBI/2021-22/112DOR.CRE.REC. No.60/03.10.001/2021-22 on October 22, 2021. The Framework categories NBFCs in Base Layer (NBFC- BL), Middle Layer (NBFC- ML), Upper Layer (NBFC- UL) and Top Layer (NBFC- TL). The company is classified under "Base Layer" pursuant to the framework.

4.27) The Company does not fall under the ambit of Large Corporate (LC) category as per the criteria given under SEBI circular SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018.

4.28) DISCLOSURE REGARDING NON-COMPLIANCE WITH SEBI LODR SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

1. Disclosure made with respect to the penalty levied by adjudicating officer, SEBI (AO SEBI) under SEBI (Prohibition of Fraudulent and Unfair Trade Practices Regulations") read with Companies Act, 2013 and ICDR regulations LODR Regulations read with SCRA.

Compliance requirements:

- a. Regulations 3(a), (b), (c), (d) and Regulations 4(1) and 4(2)(f) of PFUTP regulations read with section 12A(a), (b), (c) of SEBI Act read with section 67(2) read with section 24(1) of chapter III of companies Ac, 2013.
- b. Regulations 73(1) (e) of ICDR Regulations.
- c. Regulation 31 (1), 31A (3) (a) and 31A (8) of LODR Regulations read with section 21 of SCRA

Details of Violation/Deviations and Action Taken/Penalty Levied, if any on the Listed Entity

- a. The Listed Entity has allegedly reclassified a promoter group entity as public share holder without obtaining prior approval of BSE and without duly complying with the stipulations made for seeking such approval and failed to disclose such reclassification within 24 hours of the happening of event to BSE thereby violating provisions of Regulation 31(1), 31A(3)(a) and 31A (8) of LODR regulations read with Section 21 of SCRA.
- b. The Listed Entity during the FY 2016-17, allegedly provided funds indirectly to subscribe to its own shares to the proposed allottees through two of its own promoters group entities namely Baid Finserv Limited (erstwhile Baid Leasing and Finance Co. LTD.) and Jaisukh Developers Pvt. Ltd., thereby giving misleading impression of successful subscription to the preferential allotment when there

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was actually no infusion of funds and hence violating Regulations 3(a), (b), (c), (d) and regulations 4(1) and 4(2)(f) of PFUTP regulations read with Section 12A(a), (b), (c) of SEBI Act read with Section 67(2) read with Section 24(1) of chapter III of Companies Act, 2013.

- c. The Listed Entity, while seeking approval of shareholders for allotment of shares on preferential basis during FY 2016-17, allegedly made false disclosure with respect to ultimate beneficial owner of a proposed allottee namely Skyview Tie Up Pvt. Ltd. and thereby denied the shareholder an opportunity of making informed decision regarding the approval of said preferential allotment and hence violating Regulations 3(A), (B), (C), (D) And Regulations 4(1) And 4(2)(F) Of PFUTP Regulations read with Section 12A(a), (b), (c) of SEBI Act and Regulation 73(1)(e) of ICDR Regulations
- d. **Penalty imposed:** Rs 25,00,000/- (Rupees Twenty-five lakh only) on 27th February, 2023 jointly and severally on 3 Companies i.e. listed entity, Baid Finserv Limited (Erstwhile Baid Leasing and Finance Co. Ltd.) and Dream Finhold Private Limited.

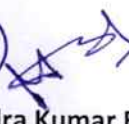
Remedial action taken by the listed entity: Baid Finserv Limited (Erstwhile Baid Leasing and Finance Co. Ltd.) has paid the penalty amount of Rs.25,00,000/ on 06th June, 2023 to the SEBI on behalf of the listed entity which was reimbursed by the Listed Entity subsequently to the Baid Finserv Limited.

Subject to our Audit report of even date

For Khilnani & Associates
Chartered Accountants


K. K. Khilnani
Partner
M. No. 072736
FRN. 005776C




(Mahendra Kumar Baid)
(Managing Director)
(DIN: 00009828)


(Ilma Suza)
(Company Secretary)
(M. No. A70063)

For and on Behalf of the Board


(Aditya Baid)
(Director)
(DIN: 03100584)


(Raj Bohra)
(Chief Financial Officer)



Place: Jaipur
Date: May 10, 2024

Part I

Statement of Unaudited Standalone Financial Results for the Quarter and Nine months ended on December 31, 2024

S.No.	Particulars	QUARTER ENDED			NINE MONTHS ENDED		Rs. In Lakhs
		31-12-2024	30-09-2024	31-12-2023	31-12-2024	31-12-2023	YEAR ENDED
		(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	31-03-2024 (Audited)
	Income						
1	Revenue from Operations	11.95	760.34	1,312.01	1,678.68	2,608.57	2,740.53
	(i) Interest Income	17.35	26.56	22.71	61.59	72.97	102.72
	(ii) Dividend Income	2.98	7.46	2.55	10.64	7.11	7.54
	(iii) Rental Income	-	-	-	-	-	-
	(iv) Fees and Commission Income	-	-	-	-	-	-
	(v) Net gain on fair value Changes	-	-	-	-	-	-
	(vi) Net gain on derecognition of financial instruments under amortised	-	-	-	-	-	-
	(vii) Sale of Products	357.81	446.74	1,061.34	1,266.17	2,078.54	2,296.54
	(viii) Sale of Services	-	-	-	-	-	-
	(ix) Net Gain from F&O	-366.19	279.58	225.41	340.28	449.95	333.73
	(x) Other Operating Revenue	-	-	-	-	-	-
2	Other Income	1.58	5.74	-	27.48	-	-
3	Total Income (1+2)	13.53	766.08	1,312.01	1,706.16	2,608.57	2,740.53
4	Expenses						
	a. Cost of material consumed	-	-	-	-	-	-
	b. Purchase of Stock -in -trade	669.31	745.26	1,021.47	2,056.12	2,511.70	2,790.25
	c. Changes in inventories of finished goods, work-in-progress and stock-in-trade	-209.38	-315.15	-33.83	-845.63	-461.25	-496.85
	d. Employee benefits expense	7.62	8.04	2.34	18.32	6.90	9.55
	e. Finance Costs	2.87	1.69	10.80	9.33	33.03	36.81
	f. Fees and Commission expense	-	-	-	-	-	-
	g. Depreciation, depletion and amortisation expense	-	-	-	-	-	-
	h. Net loss on fair value changes	-	-	-	-	-	-
	i. Net loss on derecognition of financial instruments under amortised cost category	-	-	-	-	-	-
	j. Impairment on financial instruments	0.03	0.90	-	0.93	-	36.41
5	Other expenses	7.86	10.25	34.78	50.31	48.38	57.09
6	Total Expenses (4+5)	478.31	450.99	1,035.56	1,289.38	2,138.76	2,433.26
7	Profit/Loss before Exceptional and extraordinary items and tax (3-6)	-464.78	315.09	276.45	416.78	469.81	307.27
8	Exceptional Items	-	-	-	-	-	-
9	Profit/Loss before extraordinary items and tax (7+8)	-464.78	315.09	276.45	416.78	469.81	307.27
10	Extraordinary Items	-	-	-	-	-	-
11	Profit before Tax (9-10)	-464.78	315.09	276.45	416.78	469.81	307.27
12	Tax expenses						
	Current Tax	-	-	-	-	-	77.34
	Deferred Tax	-	-	-	-	-	77.34
	Previous Period	-	-	-	-	-	-
13	Net Profit for the period from continuing operations (11-12)	-464.78	315.09	276.45	416.78	469.81	229.93
14	Profit/loss from discontinuing operations	-	-	-	-	-	-
15	Tax expenses from discontinuing operations	-	-	-	-	-	-
16	Net Profit/loss from discontinuing operations (after tax)	-	-	-	-	-	-
17	Total Profit for the period (13+16)	-464.78	315.09	276.45	416.78	469.81	229.93
18	Other Comprehensive Income (OCI)						
	A) (i) Items that will not be reclassified to profit or loss						
	Fair value changes on equity instruments through other comprehensive income	-	-	-	-	-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
	Sub Total (A)	-	-	-	-	-	-
	B) (i) Items that will be reclassified to profit or loss						
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	Sub Total (B)	-	-	-	-	-	-



	Other Comprehensive Income (A+B)	-	-	-	-	-	-
19	Total Comprehensive Income for the period (17+18)	-464.78	315.09	276.45	416.78	469.81	229.93
20	Paid up equity share capital (Face Value Rs. 10/- per share)	1,020.35	1,020.35	1,020.35	1,020.35	1,020.35	1,020.35
21	Reserve excluding Revaluation Reserves	-	-	-	-	-	435.84
22	Earning Per Share (EPS)(not annualised) In Rs.						
	-Basic	-4.56	3.09	2.71	4.08	4.60	2.25
	-Diluted						

Explanatory notes to the Statement of Standalone Unaudited Financial Results for the Quarter and Nine months ended December 31, 2024.

- 1 The unaudited standalone financial results of the Company have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard (referred to as 'Ind AS') - 34. Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 (the 'Act') read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'Listing Regulations'). Any application guidance/ clarifications/ directions issued by Reserve Bank of India ('RBI') or other regulators are implemented as and when they are issued/ applicable.
- 2 The above results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at their respective meetings held on **Monday, February 10, 2025** subjected to the Limited review by Statutory Auditors pursuant to Regulation 33 of Listing Regulations as amended.
- 3 The Reserve Bank of India has issued the Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs (the "framework") vide circular No. RBI/2021-22/112DOR.CRE.REC.No.60/03.10.001/2021-22 on October 22, 2021 read with Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 circular no. RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24. The Framework categorizes NBFCs in Base layer (NBFC-BL), Middle Layer (NBFC-ML), UpperLayer,(NBFC-UL) and Top Layer (NBFC-TL). **The Company is classified under "Base Layer" pursuant to the framework.**
- 4 The EPS has been computed in accordance with the Indian Accounting Standard.
- 5 The Company's main business is dealing in shares, securities, Futures and Options. All other activities of the Company revolve around its main business. As such, there are no separate reportable operating segments as per IND AS 108- Operating Segments.
- 6 The Company is involved in the business of investing in Shares, Futures and Options for its own account and as such has no customer base/interface at all; therefore there is no impact of Master Direction-Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 issued by the Reserve Bank of India vide their notification no. RBI Notification No. RBI/DOR/2021-22/86. DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021.
- 7 The Company does not have any subsidiary/associate/joint venture company(ies), as on December 31, 2024.
- 8 Provision for income-tax has not been made considering nature of business.
- 9 Previous year/period figures have been regrouped/rearranged/reclassified, wherever considered necessary, to make them comparable.
- 10 The above financial results are available on the website of the stock exchange www.bseindia.com and on the website of the company www.bflfin.com.

Date: February 10, 2025
Place: Jaipur

Khilnani
KHILNANI & ASSOCIATES
FRN 005776 C
CHARTERED ACCOUNTANTS

By the order of the Board of Director
for BFL Asset Finvest Limited



Mahendra Kumar Baid
Managing Director
DIN: 00009898



Khilnani & Associates

CHARTERED ACCOUNTANTS

Independent Auditor's Limited Review Report on Un-audited Standalone Quarterly and Nine Months ended Financial Results of BFL Asset Finvest Limited under Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To,
The Board of Directors,
BFL Asset Finvest Limited,
1, Tara Nagar, Ajmer Road,
Jaipur-302006 (Rajasthan)

Dear Sir(s),

1. We have reviewed the accompanying statement of Un-audited Financial Results of **BFL Asset Finvest Limited** for the Quarter and Nine Months ended on **December 31, 2024** being submitted by the company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("the Regulations").

2. This Statement is the responsibility of the Company's Management and approved by the Board of Directors and has been approved by the Board of Directors and prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (IND AS 34) for Interim Financial Reporting, prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder; or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India. Our responsibility is to issue a report on these Financial Results based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Engagement to Review of Interim Financial Information Performed by the Independent Auditor of the Entity", 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 Statement is 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 read with notes thereon, prepared in accordance with the applicable Indian Accounting Standards specified under section 133 of the Companies Act, 2013 read with relevant Rules and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

DATE: FEBRUARY 10, 2025
PLACE: JAIPUR

FOR KHILNANI & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN NO.: 005776C

K. K. KHILNANI
PARTNER

M. NO.: 072736
UDIN: 25072736BMLFUS2631

ACCOUNTING RATIOS

The following tables present certain accounting and other ratios computed on the basis of amounts derived from the Audited Financial Statements FY 24 and Statement of Unaudited Financial Results for the nine-months ended on December, 2023 and December, 2024:

Particulars	As of and for the nine-months period ended		As at and for the financial year ended	
	December 31, 2024	December 31, 2023	March 31, 2024	March 31, 2023
Basic EPS (in ₹)	3.93	4.60	2.25	0.36
Diluted EPS (in ₹)	3.93	4.60	2.25	0.36
Return on Net Worth (in %)	28.22 [#]	36.93 [#]	15.79	2.99
Net Asset Value per Equity Share (in ₹)	18.56	16.62	14.27	12.02
EBITDA (in ₹ Lakh)	426.11	502.83	344.09	55.04

Annualized

The formulae used in the computation of the above ratios are as follows:

Basic EPS	Profit for the period / Weighted average number of Equity shares outstanding at the period ended
Diluted EPS	Profit for the period / Weighted average number of diluted equity shares outstanding at the period ended
Return on Net Worth	Profit for the period / Net Worth at the period ended
Net Asset Value per Equity Share	Net Asset / No. of Equity shares issued, subscribed and fully paid outstanding at the period ended
EBITDA	Profit for the period + Tax Expenses+ Finance Cost

AUDIT QUALIFICATION

During the year under review there is no audit qualification in the Company's Financial Statement. The company continues to adopt the best practices to ensure regime of unqualified Financial Statements.

a) Calculation of Net Worth and Return on Net Worth:

(₹ In Lakh)

Particulars	As of and for the nine-months period ended		As at and for the financial year ended	
	December 31, 2024	December 31, 2023	March 31, 2024	March 31, 2023
Equity Share capital (A)	1020.35	1020.35	1020.35	1020.35
Other Equity (B)	872.94	675.71	435.84	205.90
NET WORTH (C)= (A)+(B)	1893.29	1696.06	1456.19	1226.25
PAT (D)	400.69	469.80	229.94	36.66
Return on Net Worth (D)/(C) (in %)	28.22[#]	36.93[#]	15.79	2.99

#Annualised

b) Calculation of Net Asset Value per Equity Share

(₹ In Lakh)

Particulars	As of and for the nine-months period ended		As at and for the financial year ended	
	December 31, 2024	December 31, 2023	March 31, 2024	March 31, 2023
Total Assets (A)	2326.70	2126.97	1964.36	1435.56
Total Liabilities (B)	433.41	430.91	508.17	209.30
Net Assets Value (C)= (A) - (B)	1893.29	1696.06	1456.19	1226.26
Total No. of shares Outstanding	102.04	102.04	102.04	102.04
Net Asset Value per Equity Share	18.56	16.62	14.27	12.02

c) Calculation of EBITDA

(₹ In Lakh)

Particulars	As of and for the nine-months period ended		As at and for the financial year ended	
	December 31, 2024	December 31, 2023	March 31, 2024	March 31, 2023
PAT	400.69	469.80	229.94	36.66
Interest	9.33	33.03	36.81	39.83
Tax	16.09	0.00	77.34	(21.45)
Depreciation	0.00	0.00	0.00	0.00
EBITDA	426.11	502.83	344.09	55.04

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 78 of this Draft 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 pages 23 and 19 respectively of this Draft 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 Draft 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 nine-months ended on December 31, 2024, and Fiscal 2024 and 2023 included herein is based on the Financial Statements, included in this Draft Letter of Offer. For further information, see "Financial Statements" beginning on page 78 of this Draft Letter of Offer.

