

# BF INVESTMENT LIMITED



**KALYANI**  
DRIVING INNOVATION

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## BOARD OF DIRECTORS

|                    |   |
|--------------------|---|
| Mr. A. B. Kalyani  | Chairman, Non-Executive Non-Independent Director  |
| Mr. B. B. Hattarki | Non-Executive Independent Director<br>(retired w.e.f. 31-03-2024 end of business hours) |
| Mr. M. U. Takale   | Non-Executive Non-Independent Director  |
| Ms. A. A. Sathe    | Non-Executive Independent Director  |
| Mr. S. G. Joglekar | Non-Executive Independent Director  |
| Mr. B. S. Mitkari  | Non-Executive Director  |
| Mr. V. S. Kulkarni | Non-Executive Independent Director (Appointed w.e.f. 30-04-2024)                        |

## COMPANY SECRETARY

Mrs. Gayatri Pendse Karandikar

## CHIEF EXECUTIVE OFFICER & CHIEF FINANCIAL OFFICER

Mr. Akshay P. Jagtap (Appointed w.e.f. 15-05-2024)

## STATUTORY AUDITORS

P. G. Bhagwat LLP Chartered Accountants

## SECRETARIAL AUDITORS

SVD & Associates Practicing Company Secretaries

## BANKERS

HDFC Bank Limited  
ICICI Bank Limited  
Punjab National Bank

## REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Private Limited  
'Akshay' Complex, Block No. 202, 2<sup>nd</sup> Floor,  
Near Ganesh Temple, Off Dhole Patil Road, Pune - 411 001  
Tel.: +91 (20) 2616 1629 / 2616 0084  
Email: [pune@linkintime.co.in](mailto:pune@linkintime.co.in)

## REGISTERED OFFICE

BF Investment Limited  
Mundhwa, Pune Cantonment,  
Pune 411 036, Maharashtra, India.  
Phone: +91-77190 05777  
E-mail : [Secretarial@bfilpune.com](mailto:Secretarial@bfilpune.com)  
Website : <http://www.bfilpune.com>  
CIN : L65993PN2009PLC134021

## INFORMATION FOR SHAREHOLDERS

Annual General Meeting  
Day & Date : Wednesday, 31<sup>st</sup> July, 2024  
Time : 11.00 a.m.  
Venue : AGM will be held through VC/OAVM  
Date of Book Closure : Wednesday, 31<sup>st</sup> July, 2024



## BF INVESTMENT LIMITED

Registered Office : Mundhwa, Pune Cantonment, Pune 411 036.

CIN : L65993PN2009PLC134021

Phone No: +91-77190 05777

Website : <https://www.bfilpune.com/index.html>

Email Id: [secretarial@bfilpune.com](mailto:secretarial@bfilpune.com)

### NOTICE OF THE 15<sup>TH</sup> ANNUAL GENERAL MEETING

NOTICE is hereby given that the Fifteenth Annual General Meeting of the Members of BF Investment Limited will be held on Wednesday, 31<sup>st</sup> day of July, 2024, at 11.00 a.m. Indian Standard Time (IST) through Video Conference ("VC") / Other Audio Visual Means ("OAVM") facility, to transact the following business:

#### ORDINARY BUSINESS:

1. To consider and adopt :

- a) the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2024, the reports of the Board of Directors and Auditors thereon.
- b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2024 and the report of the Auditors thereon.

2. To appoint a director in place of Mr. B.S. Mitkari (DIN: 03632549), who retires by rotation and being eligible offers himself for re-appointment.

#### SPECIAL BUSINESS:

3. Payment of commission to Non-Executive Director

To consider and if thought fit, to pass, with or without modifications the following resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT pursuant to Section 197 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the consent of the Company be and is hereby accorded to pay a commission of upto Rs. 2,15,00,000/- to Mr. A. B. Kalyani, Non-Executive Director of the Company for the financial year ended 31<sup>st</sup> March, 2024".

By Order of the Board  
For BF Investment Limited

Gayatri Pendse Karandikar  
Company Secretary  
Membership No. A64136

Place : Pune  
Date : May 30, 2024

**Registered Office:**  
Mundhwa Pune cantonment Pune MH 411036 IN  
CIN: L65993PN2009PLC134021  
E-mail Id: [Secretarial@bfilpune.com](mailto:Secretarial@bfilpune.com)  
Website: [www.bfilpune.com](http://www.bfilpune.com)

## NOTES :

1. The Ministry of Corporate Affairs ("MCA") has vide its General Circular No.14/2020 dated April 8, 2020, General Circular No.17/2020 dated April 13, 2020, General Circular No. 03/2022 dated May 05, 2022, General Circular No. 10/2022 dated December 28, 2022 and General Circular No. 09/2023 dated September 25, 2023 respectively and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 read with Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 issued by Securities and Exchange Board of India ("SEBI") (collectively referred to as "MCA and SEBI Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA and SEBI Circulars, the AGM of the Company is being held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
2. In compliance with the provisions of the Companies Act, 2013 ("the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and MCA and SEBI Circulars, the fifteenth Annual General Meeting ("Meeting" or "AGM") of the Company is being held through VC / OAVM on Wednesday, 31st day of July, 2024, at 11.00 a.m. (IST). The proceedings of the AGM deemed to be conducted at the Registered Office of the Company situated at Mundhwa Pune Cantonment Pune Maharashtra 411036 India.
3. The Register of Members and Share Transfer Books of the Company will remain closed on Wednesday, 31st day of July, 2024 for taking record of the Members of the Company for the purpose of 15<sup>th</sup> (Fifteenth) Annual General Meeting.
4. Pursuant to the MCA and SEBI Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. Mr. Sridhar Mudaliar, Practicing Company Secretary (Membership No. FCS 6156 & CP No. 2664), failing him, Mrs. Sheetal Joshi (Membership No. FCS 10480 & CP No 11635), Partners of SVD & Associates have been appointed as the Scrutinizer by the Board for providing a facility to the Members of the Company to scrutinize the remote e-Voting process before the AGM as well as remote e-Voting during the AGM fairly and transparently.
8. The Explanatory Statement according to Section 102 of the Act setting out material facts concerning the business under Item No. 3 of the Notice is annexed hereto. The relevant details, pursuant to Regulations 36 (3) of the Listing Regulations and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/ re-appointment at the AGM are provided as an annexure to the Notice. Requisite declarations have been received from the Directors for seeking appointment/ re-appointment.
9. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the MCA and SEBI Circulars the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
10. In line with the MCA and SEBI Circulars, the Notice calling the AGM has been uploaded on the website of the Company at [www.bfilpune.com/AnnualReports.html#](http://www.bfilpune.com/AnnualReports.html#). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
11. In case of any change of address or queries relating to their shares please contact to R & T Agent Link Intime India Pvt. Ltd. at the address given in the Annual Report.
12. Members holding more than one share in the same name or joint names in the same order but under different ledger folios are requested to apply for consolidation of such folios into a single folio and accordingly send a request letter duly signed by the shareholder and the relevant share certificates alongwith the self-attested copy of Permanent Account Number (PAN) card and Aadhar card to the Company, to enable us to consolidate all such multiple folios into one single folio.

13. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available for electronic inspection for the Members without any fee from the date of circulation of this Notice upto the date of AGM, i.e. 31<sup>st</sup> July, 2024. Members seeking to inspect can send an e- mail to secretarial department of the Company at [Secretarial@bfilpune.com](mailto:Secretarial@bfilpune.com)
14. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.
15. SEBI vide its circular No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 has mandated that w.e.f. April 1, 2019 except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. In light of same, shareholders are requested to kindly convert their physical shares in Demat form to avoid hassle in transfer of shares.
16. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrar and Share Transfer Agent, Link Intime India Pvt. Ltd. ("Registrar" or "RTA") at the address given in Annual Report for assistance in this regard.
17. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
18. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of Bank and branch details, bank account number, MICR code, IFSC code etc.

| Type of holder | Process to be followed   |             |
|----------------|--|-------------|
| Demat          | Please contact your DP, register your email address, and bank account details in your demat account, as per the process advised by your DP   |             |
| Physical       | For availing the following investor services, send a written request in the prescribed forms to the RTA of the Company, Link Intime India Private Limited either by email to <a href="mailto:pune@linkintime.co.in">pune@linkintime.co.in</a> or by post to Link Intime India Private Limited 'Akshay' Complex, Block No. 202, 2nd Floor, Near Ganesh Temple, Off Dhole Patil Road, Pune - 411 001 |             |
|                | Form for availing investor services to register PAN, email address, bank details and other KYC details or changes/update thereof for securities held in physical mode  | Form ISR-1  |
|                | Update of signature of securities holder   | Form ISR-2  |
|                | For nomination as provided in the Rule 19(1) of Companies (Share Capital and Debenture) Rules, 2014  | Form SH-13  |
|                | Cancellation of nomination by the holder(s) (along with ISR-3)/ Change of Nominee  | Form SH-14  |
|                | Form for requesting issue of Duplicate Certificate and other service requests for shares held in physical form   | Form ISR- 4 |
|                | Members may download all the forms from website of the Company or RTA i.e., <a href="http://www.bfilpune.com">www.bfilpune.com</a> or <a href="https://web.linkintime.co.in/downloads.html">https://web.linkintime.co.in/downloads.html</a>  |             |

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

The remote e-voting period begins on Sunday, 28<sup>th</sup> July, 2024 at 09:00 A.M. (IST) and ends on Tuesday, 30<sup>th</sup> July, 2024 at 05:00 P.M. (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, 24<sup>th</sup> July, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 24<sup>th</sup> July, 2024.

**How do I vote electronically using NSDL e-Voting system?**





The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

| Type of shareholders  | Login Method  |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"> <li>Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <p><b>NSDL Mobile App is available on</b></p> <p> <b>App Store</b>     <b>Google Play</b></p> <div style="display: flex; justify-content: space-around;">   </div> |
| Individual Shareholders holding securities in demat mode with CDSL  | <ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website</li> </ol>   |

| Type of shareholders   | Login Method  |
|--|---|
|  | <p><a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</p> <ol style="list-style-type: none"> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol> |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.  |

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

| Login type   | Helpdesk details   |
|--|--|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000                    |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33 |

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is:  |
|--|---|
| a) For Members who hold shares in demat account with NSDL.     | 8 Character DP ID followed by 8 Digit Client ID<br>For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.   |
| b) For Members who hold shares in demat account with CDSL.     | 16 Digit Beneficiary ID<br>For example if your Beneficiary ID is 12***** then your user ID is 12*****.  |
| c) For Members holding shares in Physical Form.                | EVEN Number followed by Folio Number registered with the company<br>For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
- a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [cs@svdandassociates.com](mailto:cs@svdandassociates.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Rimpa Bag at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [Secretarial@bfilpune.com](mailto:Secretarial@bfilpune.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [Secretarial@bfilpune.com](mailto:Secretarial@bfilpune.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. [Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.](#)**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

#### **THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

#### **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company

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name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [Secretarial@bfilpune.com](mailto:Secretarial@bfilpune.com). The same will be replied by the Company suitably.
6. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [Secretarial@bfilpune.com](mailto:Secretarial@bfilpune.com). The shareholders who do not wish to speak during the fifteenth AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [Secretarial@bfilpune.com](mailto:Secretarial@bfilpune.com). These queries will be replied to by the Company suitably by email.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

The Scrutinizer will submit his report to the Chairman or any person authorized by the Chairman after the completion of scrutiny and the result of the voting will be declared within two working days from the conclusion of the meeting. The declared results along with the Scrutinizer Report will also be displayed on the website of the Company at [www.bfilpune.com](http://www.bfilpune.com) and will simultaneously be communicated to BSE Limited and National Stock Exchange of India Limited where equity shares of the Company are listed.

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## ANNEXURE TO THE NOTICE

### EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

As required by Section 102(1) of the Companies Act, 2013 ("the Act"), the following Explanatory Statement sets out the material facts relating to the Special Business mentioned under item No. 3 in the accompanying Notice:

#### Item No. 3

##### Payment of Commission to Non-Executive Director

Mr. A. B. Kalyani is a Non-Executive Director of the Company since past fifteen years. He has played a very active role, as a member of the Board, in formulating and advising on various investment and growth strategies of the Company.

The Company has immensely benefited because of his special efforts and the same is reflected in the revenues and profits over the past several years. Apart from the payment of sitting fees for attending the Board meetings, the Company does not pay any remuneration to Mr. Kalyani. It is, therefore, proposed to pay him a commission of upto Rs.2,15,00,000/- for the Financial Year 2023-24.

Except for Mr. A. B. Kalyani, none of the Directors or Key Managerial Personnel of the Company or their respective relatives are in any way concerned or interested in the resolution set out at Item No. 3 of the Notice.

The Board recommends the resolution set out at Item No. 3 of the Notice, for the approval of the members of the Company as per Regulation 17(6)(ca) of Listing Regulations.

**ANNEXURE - A**

Additional information as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 in respect of the Director's appointment/re-appointment is provided below:

|   |  |
|---|--|
| Name of the Director  | Mr. B. S. Mitkari  |
| Director Identification Number  | 03632549   |
| Date of Birth and Age   | February 06, 1967/ 57 Years  |
| Brief Resume of the Director  | Mr. B. S. Mitkari is a qualified Company Secretary (Fellow member of the ICSI) and Cost & Management Accountant (Associate Member of ICMAI) with vast experience in Accounts, Corporate Laws and business operations for last 32 years. He graduated in Commerce from Pune University in 1987 and qualified as a Company Secretary and Cost & Management Accountant in 1990. |
| Nature of expertise in specific functional areas / skills / capabilities  | Legal and Regulatory knowledge, Finance & Accounting, Corporate laws, Legal and Operations   |
| Date of first appointment on the Board  | 01/04/2019   |
| Disclosure of relationships between Directors inter-se  | Not related to any Director/ KMP   |
| Number of Meetings of the Board attended during the year  | 5 meetings   |
| Directorships held in other Listed Companies (including resignation, if any, in other listed companies in the past three years)                           | i) BF Utilities Limited  |
| Committee Memberships / Chairmanships held in other Listed companies  | Nil  |
| Shareholding in the Company as on March 31, 2024  | Nil  |
| Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid and the remuneration last drawn by such person | He shall continue to be subject to terms and conditions of his appointment as Non-Executive Director. He being a Non-Executive Director is entitled only to commission, if any, paid to the Non-Executive Directors as per the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015.  |

By Order of the Board  
For BF Investment Limited

Gayatri Pendse Karandikar  
Company Secretary  
Membership No. A64136

Place : Pune  
Date : May 30, 2024

**Registered Office:**  
Mundhwa Pune cantonment Pune MH 411036 IN  
CIN: L65993PN2009PLC134021  
E-mail Id: [Secretarial@bfilpune.com](mailto:Secretarial@bfilpune.com)  
Website: [www.bfilpune.com](http://www.bfilpune.com)

## REPORT ON CORPORATE GOVERNANCE

(Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, herein after called "Listing Regulations")

### 1. Company's Philosophy on Corporate Governance

The Securities and Exchange Board of India (SEBI) has prescribed a set of standards on corporate governance for the listed companies.