Neither we nor any of their 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 14 of this Draft Letter of Offer.

BFL Asset Finvest Limited is a non-systematically important Non-Deposit-Taking Non-Banking Financial Company registered with the Reserve Bank of India (RBI) and is classified as a NBFC-Investment and Credit Company (NBFC-ICC)-Base Layer pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.

Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are to the 12-month period ended March 31 of that year. We have included various operational and financial performance indicators in this Draft Letter of Offer, many of which may not be derived from our Financial Statements. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculations, may vary from that used by other companies in India and other jurisdictions. For the purposes of this section, for certain analyses we have used historical methodologies and internal categorizations to enable a consistent representation of our business. Such information may vary from similar information publicly disclosed by us in compliance with applicable regulations in India. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision, and should consult their own advisors and evaluate such information in the context of the Financial Statements and other information relating to our business and operations included in this Draft Letter of Offer.

Unless otherwise indicated, information contained in this section has been obtained or derived from publicly available information as well as various industry publications and sources, as referred to herein (collectively, the "Sources"). The information in the Sources is as of specified dates and opinions in the Sources may be based on estimates, projections, forecasts and assumptions that may be as of such dates, which may no longer be current or reflect current trends. Further, forecasts, estimates, predictions, and other forward-looking statements contained in the Sources are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements. Accordingly, investment decisions should not be based on such information. Each Source is not a recommendation to invest or disinvest in any company covered in such Source. The views expressed in the Sources are that of its authors. Prospective investors are advised not to unduly rely on the Sources, and should conduct their own investigation and analysis of all facts and information contained in this Draft Letter of Offer. Unless otherwise indicated, all financial, operational, industry and other related information derived from the applicable Source and included herein with respect to any particular Financial Year or as the case may be, calendar year, refers to such information for the relevant Financial Year or as the case may be, calendar year.

This discussion contains forward-looking statements that involve risks and uncertainties and reflects our current view with respect to future events and financial performance. Actual results may differ from those anticipated in these forward-looking statements.

INDUSTRY STRUCTURE AND DEVELOPMENTS

We are a pioneering Base Layer Non-Banking Financial Company (NBFC), committed to providing foundational financial services that support the growth and stability of the broader financial ecosystem. Our role as a base layer entity places us at the core of the financial

infrastructure, enabling smoother transactions and fostering financial inclusion through innovative and customized offerings.

Our Focus

As a Base Layer NBFC, we focus on creating a secure and scalable financial foundation. The Company's main business is dealing in shares, Futures and Options. All other activities of the Company revolve around its main business.

No Assets Under Management (AUM)

At this point in time, we do not manage assets under management (AUM) in the traditional sense. Instead, our value proposition is driven by our ability to facilitate and create an environment where financial transactions and products can be seamlessly executed. We focus on providing infrastructure, technology, and liquidity support, rather than directly managing investments or client assets.

Our business model emphasizes partnership and collaboration, where we offer services that enable our partners—such as lenders, investors, and other NBFCs—to execute their strategies more effectively. We play a crucial role in providing the foundational tools that others can leverage to create value and deliver growth in the broader financial ecosystem.

Our Vision

Our vision is to be a trusted enabler of financial growth, fostering a robust foundation for the market through collaboration and strategic partnerships. While we may not have AUM at present, our core strength lies in our commitment to providing value-added services that enhance the overall functioning of the financial system. By focusing on operational excellence, technological innovation, and regulatory compliance, we are poised to expand our reach and play a pivotal role in shaping the future of finance.

NBFCs aid economic development in the following ways:

- Mobilization of Resources - It converts savings into investments
- Capital Formation - Aids to increase capital stock of a company
- Aid in Employment Generation
- Help in development of Financial Markets
- Helps in Attracting Foreign Grants
- Helps in Breaking Vicious Circle of Poverty by serving as government's instrument

Non-Banking Financial Companies expect the government to continue pumping in liquidity as it will boost the sector's employment, and direct disposable income and consumption.

NBFC Role in Revolutionizing the Economy

- ✓ **Growth:** Despite the slowdown in the economy and various setbacks faced in the last few years, the sector is still growing and enhancing operations.
- ✓ **Profitability:** NBFCs have been more profitable because of lower costs involved for its operations and serve customers from different segments.
- ✓ **Enhancing the Financial Market:** An NBFC caters to the urban and rural poor companies and plays a complementary role in financial inclusion. These financial companies bring much-needed diversity to the market by diversifying the risks, increasing liquidity in the markets thereby bringing efficiency and promoting financial stability to the financial sector.
- ✓ **Promoting Inclusive Growth:** NBFC's in India cater to a wide variety of customers – both in urban and rural areas. They finance projects of small-scale companies, which is important for the growth in rural areas. Microfinance provided by them plays an important role to attain stable financial inclusions.
- ✓ **Upliftment in the Employment Sector:** With the growth in operations of the small industries and businesses, the policies of NBFCs are uplifting the job situation. More opportunities for employment are arising with the influence of the NBFCs in the private as well

as government sectors. The business activities in the private sector provide more employment opportunities and occupation practices. And NBFC plays a key role in their growth and stability.

- ✓ **Mobilization of Asset:** Due to their easier norms for investing, these companies create a balance between intra-regional income and asset distribution. Turning the savings into investments, these companies contribute to economic development. Proper organization of capital helps in the development of the trade and industry, leading to economic progress. They operate not intending to maximize their profit and are, therefore, engaged in activities that generate zero or very low revenue.
- ✓ **Financing for Long-Term:** NBFC plays a key role in providing firms with funds through equity participation. NBFCs supply long-run credit to the trade and commerce industry. They facilitate to fund large infrastructure projects and boost economic development. Long-term finance permits growth with stable and soft interest rates.
- ✓ **Innovative Products:** NBFCs, by being flexible in terms of lending and investment opportunities than banks, are more proactive in innovating financial products. This facilitates their growth in an exceedingly prudent manner. They fine-tune their selling campaigns in regard to their target customers. These corporations are the game changers within the developing economy. For instance, the factorization & bill payment service has been revolutionized.

Over the past few years, NBFCs have been at the forefront of catering to the financial needs and creating livelihood sources of the so-called un-bankable masses in the rural and semi-urban areas. Through strong linkage at the grassroots level, they have created a medium of reach and communication and are very effectively serving this segment. Thus, NBFCs have all the key characteristics to enable the government and regulator to achieve the mission of financial inclusion in the given time. Your Company is a Non-Banking Financial Company dealing in shares & stock trading.

OUTLOOK ON OPPORTUNITIES

Investment opportunities for NBFCs in India are abundant, given the country's dynamic economic landscape, demographic dividend, and evolving regulatory framework. The Capital market looks robust and resilient in long term. Reports of various agencies and leading economists reflect that there is an early sign of revival of economic growth with strong positive sentiments. Growth in GDP numbers and other economic parameters being positive overall economic scenario looks favorable for coming years.

Rising aspiration of stakeholders enabled by higher income is the largest opportunity for the Company. Your Directors expect that with the strong business model of the Company, innovative fund management techniques, continued confidence of investors, the Company should achieve better performance in the year 2023-24. The Board of Directors are hopeful to deliver good business in the current financial year.

Opportunities

1. Increased retail participation in capital markets;
2. Leverage advanced technology to enable best practices and processes;
3. Diversifying portfolio through different and diversified products available in the Indian Capital Market e.g. commodity futures, currency derivatives, interest rate derivatives, and volatility derivatives, green finance etc.;
4. Effective use of futures and options to effectively hedge the Company against various types of risks e.g. risk of price volatility etc.

OUTLOOK ON THREATS, RISKS AND CONCERNS

The Company is dealing in shares & stock trading which is quite unpredictable in terms of the economic scenario, GDP Growth of the Country, Government policies, political situation and global trends etc. Moreover, after the introduction of online trading in commodities, the attention of high net worth investors has also diverted into commodities futures. The overall economic environment will impact all our business but we expect that we will be able to overcome it easily. The performance of the Company largely depends on the Capital Markets.

Being a NBFC-Investment and Credit Company, our Company is exposed to specific risks that are particular to its business and the

environment within which it operates, including:

1. **Economic Uncertainty:** Global economic uncertainty, geopolitical tensions, and domestic economic challenges can adversely impact investor sentiment and stock prices;
2. **Regulatory Changes:** Changes in regulatory policies or tax laws can affect investor behavior and market dynamics, leading to uncertainty and volatility;
3. **Cyber security Risks:** Growing reliance on technology exposes the stock market to cyber security threats such as hacking, data breaches, and ransomware attacks;
4. **Natural Disasters and Pandemics:** Events such as natural disasters or pandemics can disrupt economic activity, leading to market downturns and financial losses.

MITIGATION MEASURES TAKEN BY THE COMPANY

The Company is committed to best benchmarking in good corporate governance, which promotes the long-term interests of all stakeholders which help in building public trust in the Company.

The Company believes that managing risks helps in maximizing returns. The risk management framework is reviewed periodically by the Board and the Audit Committee.

The Company considers activities at all levels of the organization and its Risk Management with focus on three key elements, viz.;

- ✓ **Risk Assessment-** Study of threats and vulnerability and resultant exposure to various risks.
- ✓ **Risk Management and Monitoring-** The probability of risk assumption is estimated with available data and information.
- ✓ **Risk Mitigation-** Measures adopted to mitigate risk by the Company.

Company mitigate market risks by tracking microeconomic and macroeconomic level data, market trends and forecasts by expert agencies, internal review by team of experts. The Company shall only undertake those transactions which are permitted by the applicable laws including the RBI guidelines.

The Company is committed to best benchmarking in good corporate governance, which promotes the long-term interests of all stakeholders which help in building public trust in the Company.

The Company believes that managing risks helps in maximizing returns.

Threats

1. Unfavorable economic conditions;
2. Intense competition from local and global players;
3. Volatility in Indian Stock Market;
4. Instances of market manipulation;
5. Restrictions on foreign investments etc.

PRODUCT WISE PERFORMANCE

As per the results of the Company as on March 31, 2024, the Company is working in only one segment, viz. shares and securities, interest income, and futures and options and other finances. Snapshot of the Company's financial performance during Year Ended as on March 2023, 2024 and for nine-months ended as on December 2023, 2024 are as follows:-

(Amount in Lakh)

Particulars	Nine- Months Ended		Year Ended	
	31-12-2024	31-12-2023	31-03-2024	31-03-2023
Revenue from shares and securities	1266.17	2078.54	2,296.54	41.64
Dividend Income	10.64	7.11	7.54	0.92
Revenue from Interest Income	61.59	72.96	102.72	72.28

Revenue from F&O	340.28	449.95	333.73	0.05
Revenue from other finances	27.48	0.00	0.00	34.81

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has a well-established internal financial control and risk management framework, with appropriate policies and procedures, to ensure the highest standards of integrity and transparency in its operations and a strong corporate governance structure, while maintaining excellence in services to all its stakeholders. Appropriate controls are in place to ensure:

- The orderly and efficient conduct of business, including adherence to policies
- Safeguarding of assets and ensure operational excellence
- Prevention and detection of frauds/errors
- Accuracy and completeness of the accounting records and
- Timely preparation of reliable financial information.

The Company has instituted the three lines of defense model, viz.

- management and internal control measures,
- financial controls, risk management practices, security measures and compliance oversight, and
- a robust internal checks and balances providing the third level of defense.

The Company's internal controls and risk management practices are validated periodically with suitable review mechanisms in place. The Internal Control over Financial Reporting is the bedrock for the risk and control framework for the Company. The Companies Act 2013 requires the Board of Directors and statutory auditors of the Company to comment on sufficiency and effectiveness of internal controls.

The Company has appointed M/s. Shiv Shankar Khandelwal & Co., Chartered Accountants (Firm Registration No. 006852C) as an internal auditors to conduct internal audit and to ensure that all transactions are correctly authorized and reported. The reports are reviewed by the Audit Committee of the Board to internal controls.

Further the audit committee has concluded that, as of March 31, 2024, the company's internal controls were adequate and operating effectively.

Furthermore, the Company has constituted the Risk Management Committee w.e.f. February 10, 2023 pursuant to RBI Circular No. RBI/2021-22/112 DOR.CRE.REC.NO.60/03.10.001/2021-22 dated October 22, 2021 and it will overview the risk bearing capacity of the Company and will review and assess risk strategies.

INFORMATION TECHNOLOGY

Our Company has taken further steps in its technology roadmap toward future readiness and digitalization. The Company has been using the best possible information technology as a management tool for internal control. The Company continues to invest reasonable into information technology for monitoring operation.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Snapshot of the Company's financial performance for the last two years is as follows:-

Year	Total Revenue (in Lakh)	Revenue growth %	Profit after Tax (PAT) (in Lakh)	PAT change %	EPS (in Rs.)	EPS change %
2023-2024	2,740.53/-	1,730.68	229.94/-	527.22	2.25	525
2022-2023	149.70/-	-51.84	36.66/-	-46.53	0.36	-46.27

Snapshot of the Company's financial performance for the last two half years ended on September is as follows:-

Half Year	Total Revenue (in Lakh)	Revenue growth %	Profit after Tax (PAT) (in Lakh)	PAT change %	EPS (in Rs.)	EPS change %
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2023-2024	1,666.74/-	28.55	881.57/-	355.96	8.64	357.14
2022-2023	1,296.55	1464.93	193.34/-	569.22	1.89	575

HUMAN RESOURCE MANAGEMENT

Human resources are a valuable asset for any organization. We ensure a workplace that is fair, equitable, enabling and responsive to the needs and aspirations of our employees so that they can realize their full potential and contribute their best to the organization. The Company is committed to create an environment of constant learning and development, drive an effective and transparent performance culture and build a culture of appreciation & transparent communication. We constantly strive to upgrade the skills of employees and give them the edge to compete in the dynamic market and become future ready. The Company is giving emphasis to upgrade the skills of its human resources. This is in keeping with its policy of enhancing the individual's growth potential within the framework of corporate goals. Our employee-friendly and inclusive policies, health and fitness benefits ensure safe and secured environment for employees at workplace. Total number of employees as on March 31, 2024 stood at 5.