The Company has included a compliance report on Corporate Governance in its Annual Report in the spirit of transparency in management and best board practices. This Chapter of the report, plus the information given under 'Management Discussion and Analysis' and 'Shareholder Information' constitute such a compliance report on corporate governance during 2023-24.

The Company has adhered to the requirements stipulated under Regulations 17 to 27 read with Para C and D of Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as applicable with regard to Corporate Governance.

### 2. Board of Directors

#### Composition of the Board

The Company has an active, experienced, diverse and a well-informed Board. The Board along with its Committees undertakes its fiduciary duties keeping in mind the interests of all its stakeholders and the Company's Corporate Governance philosophy. The Board periodically evaluates the need for change in its composition and size.

In terms of Regulation 17 of the SEBI Listing Regulations, at least 50% of the Board should comprise Non-Executive Independent Directors with at least one Woman Director. Out of total 6 Directors as on March 31, 2024, the Non-Executive Independent Directors constitute 50% of the Board. The Company has one Women Director on the Board as on the said date who is holding her office as Non-Executive Independent Director.

Detailed profile of the Directors is available on the Company's website at <https://www.bfilpune.com/board-committees.html>

The Board met five (5) times during FY 2023-24 on the following dates:

- May 26, 2023
- July 17, 2023
- August 11, 2023
- November 10, 2023
- February 13, 2024

The gap between two Meetings did not exceed 120 days and the Meetings were conducted in compliance with all applicable laws. The necessary quorum was present for all the Board Meetings.

#### Category and Attendance of Directors:

The category of Directors, attendance at Board Meetings held during the financial year under review, the number of Directorships and Committee Chairpersonships/Memberships held by them in other public limited companies and Directorships held by them in other listed entities including this company as on March 31, 2024 are as follows:

| Sr. No. | Name of Director               | No. of shares held by Non-Executive Directors | No. of Directorships in other public companies # | No. of Committee positions held in other public companies* |        | No. of Board Meetings held | Attendance at the meetings |                |
|---------|--------------------------------|---|--|--|--------|----------------------------|----------------------------|----------------|
|         |                                |   |  | Chairman   | Member |                            | Board                      | AGM 26-09-2023 |
|         | Executive Director             | NA  | NA   | NA   | NA     | NA                         | NA                         | NA             |
|         | Non-Executive Directors        |   |  |  |        |                            |                            |                |
| 1       | Mr. A. B. Kalyani <sup>®</sup> | 28,220  | 7  | 0  | 2      | 5                          | 2                          | Yes            |
| 2       | Mr. M. U. Takale               | 0   | 3  | 1  | 1      | 5                          | 3                          | Yes            |
| 3       | Mr. B. S. Mitkari              | 0   | 5  | 0  | 0      | 5                          | 5                          | Yes            |
|         | Independent Directors          |   |  |  |        |                            |                            |                |
| 4       | Mr. B. B. Hattarki             | 0   | 7  | 5  | 10     | 5                          | 5                          | Yes            |
| 5       | Ms. A. A. Sathe                | 0   | 2  | 0  | 3      | 5                          | 1                          | Yes            |
| 6       | Mr. S. G. Joglekar             | 200   | 4  | 2  | 6      | 5                          | 5                          | Yes            |

Note:

- <sup>®</sup> Promoters within the meaning of Securities Exchange Board of India (SEBI) (Substantial Acquisition of Shares & Takeover) Regulations, 2011.

# Other Directorships exclude directorships in private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 and includes this company.

\* For this purpose only Audit and Stakeholders' Relationship Committees of the Public Limited Companies have been considered

The fourteenth (14th) Annual General Meeting ('e-AGM') of the Company for the Financial Year ('FY') 2022-23 was held on September 26, 2023 through video conferencing ('VC') / other audio visual means ('OAVM') in accordance with the relevant circulars issued by the Ministry of Corporate Affairs ('MCA') and the Securities and Exchange Board of India ('SEBI'). All the Directors of the Company were present at the 14<sup>th</sup> AGM.

Directors and their Directorships in other listed Companies are as under:

| Sr. | Name of the Director                   | Name of the listed entities in which Director holds Directorship  | Category of Directorship   |
|-----|--|---|--|
| 1   | Mr. A. B. Kalyani<br>(DIN : 00089430)  | 1 Bharat Forge Ltd.<br>2 Kalyani Steels Ltd.<br>3 Kalyani Investment Company Ltd.<br>4 Hikal Ltd.<br>5 BF Utilities Ltd.<br>6 Schaeffler India Ltd. | Executive Director<br>Director<br>Director<br>Director<br>Director<br>Independent Director   |
| 2   | Mr. B. B. Hattarki<br>(DIN : 00145710) | 1 *BF Utilities Ltd.<br>2 Kalyani Investment Company Ltd.<br>3 Automotive Axles Ltd<br>4 Kalyani Steels Ltd.  | Independent Director<br>Independent Director<br>Independent Director<br>Independent Director |
| 3   | Mr. M. U. Takale<br>(DIN : 01291287)   | 1 Kalyani Steels Ltd.   | Director   |
| 4   | Ms. A. A. Sathe<br>(DIN : 06925030)    | 1 BF Utilities Ltd.   | Independent Director   |
| 5   | Mr. S. G. Joglekar<br>(DIN : 00073826) | 1 Kalyani Investment Company Ltd.<br>2 Kalyani Steels Limited   | Independent Director<br>Independent Director   |
| 6   | Mr. B. S. Mitkari<br>(DIN: 03632549)   | 1 BF Utilities Ltd.   | Whole time Director  |

\* Ceased as Director w.e.f close of business hours on March 31, 2024 after completing his 2<sup>nd</sup> Consecutive Term as Independent Director.

Notes :

- Directorships held in foreign companies, private limited companies, one person companies and companies under Section 25 of the Companies Act, 1956 / under Section 8 of the Companies Act, 2013 have not been considered.
- None of the Directors on the Board is a Director of more than Seven listed companies.

None of the Directors are related to any other Director of the Company within the meaning of Section 2(77) of the Companies Act, 2013 and rules thereof.

**Shareholding of Directors as on March 31, 2024:**

| Sr. No. | Name of Director   | Category | Equity Shares of Rs.5 each |
|---------|--------------------|----------|----------------------------|
| 1       | Mr. A. B. Kalyani  | NED      | 28,220                     |
| 2       | Mr. B. B. Hattarki | ID       | NIL                        |
| 3       | Mr. M. U. Takale   | NED      | NIL                        |
| 4       | Ms. A. A. Sathe    | ID       | NIL                        |
| 5       | Mr. S. G. Joglekar | ID       | 200                        |
| 6       | Mr. B. S. Mitkari  | NED      | NIL                        |

*NED - Non-Executive Director; ID - Independent Director;*

Apart from the above, no Director holds any shares in the Company. The Company has not issued any convertible instruments

None of the Directors of the Company is related to each other and there are no *inter se* relationships between the Directors.

None of the Directors on the Board is a Member of more than 10 Committees and Chairperson of more than 5 Committees (Committees being Audit Committee and Stakeholders Relationship Committee as per Regulation 26(1) of the SEBI Listing Regulations) across all the public companies in which he/she is a Director. All the Directors have made the requisite disclosures regarding committee positions held by them in other companies.

None of the Directors hold office in more than 10 public limited companies as prescribed under Section 165(1) of the Act. No Director holds directorships in more than 7 listed companies. None of the Non-Executive Directors is an Independent Director in more than 7 listed companies as required under the SEBI Listing Regulations. Further, the CEO does not serve as Independent Director in any listed company.

#### Key Skills, Expertise and Competencies of the Board of Directors

The Board of the Company is highly structured to ensure a high degree of diversity by age, education/qualifications, professional background, sector expertise, special skills and geography. The Board of Directors have, based on the recommendations of the Nomination & Remuneration Committee, identified the following core skills/expertise/competencies as required in the context of the businesses and sectors of the Company for its effective functioning and the same is mapped against each of the Directors:

| Skill                          | Skill definitions  |
|--------------------------------|--|
| Business Acumen                | Ability to understand business environment and identify new business opportunities |
| Leadership                     | Ability to lead a large team of professionals                                      |
| Technology                     | Passion for technology upgradation   |
| Legal and Regulatory knowledge | Understanding of regulatory and legal frameworks in Taxation                       |

#### Disclosure of Expertise or Skills of Directors

Following are the core skills / expertise / competencies as required in the context of its business(es) and sector(s) for it to function effectively:

General Management, Finance and Accounting, Corporate Laws, Automotive Industry, Operations, Corporate Strategy, Finance and Corporate Treasury, Manufacturing, Engineering, Business

The following table states the identified core skills/expertise/competencies mapped for each of the Director:

| Sr. | Name of Directors  | Expertise, Skills in specific functional ares  |
|-----|--------------------|--|
| 1   | Mr. A. B. Kalyani  | Business Acumen, Leadership, Technology, Automotive Industry, Corporate Strategy and Business Management |
| 2   | Mr. B. B. Hattarki | Technology, Automotive Industry, Operations and Manufacturing  |
| 3   | Mr. M. U. Takale   | Technology, Leadership, Automotive Industry, Engineering and Manufacturing                               |
| 4   | Mr. S. G. Joglekar | Leadership, Legal and Regulatory knowledge, Finance & Accounting and Corporate Treasury                  |
| 5   | Ms. A. A. Sathe    | Legal and Regulatory knowledge, Corporate Laws, Legal and Taxation                                       |
| 6   | Mr. B. S. Mitkari  | Legal and Regulatory knowledge, Finance & Accounting, Corporate laws, Legal and Operations.              |

#### Board Procedure

For seamless scheduling of Meetings, the calendar of Meetings of the Board and Committees is circulated and agreed upon at the beginning of the year.

The Company Secretary tracks and monitors the Board and Committee proceedings to ensure that the terms of reference/charters are adhered to, decisions are properly recorded in the minutes and actions on the decisions are tracked. The terms of reference/charters are amended and updated from time to time in order to keep the functions and role of the Board and Committees at par with the changing statutes. Meeting effectiveness is ensured through clear agenda, circulation of material in advance and as per statutory timelines, detailed presentations at the Meetings.

The Board plays a critical role in the strategy development of the Company. To enable the Board to discharge its responsibilities effectively and take informed decisions, the CEO apprises the Board on the overall performance of the Company every quarter.

The Board periodically reviews the strategy, annual business plan, business performance of the Company. Amongst other things, the Board also reviews the compliance reports of the laws applicable to the Company, internal financial controls and financial reporting systems, adoption of quarterly/half-yearly/annual results, minutes of the Meetings of the Audit and other Committees of the Board.

In addition to the information required under Regulation 17(7) read with Part A of Schedule II of the SEBI Listing Regulations which is required to be placed before the Board, the Directors are also kept informed of major events.

### **Independent Directors**

All Independent Directors are Non-Executive Directors as defined in Regulation 16(1) of SEBI (LODR)

The Company currently has 3 Non-Executive Independent Directors (including 1 Woman Director) which comprise 50% of the total strength of the Board of Directors.

None of the Independent Director(s) of the Company resigned.

### **Independence of Directors**

The Company has received a declaration from the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with Regulation 16(1)(b) of the SEBI Listing Regulations. In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

In the opinion of the Board, the Independent Directors fulfil the conditions of independence specified in the Act and the SEBI Listing Regulations and are independent of the management.

Further, the Independent Directors have in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA'). They are exempt from the requirement to undertake the online proficiency self-assessment test conducted by IICA.

### **Meeting of Independent Directors**

During the year under review, one (1) meeting of the Independent Directors of the Company was held on February 9, 2024 as required under Schedule IV to the Act (Code of Independent Directors) and Regulation 25(3) of the SEBI Listing Regulations. The Meeting was attended by all the Independent Directors as on that date and Mr. B. B. Hattarki chaired the said Meeting. At their Meeting, the Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole including the Chairman of the Board after taking the views of other Non-Executive Directors and also assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The details of familiarisation programme for the Independent Directors are available on the website of the Company and can be accessed through the link: <https://www.bfilpune.com/familiarization.html>

### **Terms and Conditions of appointment of Independent Directors**

All the Independent Directors of the Company have been appointed as per the provisions of the Act and the SEBI Listing Regulations. Formal letters of appointment are issued to the Independent Directors after their appointment by the Members. As required by Regulation 46 of the SEBI Listing Regulations, the terms and conditions of their appointment have been disclosed on the website of the Company at <https://www.bfilpune.com/pdf/Policies%20and%20Terms/Terms%20of%20Appointment%20of%20Independent%20Directors.pdf>

### **Induction and Familiarisation Programme for Directors**

The Company has a familiarisation programme for its Independent Directors. The objective of the programme is to familiarise the Independent Directors to enable them to understand the Company, its operations, strategies, business, functions, policies, industry and environment in which it functions and the regulatory environment applicable to it. These include orientation programme upon induction of new Directors as well as other initiatives to update the Directors on a continuous basis.

Pursuant to Regulation 25(7) of the SEBI Listing Regulations, the Company imparted various familiarisation programmes to its Directors.

Pursuant to Regulation 46 of the SEBI Listing Regulations, the details of such familiarisation programme during FY 2023-24 are available on the website of the Company at <https://www.bfilpune.com/familiarization.html>

### **Appointment/Re-appointment of Directors**

As required under Regulation 26(4) and Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards - 2 on General Meetings issued by the Institute of Company Secretaries of India, particulars of Directors seeking appointment/re-appointment at this AGM are given in the Notice of the AGM which forms part of this Integrated Annual Report.

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## Code of Conduct

The Company has formulated Code of Conduct for its Directors, Senior Management Personnel and other Executives which is available on the website of the Company at <https://www.bfilpune.com/code-of-conduct.html>

The Board has also adopted a Code of Conduct for Non-Executive Directors, which incorporates the duties of Independent Directors as laid down in Schedule IV to the Act ('Code for Independent Directors') and Regulation 17(5) of the SEBI Listing Regulations and the same is available on the website of the Company at <https://www.bfilpune.com/code-of-conduct.html>

As on March 31, 2024, all the Board Members and Senior Management of the Company have affirmed compliance with their respective Codes of Conduct. A declaration to this effect duly signed by the CEO forms part of this Report.

Apart from reimbursement of expenses incurred in discharging their duties and the remuneration that the Directors would be entitled under the Act as Non-Executive Directors, except for Mr. A. B. Kalyani, none of the Directors have any other material pecuniary relationships or transactions with the Company, its Promoters, its Directors or its Senior Management during the two immediately preceding financial years.