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been applied consistently to the periods presented in the Financial Statements. For details of our significant accounting policies, please refer section titled "Summary of significant accounting policies"

RESULTS OF OPERATIONS

The following table sets out selected data from the Financial Statements for Financial Year 2024 and Financial Year 2023 and nine-months ended on December 2024 and December 2023, together with the percentage that each line item represents of our total revenue for the periods presented.

Particulars	Nine-month 2024		Nine-month 2023		Financial Year 2024		Financial Year 2023	
	₹ in Lakhs	% of total income	₹ in Lakhs	% of total income	₹ in Lakhs	% of total income	₹ in Lakhs	% of total income
Income								
Revenue from Operations	1678.68	98.39%	2608.56	100.00%	2740.53	100.00%	114.89	76.75%
(i) Interest Income	61.59	3.61%	72.96	2.80%	102.72	3.75%	72.27	48.28%
(ii) Dividend Income	10.64	0.62%	7.11	0.27%	7.54	0.28%	0.92	0.61%
(iii) Rental Income	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
(iv) Fees and Commission Income	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
(v) Net gain on fair value Changes	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
(vi) Net gain on derecognition of financial instruments under amortised	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
(vii) Sale of Products	1266.17	74.21%	2078.54	79.68%	2296.54	83.80%	41.65	27.82%
(viii) Sale of Services	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
(ix) Net Gain from F&O	340.28	19.94%	449.95	17.25%	333.73	12.18%	0.05	0.03%
(x) Other Operating Revenue	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Other Income	27.48	1.61%	0.00	0.00%	0.00	0.00%	34.81	23.25%
Total Income (1+2)	1706.16	100.00%	2608.56	100.00%	2740.53	100.00%	149.70	100.00%
Expenses								
a. Cost of material consumed	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
b. Purchase of Stock -in -trade	2056.12	120.51%	2511.69	96.29%	2790.25	101.81%	7.50	5.01%
c. Changes in inventories of finished goods, work-in-progress and stock-in-trade	-845.63	-49.56%	-461.25	-17.68%	-496.85	-18.13%	62.94	42.04%
d. Employee benefits expense	18.32	1.07%	6.90	0.26%	9.55	0.35%	9.76	6.52%
e. Finance Costs	9.33	0.55%	33.03	1.27%	36.81	1.34%	39.83	26.61%

f. Fees and Commission expense	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
g. Depreciation, depletion and amortisation expense	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
h. Net loss on fair value changes	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
i. Net loss on derecognition of financial instruments under amortised cost category	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
j. Impairment on financial instruments	0.93	0.05%	0.00	0.00%	36.41	1.33%	0.00	0.00%
Other expenses	50.31	2.95%	48.38	1.85%	57.08	2.08%	14.48	9.67%
Total Expenses	1289.38	75.57%	2138.75	81.99%	2433.25	88.79%	134.51	89.85%
Profit/Loss before Exceptional and extraordinary items and tax (3-4)	416.78	24.43%	469.81	18.01%	307.28	11.21%	15.19	10.15%
Exceptional Items	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.02	0.01%
Profit/Loss before extraordinary items and tax (5+6)	416.78	24.43%	469.81	18.01%	307.28	11.21%	15.21	10.16%
Extraordinary Items	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Profit before Tax (7-8)	416.78	24.43%	469.81	18.01%	307.28	11.21%	15.21	10.16%
Tax expenses	16.09	0.94%	0.00	0.00%	77.34	2.82%	-21.45	-14.33%
Current Tax	0.00	0.00%	0.00	0.00%	77.34	2.82%	0.00	0.00%
Deferred Tax	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Previous Period	16.09	0.94%	0.00	0.00%	0.00	0.00%	-21.45	-14.33%
Profit for the period from continuing operations (9-10)	400.69	23.48%	469.81	18.01%	229.94	8.39%	36.66	24.49%
Profit/loss from discontinued operations before tax	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Tax expenses from discontinued operations	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Profit/loss from discontinued operations (after tax)	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Total Profit for the period	400.69	23.48%	469.81	18.01%	229.94	8.39%	36.66	24.49%
Other Comprehensive Income (OCI)	400.69	23.48%	469.81	18.01%	229.94	8.39%	36.66	24.49%
A) (i) Items that will not be reclassified to profit or loss								
Fair value changes on equity instruments through other comprehensive income	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
(ii) Income tax relating to items that will not be reclassified to profit or loss	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Sub Total (A)	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
B) (i) Items that will be reclassified to profit or loss	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
(ii) Income tax relating to items that will be reclassified to profit or loss	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Sub Total (B)	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Other Comprehensive Income (A+B)	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Total Comprehensive Income for the period (15+16)	400.69	23.48%	469.81	18.01%	229.94	8.39%	36.66	24.49%
Paid up equity share capital (Face Value Rs. 10/- per share)	1020.35	-	1020.35	-	1020.35	-	1020.35	-
Reserve excluding Revaluation Reserves	872.94	-	675.71	-	435.84	-	205.90	-
Earning Per Share (EPS)(not annualised) In Rs.	3.93	-	4.60	-	2.25	-	0.36	-

-Basic								
-Diluted								

COMPARISON OF THE FINANCIAL YEAR ENDED ON MARCH 31, 2024 WITH THE FINANCIAL YEAR ENDED ON MARCH 31, 2023

Total income

Our Total income for the Financial Year 2024 has increased by 2285% over the income for the Financial Year 2023.

Revenue from operations

Our revenue from operations comprises of sale of shares and securities, gain from F&O and interest income.

Other Income

Other income comprises of Long Term Capital Gain and Income from Commodities.

Expenses

Our expenses consist of employee benefit expense, finance cost, impairment on financial Instrument and other expenses.

Employee benefit expenses

Employee benefit expense consists of salaries, wages, bonus, leave encashment and other staff welfare expenses.

Finance Costs

Finance Costs consists of interest expense on borrowings.

Other Expenses

Other expenses include publication expenses, Rent, Repairs & Maintenance, Rates and Taxes, Listing Fees, Brokerage, Legal Expenses, Audit Fees, ROC Charges, Stamp Duty, STT Charges, Demat & Custodion Charges, Clearing Charges, Turnover Charges (F&O), Other Miscellaneous Exp., Postage and Telegraph, Telephone and Mobile Expenses, Bank charges, etc.

Tax Expenses

Tax expense comprises of current year tax and previous year Tax. Current year tax is the amount of tax payable on the taxable income for the year as determined in accordance with applicable tax rates and the provisions of applicable tax laws.

Revenue from Operations

Our revenue from operations have increased from ₹114.89 Lakhs for the financial year ended 31st March, 2023 to ₹2740.53 Lakhs for the financial year ended 31st March, 2024. This increase was due to increase in sale of equity shares.

Other Income

Other income decreased from ₹34.81 Lakhs to ₹ 0.00 this is for the reason that during previous year Company had Long Term Capital Gain and income from trading in commodities in the 31st March, 2023 which is not there during the year ending on 31st March, 2024.

Expenses

The total expenses increased from ₹134.51 Lakhs for the financial year ended on 31st March, 2023 to ₹2433.25 Lakhs for the financial year ended 31st March, 2024 which is a increase of ₹2298.74 Lakhs. This is due to an increase in purchase of equity shares, Other Expenses and creation of provision for impairment on Financial Instruments.

Other Expenses

Other expenses for the year ended 31st March, 2023 was ₹14.48 Lakhs as compared to ₹57.08 Lakhs for the year ended 31st March, 2024, an increase of ₹42.60 Lakhs over the previous year. This was majorly due to increase in Rates and Taxes, Brokerage, Legal Expenses, Advertisement Expenses, Audit Fees, ROC Charges, Stamp Duty, STT Charges, Demat & Custodion Charges, Clearing Charges, Turnover Charges (F&O).

Profit/(Loss) before Tax after Exceptional Item

The profit before tax for the year ended March 31, 2024 was ₹ 307.28 Lakhs after adjusting the exceptional item as compared to a profit of ₹ 15.21 Lakhs after adjusting the exceptional item for the year ended March 31, 2023, an increase of ₹ 292.07 Lakhs. This was due to increase in total revenue.

Taxation

Tax expenses is ₹ 77.34 Lakhs for the year ended on March 31, 2024 as against tax expenses of NIL for the year ended on March 31, 2023.

Profit/Loss after Tax

As a result of the aforesaid, Our Company made a profit after tax of ₹ 229.94 lakhs for the year ended March 31, 2024 as compared to a profit after tax for the year ended March 31, 2023 of ₹ 36.66 Lacs.

COMPARISON OF THE NINE-MONTHS ENDED ON DECEMBER 31, 2024 WITH THE NINE-MONTHS ENDED ON DECEMBER 31, 2023

Total Income

Our total income for the 9 month period ended on December 31, 2024 is Rs. 1678.68 lakhs against total income of Rs. 2608.56 lakhs for the 9 month period ended on December 31, 2024. There is a decrease of 35.65% over the total income for the 9 month period ended on December 31, 2024.

Revenue from Operations

Our revenue from operations comprises of sale of shares and securities, gains from F&O and interest income.

Other Income

Other income comprises of Long Term Capital Gain and Income from Commodities.

Expenses

Our expenses consist of employee benefit expense, finance cost, impairment on financial Instrument and other expenses.

Employee benefit expenses

Employee benefit expense consists of salaries, wages, bonus, leave encashment and other staff welfare expenses.

Finance Costs

Finance costs consists of interest expense on borrowings.

Other Expenses

Other expenses include Advertisement Expenses, Rent, Repairs & Maintenance, Rates and Taxes, Listing Fees, Brokerage, Legal Expenses, Audit Fees, ROC Charges, Stamp Duty, STT Charges, Demat & Custodion Charges, Clearing Charges, Turnover Charges

(F&O), Other Miscellaneous Exp., Postage and Telegraph, Telephone and Mobile Expenses, Bank charges, etc.

Tax Expenses

In view of nature of business operations of the Company comprising of Sale & Purchase of Equity Shares and trading in Futures & Options with wide fluctuation in profitability, Company has adopted the policy of estimating/providing tax on profit at the end of financial year. Hence, no provision has been made for the 9 month period under this comparison.

Revenue from Operations

Our total income for the 9 month period ended on December 31, 2024 is Rs. 1678.68 lakhs against total income of Rs. 2608.56 lakhs for the 9 month period ended on December 31, 2023. There is a decrease of 35.65% over the total income for the 9 month period ended on December 31, 2024. This is due to nature of business of the Company having sale of equity shares and trading in Futures & Options.

Other Income

Other income increased from ₹ NIL to ₹ 27.48 lakh this is for the reason that during current period Company has Long Term Capital Gain and income from trading in commodities for the 9 month period ended on December 31, 2024 which is not there for the 9 month period ended on December 31, 2023.

Expenses

The total expenses decreased from ₹2138.75 Lakhs for the 9 month period ended on December 31, 2023 to ₹1289.38 Lakhs for the 9 month period ended on December 31, 2024 with a decrease of ₹849.37 Lakhs. This is due to decrease in purchase of equity shares, decrease in finance cost, etc.

Other Expenses

Other expenses for the 9 month period ended on December 31, 2023 was ₹48.38 Lakhs as compared to ₹50.31 Lakhs for the 9 month period ended on December 31, 2024, an increase of ₹1.93 Lakhs over the previous year. This was mainly due to increase in Rates and Taxes, Brokerage, ROC Charges, Stamp Duty, STT Charges, Demat & Custodion Charges, Clearing Charges, Turnover Charges (F&O).

Profit/(Loss) before Tax after Exceptional Item

The profit before tax for the 9 month period ended on December 31, 2024 was ₹ 416.78 Lakhs after adjusting the exceptional item as compared to a profit of ₹ 469.81 Lakhs after adjusting the exceptional item for the 9 month period ended on December 31, 2023, decrease of ₹ 53.03 Lakhs. This was mainly due to decrease in total revenue.

Taxation

In view of nature of business operations of the Company comprising of Sale & Purchase of Equity Shares and trading in Futures & Options with wide fluctuation in profitability, Company has adopted the policy of estimating/providing tax on profit at the end of financial year. Hence, no provision has been made for the 9 month period under this comparison.

Profit/Loss after Tax

As explained above, due to peculiar nature of Company's business, Company is making provision for taxation at the end of financial years. Accordingly, there is no change in Profit after Tax as against the Profit before Tax.

SUMMARY OF CASH FLOWS

The following table sets forth certain information relating to our consolidated cash flows:

(₹ in Lakhs)

Particulars	December 31, 2024	March 31, 2024	March 31, 2023
-------------	-------------------	----------------	----------------

Net Cash Flow from/ (used in) Operating Activities (A)	373.54	-180.11	32.22
Net Cash Flow used in Investing Activities (B)	9.50	0.00	14.95
Net Cash Flow used in Financing Activities (C)	-338.29	185.02	46.30
Net increase / (Decrease) in Cash & Cash Equivalents (A+B+C)	44.76	4.91	0.86
Cash and cash equivalents at the beginning of the year/period	7.11	2.20	1.34
Cash and cash equivalents at year/ period end	51.87	7.11	2.20

Cash generated from Operating Activities

Net cash used from operating activities for the 9 month period ended on December 31, 2024 was ₹ 373.54 Lakhs as compared to the profit/(loss) before tax of ₹ 416.78 Lakhs for the same period. This change is primarily on account of increase in inventories and increase in trade receivables.

Net cash used from operating activities for the year ended March 31, 2024 was ₹ (180.11) Lakhs as compared to the profit/(loss) before tax of ₹ 307.28 Lakhs for the same period. This change is primarily on account of increase in inventories and increase in trade receivables.

Net cash used from operating activities for the year ended March 31, 2023 was ₹ 32.22 Lakhs as compared to the profit/(loss) before tax of ₹ 15.22 Lakhs for the same period. This difference is primarily on account of decrease in inventories and other financial assets.

Net Cash used in Investing Activities

Net cash generated in investing activities for the 9 month period ended on December 31, 2024 was ₹ 9.50 Lakhs. This was on account of sale proceeds of investments.

Net cash generated in investing activities for the year ended March 31, 2024 was ₹ 0.00.

Net cash generated in investing activities for the year ended March 31, 2023 was ₹ 14.95 Lakhs. This was on account of proceeds from sale of Fixed Assets.

Net Cash flow used in Financing Activities

Net cash flows used from financing activities for the 9 month period ended on December 31, 2024 was ₹ (338.29) Lakhs. This was on account of repayment of Long Term Borrowings.