Senior Management of the Company have made disclosures to the Board confirming that there are no material, financial and/or commercial transactions between them and the Company which could have potential conflict of interest with the Company at large.

### 3. Committees of the Board

As on March 31, 2024, the Company has Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee, Risk Management Committee. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles, which are considered to be performed by the members of the respective Board Committees. The Company's guidelines relating to Board Meetings are also applicable to Committee Meetings. Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its work. Minutes of the proceedings of the Committee Meetings are placed before the Board Meeting for perusal and noting. The Company Secretary acts as a Secretary of all the Board Committees.

#### 1. Audit Committee

The Audit Committee's role is to assist the Board fulfil its Corporate Governance and overseeing responsibilities in relation to the Company's financial reporting process carried out by the Management, internal control system, risk management system and internal and external audit functions. The Audit Committee functions according to its terms of reference that defines its composition, authority, responsibilities and reporting functions. All the items listed in Section 177 of the Act and Regulation 18(3) read with Part C of Schedule II of the SEBI Listing Regulations are covered in its terms of reference.

#### Terms of Reference

The Audit Committee of the Company is responsible for supervising the Company's internal controls and financial reporting process and *inter alia*, performs the following functions:

- i.) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- ii.) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- iii.) Examination of the financial statements and the auditors' report thereon;
- iv.) Approval or any subsequent modification of transactions of the Company with related parties;
- v.) Scrutiny of inter-corporate loans and investments;
- vi.) Valuation of undertakings or assets of the Company, wherever it is necessary;
- vii.) Evaluation of internal financial controls and risk management systems;
- viii.) Monitoring the end use of funds raised through public offers and related matters
- ix.) Reviewing of the Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible;
- x.) Reviewing with management the annual financial statements before submission to the Board;
- xi.) Reviewing with the management, external auditors and internal auditor, the adequacy of internal control systems;
- xii.) Discussing with internal auditor any significant finding and follow up on such issues;

- xiii.) Discussing with the external auditors before the audit commences on the nature and scope of audit, as well as having post audit discussion to ascertain any areas of concern;
- xiv.) Reviewing any changes in accounting policies or practices as compared to last completed financial year and commenting on any deviation from accounting standards;
- xv.) Reviewing details of related party transactions exceeding 1% of last year's turnover;
- xvi.) Reviewing the Company's financial and risk management policies;
- xvii.) Approval of payment to Statutory Auditors for any other services rendered by Statutory Auditors;
- xviii.) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- xix.) Reviewing the adequacy of internal audit function, if any, including the structure of the Internal Audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xx.) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularities or failure of internal control systems of a material nature and reporting the matter to the Board;
- xxi.) To look into the reason for substantial default in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared Dividends) and creditors;
- xxii.) To review the functioning of the whistle blower mechanism;
- xxiii.) Approval of appointment of CFO (i.e. the whole time finance Director or any other person heading the finance function or discharging that function) after accessing the qualifications, experience and background, etc. of the candidate;
- xxiv.) Carrying out any other function as is mentioned in the terms of reference of audit committee.
- xxv.) Consider and comment on rationale, cost-benefits and impact of Schemes of merger, demerger, amalgamation etc. on the listed entity and its shareholders

Further, pursuant to Regulation 18(2)(c) of the SEBI Listing Regulations, the Audit Committee is empowered to investigate any activity within its terms of reference, seek information it requires from any employee, obtain outside legal or other Independent professional advice and secure attendance of outsiders with relevant expertise, if considered necessary. Apart from the above, the Audit Committee also exercises the role and powers entrusted upon it by the Board of Directors from time to time.

#### Meetings Held

During FY 2023-24, Five (5) Meetings of the Audit Committee were held on the following dates:

- May 26, 2023
- July 17, 2023
- August 11, 2023
- November 10, 2023
- February 13, 2024

The gap between two Meetings did not exceed 120 days. Necessary quorum was present for all the Meetings of the Committee.

#### Composition of Committee and Attendance

| Name of the Member               | Category | No. of Meetings held during tenure | No. of Meetings attended |
|----------------------------------|----------|------------------------------------|--------------------------|
| Mr. B. B. Hattarki (Chairperson) | ID       | 5                                  | 5                        |
| Ms. A. A. Sathe                  | ID       | 5                                  | 3                        |
| Mr. S. G. Joglekar               | ID       | 5                                  | 5                        |

*ID - Independent Director; NED - Non-Executive Director*

The Company Secretary acts as the Secretary to the Audit Committee. The composition of the Committee is in conformity with Section 177 of the Act and Regulation 18(1) of the SEBI Listing Regulations.

The Chairperson of the Audit Committee has one-on-one meetings both with the Internal Audit Team and the Statutory Auditors on a periodic basis to discuss key concerns, if any.

The Chief Executive Officer & Chief Financial Officer, Company Secretary, Statutory Auditor, Internal Auditor attend and participate in all the Meetings of the Committee. Internal Audit Reports are discussed. During the year under review, the Committee reviewed the key audit findings covering operational, financial and compliance areas, internal financial controls and financial reporting systems. The Committee

reviewed Related Party Transactions. During the year under review, the Audit Committee reviewed the process and controls for Insider Trading and also adopted a framework for levying penalties in case of any violation under the Insider Trading Code .

The Chairperson of the Audit Committee briefs the Board at each Board Meeting about the significant discussions at the Audit Committee Meetings including the internal audit matters. The minutes of each of the Audit Committee Meetings are placed in the next Meeting of the Board after they are confirmed by the Committee.

Mr. B. B. Hattarki, Chairperson of the Audit Committee, was present at the last e-AGM held on September 26, 2023.

## 2. Nomination and Remuneration Committee

The role of the Nomination and Remuneration Committee ('NRC') is to oversee the selection of Directors and Senior Management Personnel based on criteria related to the specific requirement of expertise and independence. The NRC evaluates the performance of Directors and Senior Management Personnel based on the expected performance criteria. The NRC also recommends to the Board the remuneration payable to Directors and Senior Management Personnel of the Company.

The Policy of the Company including the terms of reference is disclosed on the Company's website <https://www.bfilpune.com/pdf/Policies%20and%20Terms/Nomination%20Remuneration%20Policy.pdf>

### Meetings Held

During FY 2023-24, three (3) Meetings of the NRC were held on the following dates:

- May 26, 2023
- July 17, 2023
- February 13, 2024

The necessary quorum was present for all the Meetings of the Committee.

### Composition of committee and Attendance

| Name of the Member               | Category | No. of Meetings held during tenure | No. of Meetings attended |
|----------------------------------|----------|------------------------------------|--------------------------|
| Mr. B. B. Hattarki (Chairperson) | ID       | 3                                  | 3                        |
| Mr. A. B. Kalyani                | NED      | 3                                  | 1                        |
| Mr. S. G. Joglekar               | ID       | 3                                  | 3                        |

*ID - Independent Director; NED - Non-Executive Director*

Mr. B. B. Hattarki, Chairman of the NRC, was present at the last e-AGM held on September 26, 2023.

The composition and terms of reference of the NRC are in compliance with the provisions of Section 178(1) of the Act and Regulation 19 of the SEBI Listing Regulations.

The Chairman of the NRC briefs the Board at each Board Meeting about the significant discussions at the NRC Meetings.

The details terms of reference are available on Companies website at <https://www.bfilpune.com/pdf/Policies%20and%20Terms/Nomination%20Remuneration%20Policy.pdf>

### Board and Director Evaluation

In terms of the requirement of the Act and the SEBI Listing Regulations, during the year under review, the Board has carried out an annual performance evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees. The exercise was led by the Chairman of the NRC along with the Chairman of the Board.

### Criteria for Evaluation

The performance evaluation criteria for Independent Directors is determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behaviour and judgement.

The procedure followed for the performance evaluation of the Board, Committees and Individual Directors is detailed in the Board's Report

### Remuneration of Directors

The Company's philosophy for remuneration of Directors, Key Managerial Personnel ('KMP') and all other employees is to promote leadership, skill, development and innovation. The Company has adopted a Policy for remuneration of Directors, KMP and other employees, which is aligned to this philosophy.

The principles governing the Company's Remuneration Policy is provided in the Board's Report. The said Policy is also uploaded on the website of the Company at <https://www.bfilpune.com/pdf/Policies%20and%20Terms/Nomination%20Remuneration%20Policy.pdf>

### 3. Stakeholders Relationship Committee

The Stakeholders Relationship Committee ('SRC') looks into various aspects of interest of shareholders. The Committee ensures cordial investor relations and oversees the mechanism for redressal of investors' grievances.

The Policy of the Company including the terms of reference is disclosed on the Company's website <https://www.bfilpune.com/pdf/Policies%20and%20Terms/Stakeholders%20Relationship%20Committee%20Terms%20of%20Reference.pdf>

#### Meetings Held

During FY 2023-24, thirty two (32) Meetings of the SRC were held on the following dates:

- April 17, 2023
- April 24, 2023
- May 02, 2023
- May 15, 2023
- May 22, 2023
- June 19, 2023
- July 03, 2023
- July 10, 2023
- July 31, 2023
- August 07, 2023
- August 14, 2023
- August 28, 2023
- September 11, 2023
- September 18, 2023
- September 25, 2023
- October 03, 2023
- October 16, 2023
- October 23, 2023
- October 30, 2023
- November 06, 2023
- November 20, 2023
- November 27, 2023
- December 4, 2023
- December 18, 2023
- January 08, 2024
- January 15, 2024
- January 29, 2024
- February 05, 2024
- February 26, 2024
- March 04, 2024
- March 11, 2024

The necessary quorum was present for all the Meetings of the Committee.

The details terms of reference are available on Companies website at <https://www.bfilpune.com/pdf/Policies%20and%20Terms/Stakeholders%20Relationship%20Committee%20Terms%20of%20Reference.pdf>

#### Composition of committee and Attendance

| Name of the Member                   | Category | No. of Meetings held during tenure | No. of Meetings attended |
|--------------------------------------|----------|------------------------------------|--------------------------|
| Mr. M. U. Takale - NED (Chairperson) | NID      | 32                                 | 24                       |
| Mr. B. B. Hattarki - ID              | ID       | 32                                 | 32                       |
| Ms. A. A. Sathe - ID                 | ID       | 32                                 | 32                       |

*ID - Independent Director; NID- Non Independent Director*

The Chairperson of the SRC briefs the Board at each Board Meeting about the significant discussions at the SRC Meetings.

Mr. M. U. Takale, Chairperson of the SRC, was present at the e-AGM of the Company held on September 26, 2023.

#### Status of Investor Complaints

The status of investor complaints as on March 31, 2024 as reported under Regulation 13(3) of the SEBI Listing Regulations is as under:

|                                |   |
|--------------------------------|---|
| Complaints as on April 1, 2023 | 0 |
| Received during the year       | 6 |
| Resolved during the year       | 6 |
| Pending as on March 31, 2024   | 0 |

The correspondence identified as investor complaints are letters received through statutory/regulatory bodies.

### Name, designation and address of the Compliance Officer

Mrs. Gayatri Pendse Karandikar

Company Secretary

BF Investment Limited

Mundhwa, Pune - 411 036

Tel. No.: +91 77190 05777

Email: [Secretarial@bfilpune.com](mailto:Secretarial@bfilpune.com)

### Remuneration of Directors

Details of Remuneration to Key Managerial Personnel other than Managing Director / Manager / Whole-time Directors for FY 2023-24

(Amount in Million)

| Particulars of Remuneration  | Mrs. Gayatri Pendse<br>Company<br>Secretary | Mr. J.G.<br>Patwardhan<br>CEO & CFO* | Total<br>Amount |
|--|---|--------------------------------------|-----------------|
| 1. Gross Salary  |   |                                      |                 |
| a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961           |   |                                      |                 |
| b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961                      |   |                                      |                 |
| c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961                 |   |                                      |                 |
| 2. Stock Option  | 0.49  | 5.00                                 | 5.49            |
| 3. Sweat Equity  |   |                                      |                 |
| 4. Commission  |   |                                      |                 |
| - As % profit  |   |                                      |                 |
| - Others, specify ...  |   |                                      |                 |
| 5. Others, please specify (Company's contribution towards Provident Fund and Superannuation) |   |                                      |                 |
| Total **   | 0.49  | 5.00                                 | 5.49            |

\* on deputation

\*\* Represents amounts paid to employer in respect of Key Managerial Personnel on deputation.

### Chief Executive Officer

The Company pays remuneration by way of salary, allowances (variable pay) to its Chief Executive Officer. Annual increments are recommended by the NRC and are effective from April 1 each year.

### Non-Executive Directors

The Non-Executive Directors are paid sitting fees for attending the Board Meetings.

The Company also pays commission to the Non-Executive Directors within the ceiling of 3% per annum of the net profits of the Company as computed under the applicable provisions of the Act. The said commission is decided each year by the Board of Directors and distributed amongst the Non-Executive Directors based on their attendance and contribution at the Board and Committee Meetings. The Company also reimburses out-of-pocket expenses incurred by the Directors for attending the Meetings.

Details of sitting fees paid and commission payable to the Non-Executive Directors for FY ended March 31, 2024 is given below:

| Name of the Director | Amount in Rs.   |   |
|----------------------|---|---|
|                      | Sitting Fees, reimbursement, etc paid during FY 2023-24 | Commission (for FY 2023-24 payable in FY 2024-25) |
| Mr. A. B. Kalyani    | 20,000  | 2 15,00,000                                       |
| Mr. B. S. Mitkari    | 35,000  | 17,00,000   |
| Mr. B. B. Hattarki   | 35,000  | 17,00,000   |
| Mr. M. U. Takale     | 35,000  | 17,00,000   |
| Ms. A. A. Sathe      | 35,000  | 17,00,000   |
| Mr. S. G. Joglekar   | 35,000  | 17,00,000   |
| <b>Total</b>         | <b>1,95,000</b>   | <b>3,00,00,000</b>                                |

As per the practice, commission to the Directors is paid after the annual accounts are adopted by the Members at the AGM. The Company has not granted any stock options to its Directors.

#### Service Contract, Severance Fees and Notice Period

|                              |   |
|------------------------------|---|
| Terms of Agreement           | *Mr. J. G. Patwardhan, CEO  |
| Period of Contract           | 1 year up to April 30, 2024   |
| Severance fees/notice period | The Agreement may be terminated earlier, without any cause, by either Party by giving to the other Party 90 days notice of such termination or the Company paying 90 days basic salary in lieu of notice.<br><u>There is no separate provision for payment of severance fees.</u> |

\*Superannuated w.e.f April 30, 2024 after completing tenure of contract

#### Succession Plan

The Company has succession plans for the senior management. The Nomination and Remuneration Committee works on leadership succession plan.

#### Retirement Policy for Directors

The Directors retirement policy is in compliance with the prevailing rules and regulations.