Net cash flows generated from financing activities for the year ended March 31, 2024 was ₹ 185.02 Lakhs. This was on account of increase in borrowings.

Net cash flows used in financing activities for the year ended March 31, 2023 was ₹ 46.30 Lakhs. This was on account of Interest paid.

Off-Balance Sheet Arrangements

We do not have any other off-balance sheet arrangements.

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 section titled "Risk Factors" and chapter titled "Management's Discussion and Analysis of Financial Conditions and Results of Operations" on page 23 and page 140 respectively of this Draft 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.

MARKET PRICE INFORMATION

Our Company's Equity Shares are listed and being traded on the BSE.

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

Stock Market Data of the Equity Shares

The high, low and average market closing prices recorded on the Stock Exchanges during the last three years and the number of Equity Shares traded on these days are stated below:

BSE LIMITED

Year	Open Price	High Price	Low Price	Close Price	No. of Shares	No. of Trades	Total Turnover (Rs.)	Deliverable Quantity	% Deli. Qty to Traded Qty	Spread High-Low	Spread Close-Open
2022	178.35	258.85	15.65	19.7	18850288	130568	1481594580	13275231	70.42	243.2	-158.65
2023	19.6	20.6	10.21	17.11	3665165	24087	55531361	2945877	80.38	10.39	-2.49
2024	16.8	28.99	14.03	23.84	25387843	85675	534967738	17295278	68.12	14.96	7.04

(Source: www.bseindia.com)

Notes: High, low are based on the yearly opening/closing prices

Market Prices for the last six calendar months

The total number of days that the Equity Shares were traded on the BSE during the last 6 calendar months i.e. August, 2024 to December, 2024.

The high and low prices and volume of Equity Shares traded on the respective date on BSE during the last 6 calendar months preceding the date of filing of this Draft Letter of Offer are as follows:

Month	Open Price	High Price	Low Price	Close Price	No. of Shares	No. of Trades	Total Turnover (Rs.)	Deliverable Quantity	% Deli. Qty to Traded Qty	Spread High-Low	Spread Close-Open
Aug-24	15.54	23.99	15.53	22.02	3861852	8025	80492584	2756900	71.39	8.46	6.48
Sep-24	22.5	22.52	19.53	20.34	1355779	4228	29021713	979932	72.28	2.99	-2.16
Oct-24	20.03	21.20	17.50	20.08	518599	2539	10248863	384972	74.23	3.70	0.05
Nov-24	20.48	28.99	19.56	24.61	3494808	12585	89307808	2189491	62.65	9.43	4.13
Dec-24	25.19	26.70	20.05	21.21	813577	4555	19295919	570362	70.11	6.65	-3.98
Jan-25	22.40	27.55	20.50	22.16	1167361	4,923	27877168	722332	61.88	7.05	-0.24

(Source: www.bseindia.com)

In the event the high or low or closing price of the Equity Shares are the same on more than one day, the day on which there has been higher volume of trading has been considered for the purposes of this chapter.

The Board of our Company has approved the Issue at their meeting held on Monday, February 10, 2025. The high and low prices of our Company's shares as quoted on BSE on Friday, February 07, 2025 (last trading day) is as follows:

BSE

Date	Open Price	High Price	Low Price	Close Price	No. of Shares	No. of Trades	Total Turnover (Rs.)	Deliverable Quantity	% Deli. Qty to Traded Qty	Spread High-Low	Spread Close-Open
February 07, 2025	21.25	21.25	19.05	19.78	52,603	269	10,41,464	40,883	77.72	2.20	-1.47

(Source: www.bseindia.com)

Disclosures pertaining to Wilful Defaulters or Fraudulent Borrowers

As on date of this Draft Letter of Offer, neither our Company, nor our Promoter, and Directors have been categorized or identified as wilful defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

Except as disclosed in this Draft Letter of Offer, there are no violations of securities laws committed by them in the past or are currently pending against any of them.

SECTION VI – LEGAL AND OTHER INFORMATION

In determining whether any outstanding litigation against our Company, other than litigation involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings relating to economic offences against our Company, would have a material adverse effect on our operations or financial position or impact our future revenues, we have considered all pending litigations, if any, involving our Company, including criminal proceedings, statutory or regulatory actions as 'Material' in the opinion of the Board of directors under Regulation 30 of the SEBI Listing Regulations for the purpose of litigation disclosure in this draft Letter of Offer.

Unless stated to the contrary, the information provided below is as of the date of this Draft Letter of Offer.

OUTSTANDING LITIGATIONS, DEFAULTS AND MATERIAL DEVELOPMENTS

Except as disclosed below, there are no outstanding litigations involving our Company and there is no other company whose financial statements are included in the Draft Letter of Offer. In a standalone form please note the status of the Company in respect of suits, criminal or civil proceedings and taxation related proceedings that would have a material adverse effect on our operations, financial position or future revenues, the details of which are as follows:

I. CONTINGENT LIABILITIES OF OUR COMPANY

As on the date of this Draft Letter of Offer, there are no Contingent Liabilities of our Company.

II. LITIGATION INVOLVING OUR COMPANY

A. LITIGATION AGAINST OUR COMPANY

1. Litigation Involving Criminal matters:
As on the date of this Draft Letter of Offer, there are no outstanding criminal proceedings initiated against the Company.
2. Litigation Involving Civil matters:
As on the date of this Draft Letter of Offer, there are no outstanding civil proceedings initiated against the Company.
3. Litigation Involving Actions by Statutory/Regulatory Authorities:
As on the date of this Draft Letter of Offer, there are no outstanding actions by statutory or regulatory authorities initiated against the Company.
4. Litigation involving Tax Liabilities
As on the date of this Draft Letter of Offer, there are no outstanding litigation involving Tax Liabilities initiated against the Company.
5. Other Pending Litigations:
As on the date of this Draft Letter of Offer, there are no other pending material litigations against the Company.

B. CASES FILED BY OUR COMPANY

1. Litigation Involving Criminal matters:
As on the date of this Draft Letter of Offer, there are no outstanding criminal proceedings filed by the Company.
2. Litigation Involving Civil matters:
As on the date of this Draft Letter of Offer, there are no outstanding civil proceedings filed by the Company.
3. Litigation Involving Actions by Statutory/Regulatory Authorities:
As on the date of this Draft Letter of Offer, there are no outstanding actions initiated by our company against any statutory or regulatory authorities.
4. Other Pending Litigations:

As on the date of this Draft Letter of Offer, there are no other pending material litigations filed by the Company.

III. LITIGATION INVOLVING OUR DIRECTORS, PROMOTER

A. LITIGATION AGAINST OUR DIRECTORS, PROMOTER

1. Litigation Involving Criminal matters:

As on the date of this Draft Letter of Offer, the following outstanding criminal proceedings initiated against the Promoter & Directors of the company.

Sr. No.	Name of the Director/Promoter	Number of cases	Amount involved
1.	Ajay Agarwal	1	1,40,000

2. Litigation Involving Civil matters:

As on the date of this Draft Letter of Offer, there are no outstanding civil proceedings initiated against the Promoter & Directors of the company.

3. Litigation Involving Actions by Statutory/Regulatory Authorities:

As on the date of this Draft Letter of Offer, there are no outstanding actions by statutory or regulatory authorities initiated against the Promoter & Directors of the company.

4. Litigation involving Tax Liabilities

(₹ in Lakhs)

Nature of proceedings	Number of cases	Amount involved
Direct Tax	5	8.86*#
Indirect Tax	NA	NA

*Including amount of interest payable on disputed demand and litigations for which the tax amount is not ascertainable.

3 demand notices are pending against Mr. Mahendra Kumar Baid, Managing Director and Promoter of the Company. The response is yet to be submitted against all of them. 2 demand notice is pending against Mr. Ajay Agarwal, Independent Director of the Company and the response is yet to be submitted against them.

5. Other Pending Litigations:

As on the date of this Draft Letter of Offer, there are no other pending material litigations against the Company.

B. LITIGATION FILED BY OUR DIRECTORS, PROMOTER

1. Litigation Involving Criminal matters:

As on the date of this Draft Letter of Offer, there are no outstanding criminal proceedings filed by the Promoter & Directors of the Company.

2. Litigation Involving Civil matters:

As on the date of this Draft Letter of Offer, the following outstanding civil proceedings filed by the Promoter & Directors of the company, namely-

Sr. No.	Name of the Director/Promoter	Number of cases	Amount involved
1.	Mahendra Kumar Baid [§]	1	NA
2.	Aditya Baid [§]	1	NA
3.	Kuldeep Jain*	8	NA

§ The case is related to motor accidental claim wherein amount cannot be ascertained beforehand.

*All the cases are property related disputes e.g. dispute seeking stay order, possession of property etc. wherein no amount is involved.

3. Litigation Involving Actions by Statutory/Regulatory Authorities:

As on the date of this Draft Letter of Offer, there are no outstanding actions filed by Promoter & Directors of the company against the statutory or regulatory authorities.

4. Other Pending Litigations:

As on the date of this Draft Letter of Offer, there are no other pending material litigations filed by the Promoter & Directors of the company.

IV. LITIGATION INVOLVING OUR GROUP ENTITIES

1. Litigation Involving Criminal matters: Not Applicable
2. Litigation Involving Civil matters: Not Applicable
3. Litigation Involving Actions by Statutory/Regulatory Authorities: Not Applicable
4. Litigation involving Tax Liabilities
 - a) Direct Tax Liabilities: Not Applicable
 - b) Indirect Taxes Liabilities: Not Applicable
5. Other Pending Litigations: Not Applicable

Material Developments

Except as disclosed in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page 140, there have been no material developments, since the date of the last financial statements disclosed in this Draft Letter of Offer, any circumstances, which materially and adversely affect, or are likely to affect our trading or profitability of our Company or the value of our assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER STATUTORY APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government of India and various governmental agencies required by us to undertake this Issue and for our present business and except as mentioned below, no further material approvals are required for carrying on our present business operations. Unless otherwise stated, these approvals are valid as on the date of this Draft Letter of Offer.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to undertake its existing business activities.

APPROVALS FOR THE ISSUE

The following approvals have been obtained or will be obtained in connection with the Issue:

- a. The Board of Directors in its meeting held on Monday, February 10, 2025 has approved / authorized the issue;
- b. In-principle approval from BSE limited dated [•], to use their name for listing of Equity Shares issued by our Company;
- c. The ISIN of the Company is INE948Q01018;
- d. The ISIN for rights entitlement is [•].

APPROVALS RELATED TO INCORPORATION OF THE COMPANY

The following approvals have been obtained for the purpose of incorporation of the Company:

Sr. No.	Description	CIN/Registration No.	Registrar	Date of Certificate	Date of expiry
1.	Certificate of Incorporation in the name of BFL Properties and Investments Limited	010646	Registrar of Companies, Rajasthan, Jaipur	August 31, 1995	Valid till cancelled
2.	Certificate of commencement of Business	017-10646	Registrar of Companies, Rajasthan, Jaipur	September 06, 1995	Valid till cancelled
3.	Fresh Certification of Incorporation consequent change in the name from BFL Properties and Investments Limited to BFL Developers Limited	010646	Registrar of Companies, Rajasthan, Jaipur	March 15, 1996	Valid till cancelled
4.	Certificate of registration of the special resolution confirming alteration of object clause(s)	L45201RJ1995PLC010646	Registrar of Companies, Rajasthan, Jaipur	August 04, 2006	Valid till cancelled
5.	Certificate of Registration of Non-banking financial institution of the Reserve Bank of India Act, 1934	B-10.00202	Reserve Bank of India -Department of Non-Banking Supervision- Jaipur Regional Office	July 30, 2007	Valid till cancelled
6.	Fresh Certification of Incorporation consequent change in the name from BFL Developers Limited to BFL Asset Finvest Limited	L45201RJ1995PLC010646	Registrar of Companies, Rajasthan, Jaipur	November 02, 2017	Valid till cancelled

TAX APPROVALS IN RELATION TO OUR COMPANY

Sr. No.	Description	Authority	Registrar Number	Date of Certificate	Date of expiry
1.	Permanent Account Number	Income Tax Department	AAACB6405F	NA	Valid till cancelled
2.	Tax Deduction Account Number	Income Tax Department	JPRB00577D	NA	Valid till cancelled
3.	Goods and Services Tax Identification Number (For the State of Rajasthan only)	Central Board of Indirect Taxes and Customs (CBIC).	08AAACB6405F1Z2	September 27, 2017	Valid till cancelled

OTHER APPROVALS

1. **Intellectual property related approvals:** The company does not own any Intellectual Property in its name
2. **Legal Entity Identifier Code:** NA
3. **Domain Name:** Details of the domain name registered in the name of the company is <https://www.bflfin.com/>

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Board of Directors of the Company in its meeting held on Monday, February 10, 2025 approved this issue under Section 62(1)(a) of the Companies Act, 2013. The Board constituted Rights Issue Committee as an analogous authority for the purpose of the said issue in its meeting held on Friday, May 10, 2024. The terms of the Issue including the Rights Entitlement Ratio etc. have been approved by a resolution passed by the Rights Issue Committee of the Board of Directors of the Company in its meeting held on [●].

This Draft Letter of Offer has been approved by our Rights Issue Committee, at its meeting held on Monday, February 10, 2025.

The Rights Issue Committee of the Board of Directors has, at its meeting held on [●], determined the Issue Price as ₹ [●] per Rights Equity Share (including a premium of ₹ [●] per Rights Equity Share), and the Rights Entitlement as [●] Rights Equity Shares for every [●] Equity Shares held on the Record Date i.e. on [●].

Our Company has received in-principle approvals from BSE in accordance with Regulation 28(1) of the SEBI Listing Regulations for listing of the Rights Equity Shares to be Allotted in this Issue pursuant to their letter dated [●], and, [●] 2025, respectively. Our Company will also make applications to BSE to obtain their trading approval for the Rights Entitlements as required under the SEBI ICDR Master Circular.

Investor has to pay full amount payable on Application i.e [●]. Our Company has been allotted the ISIN: [●] for the Rights Entitlements to be credited to the respective demat accounts of Allottees. For details, see "Terms of the Issue" beginning on page 165.

PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, our Promoters, the members of our Promoter Group and our Directors have not been and are not prohibited or 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 or any securities market regulator in any other jurisdiction or any other authority/court.

Further, our Promoter and our Directors are not promoter(s) or director(s) 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 of our Directors is associated with the securities market in any manner. Further, there is no outstanding action initiated by SEBI against any of our Directors, who have been associated with the securities market.

Neither our Individual Promoter nor any of our Directors are declared as fugitive economic offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

COMPLIANCE WITH CLAUSE (1) OF 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 Draft Letter of Offer with the Designated Stock Exchange/ SEBI;

2. The reports, statements and information referred to above are available on the website 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 the SEBI ICDR Regulations, and given that the conditions prescribed in Clause (3) of Part B of Schedule VI of SEBI ICDR Regulations are not applicable to our Company, the disclosures in this Draft Letter of Offer are in terms of Clause (4) of Part B of Schedule VI of the SEBI ICDR Regulations.

PROHIBITION BY RBI

As on date of this Draft Letter of Offer, neither our Company, nor our Promoters, and Directors have been categorized or identified as wilful defaulters or fraudulent borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters and fraudulent borrowers issued by the Reserve Bank of India.

COMPLIANCE WITH COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Our Company and our Promoters and the members of our Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent it may be applicable to them as on date of this Draft Letter of Offer.

ELIGIBILITY FOR THE ISSUE

Our Company is a listed company, incorporated under Companies Act, 1956. The Equity Shares of our Company are presently listed on BSE. We are eligible to undertake the Issue in terms of Chapter III of the SEBI ICDR Regulations. Pursuant to Clauses (1) and (2) of Part B of Schedule VI to the SEBI ICDR Regulations, our Company is not required to make disclosures in accordance with Part B-1 of Schedule VI to 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 undertakes to make an application to the Stock Exchange for listing of the Rights Equity Shares to be issued pursuant to the Issue. BSE Limited is the Designated Stock Exchange for the Issue.

DISCLAIMER FROM THE COMPANY

Our Company accepts no responsibility for statements made other than in this Draft 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 this Issue will be deemed to have been represented by our Company, our Directors, Officers Agents, affiliates and representatives that they are eligible under all applicable law, rules, regulations, guidelines and approvals to acquire the Rights Equity Shares, and are relying on independent advice/ evaluation as to their ability and quantum of investment in the Issue. Our Company accepts no responsibility or liability for advising any Applicant on whether such Applicant is eligible to acquire any Rights Equity Shares.

CAUTION

Our Company shall make all relevant information available to the Eligible Equity Shareholders in accordance with the 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., if any, after filing this Draft Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Rights Equity Shares and the Rights Entitlements, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Draft Letter of Offer is current only as at its date.

DISCLAIMER IN RESPECT OF JURISDICTION

This Draft Letter of Offer has been prepared under the provisions of Indian law 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 Jaipur, Rajasthan, India only.

DISCLAIMER CLAUSE OF SEBI

The Draft Letter of Offer was not filed with SEBI in terms of SEBI ICDR Regulations as the size of issue is up to ₹ 2,856.98 lakhs. The present Issue being of less than ₹ 5,000 lakhs, our Company is in compliance with first proviso to Regulation 3 of the SEBI ICDR Regulations and our Company has filed a copy of this Draft 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 only.

DISCLAIMER CLAUSE OF BSE

As required, a copy of this Draft Letter of Offer has been submitted to the BSE Limited. BSE Limited has given its approval vide its letter dated [●] to use its name in this Draft Letter of Offer. The Disclaimer Clause as intimated by the BSE Limited to us, post-scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with BSE Limited.

DISCLAIMER CLAUSE OF RBI

The Company is having a valid certificate of registration, dated July 30, 2007, issued by the RBI under Section 45 IA of the RBI Act, 1934. However, the RBI does not accept any responsibility or guarantee about the present position as to the financial soundness of the Company or for the correctness of any of the statements or representations made or opinions expressed by the Company and for the repayment of deposits/ discharge of liabilities by the Company.

CAUTION

Our Company shall make all relevant information available to the Eligible Equity Shareholders in accordance with the 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 this Draft Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Rights Equity Shares and the Rights Entitlements, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Draft Letter of Offer is current only as at its date.

DESIGNATED STOCK EXCHANGE

The Designated Stock Exchange for the purposes of the Issue is BSE Limited.

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.

SELLING RESTRICTIONS

The distribution of Issue Documents and the issue of Rights Entitlements and the Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Issue Materials 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 of our Company and in accordance with the SEBI (ICDR) Regulations, our Company will send / dispatch the Issue Materials only to the Eligible Equity Shareholders who have provided Indian address and who are located in jurisdictions where the offer and sale of the Rights Entitlements and the Rights Equity Shares are permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials 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 Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent any Issue Materials.

CONSENTS

Consents in writing of: our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, legal advisor, consultant, Statutory Auditor, the Registrar to the Issue and the Banker to the Issue to act in their respective capacities, have been obtained and such consents have not been withdrawn up to the date of this Draft Letter of Offer.

EXPERT OPINION

Our Company has received written consent dated January 27, 2025, from M/s Khilnani & Associates, the Statutory Auditor of the Company to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Letter of Offer as an "expert" as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its their Statement of Special Tax Benefits available to our Company and its shareholders dated February 04, 2025 included in this Draft Letter of Offer and such consent has not been withdrawn as of the date of this Draft Letter of Offer.

The term 'expert' and 'consent' thereof shall not be construed to mean an 'expert' or 'consent' as defined under the U.S. Securities Act.

Except for the abovementioned documents, provided by our Statutory Auditors, 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 rights issues or public issues during the five years immediately preceding the date of this Draft Letter of Offer. Further, there have been no instances in the past, wherein our Company has failed to achieve the objects in its previous issues.

PERFORMANCE VIS-À-VIS OBJECTS – LAST ISSUE OF LISTED SUBSIDIARIES OR ASSOCIATES

As on date of this Draft Letter of Offer, our Company does not have any subsidiaries or associate companies.

STOCK MARKET DATA OF THE EQUITY SHARES

Our Equity Shares are listed and traded on BSE. For details in connection with the stock market data of the Stock Exchanges, please refer to the chapter titled “Market Price Information” on page 152 of this Draft Letter of Offer.

NOTICE TO INVESTORS

NO ACTION HAS BEEN TAKEN OR WILL BE TAKEN THAT WOULD PERMIT A PUBLIC OFFERING OF THE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES TO OCCUR IN ANY JURISDICTION OTHER THAN INDIA, OR THE POSSESSION, CIRCULATION OR DISTRIBUTION OF THIS DRAFT LETTER OF OFFER OR ANY OTHER MATERIAL RELATING TO OUR COMPANY, THE RIGHTS ENTITLEMENTS OR THE RIGHTS EQUITY SHARES IN ANY JURISDICTION WHERE ACTION FOR SUCH PURPOSE IS REQUIRED. ACCORDINGLY, THE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, AND NEITHER THIS DRAFT LETTER OF OFFER NOR ANY OFFERING MATERIALS OR ADVERTISEMENTS IN CONNECTION WITH THE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES MAY BE DISTRIBUTED OR PUBLISHED IN OR FROM ANY COUNTRY OR JURISDICTION EXCEPT IN ACCORDANCE WITH THE LEGAL REQUIREMENTS APPLICABLE IN SUCH COUNTRY OR JURISDICTION. THIS ISSUE WILL BE MADE IN COMPLIANCE WITH THE APPLICABLE SEBI REGULATIONS. EACH PURCHASER OF THE RIGHTS ENTITLEMENTS OR THE RIGHTS EQUITY SHARES IN THIS IS SUE WILL BE DEEMED TO HAVE MADE ACKNOWLEDGMENTS AND AGREEMENTS.

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 was filed with BSE Limited and not with SEBI. However, this Draft Letter of Offer has been submitted with SEBI for information and dissemination purposes and shall 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. MCS Share Transfer Agent Limited is 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.

The average time taken by the Registrar to the Issue, MCS Share Transfer Agent Limited for attending to routine grievances will be within 30 (thirty) days from the date of receipt. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavour of the Registrar to the Issue to attend to them as expeditiously as possible. We undertake to resolve the investor grievances in a time bound manner.

INVESTOR GRIEVANCES ARISING OUT OF THIS ISSUE

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, with a copy to the SCSBs, 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 Rights Equity Shares applied for, amount blocked, 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. For details on the ASBA process, see “Terms of the Issue” beginning at page 165 of this Draft Letter of Offer. The contact details of our Registrar to the Issue and our Company Secretary are as follows:

COMPANY SECRETARY AND COMPLIANCE OFFICER	REGISTRAR TO THE ISSUE
Ilma Suza	MCS Share Transfer Agent Limited
Address: 1, Tara Nagar, Ajmer Road, Jaipur- 302006 (Rajasthan) India.	Address: 179-180, DSIDC Shed, 3rd Floor Okhla Industrial Area, Phase – 1 New Delhi – 110020
Contact Number : 85030 85889	Contact No.:- 011-41406149
Email-ID: bfldevelopers@gmail.com	E-Mail ID:- admin@mcsregistrars.com

SECTION VII – ISSUE INFORMATION

TERMS OF THE ISSUE

This section is for the information of the Investors proposing to apply in the Issue. Investors should carefully read the provisions contained in this Draft 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 Draft Letter of Offer. Investors 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 Draft Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI Master Circular, Investors proposing to apply in the Issue can apply only through ASBA or by mechanism as disclosed in this Draft Letter of Offer

Investors are requested to note that application in the Issue can only be made through ASBA or any other mode which may be notified by SEBI. For guidance on the application process through ASBA and resolution of difficulties faced by investors, you are advised to read the frequently asked question on the website of the Registrar at <https://www.mcsregistrars.com/>.

The Rights Entitlement on the Equity Shares, the ownership of which is currently under dispute and including any court proceedings or are currently under transmission are held in a demat suspense account and for which our Company has withheld the dividend, shall be held in abeyance and the Application Form along with the Rights Entitlement Letter in relation to these Rights Entitlements shall not be dispatched pending resolution of the dispute or court proceedings or completion of the transmission or pending their release from the demat suspense account. On submission of such documents /records confirming the legal and beneficial ownership of the Securities with regard to these cases on or prior to the Issue Closing Date, to the satisfaction of our Company, our Company shall make available the Rights Entitlement on such Equity Shares to the identified Eligible Equity Shareholder. The identified Eligible Equity Shareholder shall be entitled to subscribe to the Rights Equity Shares pursuant to the Issue during the Issue Period with respect to these Rights Entitlement and subject to the same terms and conditions as the Eligible Equity Shareholder.

Further, SEBI has pursuant to the SEBI Master Circular stated that in the event there are physical shareholders who have not been able to open a demat account pursuant to the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 or are unable to communicate their demat account details to our Company or the Registrar for credit of Rights Entitlements, such physical shareholders may be allowed to submit their Application. For more details, please see ‘Application by Eligible Equity Shareholders Holding Equity Shares in Physical Form’ on page 185 of this Draft Letter of Offer.

OVERVIEW

The Issue is proposed to be undertaken on a rights basis and is subject to the terms and conditions contained in the Draft 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, the FEMA, the FEMA Rules, the SEBI ICDR Regulations, the SEBI LODR Regulations and the guidelines, notifications, circulars and regulations issued by SEBI, the RBI, 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 Stock Exchange and the terms and conditions as stipulated in the Allotment Advice.

I. DISPATCH AND AVAILABILITY OF ISSUE MATERIALS

In accordance with the SEBI ICDR Regulations and SEBI Master Circular, 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 their Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights

Entitlement or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. 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 physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Further, the Draft 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 Draft 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 Draft Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

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

COMPANY	REGISTRAR	BSE LIMITED
www.bflfin.com	www.mcsregistrars.com	www.bseindia.com

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar i.e. www.mcsregistrars.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.bflfin.com.

Further, our Company will undertake all adequate steps to reach out the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible.

Please note that neither our Company nor the Registrar shall be responsible for not sending the physical copies of Issue materials, including the Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of the Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the email 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 the Draft Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Rights 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 the Issue in any jurisdiction where action would be required for that purpose, except that this Draft Letter of Offer is being filed with the Stock Exchange. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and the Draft 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 the 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 Draft Letter of Offer, the 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, the Draft 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 the Draft 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 Rights Equity Shares or the Rights Entitlements, distribute or send the Draft 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 the Draft 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 the Draft 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 Rights 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 Rights 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).

Our Company is undertaking the Issue on a rights basis to the Eligible Equity Shareholders and will send the Letter of Offer, Abridged Letter of Offer, the Application Form and other applicable Issue materials primarily to email addresses of Eligible Equity Shareholders who have provided a valid email addresses and an Indian address to our Company.

The Letter of Offer is being provided, primarily through e-mail, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard.

II. PROCESS OF MAKING AN APPLICATION IN THE ISSUE

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

The Application Form can be used by the Eligible Equity Shareholders as well as the Renounees, to make Applications in the Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, see **"Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders"** on page 167 of this Draft Letter of Offer.

Investors can submit the Application Form either 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.

Please note that subject to SCSBs complying with the requirements of 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. 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=35>. 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.

The 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.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date and applying in the Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein the ASBA Account in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

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, see “Grounds for Technical Rejection” on page 188 of this Draft Letter of Offer. 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 the Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in the Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see “**Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process**” on page 181 of this Draft Letter of Offer.

III. CREDIT OF RIGHTS ENTITLEMENTS IN DEMAT ACCOUNTS OF ELIGIBLE EQUITY SHAREHOLDERS

In accordance with Regulation 77A of the SEBI (ICDR) Regulations, read with the SEBI Master Circulars, **the credit of Rights Entitlements and Allotment of Rights 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 opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to:
 - a. Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or
 - b. Equity Shares held in the account of IEPF authority; or
 - c. The demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or
 - d. 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
 - e. Credit of the Rights Entitlements returned/reversed/failed; or
 - f. The ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable
 - g. Eligible Equity Shareholders who have not provided their Indian addresses.

Eligible Equity Shareholders, whose Rights Entitlements are credited in demat suspense escrow account opened by our Company, 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 the Company or the Registrar not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., by [●] 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 is active, details of which have been provided to the Company or the Registrar, to facilitate the aforementioned transfer. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar. Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

Eligible Equity Shareholders can obtain the details of their Rights Entitlements from the website of the Registrar (i.e. www.mcsregistrars.com) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e. www.bflfin.com)

IV. OPTIONS AVAILABLE TO THE ELIGIBLE EQUITY SHAREHOLDERS

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to. Details of each of the Eligible Equity Shareholders' Rights Entitlement will be sent to the Eligible Equity shareholder separately along with the Application Form and would also be available on the website of the Registrar to the Issue at www.mcsregistrars.com and link of the same would also be available on the website of our Company www.bflfin.com. Respective Eligible Equity Shareholder can check their entitlement by keying their requisite details therein.

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

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

RENOUNCEES

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

BASIS FOR THIS ISSUE

The Rights Shares are being offered for subscription for cash 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, i.e. [●].

RIGHTS ENTITLEMENTS

Eligible Equity Shareholders whose 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, i.e. [●], may be entitled to subscribe to the number of Rights Shares as set out in the Rights Entitlement Letter.