#### 4. Corporate Social Responsibility Committee

The Corporate Social Responsibility ('CSR') Committee of the Board is constituted in accordance with the provisions of Section 135 of the Act. The CSR Committee has been entrusted with the specific responsibility of reviewing corporate social responsibility programs. The scope of the CSR Committee also includes approving the budget of CSR activities, reviewing the CSR programs, formulation of annual action plan and monitoring the CSR spends.

The Policy of the Company including the terms of reference is disclosed on the Company's website <https://www.bfilpune.com/pdf/Policies%20and%20Terms/CSR%20Policy.pdf>

A CSR Report giving details of the CSR activities undertaken by the Company during the year under review, along with the amount spent forms part of the Board's Report.

#### Meetings Held

During FY 2023-24, two (2) meetings of the CSR Committee were held on July 17, 2023 and February 09, 2024.

The necessary quorum was present for all the Meetings of the Committee.

#### Composition of committee and Attendance

| Name of the Member               | Category | No. of Meetings held during tenure | No. of Meetings attended |
|----------------------------------|----------|------------------------------------|--------------------------|
| Mr. B. B. Hattarki (Chairperson) | ID       | 2                                  | 2                        |
| Mr. A. B. Kalyani                | NED      | 2                                  | 1                        |
| Mr. M. U. Takale                 | NED      | 2                                  | 2                        |

ID - Independent Director; NED - Non-Executive Director

The Chairman of the CSR Committee briefs the Board at each Board Meeting about the significant discussions at the CSR Meetings.

Mr. B. B. Hattarki, Chairman of the CSR Committee, was present at the last e-AGM held on September 26, 2023.

The details terms of reference are available on Companies website at <https://www.bfilpune.com/pdf/Policies%20and%20Terms/CSR%20Policy.pdf>

#### 5. Risk Management Committee

Regulation 21 of the SEBI Listing Regulations mandate top 1000 listed entities, determined on the basis of market capitalisation as at the end of the immediate previous financial year, to constitute a Risk Management Committee ('RMC') with effect from April 1, 2019. However, the Company had voluntarily constituted a RMC in October 29, 2015. The primary role of the RMC is that of assisting the Board of Directors in overseeing the Company's risk management processes and controls additionally the Committee may seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

The Policy of the Company including the terms of reference is disclosed on the Company's website <https://www.bfilpune.com/pdf/Policies%20and%20Terms/Risk%20Management%20Policy.pdf>

#### Meetings Held

During FY 2023-24, two (2) meetings were held on July 10, 2023 and January 02, 2024.

The necessary quorum was present for all the Meetings of the Committee.

#### Composition of committee and Attendance

| Name of the Member               | Category | No. of Meetings held during tenure | No. of Meetings attended |
|----------------------------------|----------|------------------------------------|--------------------------|
| Mr. B. B. Hattarki (Chairperson) | ID       | 2                                  | 2                        |
| Mr. A. B. Kalyani                | NED      | 2                                  | 0                        |
| Mr. M. U. Takale                 | NED      | 2                                  | 2                        |

*ID - Independent Director; NED - Non-Executive Director*

The Chairman of the RMC briefs the Board at each Board Meeting about the significant discussions at the RMC Meetings.

The details terms of reference are available on Companies website at <https://www.bfilpune.com/pdf/Policies%20and%20Terms/Risk%20Management%20Policy.pdf>

#### General Body Meetings

#### *Annual General Meetings held and Special Resolution(s) passed:*

Day, date, time and venue of AGMs held during the last 3 years and Special Resolutions passed are given as below:

| Year    | Day, Date and Time                               | Venue  | Special Resolution(s)   |
|---------|--|--|---|
| 2022-23 | Tuesday, September 26, 2023 at 11.00 am          | VC/OAVM<br>Deemed Venue:<br>Mundhwa, Pune<br>Cantonment,<br>Pune - 411 036 | 1. Re-appointment of<br>Mr. Sanjeev G. Joglekar ( DIN: 00073826)<br>as an Independent Director of<br>the Company<br>2. Payment of commission to<br>Non-Executive Director |
| 2021-22 | Wednesday,<br>September 28, 2022 at<br>11:00 a.m | VC/OAVM<br>Deemed Venue:<br>Mundhwa, Pune<br>Cantonment,<br>Pune - 411 036 | Payment of commission to Non-Executive<br>Director  |
| 2020-21 | Thursday,<br>September 30, 2021 at<br>10:00 a.m  | VC/OAVM<br>Deemed Venue:<br>Mundhwa, Pune<br>Cantonment,<br>Pune - 411 036 | NIL   |

All resolutions moved at the last AGM were passed by the requisite majority of Members.

No Extraordinary General Meeting of the Members was held during the year. During the year under review, no resolution was put through by Postal Ballot.

The Board based on the recommendations of Nomination and Remuneration Committee, proposed the appointment of Mr. Viraj Shambhu Kulkarni (DIN: 02963687). Pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the approval of shareholders for appointment of Director is required to be taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier.

Since, the proposed appointment of Mr. Viraj Shambhu Kulkarni is with effect from April 30, 2024 respectively, and upcoming annual shareholder's meeting is tentatively scheduled in July 2024, in order to comply with the extant Listing Regulations, it was proposed to seek shareholder's approval by way of postal ballot.

In consideration of the above, the Board of Directors has given approval in Board Meeting held on April 30, 2024, to conduct Postal Ballot by electronic mode (i.e. through remote e-voting) for obtaining members' approval by special resolution inter alia:

1. Appointment of Mr. Viraj Shambhu Kulkarni (DIN: 02963687) as an Independent Director of the Company for a term of 5 (five) consecutive years with effect from April 30, 2024.

#### 4. Means of Communication

##### Stock Exchange Intimations

All submissions to the Stock Exchanges are made through the respective electronic filing systems. All unpublished price sensitive information, material events or information as detailed in Regulation 30 of the SEBI Listing Regulations are disseminated to the Stock Exchanges by filing them with the National Stock Exchange of India Limited ('NSE') through NEAPS and with BSE Limited ('BSE') through BSE Online Portal.

They are also displayed on the Company's website at <https://www.bfilpune.com/announcement-under-reg-30.html>

##### Financial Results

The quarterly/half-yearly/annual financial results are published in the Financial Express (English) and Loksatta (Marathi). They are displayed under 'Investors' section of the Company's website viz. <https://www.bfilpune.com/financial-results.html>

They are also filed with the NSE through NEAPS and with BSE through BSE Online Portal.

##### Company's Website

The Company's website is in line with the requirements laid down under Regulation 46 of the SEBI Listing Regulations. The section on 'Investor Relationships' serves to inform the Members by giving complete financial details, annual reports, shareholding patterns, stock exchange intimations, Company policies, etc.

The proceedings of the 14<sup>th</sup> AGM held on September 26, 2023 are also available under the 'Investor Relationships' section.

##### Transfer of unpaid dividend to Investor Education and Protection Fund (IEPF)

Pursuant to Section 124 of the Companies Act, 2013 and rules thereof, any money transferred to the Unpaid Dividend Account of a company, which remains unpaid or unclaimed for a period of seven years, shall be transferred by the Company to the Investor Education and Protection Fund (IEPF).

Since the Company has not declared any dividend in past, this clause is not applicable.

##### Transfer of equity shares to the Investor Education and Protection Fund (IEPF)

Pursuant to provisions of Section 124(6) of the Companies Act, 2013 and rules thereof as amended from time to time, all shares, in respect of which dividend has not been paid or claimed for seven consecutive years or more, shall be transferred by the company in the name of Investor Education and Protection Fund (IEPF) alongwith a statement containing such details as may be prescribed.

Since the Company has not declared any dividend in past, this clause is not applicable.

##### Procedure for dealing with unclaimed shares

Pursuant to Regulation 39(4) of the Listing Regulations, the Company had in past sent reminder letters to those shareholders, whose share certificates have returned undelivered by the postal authorities due to insufficient / incorrect information and are lying with the Company. These share certificates will be sent to eligible shareholders, if these shareholders submit necessary documents to the Company.

##### Nominations in respect of shares held in physical form / electronic form

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name

the shares shall be vested in the event of death of the registered shareholder(s). The prescribed nomination form can be obtained from the Company or the Registrar and Share Transfer Agent.

Nomination facility for shares held in electronic form is available with the depository participant as per the Bye laws and business rules applicable to NSDL and CDSL.

#### Register Your National Electronic Clearing Services (NECS) Mandate

The Reserve Bank of India (RBI) has initiated NECS for credit of Dividend directly to the Bank Account of shareholders. Shareholders holding shares in electronic mode are requested to register their latest Bank Account details with their Depository Participant and in physical form with the Company's R & T Agent viz. Link Intime India Private Limited.

#### KYC details :

According to the Securities and Exchange Board of India (SEBI) Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, the members holding shares in physical form, requested to furnish Self attested PAN card and bank and nomination details.

#### 5. General Shareholders Information

The Company is registered with the Registrar of Companies, Maharashtra, Pune. The Corporate Identity Number (CIN) allotted to the Company by the MCA is L65993PN2009PLC134021

#### Annual General Meeting and other details

|  |  |
|--|--|
| Day, Date and Time   | Wednesday, 31 <sup>st</sup> July, 2024 at 11.00 a.m. (IST)   |
| Venue  | In accordance with the General Circular issued by the MCA on May 5, 2020 read with General Circulars dated April 8, 2020, April 13, 2020, January 13, 2021, December 28, 2022 and September 25, 2023, the AGM will be held through VC/OAVM only  |
| Financial Year   | April to March   |
| Book Closure Date  | Wednesday, 31 <sup>st</sup> July, 2024 as annual closure for the purpose of AGM  |
| Last date for receipt of Proxy Forms                                   | In terms of the relaxations granted by MCA and SEBI, the facility for appointment of Proxies by Members will not be available at the ensuing e-AGM   |
| Listing on Stock Exchanges   | The Company's Ordinary Shares are listed on the following Stock Exchanges:<br>(1) BSE Limited<br>Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001<br>(2) The National Stock Exchange of India Limited<br>Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051<br>The Company has paid the listing fees to these Stock Exchanges for FY 2023-24 and FY 2024-25 |
| Stock Code   | BSE Limited : 533303<br>The National Stock Exchange of India Limited : BFINVEST  |
| International Securities Identification Number (ISIN) in NSDL and CDSL | INE878K01010 (Ordinary Shares)   |

## Market Price Data

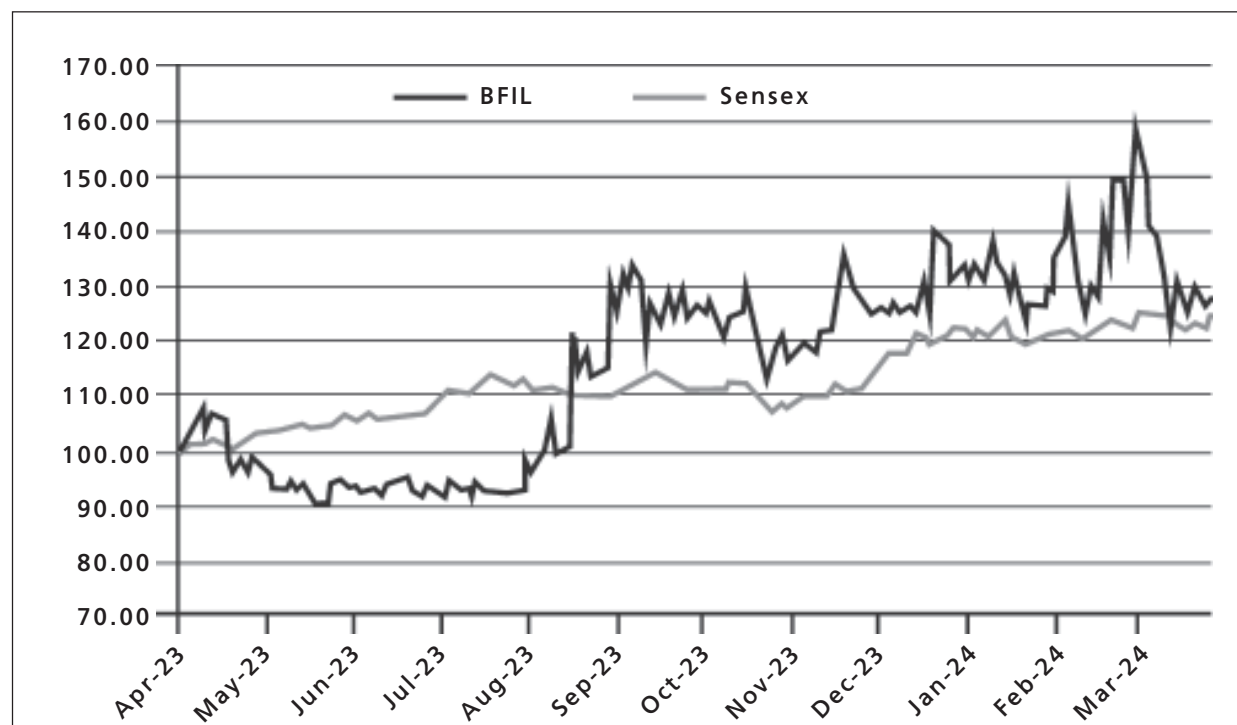
Market price data - monthly high/low, number of shares traded and number of trades of BSE/NSE depicting liquidity of the Company's Ordinary Shares on the said exchanges is given hereunder:

| Stock Exchange | BSE      |         |               | NSE      |         |               |
|----------------|----------|---------|---------------|----------|---------|---------------|
|                | High Rs. | Low Rs. | Traded Volume | High Rs. | Low Rs. | Traded Volume |
| Apr-23         | 454.85   | 391.00  | 1,26,353      | 453.95   | 390.30  | 11,01,932     |
| May-23         | 407.55   | 364.00  | 66,566        | 405.50   | 368.00  | 5,67,381      |
| Jun-23         | 397.50   | 373.95  | 40,274        | 398.95   | 375.00  | 4,12,788      |
| Jul-23         | 393.10   | 367.10  | 42,501        | 392.80   | 373.50  | 4,24,073      |
| Aug-23         | 553.15   | 378.45  | 4,68,257      | 552.80   | 379.15  | 76,05,479     |
| Sep-23         | 568.05   | 472.85  | 2,66,020      | 567.00   | 473.05  | 27,49,959     |
| Oct-23         | 537.05   | 446.75  | 86,416        | 537.50   | 447.00  | 10,79,861     |
| Nov-23         | 579.05   | 471.10  | 1,09,027      | 578.95   | 473.10  | 18,64,670     |
| Dec-23         | 575.50   | 504.05  | 1,06,303      | 576.80   | 504.05  | 21,56,947     |
| Jan-24         | 593.20   | 501.75  | 1,04,689      | 592.90   | 500.10  | 15,27,795     |
| Feb-24         | 634.25   | 503.55  | 2,95,781      | 634.45   | 501.35  | 57,65,666     |
| Mar-24         | 660.00   | 495.00  | 2,62,085      | 650.00   | 493.00  | 31,33,259     |

[Source: This information is compiled from the data available on the websites of BSE and NSE]

Performance of the Company's average monthly share price data in comparison to broad-based indices like BSE Sensex in FY 2023-24

BFIL Price in Rs.