The Registrar will send/dispatch a Rights Entitlement Letter along with the Abridged Letter of Offer and the Common Application Form to all Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlements or Rights Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions, which will contain details of their Rights Entitlements based on their shareholding as on the Record Date.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e. www.mcsregistrars.com) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e. www.bflfin.com).

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. 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. Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

V. PRINCIPAL TERMS OF THIS ISSUE

Face Value	Each Rights Equity Share will have the face value of ₹10.00/- (Rupees Ten Only).
Issue Price	The entire amount of the Issue Price of ₹ [●] /- per Rights Equity Share (including a premium of ₹ [●] /- per Rights Equity Share) shall be payable at the time of Application.
Rights Entitlements Ratio	The Rights Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of [●] ([●]) Rights Shares for every ([●]) Equity Shares held by the Eligible Equity Shareholders as on the Record Date i.e., [●].
Renunciation of Rights Entitlements	<p>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.</p> <p>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 favour 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.</p> <p>The renunciation of Rights Entitlements credited in your demat account can be made either by way of On Market or through off-market transfer. For details, see 'Procedure for Renunciation of Rights Entitlements' on page 179 of this Draft Letter of Offer.</p> <p>In accordance with SEBI Master Circulars, the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least 2 (Two) Working Days prior to the Issue Closing Date, will not be able</p>

	to renounce their Rights Entitlements.
Credit of Rights Entitlements in dematerialised account	<p>In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Master Circulars, the credit of Rights Entitlements and Allotment of Rights Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to</p> <ul style="list-style-type: none"> (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company (namely, “[●]-DEMAT SUSPENSE ACCOUNT”), for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date, i.e. [●]; or (d) 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 (e) credit of the Rights Entitlements returned/reversed/failed; or (f) the ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable; or (g) Eligible Equity Shareholders who have not provided their Indian addresses. <p>In this regard, our Company has made necessary arrangements with NSDL and CDSL for the credit 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 [●]. The said ISIN shall remain frozen (for debit) until the Issue Opening Date and shall be active for renouncement or transfer only during the Renunciation Period, i.e., from [●] to [●] (both days inclusive). It is clarified that the Rights Entitlements shall not be available for transfer or trading post the Renunciation Period. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.</p> <p>Eligible Equity Shareholders, whose Rights Entitlement are credited in demat suspense escrow account opened by our Company 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 the Company or the Registrar not later than two (2) Working Days prior to the Issue Closing Date, i.e., by [●] 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 the Company or the Registrar account is active to facilitate the aforementioned transfer. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar. Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.</p> <p>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 BSE Limited 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.</p>

	<p>PLEASE NOTE THAT CREDIT OF THE RIGHTS ENTITLEMENTS IN THE DEMAT ACCOUNT DOES NOT, PER SE, ENTITLE THE INVESTORS TO THE RIGHTS SHARES AND THE INVESTORS HAVE TO SUBMIT APPLICATION FOR THE RIGHTS SHARES ON OR BEFORE THE ISSUE CLOSING DATE I.E., [●] AND MAKE PAYMENT OF THE APPLICATION MONEY. FOR DETAILS, SEE ‘PROCEDURE FOR APPLICATION’ ON PAGE 175 OF THIS DRAFT LETTER OF OFFER.</p>
Trading of the Rights Entitlements	<p>In accordance with the SEBI Master Circulars, the Rights Entitlements credited shall be admitted for trading on BSE Limited under Rights Entitlement ISIN [●]. Prior to the Issue Opening Date, our Company will obtain the approval from BSE Limited for trading of Rights Entitlements. Investors shall be able to trade/ transfer their Rights Entitlements either through On Market Renunciation or through Off Market Renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.</p> <p>The On Market Renunciation shall take place electronically on the secondary market platform of Stock Exchanges on T+1 rolling settlement basis, where T refers to the date of trading. The transactions will be settled on trade-for-trade basis. The Rights Entitlements shall be tradable in dematerialized form only. The market lot for trading of Rights Entitlements is One Rights Entitlement.</p> <p>The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (both days inclusive). No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. 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. For details, see ‘Procedure for Renunciation of Rights Entitlements – On Market Renunciation’ and ‘Procedure for Renunciation of Rights Entitlements – Off Market Renunciation’ on page 179 of this Draft Letter of Offer. Once the Rights Entitlements are credited to the demat account of the Renounees, application in the Issue could be made until the Issue Closing Date. For details, see ‘Procedure for Application’ on page 175 of this Draft Letter of Offer.</p> <p>Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.</p>
Terms of Payment	<p>The entire amount of the Issue Price of ₹ [●] /- per Rights Equity Share (including a premium of ₹ [●] /- per Rights Equity Share) shall be payable at the time of Application.</p>
Fractional Entitlements	<p>The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio one ([●]) Rights Equity Share for every [●] ([●]) Equity Share(s) held on the Record Date. For Rights Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders is less than Shareholders shall be ignored in the computation of the Rights Entitlement. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored as above will be given preferential consideration for the Allotment of one Additional Rights Equity Share each if they apply for Additional Rights Equity Shares over and above their Rights Entitlement.</p> <p>For example, if an Eligible Equity Shareholder holds [●] ([●]) Equity Share(s) or not in the multiple of [●][●], Equity Shares, such Shareholder will be entitled to one ([●]) Rights Equity Shares on a rights basis and will also be given a preferential consideration for the Allotment of one Additional Rights Equity Share if the Shareholder has applied for additional Rights Equity Shares. Also, those Equity Shareholders holding less than [●] ([●]) Equity Shares and therefore entitled to ‘Zero’ Rights Equity Share under this Issue shall be dispatched an Application Form with ‘Zero’ entitlement. Such Eligible Equity Shareholders are entitled to apply for Additional Rights Equity Shares and would be given preference in the Allotment of 1 (One) Additional Rights Equity Share, if such Equity Shareholders have applied for the Additional Rights Equity Shares. However, they cannot renounce the same to third parties. Application Forms with zero entitlement will be non-negotiable/non-renounceable.</p>

Credit Rating	As this Issue is a rights issue of Rights Shares, there is no requirement of credit rating for this Issue.
Ranking	The Rights Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of the Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Common 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 BSE the terms and conditions as stipulated in the Allotment advice. The Rights Shares to be issued and allotted under this Issue shall, upon being fully paid up, rank pari passu with the existing Equity Shares, in all respects including dividends. In respect of the Rights Shares, Investors are entitled to dividend in proportion to the amount paid up and their voting rights exercisable on a poll shall also be proportional to their respective share of the paid up equity capital of our Company.
Listing and trading of the Rights Shares to be issued pursuant to this Issue	<p>Subject to receipt of the listing and trading approvals, the Rights Shares proposed to be issued on a rights basis shall be listed and admitted for trading on BSE Limited. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights 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 Rights Shares will be taken within such period prescribed under the SEBI (ICDR) Regulations. Our Company has received in-principle approval from the BSE Limited vide its letter bearing reference number [●] dated [●] respectively. Our Company will apply to BSE Limited for final approvals for the listing and trading of the Rights Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Shares or the price at which the Rights Shares offered under this Issue will trade after the listing thereof.</p> <p>For an applicable period, the trading of the Rights Shares would be suspended under the applicable law. The process of corporate action for crediting the fully paid-up Rights Shares to the Investors' demat accounts may take such time as is customary or as prescribed under applicable law from the last date of payment of the amount.</p> <p>The existing Equity Shares are listed and traded on BSE Limited (Scrip Code: 539662) (Symbol: BFLAFL) under the ISIN: INE948Q01018. The Rights Shares shall be credited to a temporary RE ISIN which will be frozen until the receipt of the final listing/ trading approvals from BSE Limited Scrip Code: 539662. Upon receipt of such listing and trading approvals, the Rights Shares shall be debited from such temporary RE ISIN and credited to the new ISIN for the Rights Shares and thereafter be available for trading and the temporary RE ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.</p> <p>The listing and trading of the Rights 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.</p> <p>In case our Company fails to obtain listing or trading permission from BSE Limited, we shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/ blocked within four (4) days of receipt of intimation from Stock Exchanges, rejecting the application for listing of the Rights Shares, and if any such money is not refunded/ unblocked within four (4) 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.</p> <p>For details of trading and listing of fully paid-up Rights Shares, please refer to the heading 'Terms of Payment' at page 149 of this Draft Letter of Offer.</p>

Subscription to this Issue by our Promoter	For details of the intent and extent of subscription by our Promoter, please refer to the chapter titled ‘Capital Structure – Intention and extent of participation by Our promoter’ on page 21 of this Draft Letter of Offer.
Rights of Holders of Rights equity Shares of our Company	<p>Subject to applicable laws, Rights Equity Shareholders shall have the following rights:</p> <p>a) The right to receive dividend, if declared; b) The right to vote in person, or by proxy; c) The right to receive surplus on liquidation; d) The right to free transferability of Rights Shares; e) The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law; and f) Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.</p> <p>Subject to applicable law and Articles of Association, holders of Rights Shares shall be entitled to the above rights in proportion to amount paid-up on such Rights Shares in this Issue</p>
Credit of specified securities after allotment /refund	<p>The specified securities as allotted after the finalization of basis of allotment or instructions for unblocking of ASBA, in case of allotment, shall be done within 15 (fifteen) days from the issue closing date and interest at the rate of at 15% p.a. or such other rate as specified under applicable law from the expiry of such 15 days’ period shall be payable in case of delay.</p> <p>In case of non-allotment, refund shall be made within 15 (fifteen) days from the issue closing date and interest at the rate of at 15% p.a. or such other rate as specified under applicable law from the expiry of such 15 days’ period shall be payable in case of delay.</p> <p>The Company and its directors acting as officers in default shall be held liable for any delay in issuing instruction for unblocking or refunds, as the case maybe.</p>

VI. GENERAL RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Market Lot	The Rights Shares of our Company shall be tradable only in dematerialized form. The market lot for Rights Shares in dematerialised mode is one (1) 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 Rights Shares offered in this Issue.
Nomination	Nomination facility is available in respect of the Rights 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. An Investor can nominate any person by filling the relevant details in the Application Form in the space provided for this purpose. Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Rights Shares to be Allotted in this Issue. Nominations registered with the respective Depository Participants of the Investors would prevail. Any Investor 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 Rights Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be 1 (one) Rights Share and hence, no arrangements for disposal of odd lots are required.
New Financial	There are no new financial instruments like deep discount bonds, debentures with warrants,

Instruments	secured premium notes etc. issued by our Company.
Restrictions on transfer and transmission of shares and on their consolidation/splitting	There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue. However, the Investors should note that pursuant to provisions of the SEBI Listing Regulations, with effect from April 1, 2019 and as amended vide SEBI Notification bearing No. SEBI/LAD-NRO/GN/2022/66 on January 24, 2022, the request for transfer of securities shall not be effected unless the securities are held in the dematerialized form with a depository. Provided further that transmission or transposition of securities held in physical or dematerialized form shall be effected only in dematerialized form.
Notices	<p>In accordance with the SEBI (ICDR) Regulations and the SEBI Master Circulars, our Company will send / dispatch the Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter, Common Application Form and other issue materials ('Issue Materials') only to the Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.</p> <p>Further, the Letter of Offer will be sent/ dispatched by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. In case the 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 the 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.</p> <p>All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in (i) one English language national daily newspaper with wide circulation; (ii) one Hindi language national daily newspaper with wide circulation (Hindi being the regional language of Rajasthan, where our Registered Office is situated) and/or, will be sent by post or electronic transmission or other permissible mode to the addresses of the Eligible Equity Shareholders provided to our Company. This Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer and the Common Application Form shall also be submitted with BSE Limited for making the same available on their websites.</p>
Offer to Non-Resident Eligible Equity Shareholders/Investors	As per Rule 7 of the FEMA Rules, the RBI has given general permission to Indian companies to issue rights shares to non-resident shareholders including additional rights shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by the 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 Rights Shares shall be, amongst other things, subject to the conditions imposed from time to time by the RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI, 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 by email or physically/postal means at the address of the Registrar mentioned on the cover page of the Letter of Offer. It will be the sole responsibility of the investors 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 the 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 Common Application Form shall be sent/dispatched to the email addresses and Indian addresses of non-resident Eligible Equity Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company and are located in jurisdictions where the offer and sale of the Rights Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions. Investors can access the Letter of Offer, the Abridged Letter of Offer and the Common Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Shares under applicable securities laws) from the websites of the Registrar, our Company and Stock Exchanges. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by the RBI while approving the Allotment. The Rights Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to their patriation as are applicable to the original Equity Shares against which Rights 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.

VII. PROCEDURE FOR APPLICATION

HOW TO APPLY

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

For details of procedure for application by the resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date, i.e. [●] see '**Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form**' on page 185 of this Draft Letter of Offer.

The 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.

COMMON APPLICATION FORM

The Common Application Form for the Rights Shares offered as part of this Issue would be sent/ dispatched (i) only to email address of the resident Eligible Equity Shareholders who have provided their email address; (ii) only to the Indian addresses of the resident Eligible Equity Shareholders, on a reasonable effort basis, who have not provided a valid email address to our Company; (iii) only to the Indian addresses of the non-resident Eligible Equity Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company and are located in jurisdictions where the offer and sale of the Rights Shares is permitted under laws of such jurisdictions. ***The Common Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent/ dispatched at least three days before the Issue Opening Date.***

The Renounees and Eligible Equity Shareholders who have not received the Common Application Form can apply by using

an application on plain paper along with requisite application money, for more details, see “Application on plain paper under ASBA process” on page no. 181 of this Draft Letter of Offer or by using an application form available online at the website of our Company, the Registrar, or BSE Limited at

COMPANY	REGISTRAR	BSE LIMITED
www.bffin.com	www.mcsregistrars.com	www.bseindia.com

In case of non-resident Eligible Equity Shareholders, the Common Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through email to email address if they have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions.

Please note that neither our Company nor the Registrar to the Issue shall be responsible for delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Common Application Form attributable to non-availability of the email addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Common Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit or there is a delay in physical delivery (where applicable).

To update the respective email addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Equity Shareholders should visit website of the Registrar. Investors can access this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer and the Common Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Shares under applicable securities laws) from the websites of:

COMPANY	REGISTRAR	BSE LIMITED
www.bffin.com	www.mcsregistrars.com	www.bseindia.com

The Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e. www.mcsregistrars.com) by entering their DP ID and Client ID or Folio Number (in case of resident Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.bffin.com).

The Common Application Form can be used by the Investors, Eligible Equity Shareholders as well as the Renounees, to make Applications in this Issue, based on the Rights Entitlement credited in their respective demat accounts. Please note that one single Common Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account. In case of Investors who have provided details of demat account in accordance with the SEBI (ICDR) Regulations, such Investors will have to apply for the Rights Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Common Application Form for each demat account.

Investors may accept this Issue and apply for the Rights Shares by submitting the Common Application Form to the Designated Branch of the SCSB or online/electronic Application 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 Applications made with payment using third party bank accounts are liable to be rejected.

Investors are also advised to ensure that the Common Application Form is correctly filled up stating therein, the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Common Application Form will be blocked by the SCSB.

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Common Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Incorrect depository account details or PAN number could lead to rejection of the Application. For details see 'Grounds for Technical Rejection' on page 188 of this Draft Letter of Offer. Our Company, the Registrar and the SCSB shall not be liable for any 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, see 'Application on Plain Paper under ASBA process' on page 181 of this Draft Letter of Offer.

VIII. PROCEDURE FOR APPLICATION THROUGH THE ASBA PROCESS

An Investor, wishing to participate in the Issue through the ASBA facility, is required to have an ASBA enabled bank account with SCSBs, prior to making the Application. Investors desiring to make an Application in the 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.

Investors 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.

SELF-CERTIFIED SYNDICATE BANKS

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to 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 the Issue and clear demarcated funds should be available in such account for such an Application.

Our Company, their directors, 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.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process.

ACCEPTANCE OF THIS ISSUE

Investors may accept this Issue and apply for the Rights Shares by submitting the Common Application Form to the Designated Branch of the SCSB or online/electronic Application 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 for 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.

Applications submitted to anyone other than the Designated Branches of the SCSB are liable to be rejected.

Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the section '**Application on Plain Paper under ASBA process**' on page 181 of this Draft Letter of Offer.

ADDITIONAL RIGHTS SHARES

Investors are eligible to apply for additional Rights Shares over and above their Rights Entitlements, provided that they are eligible to apply for Rights Shares under applicable law and they have applied for all the Rights Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Rights Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for additional Rights Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner prescribed under the section '**Basis of Allotment**' on page 191 of this Draft Letter of Offer

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

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date cannot renounce until the details of their demat account are provided to our Company or the Registrar and the dematerialized Rights Entitlements are transferred from suspense escrow demat account to the respective demat accounts of such Eligible Equity Shareholders within prescribed timelines. 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 Rights Shares while submitting the Application through ASBA process.

Do(s) for Investors applying through ASBA:

- (a) Ensure that the necessary details are filled in the Application Form including the details of the ASBA Account.
- (b) Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only.
- (c) 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.
- (d) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including Additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- (e) 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.
- (f) Ensure that you have a bank account with SCSBs providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.

- (g) 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.
- (h) 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.
- (i) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated Feb 13, 2020 read with press release dated June 25, 2021 and September 17, 2021.

Don't(s) for Investors applying through ASBA:

- (a) Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.
- (b) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.
- (c) Do not send your physical Application to the Registrar, the Banker to the Issue, 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.
- (d) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.
- (e) Do not submit Application Form using third party ASBA account.
- (f) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- (g) Do not submit multiple Applications.
- (h) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- (i) Do not pay the Application Money in cash, by money order, pay order or postal order.

IX. PROCEDURE FOR RENUNCIATION OF RIGHTS ENTITLEMENTS

The Investors 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 Stock Exchanges; or
- (b) through an off-market transfer, during the Renunciation Period.

The Investors should have the demat Rights Entitlements credited/lying in his/ her own demat account prior to the renunciation. In accordance with the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, , the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date shall be required to provide their demat account details to our Company or the Registrar to the Issue for credit of REs not later than two working days prior to issue closing date, such that credit of REs in their demat account takes place at least one day before issue closing date, thereby enabling them to renounce their Rights Entitlements through Off Market Renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository

mechanism.

Investors may be subject to adverse foreign, state, or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors 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. The Company accepts no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

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

ON MARKET RENUNCIATION

The Investors 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 Master Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on BSE Limited under RE ISIN [●] subject to requisite approvals. The details for trading in Rights Entitlements will be as specified by BSE Limited from time to time.

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

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the RE ISIN [●] and indicating the details of the Rights Entitlements they intend to sell. The Investors 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+1 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 Stock Exchanges and SEBI.

OFF MARKET RENUNCIATION

The Investors 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 account of the Renounees on or prior to the Issue Closing Date.

The Investors 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 RE ISIN [●], 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 Investors 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.

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 favour 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.

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

X. APPLICATION ON PLAIN PAPER UNDER ASBA PROCESS

An Eligible Equity Shareholder 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 Common 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. 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 address outside India.

PLEASE NOTE THAT THE ELIGIBLE EQUITY SHAREHOLDERS WHO ARE MAKING THE APPLICATION ON PLAIN PAPER SHALL NOT BEEN ENTITLED TO RENOUNCE THEIR RIGHTS ENTITLEMENTS AND SHOULD NOT UTILIZE THE COMMON APPLICATION FORM FOR ANY PURPOSE INCLUDING RENUNCIATION EVEN IF IT IS RECEIVED SUBSEQUENTLY. For details of the mode of payment, see **“Mode of Payment”** on page 183.

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 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 BFL Asset Finvest 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. Registered Folio Number/ DP and Client ID No.;
- d. Number of Equity Shares held as on Record Date;
- e. Allotment option – only dematerialised form;
- f. Number of Rights Shares entitled to;
- g. Number of Rights Shares applied for within the Rights Entitlements;

- h. Number of additional Rights Shares applied for, if any;
- i. Total number of Rights Shares applied for;
- j. Total amount paid at the rate of ₹ [●] /- per Rights Share which shall be blocked;
- k. Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
- l. In case of NR 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;
- m. 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 Rights Shares applied for pursuant to this Issue;
- 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);
- p. In addition, all such Eligible Equity Shareholders are deemed to have accepted the following:

I/ We understand that neither the Rights Entitlements nor the Rights Shares have been, or will be, registered under the US Securities Act of 1933, as amended (the 'US Securities Act'), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the 'United States'), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. I/we understand the Rights Shares referred to in this application are being offered and sold in offshore transactions outside the United States in compliance with Regulation S under the US Securities Act ('Regulation S') to existing shareholders located in jurisdictions where such offer and sale of the Equity Shares is permitted under laws of such jurisdictions. I/ we understand that the Issue is not, and under no circumstances is to be construed as, an offering of any Rights Shares or Rights Entitlements for sale in the United States, or as a solicitation therein of an offer to buy any of the said Rights Shares or Rights Entitlements in the United States. I/ we confirm that I am/ we are (a) not in the United States and eligible to subscribe for the Rights Shares under applicable securities laws, (b) complying with laws of jurisdictions applicable to such person in connection with the Issue, and (c) understand that neither the Company, nor the Registrar or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar to the Issue or any other person acting on behalf of the Company have reason to believe is in the United States or is outside of India and United States and ineligible to participate in this Issue under the securities laws of their jurisdiction.

I/ We will not offer, sell or otherwise transfer any of the Rights 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. I/ We satisfy, and each account for which I/ we are acting satisfies, (a) all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of my/our residence, and (b) is eligible to subscribe and is subscribing for the Rights Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.

I/we hereby make the representations, warranties, acknowledgments and agreements set forth in the section of the Draft

Letter of Offer.

I/ We understand and agree that the Rights Entitlements and Rights 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 acknowledge that we, the Company, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.'

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

Investors 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 Investor. The plain paper Application **format** will be available on the website of the Registrar.

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

XI. MODE OF PAYMENT

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

In case of Application through ASBA facility, the Investor agrees to block the amount payable on Application with the submission of the Common Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Common Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Common Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription 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 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.

The Investors would be required to give instructions to the respective SCSBs to block the entire amount payable on their Application at the time of the submission of the Common Application Form.

The SCSB may reject the application at the time of acceptance of Common Application Form if the ASBA Account, details of which have been provided by the Investor in the Common Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Common 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 hereinafter.

MODE OF PAYMENT FOR RESIDENT INVESTORS

- a) Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Rights 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.
- c) Ensure that there are sufficient funds (equal to {number of Rights Shares (including additional Rights Shares) applied for} X {Application Money of Rights Shares}) available in ASBA Account mentioned in the Common 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 amount payable on application mentioned in the Common Application Form, in the ASBA Account, of which details are provided in the Application 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 Common Application Form in physical form or plain paper Application.
- g) Ensure that the name(s) given in the Common Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Common 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 Common Application Form and the Rights Entitlement Letter. All payments on the Common Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

MODE OF PAYMENT FOR NON-RESIDENT INVESTORS

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

- a) Individual non-resident Indian Applicants who are permitted to subscribe to Rights Shares by applicable local securities laws can obtain Common Application Forms on the websites of the Registrar, our Company.

Note: In case of non-resident Eligible Equity Shareholders, the Abridged Letter of Offer, the Rights Entitlement Letter and the Common Application Form shall be sent to their email addresses if they have provided their Indian address to our Company or if they are located in certain jurisdictions (other than the United States and India) where the offer and sale of the Rights Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering such jurisdiction. The Letter of Offer will be provided, only through email, 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 Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions and in each case who make a request in this regard.

- b) Common Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Shares may be restricted by applicable securities laws.
- c) Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with

FEMA, FEMA Rules and requirements prescribed by the RBI.

NOTES:

- a) In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act.
- b) In case Rights Shares are allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Shares cannot be remitted outside India.
- c) In case of a Common 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 the RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.
- d) Common Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights 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.
- e) 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.
- f) Non-resident Renounees who are not Eligible Equity Shareholders must submit regulatory approval for applying for additional Rights Shares.

XII. 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 Master Circulars, the credit of Rights Entitlements and Allotment of Rights 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 Rights 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 resident 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. In the event, the relevant details of the demat accounts of such Eligible Equity Shareholders are not received during the Issue Period, then their Rights Entitlements kept in the suspense escrow demat account shall lapse.

To update respective email addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Equity Shareholders should visit website of Registrar.

PROCEDURE FOR APPLICATION BY ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date, i.e. [●] 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, email 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 email, 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 Eligible Equity Shareholders can access the Common Application Form from:

COMPANY	REGISTRAR	BSE LIMITED
www.bffin.com	www.mcsregistrars.com	www.bseindia.com

- d) Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., www.mcsregistrars.com) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e. www.bffin.com);
- e) The Eligible Equity Shareholders shall, on or before the Issue Closing Date, submit the Common Application Form to the Designated Branch of the SCSB or online/electronic Application 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.

In accordance with the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020,

PLEASE NOTE THAT NON-RESIDENT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE, i.e. [●] AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

ALLOTMENT OF THE RIGHTS SHARES IN DEMATERIALIZED FORM PLEASE NOTE THAT THE RIGHTS 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 INVESTOR ON THE RECORD DATE OR THE ISSUE CLOSING DATE, AS THE CASE MAY BE.

XIII. GENERAL INSTRUCTIONS FOR INVESTORS

- a) Please read this Draft Letter of Offer carefully to understand the Application process and applicable settlement process.
- b) Please read the instructions on the Common Application Form sent to you.
- c) The Common Application Form can be used by both the Eligible Equity Shareholders and the Renounees.
- d) Application should be made only through the ASBA facility.
- e) Application should be complete in all respects. The Common 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 Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Common Application Form are liable to be rejected. The Common Application Form must be filled in English.
- f) In case of non-receipt of Common Application Form, Application can be made on plain paper mentioning all necessary

details as mentioned under the section '**Application on Plain Paper under ASBA process**' on page 181 of this Draft Letter of Offer.

- g) In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Master Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.
- h) An Investor, 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.
- i) Applications should be 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 for Applications through ASBA process will be uploaded until 5:00 P.M. (Indian Standard Time) or such extended time as permitted by BSE Limited. Applications should not be submitted to the Bankers to the Issue or Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar.
- j) In case of Application through ASBA facility, Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Common Application Form.
- k) 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 Investors for which PAN details have not been verified shall be 'suspended for credit' and no Allotment and credit of Rights Shares pursuant to this Issue shall be made into the accounts of such Investors. Further, in case of Application in joint names, each of the joint Applicants should sign the Common Application Form.
- l) In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. Cash payment or payment by cheque or demand draft or pay order or NEFT or RTGS or through any other mode is not acceptable for application through ASBA process. In case payment is made in contravention of this, the Application will be deemed invalid and the Application Money will be refunded and no interest will be paid thereon.
- m) 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 Investors must sign the Application as per the specimen signature recorded with the SCSB.
- n) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Common 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.
- o) All communication in connection with Application for the Rights Shares, including any change in address 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 numbers/DP ID and Client ID and Common Application Form number, as applicable. In case of any change in address of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the 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.

- p) Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, Applications made through ASBA facility may be submitted at the Designated Branches of the SCSBs. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.
- q) In terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on their own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/ rights issues and clear demarcated funds should be available in such account for ASBA applications.
- r) Investors are required to ensure that the number of Rights Shares applied for by them do not exceed the prescribed limits under the applicable law.
- s) An Applicant being an OCB is required not to be under the adverse notice of the RBI and must submit approval from RBI for applying in this Issue.
- t) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated Feb 13, 2020 and press release dated June 25, 2021 and September 17, 2021.

XIV. GROUNDS FOR TECHNICAL REJECTION

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

- a) DP ID and Client ID mentioned in Application not matching with the DP ID and Client ID records available with the Registrar.
- b) Sending an Application to the Registrar to the Issue and Escrow Collection Banks (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 or our Company.
- c) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- d) Funds in the ASBA Account whose details are mentioned in the Common Application Form having been frozen pursuant to regulatory orders.
- e) Account holder not signing the Application or declaration mentioned therein.
- f) Submission of more than one Common Application Form for Rights Entitlements available in a particular demat account.
- g) Multiple Common Application Forms, including cases where an Investor submits Common Application Forms along with a plain paper Application.
- h) 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).
- i) 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.
- j) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.

- k) Common Application Forms which are not submitted by the Investors within the time periods prescribed in the Common Application Form and the Letter of Offer.
- l) Physical Common Application Forms not duly signed by the sole or joint Investors.
- m) Common Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
- n) If an Investor 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 Investor to subscribe to their Rights Entitlements.
- o) Applications which: (i) does not include the certifications set out in the Common Application Form; (ii) appears to us or our agents to have been executed in or dispatched from a Restricted Jurisdiction; (iii) where a registered Indian address is not provided; or (iv) where our Company believes that Common Application Form is incomplete or acceptance of such Common Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Shares in respect of any such Common Application Form.
- p) Applications which have evidence of being executed or made in contravention of applicable securities laws.

Depository account and bank details for Investors holding Equity Shares in demat accounts and applying in this Issue.

IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHTS SHARES IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE COMMON APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE COMMON APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE COMMON APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE COMMON APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Common Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, Investors 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 Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Common Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants.

By signing the Common Application Forms, the Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

The Allotment advice and the email intimating unblocking of ASBA Account or refund (if any) would be emailed to the address of the Investor as per the email 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 Rights Shares are not allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors

and none of our Company, the SCSBs or the Registrar to the Issue shall be liable to compensate the Investor 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 Investors (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such Common Application Forms are liable to be rejected.