Note : Share price of BF Investment Limited and BSE Sensex have been indexed to 100 as on first working day of financial year 2023-24 i.e. 1st April, 2023.

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## Registrar and Transfer Agent

Members are requested to correspond with the Company's Registrar and Transfer Agent - Link Intime India Private Limited, quoting their folio no./DP ID and Client ID at the following addresses:

For transmission, transposition and other correspondence:

Link Intime India Private Limited  
Registrar & Transfer Agent  
Block No.202, 2nd Floor, Akshay Complex,  
Off Dhole Patil Road, Pune 411 001.  
Phone No.: 020-26161629  
Email : [pune@linkintime.co.in](mailto:pune@linkintime.co.in)  
Website: <https://www.linkintime.co.in>  
Business Hours: 10.00 a.m. to 3.30 p.m. (Monday to Friday)

## Share Transfer Process

Effective April 1, 2019, requests for effecting the transfer of listed securities were required to be processed only in dematerialised form with a Depository.

The Company had stopped accepting any fresh transfer requests for securities held in physical form with effect from the said date. In order to address the issue of transfer requests filed prior to April 1, 2019 but rejected due to deficiency in documents, etc., the Company accepted transfer requests up to March 31, 2021 in accordance with SEBI Circular dated September 7, 2020. After March 31, 2021, the Company has stopped accepting any transfer requests.

Dematerialisation of holdings will, *inter alia*, curb fraud in physical transfer of securities by unscrupulous entities and improve ease, convenience and safety of transactions for investors. In view of the aforesaid, Members who are holding shares in physical form are hereby requested to dematerialise their holdings.

## Secretarial Audit

M/s. SVD & Associates, Practicing Company Secretaries (Unique ID - P2013MH031900), has conducted a Secretarial Audit of the Company for FY 2023-24.

The Secretarial Auditors have issued clean report hence; no need to give Board's explanation in the Directors' Report.

In accordance with the SEBI Circular dated February 8, 2019 read with Regulation 24A of the SEBI Listing Regulations, the Company has obtained an Annual Secretarial Compliance Report from M/s. SVD & Associates, Practicing Company Secretaries.

Pursuant to Regulation 40(9) of the SEBI Listing Regulations, Certificate has been issued, on yearly basis, by M/s. SVD & Associates, Company Secretary in practice, certifying due compliance of share transfer formalities by the Company.

Subhash Y. Joshi & Co., Chartered Accountant in practice has carried out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with NSDL & CDSL and the total issued and listed capital. The audit confirms that the total issued/ paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL).

## Certificate from Practicing Company Secretary

M/s. SAW & Associates, Practicing Company Secretaries, has issued a certificate confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI/MCA or any such statutory authority. The said Certificate is annexed to the Director's Report.

**Distribution of Shareholding as on March 31, 2024**

| Range             | Number of Shares | Amount           | % to Capital  | Number of Shareholders | % to total Shareholders |
|-------------------|------------------|------------------|---------------|------------------------|-------------------------|
| Up to 5,000       | 2207789          | 11038945         | 5.8612        | 22782                  | 96.9653                 |
| 5,001 to 10,000   | 526986           | 2634930          | 1.3990        | 367                    | 1.5620                  |
| 10,001 to 20,000  | 519338           | 2596690          | 1.3787        | 184                    | 0.7831                  |
| 20,001 to 30,000  | 305949           | 1529745          | 0.8122        | 63                     | 0.2681                  |
| 30,001 to 40,000  | 136608           | 683040           | 0.3627        | 20                     | 0.0851                  |
| 40,001 to 50,000  | 146362           | 731810           | 0.3886        | 16                     | 0.0681                  |
| 50,001 to 100,000 | 337652           | 1688260          | 0.8964        | 25                     | 0.1064                  |
| 100,001 and above | 33486944         | 167434720        | 88.9011       | 38                     | 0.1617                  |
|                   | <b>37667628</b>  | <b>188338140</b> | <b>100.00</b> | <b>23495</b>           | <b>100.00</b>           |

**Pattern of Shareholding as on March 31, 2024**

|    | Category                       | No. of Shares     | % of Shareholding |
|----|--------------------------------|-------------------|-------------------|
| 1. | Promoter and Promoter Group    | 27922726          | 74.13             |
| 2. | Mutual Funds / UTI             | 1709              | 0.00              |
| 3. | Financial Institutions / Banks | 3169              | 0.01              |
| 4. | Bodies Corporate               | 1898996           | 5.04              |
| 5. | Foreign Portfolio Investors    | 584067            | 1.55              |
| 6. | Clearing Members               | 295               | 0.00              |
| 7. | Non Resident Indians           | 117855            | 0.31              |
| 8. | General Public                 | 7138811           | 18.96             |
|    | <b>Total</b>                   | <b>37,667,628</b> | <b>100.00</b>     |

**Dematerialisation of shares and liquidity**

The Company's shares are compulsorily traded in dematerialised form and are available for trading on both the depositories viz. NSDL and CDSL.

(% of total issued capital)

| Shares held in            | As on March 31, 2024 | As on March 31, 2023 |
|---------------------------|----------------------|----------------------|
| Physical form             | 1.30                 | 1.40                 |
| Electronic form with NSDL | 94.17                | 94.95                |
| Electronic form with CDSL | 4.53                 | 3.65                 |
| <b>Total</b>              | <b>100</b>           | <b>100</b>           |

The Company's Ordinary Shares are regularly traded on BSE and NSE.

**Outstanding Global Depository Receipts (GDRs) or American Depository Receipts (ADRs) or warrants or any convertible instruments, conversion date and likely impact on equity**

The Company has not issued any GDRs or ADRs or warrants or any convertible instruments during the year under review.

**Commodity price risk or foreign exchange risk and hedging activities****Commodity Price Risk**

The Company's operations do not involve commodity price risk.

**Foreign exchange risk and hedging activities**

The Company's operations do not involve Foreign exchange and hedging risk.

**Address for Correspondence**

BF Investment Ltd  
Mundhwa, Pune Cantonment, Pune - 411 036,  
Tel. No.: +91 77190 05777  
Email: [Secretarial@bfilpune.com](mailto:Secretarial@bfilpune.com)  
Website: [www.bfilpune.com](http://www.bfilpune.com)

Credit Ratings obtained by the Company - Nil

## 6. Other Disclosures

### Policy for dealing Related Party Transactions

All related party transactions that were entered into during FY 2023-24 were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the SEBI Listing Regulations. There were no material significant related party transactions entered into by the Company with Promoters, Directors, KMPs or other designated persons which may have a potential conflict with the interest of the Company at large. The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at <https://www.bfilpune.com/pdf/Policies%20and%20Terms/Related%20Party%20Transaction%20Policy.pdf>

- i) The particulars of transactions between the Company and its related parties are in accordance with Ind AS 24 & set out in Note No. 31 to the Accounts. These transactions are in the ordinary course and are not likely to have any conflict with the interest of the Company.
- ii) There were no pecuniary relationships or transactions of the non-executive directors vis-à-vis the Company, other than payment of Board fees/commission and investments (if any) in shares / securities of the Company.
- iii) There were no material transactions of the Company with its promoters, directors, management or their relatives that may have potential conflict with the interest of the Company at large.

### Policy for determining material subsidiary

The Company does not have any subsidiary company.

The Company has adopted a Policy for determining Material Subsidiaries in terms of Regulation 16(1)(c) of the "SEBI Listing Regulations". The Policy, as approved by the Board, is uploaded on the Company's website at <https://www.bfilpune.com/pdf/Policies%20and%20Terms/Policy%20on%20Material%20Subsidiary%2001042019.pdf>

### Statutory Compliance, Penalties and Strictures

The Company has complied with the requirements of the Stock Exchanges, SEBI and Statutory Authority on all matters related to capital markets. During the last three years, no penalties or strictures have been imposed on the Company except as stated in the Secretarial Compliance Report issued by SVD & Associates, Company Secretaries which is available on the Company's website at <https://www.bfilpune.com/secretarial-compliance-report.html>

None of the Company's listed securities is suspended from trading.

### Whistleblower Policy and Vigil Mechanism

The Company has adopted a Whistleblower Policy and Vigil Mechanism to provide a formal mechanism to the Directors, employees and other external stakeholders to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides for adequate safeguards against victimisation of employees who avail of the mechanism. No personnel of the Company has been denied access to the Chairperson of the Audit Committee.

The Whistleblower Policy and Vigil Mechanism ensures that strict confidentiality is maintained in such cases and no unfair treatment is meted out to a Whistleblower.

The Whistleblower Policy as adopted by the Company is available on the Company's website at <https://www.bfilpune.com/pdf/Policies%20and%20Terms/Whistle%20Blower%20Policy.pdf>

### Code of Conduct for Prevention of Insider Trading

The Company has adopted the Model Code of Conduct for Prevention of Insider Trading under the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('Code'). The Code lays down guidelines for procedures to be followed and disclosures to be made while trading in securities of the Company

Mrs. Gayatri Pendse Karandikar, Company Secretary, is the Compliance Officer for ensuring the compliance with and for the effective implementation of the SEBI PIT Regulations and the Code across the Company.

The Company has in place a digital platform for ensuring compliance with the provisions of the SEBI PIT Regulations and the Code of Conduct for Prevention of Insider Trading.

### Other Policies under the SEBI Listing Regulations

Policy on Retention and Archival of Documents as required under Regulation 9 of the SEBI Listing Regulations is available on the website of the Company at <https://www.bfilpune.com/pdf/Policies%20and%20Terms/Policy%20for%20prevention%20of%20Records%20BFIL.pdf>

**Policy on Determination of Materiality of Events/ Information** for Disclosures of Events or Information as per Regulation 30 of the SEBI Listing Regulations is available on the website of the Company at <https://www.bfilpune.com/pdf/Policies%20and%20Terms/Policy%20for%20Determination%20of%20Materiality%20of%20Events%20or%20Information.pdf>

**Policy on Dividend Distribution** as required under SEBI listing regulations available at <https://www.bfilpune.com/pdf/Policies%20and%20Terms/Dividend%20Distribution%20Policy%20BFIL%201112022.pdf>

#### **Accounting Treatment in preparation of Financial Statements**

The Company has prepared the Financial Statements in accordance with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act, as applicable.

#### **CEO/CFO Certification**

The Chief Executive Officer and the Chief Financial Officer have certified to the Board in accordance with Regulation 17(8) read with Part B of Schedule II to the SEBI Listing Regulations pertaining to CEO/CFO certification for the year ended March 31, 2024.

#### ***Disclosures with respect to demat suspense account/ unclaimed suspense account***

- (a) aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year - Nil
- (b) number of shareholders who approached listed entity for transfer of shares from suspense account during the year- Nil
- (c) number of shareholders to whom shares were transferred from suspense account during the year- Nil
- (d) aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year- Nil
- (e) that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares - Nil

The Company had complied with all the disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 of Listing Regulations (relating to disclosure on the website of the Company).

#### **Disclosure of certain types of agreements binding listed entities**

The Company has not entered into any types of agreements binding on it during the FY 2023-24.

#### **Details of utilisation of funds raised through preferential allotment or qualified institutional placement**

The Company has not raised any funds through preferential allotment or qualified institutional placement during the year under review.

#### **Acceptance of recommendations of Committees by the Board of Directors**

In terms of the SEBI Listing Regulations, there have been no instances during the year under review, when the recommendations of any of the Committees were not accepted by the Board.

#### **Fees paid to P. G. Bhagwat LLP, Statutory Auditors and all entities in the network firm of the Statutory Auditors**

During FY 2023-24, a total fee of Rs. 9.35 Lakhs was paid by the Company, for all services to P. G. Bhagwat LLP, Statutory Auditors and all entities in the network firm/entity of which they are a part.

#### **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

In terms of provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has formulated a Policy to prevent Sexual Harassment of Women at Workplace. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

#### **Disclosure by listed entity and its subsidiaries of Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:**

The disclosure of Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount given in Note no. 05 to financials statements.

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**Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries**

Not applicable as the Company does not have any material subsidiary.

**Green Initiative**

In order to enable us to further extend our support towards paperless compliance as a part of Green Initiative in the Corporate Governance, which was introduced by the Ministry of Corporate Affairs (MCA) in the year 2011, the shareholders who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses. In respect of shares held in physical form, shareholders are requested to register their e-mail addresses with the Company / R & T Agent (with Depository Participants in case of shares held in dematerialized form).

**Mandatory Requirements**

The Company has complied with all the mandatory requirements of the SEBI Listing Regulations relating to Corporate Governance, except otherwise disclosed elsewhere in the Annual Report.

**Shareholder Rights:** The quarterly/half-yearly/financial performance of the Company are also available on the Company's website at <https://www.bfilpune.com/financial-results.html>

**Modified opinion(s) in Audit Report:** During the year under review, there was no audit qualification in the Company's Financial Statements. The Company continues to adopt best practices to ensure regime of unmodified audit opinion.

**Reporting of Internal Auditor:** The Internal Auditor reports to the Audit Committee.

**For BF Investment Limited**

Place : Pune  
Date : May 30, 2024

**M.U. Takale**  
Director  
DIN:01291287

**B. S. Mitkari**  
Director  
DIN:03632549

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## DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT

To the members of BF Investment Limited

I, Akshay Jagtap, CEO & CFO of BF Investment Limited, hereby declare that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Regulation 26(3) of the SEBI Listing Regulations for the year ended March 31, 2024.

For BF Investment Limited

Place : Pune  
Date : May 30, 2024

Akshay Jagtap  
C.E.O. & C.F.O.

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## TO THE BOARD OF DIRECTORS OF BF INVESTMENT LIMITED CERTIFICATION BY CHIEF EXECUTIVE OFFICER & CHIEF FINANCIAL OFFICER

(under Regulation 17 read with Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

We the undersigned, in our respective capacities as, Chief Executive Officer and Chief Financial Officer of BF Investment Limited, ("the Company") to the best of our knowledge and belief certify that :

- a) we have reviewed the standalone financial statements and the cash flow statements of BF Investment Ltd. for the year 2023-24 and that to the best of our knowledge and belief:
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by BF Investment Ltd. during the year 2023-24 which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting of BF Investment Ltd. and that we have evaluated the effectiveness of the internal control systems of BF Investment Ltd. pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee, with respect to BF Investment Ltd.:
  - i) significant changes in internal control over financial reporting during the year;
  - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statement; and
  - iii) instances of significant fraud of which we are aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Pune  
Date : May 30, 2024

Akshay Jagtap  
C.E.O. & C.F.O.

**Independent Auditor's Certificate on Compliance with the Corporate Governance Requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,  
The Members of  
BF Investment Limited

1. This Certificate is issued in accordance with the terms of our engagement letter dated 28<sup>th</sup> September 2023.
2. The report contains details of compliance of conditions of Corporate Governance by BF Investment Limited ("Company"), for the year ended March 31, 2024, as stipulated in regulations 17, 18, 19, 20, 22, 23, 24, 24A, 25, 26, 27, clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") pursuant to the Listing Agreement of the Company with stock exchanges.

**Management's Responsibility for the Declaration**

3. Compliance with the terms and conditions of the Listing Regulations relating to corporate governance is responsibility of the management of the Company including the preparation and maintenance of all relevant supporting records and documents.
4. This responsibility included the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

**Auditor's Responsibility**

5. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
6. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended March 31, 2024.
7. We conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purpose (Revised 2016) and Guidance Note on Corporate Governance', both issued by The Institute of Chartered Accountants of India ('ICAI') and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of the certificate. The Guidance Note on Reports or Certificates for Special Purpose requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
8. We have complied with the relevant applicable requirements of the Standard of Quality Control (SQC 1), Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Service Engagements.

**Opinion**

9. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated by regulation 17, 18, 19, 20, 22, 23, 24, 24A, 25, 26, 27, clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations, as applicable.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Restriction on use**

10. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirements of Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For P.G.Bhagwat LLP  
Chartered Accountants,  
Firm Registration Number : 101118W / W100682

Purva Kulkarni  
Partner  
Membership No. 138855  
UDIN : 24138855BKBKDR5211

Place : Pune  
Date : May 30, 2024

## DIRECTORS' REPORT

FOR THE YEAR ENDED MARCH 31, 2024

To,  
The Members,

Your Directors have pleasure in presenting their 15<sup>th</sup> Annual Report on the business and operations of the Company together with Audited Statement of Accounts for the year ended March 31, 2024.

### 1. FINANCIAL PERFORMANCE :

(Rs. in Million)

| Particulars   | Year ended<br>March 31, 2024<br>(Standalone) | Year ended<br>March 31, 2023<br>(Standalone) | Year ended<br>March 31, 2024<br>(Consolidated) | Year ended<br>March 31, 2023<br>(Consolidated) |
|---|--|--|--|--|
| Total Income  | 1,181.59                                     | 945.50                                       | 428.56   | 312.12   |
| Total Expenditure   | 67.89  | 62.12  | 67.89  | 62.12  |
| Exceptional items   | -  | -  | -  | -  |
| Profit before taxation  | 1,113.70                                     | 883.38                                       | 5788.42*                                       | 3,438.13*                                      |
| Tax Expenses  | 276.63                                       | 203.26                                       | 1450.99  | 845.12   |
| Profit after Tax  | 837.07                                       | 680.12                                       | 4337.43*                                       | 2,593.01*                                      |
| Balance of Profit/(Loss) from previous year   | 4765.02                                      | 4,220.92                                     | 18319.12                                       | 15,866.59                                      |
| Balance available for appropriation   | 5602.07                                      | 4,901.04                                     | 22656.55                                       | 18,459.60                                      |
| <b>Appropriations :</b>   |  |  |  |  |
| Transfer to Reserve Fund in terms of Section 45-IC of the Reserve Bank of India Act, 1934 | (167.41)                                     | (136.02)                                     | (167.41)                                       | (136.02)                                       |
| Balance carried to Balance Sheet  | 5434.66                                      | 4,765.02                                     | 22480.46                                       | 18,319.12                                      |

\*includes share in profits of associates and joint ventures

### 2. SHARE CAPITAL

The paid-up Equity Share Capital as on 31<sup>st</sup> March, 2024 stood at Rs.188.34 Millions. During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on 31<sup>st</sup> March, 2024, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

### 3. DIVIDEND & RESERVES :

Your Directors do not recommend any dividend on the equity shares for the year ended March 31, 2024. Particulars of the amounts proposed to be carried to reserves have been covered as part of the financial performance of the Company.

### 4. MANAGEMENT DISCUSSION AND ANALYSIS

The main object of the Company is to make strategic investments in the Kalyani Group Companies. The Company is a Non Deposit taking Core Investment Company, as defined in the Core Investment Companies (Reserve Bank) Directions, 2011. Since the Company is not a Systemically Important Non Deposit taking Core Investment Company, it is not required to obtain Certificate of Registration under Sec. 45-IA of the Reserve Bank of India Act, 1934.

The Directors confirm that the Investments have been made with the intent to hold for long term and are not held for sale.

The Company endeavours to evaluate opportunities and invest considering the macro economic conditions. The report on management discussion and analysis forms part of Annual Report.

#### KEY FINANCIAL RATIOS

Details of changes in key financial ratios including significant changes i.e. change of 25% or more as compared to the immediately previous financial year along with detailed explanations:

| Particulars                 | FY 2023-24 | FY 2022-23 | (%)                                       |
|-----------------------------|------------|------------|---|
|                             |            |            | <b>Explanation for significant change</b> |
| Debtor Turnover             | N.A.       | N.A.       | NA  |
| Inventory Turnover          | N.A.       | N.A.       | NA  |
| Interest Coverage Ratio     | NIL        | NIL        | NA  |
| Debt Equity Ratio           | NIL        | NIL        | NA  |
| Operating Profit Margin (%) | 94.25%     | 93.43%     | NA  |
| Net profit Margin (%)       | 70.84%     | 71.93%     | NA  |

Details of any change in Return on Net Worth as compared to the immediately previous financial year:

| Particulars             | Standalone |         | Consolidated |         |
|-------------------------|------------|---------|--------------|---------|
|                         | 2023-24    | 2022-23 | 2023-24      | 2022-23 |
| Return on Net Worth (%) | 11.59%     | 10.66%  | 17.87%       | 13.00%  |

Return on net worth is computed as net profit by average net worth. The details for change, if any, in return on net worth are explained in relevant sections above.

#### CONCERNS AND THREATS

- Fluctuations in the securities market and global economic scenario, may pose a risk of devaluation of the investments made by the Company.
- Main source of income for the Company is dividend from the Kalyani Group Companies.
- The risks and concerns associated with the businesses / operations of these investee companies, which may impact the performance of these companies, could result in variation in dividends declared by these companies.
- Non recovery of principal of the amounts lent and interest thereon.

#### COMPANY PERFORMANCE

During the Financial Year under review, on a standalone basis, your Company earned total income of Rs. 1181.59 Millions (previous years Rs. 945.50 Millions). The net profit after tax is Rs. 837.07 Millions (previous years Rs. 680.12 Millions).

During the Financial Year under review, on a consolidated basis, your Company earned total income of Rs. 428.56 Millions (previous years Rs. 312.12 Millions). The net profit after tax is Rs. 4337.43\* Millions (previous years Rs. 2,593.01\* Millions).

\*including share in profits of associates and joint ventures.

#### BUSINESS OVERVIEW AND OPERATIONS OF THE COMPANY

The main operations of the Company are that of investments and majority of the investments of the Company are in the nature of strategic investments in Kalyani Group Companies. The Investments have been made with a view to hold for long term and are not held for trade. The investment pattern of the Company also complies with the requirement for the Company continuing to qualify as a Non Deposit taking Core Investment Company. The main source of income for the Company is in the form of dividends as declared by these companies. The business prospects of the Company depend upon the business prospects of the underlying companies in which your Company holds investments.

#### FINANCE AND CREDIT RATING

During the year under review, the liquidity and cash positions were monitored with reinforced focus. Earnings from the cash surplus investments, comprising bank fixed deposits during the year saw an increase due to the increase in the market interest rates. Nevertheless, utmost importance was given to ensure the safety and liquidity of surplus cash.

Your Company has not done any Credit Rating.

#### HUMAN RESOURCES

As on March 31, 2024, the Company had 2 Key Managerial Personnel's i.e. CEO /CFO & Company Secretary, one on deputation and one on roll.

## PROSPECTS FOR THE CURRENT YEAR

The Indian economy has seen a sharp recovery in FY 2022-23 post COVID-19 pandemic. This resulted in substantial increase in dividend income and value of Investments held during the FY 2023-24.

### 5. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Pursuant to Regulation 34(2)(f) of the SEBI Listing Regulations, the Business Responsibility and Sustainability Report initiatives taken from an environmental, social and governance perspective in the prescribed format annexed as "Annexure VII" to this report. The same is also available on the Company's website at <https://www.bfilpune.com/annual-report.html>

### 6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal control systems to ensure operational efficiency and accuracy in financial reporting and compliance of various laws and regulations.

The internal control system is supported by the internal audit process. The internal audit is conducted by an Independent Chartered Accountant. The Audit Committee of the Board reviews the Internal Audit process and the adequacy and effectiveness of internal audit and controls periodically.

### 7. SAFETY, HEALTH AND ENVIRONMENT

The Company ensures safety of all its employees working at different places.

### 8. CAUTIONARY STATEMENT

Statements in this Report, particularly those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

### 9. SUBSIDIARY COMPANIES, JOINT VENTURES & ASSOCIATES

The Company does not have any subsidiary company as on March 31, 2024. The information of joint ventures and associates is given in the annual accounts for the year ended March 31, 2024 enclosed and forming part of the Annual Report. As on March 31, 2024, the Company had 6 Associates and 2 joint ventures. There has been no material change in the nature of the business of the Joint Ventures and Associates.

The Company's Policy on determining material subsidiaries, as approved by the Board, is uploaded on the Company's website at <https://www.bfilpune.com/pdf/Policies%20and%20Terms%20Policy%20on%20Material%20Subsidiary%2001042019.pdf>

A report on the financial position of each of the Associates and joint ventures as per the Act is provided in Form No. AOC-1 attached hereto as "Annexure V" and also given in the Financial Statements

### 10. PARTICULARS OF INFORMATION FORMING PART OF THE BOARD'S REPORT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013, READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The information required pursuant to section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, has been provided in 'Annexure III'.

### 11. NUMBER OF MEETINGS OF THE BOARD

During the year under review, five Board Meetings were convened and held. The details of which are given in the Corporate Governance Report which forms a part of this Integrated Annual Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

### 12. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 134(5) of the Companies Act, 2013, in respect of Directors' Responsibility Statement, your Directors' to the best of their knowledge and ability state that:

- a) in the preparation of the Annual Financial Statements for the year ended March 31, 2024, the applicable accounting standards have been followed along with the proper explanation relating to material departures;
- b) accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently. Further judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit of the Company for the year ended on that date;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d) the Annual Financial Statements have been prepared on a going concern basis;
- e) proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and
- f) proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

#### 13. COMPANY'S POLICY ON DIRECTORS' AND KMP'S APPOINTMENT AND REMUNERATION

Director's appointment and remuneration is done as per the policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management Personnel and their remuneration. The Policy is available on the website of the Company viz. <https://www.bfilpune.com/pdf/Policies%20and%20Terms/Nomination%20Remuneration%20Policy.pdf>

#### 14. ACCOUNTS AND AUDIT

##### a. Statutory Auditors and Audit Report

At the fourteenth Annual General Meeting held on 26<sup>th</sup> September, 2023 M/s P. G. Bhagwat LLP, Chartered Accountants (Firm Registration No.101118W/W100682), were re- appointed as Statutory Auditors of the Company to hold office till the conclusion of 19<sup>th</sup> Annual General Meeting. The Audit report of P. G. Bhagwat LLP on the Financial Statements of the Company for the Financial Year 2023-24 is a part of the Annual Report.

##### b. Secretarial Auditor and Secretarial Standards

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. SVD & Associates, Practicing Company Secretaries, Pune, to undertake the Secretarial Audit of the Company for the year 2023-24. The Report of the Secretarial Audit is annexed herewith as 'Annexure IV' to this Report.

Further, as required under Section 204 of the Act and rules thereunder, the Board has appointed M/s. SVD & Associates, Practicing Company Secretaries, Pune, to conduct Secretarial Audit for the financial year 2024-25.

During the year under review, the Company has complied with Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013, to the extent applicable.

##### c. Cost auditors

The maintenance of cost records and Cost Audit Rules are not applicable to the Company.

##### d. Reporting of Fraud by auditors

During the year under review, the Statutory Auditors and Secretarial Auditors of the Company have not reported any instances of frauds committed in the Company by its officers or employees, to the Audit Committee under Section 143(12) of the Act.

#### 15. EXPLANATION ON COMMENTS ON STATUTORY AUDITORS' AND SECRETARIAL AUDITORS' REPORTS

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s P. G. Bhagwat LLP, Statutory Auditors, in their Audit Report and by M/s. SVD & Associates, Practicing Company Secretaries, in their Secretarial Audit Report.

#### 16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186

During the year, the Company has not made any fresh investments. The closing balances of investments which would be covered under Section 186 of the Companies Act, 2013, are disclosed in the Note No. 06 pertaining to Schedule of Investments in the Financial Statements. The details of loans and guarantees, if any, are given in the financial statements of 2023-24.

#### 17. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013

The Company has formulated a Policy on Related Party Transactions which is available on the Company's website at <https://www.bfilpune.com/pdf/Policies%20and%20Terms/Related%20Party%20Transaction%20Policy.pdf>

All related party transactions entered into during FY 2023-24 were on arm's length basis and in the ordinary course of business. No material related party transactions were entered into during the year under review by the Company. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 ('the Act') in Form No. AOC-2 is not applicable to the Company for FY 2023-24 and hence the same is not provided.

All transactions with related parties were reviewed and approved by the Audit Committee. Omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and on an arm's length basis. A statement giving details of all related party transactions entered pursuant to omnibus approval so granted is placed before the Audit Committee on a quarterly basis for its review. The related party transactions entered into pursuant to the omnibus approval so granted are also reviewed by the internal audit team on a half-yearly basis. The details of the transactions with related parties are provided in the accompanying Financial Statements.

#### 18. STATE OF COMPANY'S AFFAIRS

Discussion on state of Company's affairs has been covered in the Management Discussion and Analysis.

#### 19. MATERIAL CHANGES AND COMMITMENTS BETWEEN THE DATE OF THE BALANCE SHEET AND THE DATE OF REPORT

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of the report, except as disclosed elsewhere in this report.

#### 20. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

##### A. Conservation of Energy and Technology Absorption

The Company has no particulars to report regarding conservation of energy, technology absorption as required under Section 134 (3) (m) of the Companies Act, 2013, read with Rules thereunder.