XV. 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 Investors 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. 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. For details, see *'Procedure for Applications by Mutual Funds'* on page 196 of this Draft Letter of Offer.

In cases where multiple Common Application Forms are submitted, including cases where an Investor submits Common Application Forms along with a plain paper Application or multiple plain paper Applications, such Applications shall be treated as multiple applications and are liable to be rejected.

XVI. LAST DATE FOR APPLICATION

The last date for submission of the duly filled in the Common Application Form or a plain paper Application is [●], 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 Common Application Form is not submitted with an SCSB, uploaded with BSE Limited, the Application Money is not blocked with the SCSB or not received by the Bankers to the Issue or the Registrar 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 the 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 Rights Shares hereby offered, as provided under the paragraph titled **'Basis of Allotment'** on page 191 of this Draft Letter of Offer. Please note that on the Issue Closing Date for Applications through ASBA process shall be uploaded until 5:00 P.M. (Indian Standard Time) or such extended time as permitted by Stock Exchanges.

Please ensure that the Common Application Form and necessary details are filled in. In place of Application number, Investors 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.

XVII. 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, applying through ASBA facility, may withdraw their Application post the Issue Closing Date.

XVIII. ISSUE SCHEDULE

LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS	[●]
ISSUE OPENING DATE	[●]

LAST DATE FOR ON MARKET RENUNCIATION*	[●]
ISSUE CLOSING DATE#	[●]
FINALISATION OF BASIS OF ALLOTMENT (ON OR ABOUT)	[●]
DATE OF ALLOTMENT (ON OR ABOUT)	[●]
DATE OF CREDIT (ON OR ABOUT)	[●]
DATE OF LISTING (ON OR ABOUT)	[●]

* 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 a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that this Issue will not remain open in excess of 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, i.e. [●].

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, i.e. [●], 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 (2) Working Days prior to the Issue Closing Date, i.e., [●] 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. [●].

For details, please see the section titled '**General Information - Issue Schedule**' on page 43 of this Draft Letter of Offer.

XIX. BASIS OF ALLOTMENT

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

- a. Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renounee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part as adjusted for fractional entitlement.
- b. As per SEBI Master Circular, 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 Rights Share each if they apply for additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights 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 Rights Equity Shares offered to them as part of this Issue, have also applied for additional Rights Equity Shares. The Allotment of such additional Rights 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, i.e. [●], provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board or our duly authorized committee in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- d. Allotment to Renounees who having applied for all the Rights Equity Shares renounced in their favour, have applied for additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above.

The Allotment of such Rights 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, that our Board or a duly authorized committee may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board or a duly authorized committee in this regard shall be final and binding.
- f. After taking into account Allotment to be made under (a) to (e) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed' for the purpose of Regulation 3(1)(b) of the SEBI Takeover Regulations.
- g. Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the ASBA Investors who have been allocated Rights Equity Shares in this Issue, along with:
 - a) 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;
 - b) The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
 - c) The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.
 - d) In the event of over subscription, Allotment shall be made within the overall size of the Issue.

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 on or before T+1 day (T: Basis of allotment day). In case of failure to do so, our Company shall pay interest at 15% p.a. or such other rate as specified under applicable law from the expiry of such 15 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 email, to the email address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, refunds 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.

- a. Unblocking amounts blocked using ASBA facility.
- b. **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 a Magnetic Ink Character Recognition (“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.
- c. **National Electronic Fund Transfer (“NEFT”)** – Payment of refund shall be undertaken through NEFT wherever the Investors’ 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 at a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered 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 Investors through this method.
- d. **Direct Credit** – Investors having bank accounts with the Bankers 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.
- e. **RTGS** – If the refund amount exceeds ₹2,00,000/-, the Investors have the option to receive refund through RTGS. Such eligible Investors 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 Investor’s bank receiving the credit would be borne by the Investor.
- f. For all other Investors, 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 demand drafts drawn in favor of the sole/first Investor and payable at par. Such orders shall be dispatched by registered post, where the value is ₹1,500/- or more.
- g. Credit of refunds to Investors 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 FCNR/NRE Account of the non-resident Applicants, details of which were provided in the Common Application Form.

Allotment Advice or Demat Credit of Securities

The demat credit of securities to the respective beneficiary accounts or the demat suspense account (in case of credit of the Rights Equity Shares returned/ reversed/ failed) will be credited within 15 days from the Issue Closing Date or such other

timeline in accordance with applicable laws.

Receipt of the Rights Equity Shares in Dematerialized Form

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 PENDING RECEIPT OF DEMAT ACCOUNT DETAILS FOR RESIDENT ELIGIBLE EQUITY SHAREHOLDERS WHERE THE CREDIT OF THE RIGHTS EQUITY SHARES RETURNED/REVERSED/FAILED.

Investors shall be allotted the Rights Equity Shares in dematerialized (electronic) form. Our Company has signed an agreement dated July 24, 2014 with NSDL and an agreement dated June 26, 2014 with CDSL which enables the Investors 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.

INVESTORS 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 Rights Equity Shares in this Issue in the dematerialized form is as under:

1. 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 Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for step.
2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Common Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Common Application Form should be the same as registered with the Investor's depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Common Application Form, the Investor will not get any Rights Equity Shares and the Common Application Form will be rejected.
5. The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Common 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 email 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 Rights Shares to the Applicant's depository account.
6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, by email and, if the printing is feasible, through physical dispatch.

7. Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

Eligible Equity Shareholders, who hold Equity Shares in physical form and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, shall not be able to apply in this Issue for further details, please refer to '**Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form**' on page 185 of this Draft Letter of Offer.

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 investor group (which means multiple entities registered as foreign portfolio investors 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 investor 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 investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will also be required to comply with applicable reporting requirements. Further, the aggregate limit of all FPIs investments, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which our Company operates (i.e., 100%).

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which maybe specified by the Government from time to time. 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 (iv) 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:

- a. such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and
- b. Prior consent of the FPI is obtained for such transfer, except when the persons to whom the off shore derivative instruments are to be transferred to are pre – approved by the FPI.

Procedure for Applications by AIFs, FVCIs and VCFs

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.

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 / centers where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

Applications will not be accepted from FPIs in restricted jurisdictions.

FPIs which are QIBs, Non-Institutional Investors or whose application amount exceeds ₹ 2 lacs can participate in the Rights Issue only through the ASBA process. Further, FPIs which are QIB applicants and Non-Institutional Investors are mandatorily required to use ASBA, even if application amount does not exceed ₹ 2 lacs.

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 recognised 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 incorporated 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 Investors**'), 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 Investors will also require prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

Procedure for Applications by Mutual Funds

Applications made by asset management companies or custodians of Mutual Funds should clearly and specifically state names of the concerned schemes for which such Applications are made.

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.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital

carrying voting rights.

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

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

IMPERSONATION

As a matter of abundant caution, attention of the Investors 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 for fraud involving an amount of at least ₹ 10 Lakh 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 upto three times of such amount. In case the fraud involves (i) an amount which is less than ₹ 10 Lakh 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 ₹ 50 Lakh or with both.

Payment by stock invest

In terms of the 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.

XX. DISPOSAL OF APPLICATION AND APPLICATION MONEY

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

Our Board or our duly authorized committee 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 Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 15 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 Common Application Form carefully.

XXI. 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) shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies had 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.

XXII. UNDERTAKINGS BY OUR COMPANY

Our Company hereby undertakes the following:

1. The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
2. All steps for completion of the necessary formalities for listing and commencement of trading at BSE Limited will be taken within the time limit specified by SEBI.
3. The funds required for making refunds to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
4. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 15 (Fifteen) 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.
5. 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.
6. Adequate arrangements shall be made to collect all ASBA Applications.
7. Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.
8. Our Company accepts full responsibility for the accuracy of information given in this Draft Letter of Offer and confirms that to the best of its knowledge and belief, there are no other facts the omission of which makes any statement made in this Draft Letter of Offer misleading and further confirms that it has made all reasonable enquiries to ascertain such facts.

XXIII. MINIMUM SUBSCRIPTION

The objects of the Issue are funding long-term working capital requirements and General Corporate Purpose, and do not involve financing of capital expenditure for a project. Further, our promoter has given an undertaking that they will subscribe fully to their portion of right entitlement and will not renounce their rights except to the extent of renunciation within the promoter group. Accordingly, in terms of Regulation 86(1) of the SEBI ICDR Regulations, the requirement of minimum subscription is not applicable to the Issue.

IMPORTANT

1. Please read the Draft Letter of Offer carefully before taking any action. The instructions contained in the Common Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of this Draft Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected.
2. All enquiries in connection with the Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Common Application Form must be addressed (quoting the Registered Folio Number or the DP ID and Client ID number, the Common Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Common Application Form and super scribed 'BFL Asset Finvest Limited– Rights Issue' on the envelope and postmarked in India or in the email) to the Registrar at the following address:

MCS Share Transfer Agent Limited

179-180, DSIDC Shed, 3rd Floor Okhla Industrial Area, Phase – 1 New Delhi – 110020, India

Contact Number: 011-41406149

Investor grievance e-mail: mcssta@rediffmail.com

Website: www.mcsregistrars.com

Contact Person: Mr. Narender Negi;

SEBI Registration Number: INR000004108;

3. In accordance with SEBI Master Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar (www.mcsregistrars.com). Further, helpline numbers provided by the Registrar for guidance on the Application process and resolution of difficulties are : 011-41406149
4. This Issue will remain open for a minimum 7 (Seven) days. However, our Board or our duly authorized committee 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).

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

There are two routes through which foreign investors may invest in India. One is the 'automatic route', where no government approval is required under Indian foreign exchange laws to make an investment as long as it is within prescribed thresholds for the relevant sector. The other route is the 'government route', where an approval is required under foreign exchange laws from the relevant industry regulator, prior to the investment.

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 way 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 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), 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:

1. The activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI (SAST) Regulations;
2. The non- resident shareholding is within the sectoral limits under the FDI Policy; and
3. 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 to make any investment in the Issue.

The Company will not be responsible for any allotments made by relying on such approvals. Please also note that pursuant to

Circular no. 14 dated September 16, 2003, issued by RBI, Overseas Corporate Bodies 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 the Draft 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.

SECTION X – OTHER INFORMATION

Please note that the Rights Equity Shares applied for under this Issue can be allotted only in dematerialised 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, or (c) demat suspense account where the credit of the Rights Entitlements returned/reversed/failed.

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following material documents and contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered more than 2 (Two) years prior to the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the aforementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10:00 A.M. (Indian Standard Time) and 5:00 P.M. (Indian Standard Time) on all Working Days from the date of the Draft Letter of Offer until the Issue Closing Date.

MATERIAL CONTRACTS FOR THE ISSUE

1. Registrar Agreement dated June 04, 2024 between our Company and the Registrar to the Issue;
2. Bankers to the Issue Agreement dated [●] among our Company, the Registrar to the Issue and the Bankers to the Issue;

MATERIAL DOCUMENTS IN RELATION TO THE ISSUE

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company;
2. Certificate of incorporation of our Company, certificate of commencement of business and Fresh Certificate of incorporation consequent on change of name;
3. Certificate of Registration from Reserve Bank of India dated July 30, 2007;
4. Copies of annual reports for the preceding 5 (Five) Financial Years and unaudited limited reviewed financial results for the nine-year ended on December 31, 2024.
5. Resolution of our Board of Directors dated February 10, 2025, approving the Issue;
6. Resolution of our Rights Issue Committee dated February 10, 2025, approving this Draft Letter of Offer;
7. Resolution of our Rights Issue Committee dated [●], finalizing the terms of the Issue including Issue Price, Record Date and the Rights Entitlement Ratio;
8. Consents of our Directors, Bankers to our Company, Bankers to the Issue, and the Registrar to the Issue for inclusion of their names in the Draft Letter of Offer to act in their respective capacities;
9. Statement of Special Tax Benefits dated February 04, 2025, for our Company as received from the Statutory Auditors of our Company;
10. In-principle approval issued by BSE Limited vide their letter bearing reference number '[●]' dated [●];
11. Tripartite Agreement dated June 26, 2014 between our Company, Central Depository Services (India) Limited (CDSL) and Registrar to the Issue;
12. Tripartite Agreement dated July 24, 2014 between our Company, National Securities Depository Ltd. (NSDL) and Registrar to the Issue;
13. Any of the contracts or documents mentioned in this Draft 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 notice to the Eligible Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATIONS

DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time. I further certify that all the legal requirements connected with the Issue as also the circulars, guidelines, instructions, etc., issued by the Stock Exchange where the shares of the Company are listed and SEBI, Government of India and/or any other competent authority in this behalf, have been duly complied with. I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

Signed by the Director of our Company

Sd/-
Mahendra Kumar Baid
Managing Director
DIN: 00009828

Place: Jaipur
Date: February 03, 2025

DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time. I further certify that all the legal requirements connected with the Issue as also the circulars, guidelines, instructions, etc., issued by the Stock Exchange where the shares of the Company are listed and SEBI, Government of India and/or any other competent authority in this behalf, have been duly complied with. I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

Signed by the Director of our Company

Sd/-

Aditya Baid

Non-Executive Director

DIN: 03100584

Place: Jaipur

Date: February 03, 2025

DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time. I further certify that all the legal requirements connected with the Issue as also the circulars, guidelines, instructions, etc., issued by the Stock Exchange where the shares of the Company are listed and SEBI, Government of India and/or any other competent authority in this behalf, have been duly complied with. I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

Signed by the Director of our Company

Sd/-

Alpana Baid

Non-Executive Director

DIN: 06362806

Place: Jaipur

Date: February 03, 2025

DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time. I further certify that all the legal requirements connected with the Issue as also the circulars, guidelines, instructions, etc., issued by the Stock Exchange where the shares of the Company are listed and SEBI, Government of India and/or any other competent authority in this behalf, have been duly complied with. I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

Signed by the Director of our Company

Sd/-

**Amit Kumar Parashar
Independent Director
DIN: 07891761**

Place: Jaipur

Date: February 03, 2025

DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time. I further certify that all the legal requirements connected with the Issue as also the circulars, guidelines, instructions, etc., issued by the Stock Exchange where the shares of the Company are listed and SEBI, Government of India and/or any other competent authority in this behalf, have been duly complied with. I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

Signed by the Director of our Company

Sd/-

Ajay Agarwal

Independent Director

DIN: 10727170

Place: Jaipur

Date: February 03, 2025

DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time. I further certify that all the legal requirements connected with the Issue as also the circulars, guidelines, instructions, etc., issued by the Stock Exchange where the shares of the Company are listed and SEBI, Government of India and/or any other competent authority in this behalf, have been duly complied with. I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

Signed by the Director of our Company

**Sd/-
Kuldeep Jain
Independent Director
DIN: 08189540**

**Place: Jaipur
Date: February 03, 2025**