##### B. Foreign exchange earnings and outgo

| Sr. No. | Particulars  | Amount in ₹ |
|---------|--|-------------|
| i       | Foreign Exchange earned in terms of actual inflows during the year | Nil         |
| ii      | Foreign Exchange outgo during the year in terms of actual outflows | Nil         |

#### 21. DIVIDEND DISTRIBUTION POLICY:

In term of Regulations 43A of SEBI Listing Regulations, the Board of Directors of the Company has adopted a Dividend Distribution Policy which can be accessed on the website of the Company at <https://www.bfilpune.com/pdf/Policies%20and%20Terms/Dividend%20Distribution%20Policy%20BFIL%2011112022.pdf>

#### 22. RISK MANAGEMENT POLICY

Risk Management at BF Investment Ltd. forms an integral part of Management focus.

The Risk Management Committee oversees the risk management process in the Company. The RMC is chaired by an Independent Director and the Chairperson of the Audit Committee is also a member of the RMC.

Some of the risks identified are set out in the Management Discussion and Analysis and this report which forms part of this Director's Report.

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

#### 23. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Corporate Social Responsibility ('CSR') activities of the Company are governed through the Corporate Social Responsibility Policy ('CSR Policy') approved by the Board. The CSR Policy guides in designing CSR activities for improving quality of life of society and conserving the environment and biodiversity in a sustainable manner. The CSR Committee of the Board oversees the implementation of CSR Projects in line with the Company's CSR Policy. The CSR Policy is available on Company's website <https://www.bfilpune.com/pdf/Policies%20and%20Terms/CSR%20Policy.pdf>

The Annual Report on CSR activities for FY 2023-24 is enclosed as 'Annexure I' to this Report.

#### 24. PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

The information is given at the relevant places in the Financial Statements.

#### 25. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There has been no change in the nature of business during the Financial Year under review.

## 26. DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL

### Directors/KMP's appointed/resigned during the year

| Name of Director               | Designation                              | Term of appointment/date of cessation   |
|--------------------------------|--|---|
| Mr. A B Kalyani                | Non Independent Director                 | Appointed in Annual General Meeting held on September 26, 2023, liable to retire by rotation. |
| Mr. S G Joglekar               | Independent Director                     | Re-appointed in Annual General Meeting held on September 26, 2023                             |
| Mr. Satish Kshirsagar          | Company Secretary and Compliance Officer | Ceased to be Company Secretary and Compliance Officer w.e.f July 31, 2023                     |
| Mrs. Gayatri Pendse Karandikar | Company Secretary and Compliance Officer | Appointed as Company Secretary and Compliance Officer w.e.f August 01, 2023                   |
| Mr. B B Hattarki               | Independent Director                     | Ceased to be Independent Director w.e.f March 31, 2024 close of business hours                |

None of the directors of the Company resigned during the year.

**Material Changes in the Board structure which have occurred between the end of the financial year of the Company to which the financial statements pertains and the date of the report**

Mr. J G Patwardhan super annuated as Chief Executive Officer and Chief Financial officer, Key Managerial Personnel after completing the tenure of contract w.e.f end of business hours on April 30, 2024.

Mr. Viraj Kulkarni appointed as Non-Executive Independent Director on the Board for a term of five consecutive years w.e.f April 30, 2024 to April 29, 2029.

Mr. Akshay Jagtap appointed as Chief Executive Officer and Chief Financial officer, Key Managerial Personnel of the Company w.e.f May 15, 2024.

### Employees designated as Key Managerial Personnel (KMP) during the year

- Mrs. Gayatri Pendse Karandikar (Company Secretary)

### Independent Directors

The Company has received necessary declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) and 25(8) of the SEBI Listing Regulations, that he/she meets the criteria of independence as laid out in Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations. In the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied of the Integrity, expertise and experience of all Independent Directors on the Board.

### Procedure for Nomination and Appointment of Directors.

The NRC is responsible for developing competency requirements for the Board based on the industry and strategy of the Company. The Board composition analysis reflects in-depth understanding of the Company, including its strategies, environment, operations, financial condition and compliance requirements.

The NRC conducts a gap analysis to refresh the Board on a periodic basis, including each time a Director's appointment or re-appointment is required. The Committee is also responsible for reviewing the profiles of potential candidates vis-à-vis the required competencies and meeting the potential candidates, prior to making recommendations of their nomination to the Board. At the time of appointment, specific requirements for the position including expert knowledge expected is communicated to the appointee.

The list of core skills, expertise and competencies of the Board of Directors as are required in the context of the businesses and sectors applicable to the Company are identified by the Board and are available with the Board. The Company has also mapped each of the skills, expertise and competencies against the names of the Board Members possessing the same. The same is disclosed in the Corporate Governance Report forming part of this Integrated Annual Report.

### Criteria for determining Qualifications, Positive Attributes and Independence of a Director

The NRC has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178(3) of the Act and the SEBI Listing Regulations. The relevant information has been given in 'Annexure II' which forms part of this Report. The Policy on Nomination & Remuneration Policy is available on the website of the Company <https://www.bfilpune.com/pdf/Policies%20and%20Terms/Nomination%20Remuneration%20Policy.pdf>

### Board Evaluation

The Board has carried out the annual evaluation of its own performance and that of its Committees and individual Directors for the year pursuant to the provisions of the Act and the SEBI Listing Regulations.

The performance of the Board and individual Directors was evaluated by the Board after seeking inputs from all the Directors. The criteria for performance evaluation of the Board included aspects such as Board composition and structure, effectiveness of Board processes, contribution in the long-term strategic planning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members. The criteria for performance evaluation are broadly based on the Guidance Note issued by SEBI on Board Evaluation which included aspects such as structure and composition of Committees, effectiveness of Committee Meetings, etc.

The Chairman of the Board had one-on-one meetings with each Independent Director and the Chairman of the NRC had one-on-one meetings with each Non-Executive, Non-Independent Directors.

In a separate meeting, the Independent Directors evaluated the performance of Non-Independent Directors and performance of the Board as a whole including the Chairman of the Board. The NRC reviewed the performance of the Board, its Committees and of the Individual Directors. The same was discussed in the Board Meeting that followed the meeting of the Independent Directors and the NRC, at which the feedback received from the Directors on the performance of the Board and its Committees was also discussed.

The Company follows a practice of addressing each of the observations and suggestions by drawing up an action plan and monitoring its implementation through the Action Taken Report which is reviewed by the Board of Directors from time to time.

#### **Directors proposed to be appointed / re-appointed at the ensuing Annual General Meeting**

- 1) Appointment of Mr. B S Mitkari (DIN: 03632549) who retires by rotation, at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The brief resumes and other details relating to Directors who are proposed to be re-appointed, as required to be disclosed under 'Regulations 2015', form part of the Notes and Statement setting out material facts annexed to the Notice of the Annual General Meeting.

#### **27. NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR**

There were no new companies which have become or ceased to be its subsidiaries, joint ventures or associate companies during the year.

#### **28. DETAILS OF DEPOSITS WHICH ARE NOT IN COMPLIANCE WITH THE REQUIREMENTS OF CHAPTER V OF THE COMPANIES ACT, 2013**

The Company has not accepted any Public Deposits under Chapter V of the Companies Act, 2013.

#### **29. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

The Company has neither received nor is aware of any such order from Regulators, Courts or Tribunals during the year.

There are no application made or proceeding pending under the Insolvency and Bankruptcy Code, 2016 as at the end of the financial year, nor has the Company done any one time settlement with any Bank or Financial Institutions.

#### **30. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

The Company has suitable internal control system comprising of proper checks and balances, policies and procedures. This includes code of conduct, whistle blower policy, MIS and internal audit mechanism.

The Audit Committee along with Management review the internal audit and internal controls on a regular basis. The internal audit is conducted by an Independent Chartered Accountant.

The Audit Committee deliberated with the members of the management, considered the systems as laid down and met the internal audit team and statutory auditors to ascertain, their views on the internal financial control systems. The Audit Committee satisfied itself as to the adequacy and effectiveness of the internal financial control system as laid down and kept the Board of Directors informed. However, the Company recognises that no matter how the internal control framework is, it has inherent limitations and accordingly, periodic audits and reviews ensure that such systems are updated on regular intervals.

#### **31. DISCLOSURE REGARDING MAINTENANCE OF COST RECORDS AS SPECIFIED BY THE CENTRAL GOVERNMENT UNDER SUB-SECTION (1) OF SECTION 148 OF THE COMPANIES ACT, 2013**

The Company is not required to comply with the provisions of Section 148 (1) of the Companies Act, 2013 with respect to maintenance of cost records.

#### **32. COMPOSITION OF BOARD AND AUDIT COMMITTEE**

The composition of the Board and Audit Committee has been mentioned in the Corporate Governance Report forming part of Annual Report.

### 33. COMPOSITION OF CSR COMMITTEE

The CSR Committee comprised 3 Members out of which 1 is independent Director. During the year under review, two meetings of the CSR Committee were held, details of which are provided in the Corporate Governance Report. The CSR Policy is available on the website of the Company at <https://www.bfilpune.com/pdf/Policies%20and%20Terms/CSR%20Policy.pdf>

During the year under review, there were no instances when the recommendations of the CSR Committee were not accepted by the Board.

The details of amount spent/unspent, if any on CSR activities during the FY 2023-24 has been given in Annual report of CSR annexed to this report.

### 34. WHISTLEBLOWER POLICY AND VIGIL MECHANISM

The Company has formulated and implemented the Whistle Blower Policy / Vigil Mechanism. This has provided a mechanism for directors and employees of the Company and other persons dealing with the Company to report to the Chairman of the Audit Committee; any instance of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The aforesaid policy has also been uploaded on the Company's website <https://www.bfilpune.com/pdf/Policies%20and%20Terms/Whistle%20Blower%20Policy.pdf>

### 35. CASH FLOW

A Cash Flow Statement for the year ended March 31, 2024 is attached to the Balance Sheet.

### 36. CORPORATE GOVERNANCE

A report on the Corporate Governance, along with the certificate of compliance from the Auditors, forms part of this Annual Report. The Chief Executive Officer and the Chief Financial Officer of the Company have certified to the Board on financial statements and other matters in accordance with the Regulation 17 (8) of the Listing Regulations pertaining to CEO/CFO certification for the financial year ended March 31, 2024.

### 37. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

In terms of provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has formulated a Policy to prevent Sexual Harassment of Women at Workplace. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. No cases were pending at the beginning of the year and no complaint was pending at the end of the financial year. The Company has constituted Internal Complaints Committee under the POSH Act and during the year under review, no complaints were received by the Committee.

### 38. CERTIFICATE FROM PRACTICING COMPANY SECRETARY:

The Company has received a certificate from M/s. SAW & Associates, Company Secretaries confirming that none of the Directors on the Board of the Company have been debarred or disqualified by MCA or SEBI or any such statutory authority from being appointed / continuing as Director and the same is appended as 'Annexure VI' to the Directors' Report.

### 39. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2024 is available on the Company's website at <https://www.bfilpune.com/annual-return.html>

### 40. ACKNOWLEDGMENT

Your Directors wish to place on record, their appreciation for the contribution made and support provided to the Company by the shareholders, employees and bankers, during the year.

For and on behalf of the Board of Directors

M. U. Takale  
Director  
DIN: 01291287

A. B. Kalyani  
Director  
DIN:00089430

Akshay Jagtap  
CEO/CFO  
PAN : APSPJ9288G

Gayatri Pendse Karandikar  
Company Secretary  
PAN : DEDPP4296B

Place : Pune  
Date : May 30, 2024

## 'ANNEXURE I' TO THE DIRECTOR'S REPORT

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 ('the Act') read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended]

#### 1. Brief outline on CSR Policy of the Company:

BF Investment Limited ('the Company') is committed to upholding the highest standards of Corporate Social Responsibility ('CSR'). The Company has identified training and education and hygiene as thrust areas for CSR activities.

The Company has framed a CSR Policy in compliance with the provisions of the Act, which is available on the Company's website at chrome- <https://www.bfilpune.com/pdf/Policies%20and%20Terms/CSR%20Policy.pdf>

#### 2. Composition of CSR Committee as on March 31, 2024:

| Sl. No. | Name of Director              | Designation/ Nature of Directorship    | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---------|-------------------------------|--|--|--|
| 1       | Mr. B. B. Hattarki (Chairman) | Independent Director                   | 2  | 2  |
| 2       | Mr. A. B. Kalyani             | Non-Executive Non-Independent Director | 2  | 1  |
| 3       | Mr. M. U. Takale              | Non Independent Director               | 2  | 2  |

#### 3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

<https://www.bfilpune.com/board-committees.html> , <https://www.bfilpune.com/pdf/Policies%20and%20Terms/CSR%20Policy.pdf>

#### 4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable : Not Applicable

(a) Average net profit of the Company as per Section 135(5):

Rs.5,16,27,226/- for the preceding three Financial Years.

(b) Two percent of average net profit of the Company as per Section 135(5): Rs. 10,32,544/-

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

(d) Amount required to be set-off for the financial year, if any: N.A.

(e) Total CSR obligation for the financial year [(b)+(c)-(d)] : Rs. 10,32,544/-

#### 5. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Nil

(b) Amount spent in Administrative Overheads: Nil

(c) Amount spent on Impact Assessment, if applicable: Nil

(d) Total amount spent for the Financial Year [(a)+(b)+(c)] : Nil

(e) CSR amount spent or unspent for the Financial Year:

| Total Amount Spent for the Financial Year. (in Rs.) | Amount Unspent (in Rs.)   |                  |   |        |                  |
|---|---|------------------|---|--------|------------------|
|   | Total Amount transferred to Unspent CSR Account as per subsection (6) of Section 135. |                  | Amount transferred to any fund specified under Schedule VII as per second proviso to subsection (5) of Section 135. |        |                  |
|   | Amount  | Date of transfer | Name of the Fund  | Amount | Date of transfer |
| Nil   | 10,35,000   | 24/04/2024       | -   | -      | -                |

(f) Excess amount for set-off, if any:

| S. No.<br>(1) | Particular<br>(2)   | Amount (in Rs.)<br>(3) |
|---------------|---|------------------------|
| (i)           | Two percent of average net profit of the Company as per sub-section (5) of section 135                      | 10,32,544/-            |
| (ii)          | Total amount spent for the Financial Year   | Nil                    |
| (iii)         | Excess amount spent for the Financial Year [(ii)-(i)]   | Nil                    |
| (iv)          | Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any | NA                     |
| (v)           | Amount available for set off in succeeding Financial Years [(iii)-(iv)]                                     | Nil                    |

6. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: Nil

| S. No | Preceding Financial Year(s) | Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in Rs. Million) | Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs. Million) | Amount Spent in the Financial Year (in Rs. Million) | Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any |                  | Amount remaining to be spent in succeeding Financial Years (in Rs. Million) | Deficiency, if any |
|-------|-----------------------------|--|--|---|---|------------------|---|--------------------|
|       |                             |  |  |   | Amount (in Rs. Million)   | Date of Transfer |   |                    |
| 1     | 2022-23                     | Nil  | Nil  | 3.42  | 3.42  | 07-07-2023       | Nil   | -                  |
| 2     | 2021-22                     | Nil  | Nil  | Nil   | Nil   | NA               | Nil   | -                  |
| 3     | 2020-21                     | Nil  | Nil  | Nil   | Nil   | NA               | Nil   | -                  |
|       | Total                       | Nil  | Nil  | Nil   | Nil   | NA               | Nil   | -                  |

7. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount : No

8. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5):

The Company has transferred the entire unspent CSR amount to special Account opened with Schedule Bank named as BF Investment Ltd -Unspent CSR Account as per second proviso to sub-section (6) of section 135 of Companies Act, 2013.

For BF Investment Limited

Place : Pune  
Date : May 30, 2024

M.U. Takale  
Director  
DIN:01291287

S. G. Joglekar  
Chairman CSR Committee  
DIN: 00073826

## 'ANNEXURE II' TO THE DIRECTOR'S REPORT

### Criteria for Determining Qualifications, Positive Attributes and Independence of Directors

#### 1. Definition of Independence

1. A director will be considered as an 'Independent Director' ('ID') if the person meets with the criteria for 'Independent Director' as laid down in the Companies Act, 2013 ('the Act') and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').
2. The definition of Independent Director is as provided in the Act and Listing Regulations.
3. Current and ex-employees of a Kalyani Group company may be considered as independent only if he/she has or had no pecuniary relationship with the Company (due to employment/receipt of monthly pension by way of Special Retirement Benefits/holding consultant or advisor positions) during the three immediately preceding financial years or during the current financial year.

#### 2. Qualifications of Directors

1. Boards will ensure that a transparent board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender.
2. It is expected that boards have an appropriate blend of functional and industry expertise.
3. While recommending appointment of a director, it is expected that the Nomination and Remuneration Committee ('NRC') consider the manner in which the function and domain expertise of the individual contributes to the overall skill-domain mix of the Board.
4. IDs ideally should be thought/practice leaders in their respective functions/domains.

#### 3. Positive attributes of Directors

Directors are expected to comply with duties as provided in the Act. For reference, the duties of the Directors as provided by the Act are as follows:

1. Act in accordance with the Articles of the Company.
2. Act in good faith in order to promote the objects of the company for the benefit of its members as a whole and in the best interests of the Company, its employees, the shareholders, the community and for the protection of environment.
3. Exercise duties with due and reasonable care, skill and diligence and exercise independent judgement.
4. Not be involved in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
5. Not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates.
6. Not assign his office.

On behalf of the Board of Directors

A. B. Kalyani  
Chairman  
(DIN:00089430)

Pune May 30, 2024

## 'ANNEXURE III' TO THE DIRECTOR'S REPORT

Information pursuant to section 197(12) of the companies act, 2013, read with rule 5 of the companies (appointment and remuneration of managerial personnel) rules, 2014

- A. Ratio of remuneration of each Director to the median remuneration of the employees of the Company for FY ended March 31, 2024 as well as the percentage increase in remuneration of each Director, Chief Financial Officer (CFO) and Company Secretary are as under:

| Name of Director/Key Managerial Personnel | Ratio to median remuneration | % increase in remuneration over previous year |
|---|------------------------------|---|
| <b>Non-Executive Directors</b>            |                              |   |
| Mr. A. B. Kalyani                         | 1.4:1                        | 16%   |
| Mr. B. B. Hattarki                        | 1:1                          | 31%   |
| Mr. M. U. Takale                          | 1:1                          | 31%   |
| Ms. A. A. Sathe                           | 1:1                          | 31%   |
| Mr.S. G. Joglekar                         | 1:1                          | 31%   |
| Mr. B. S. Mitkari                         | 1:1                          | 31%   |
| <b>Key Managerial Personnel</b>           |                              |   |
| Mr. J. G. Patwardhan, CEO & CFO           | 1.2:1                        | 6%  |
| Mr. S. R. Kshirsagar                      | 0.4:1                        | NA  |
| Mrs Gayatri Pendse Karandikar             | 0.4:1                        | NA  |

- B. Percentage increase in the median remuneration of employees in FY 2023-24: 6%

- C. Number of permanent employees on the rolls of the Company as on March 31, 2024: 2

Comparison of average percentile increase in salary of employees other than the managerial personnel and the percentile increase in the managerial remuneration :

| Particulars   | % change in remuneration |
|---|--------------------------|
| Average increase in salary of employees (other than managerial personnel) | NA                       |
| Average increase in remuneration of managerial personnel                  | NA                       |

- D. Affirmation:

It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and other employees is as per the Remuneration Policy of the Company.

- E. Statement showing the names of the top ten employees in terms of remuneration drawn and the names of every employee who -

- (i) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than One Crore Two Lakhs Rupees;
- (ii) if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Eight Lakhs Fifty Thousand Rupees per month;
- (iii) if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole-time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.

No employee falls in this category.

On behalf of the Board of Directors

A. B. Kalyani  
Chairman  
(DIN:00089430)

Pune, May 30, 2024

## 'ANNEXURE IV' TO THE DIRECTOR'S REPORT

Form No. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2024

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

and

[Pursuant to Regulation 24A of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015]

To,

The Members,

**BF Investment Limited,**

Mundhwa, Pune Cantonment

Pune-411036

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BF Investment Limited** having CIN: L65993PN2009PLC134021 (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013, as amended from time to time (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, External Commercial Borrowings and Overseas Direct Investment, wherever applicable;

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations 2018 (not applicable to the Company during the audit period);
- d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (not applicable to the Company during the audit period);
- e) The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021 (not applicable to the Company during the audit period);
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (not applicable to the Company during the audit period);
- g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (not applicable to the Company during the audit period); and

The management has identified and confirmed the compliances of the following law as specifically applicable to the Company:

- a) The Reserve Bank of India Act, 1934 (to the extent applicable to the Core Investment Company).

We have also examined compliance with the applicable clauses and regulations of the following:

- (i) Secretarial Standards issued by 'The Institute of Company Secretaries of India'; and
- (ii) The Listing Agreement entered into by the Company with Stock Exchange(s) pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as 'LODR').

During the year under review, the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards mentioned above.

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**We further report that,**

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Further, in the incidences where, for the purpose of any Board or Committee Meeting, notice, agenda or notes to agenda are circulated with shorter period of less than seven days, all the Directors including Independent Directors have consented to the shorter period of circulation of the same.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period, there were no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except the following:

- i) A Special resolution has been passed in the 14<sup>th</sup> Annual General Meeting (AGM) held on September 26, 2023 for approving the payment of commission to Mr. Amit Kalyani a Non-Executive Director of the Company for the financial year ended March 31, 2023.

For SVD & Associates  
Company Secretaries

Sheetal S. Joshi  
Partner

FCS No. 10480

C P No. 11635

Peer Review No : 669/2020

UDIN:F010480F000448269

Place: Pune

Date: 30.05.2024

**Note:**

*This report is to be read with letter of even date by the Secretarial Auditors, which is annexed as Annexure A and forms an integral part of this report.*

To,

The Members,  
**BF Investment Limited**  
Mundhawa, Pune Cantonment,  
Pune- 411036

Our Secretarial Audit Report of even date is to be read along with this letter.

**Management's Responsibility**

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

**Auditor's Responsibility**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. We have relied on the documents and evidences provided physically and through electronic mode.
5. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, etc.

**Disclaimer**

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

For SVD & Associates  
Company Secretaries

Sheetal S. Joshi  
Partner  
FCS No. 10480  
C P No. 11635

Peer Review No : 669/2020  
UDIN: F010480F000448269

Place: Pune  
Date: 30.05.2024

## 'ANNEXURE V' TO THE DIRECTOR'S REPORT

### STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ ASSOCIATE COMPANIES/ JOINT VENTURES

[Pursuant to first proviso to Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014 - Form AOC - 1]

#### Part "A": Subsidiaries: -

The Company does not have subsidiaries

#### Part "B": Associates and Joint Ventures : -

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

| Sr. | Name of Associates / Joint Ventures  | Kalyani Steels Ltd.   | Kalyani Financial Services Ltd. | Nandi Engineering Ltd. | KSL Holdings Pvt. Ltd. | Triumphant Special Alloys Pvt. Ltd | Synise Technologies Limited | Meritor HVS (India) Ltd. | Automotive Axles Ltd. |
|-----|--|-----------------------|---------------------------------|------------------------|------------------------|------------------------------------|-----------------------------|--------------------------|-----------------------|
| 1   | Date of the latest audited Balance Sheet                                   | 31/03/2024            | 31/03/2024                      | 31/03/2024             | 31/03/2024             | 31/03/2024                         | 31/03/2024                  | 31/03/2024               | 31/03/2024            |
| 2   | Shares of Associates / Joint Ventures held by the Company on the year end  |                       |                                 |                        |                        |                                    |                             |                          |                       |
|     | No.  | 17,052,421            | 2,940,000                       | 25,000                 | 32,999,000             | 3,195,397                          | 1,131,793                   | 1,190,694                | 5,367,803             |
|     | Amount of Investment in Associates / Joint Ventures                        | Rs. 309.57 Millions # | Rs.47.88 Millions #             | Rs. 1/- #              | Rs.330 Millions #      | Rs.4.76 Millions #                 | Rs.1/- #                    | Rs. 11.91 Millions #     | Rs.260.68 Millions #  |
|     | Extent of holding %  | 39.06 %               | 49.00%                          | 40.00%                 | 42.52%                 | 45.51%                             | 46.77%                      | 48.99%                   | 35.52%                |
| 3   | Description of how there is significant influence                          | Associate             | Associate                       | Associate              | Associate              | Associate                          | Associate                   | Joint Venture            | Joint Venture         |
| 4   | Reason why the associates / joint ventures is not consolidated             | Not applicable        | Not applicable                  | see note below *       | Not applicable         | Not applicable                     | see note below *            | Not applicable           | Not applicable        |
| 5   | Net worth attributable to Shareholding as per latest audited Balance Sheet | Rs.6561.45 Millions   | Rs. 802.30 Millions             | *                      | Rs.31167.69 Millions   | Rs.7.63 Millions                   | *                           | Rs.1289.53 Millions      | Rs.3111.33 Millions   |
| 6   | Profit/Loss for the year   |                       |                                 |                        |                        |                                    |                             |                          |                       |
|     | i) Considered in Consolidation   | Rs. 971.75 Millions   | Rs. -0.06 Millions              | *                      | Rs. 3326.25 Millions   | Rs. 0.46 Millions                  | *                           | Rs. 539.16 Millions      | Rs. 590.18 Millions   |
|     | ii) Not Considered in Consolidation  | Rs.1516.10 Millions   | Rs. -0.07 Millions              | *                      | Rs.4852.11 Millions    | Rs.0.55 Millions                   | *                           | Rs.561.39 Millions       | Rs.1071.37 Millions   |

Note : \* Companies not considered for consolidation in view of Brought Forward losses.

# As per Historical Cost (IGAAP)

For and on behalf of the Board  
BF Investment Limited

A. B. Kalyani  
Director  
DIN:00089430

Akshay Jagtap  
CEO/CFO  
PAN : APSPJ9288G

Gayatri Pendse Karandikar  
Company Secretary  
PAN : DEDPP4296B

Place : Pune  
Date : May 30, 2024

## 'ANNEXURE VI' TO THE DIRECTORS' REPORT

### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of  
BF Investment Limited  
Mundhwa,  
Pune Cantonment,  
Pune - 411 036

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of BF Investment Limited having CIN L65993PN2009PLC134021 and having registered office at Mundhwa, Pune Cantonment, Pune - 411 036 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

| Sr. No. | Name of Director              | DIN      | Date of appointment in Company |
|---------|-------------------------------|----------|--------------------------------|
| 1       | AMIT BABASAHEB KALYANI        | 00089430 | 26/05/2009                     |
| 2       | *BHALCHANDRA BASAPPA HATTARKI | 00145710 | 26/05/2009                     |
| 3       | MADAN UMAKANT TAKALE          | 01291287 | 05/03/2010                     |
| 4       | AARTI ARUN SATHE              | 06925030 | 31/03/2015                     |
| 5       | SANJEEV GAJANAN JOGLEKAR      | 00073826 | 01/04/2019                     |
| 6       | BHALCHANDRA SHANKAR MITKARI   | 03632549 | 01/04/2019                     |

*\* Mr. Bhalchandra Basappa Hattarki ceased as Director of the Company w. e.f close of business hours on March 31, 2024 after completing his 2nd Consecutive Term as Independent Director.*

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Pune  
Date : 20th May, 2024

Signature:  
Name: Sunny Arun Warghade  
Membership No.: 12058  
CP No.: 11426,  
UDIN: F012058F000403141

## 'ANNEXURE VII' BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

### SECTION A: GENERAL DISCLOSURES

#### I. Details of the listed entity

|    |  |  |
|----|--|--|
| 1  | Corporate Identity Number (CIN) of the Listed Entity   | L65993PN2009PLC134021  |
| 2  | Name of the Listed Entity  | BF INVESTMENT LIMITED  |
| 3  | Year of incorporation  | 26-05-2009   |
| 4  | Registered office address  | Mundhwa, Pune Cantonment, Pune - 411036  |
| 5  | Corporate address  | Mundhwa, Pune Cantonment, Pune - 411036  |
| 6  | E-mail   | Secretarial@bfilpune.com   |
| 7  | Telephone  | 7719005777   |
| 8  | Website  | www.bfilpune.com   |
| 9  | Financial year for which reporting is being done   | April 01, 2023 to March 31, 2024   |
| 10 | Name of the Stock Exchange(s) where shares are listed  | BSE Ltd. And National Stock Exchange of India Ltd.   |
| 11 | Paid-up Capital (In Rs)  | Rs. 188,338,140/-  |
| 12 | Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report   | Mrs. Gayatri Pendse Karandikar<br>Company Secretary and Compliance Officer<br>Contact : 7719005777<br>Email : Secretarial@bfilpune.com |
| 13 | Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together). | Standalone basis   |
| 14 | Name of Assurance Provider   | NA   |
| 15 | Type of assurance obtained   | NA   |

#### II. Products/Services

##### 14. Details of business activities (accounting for 90% of the turnover)

| S. No. | Description of Main Activity | Description of Business Activity   | % of Turnover of the entity |
|--------|------------------------------|--|-----------------------------|
| 1      | Investment and financing     | BF Investment Limited is in the business of investment and financing and is a core investment Company. | 100.00%                     |

##### 15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover)

| S. No. | Product/Service          | NIC Code   | % of total Turnover contributed |
|--------|--------------------------|--|---------------------------------|
| 1      | Investment and financing | 65993 Non - Operating financial holding Companies (Investment Companies) | 100.00%                         |

#### III. Operations

##### 16. Number of locations where plants and/or operations/offices of the entity are situated

| Location      | Number of plants | Number of offices | Total |
|---------------|------------------|-------------------|-------|
| National      | 0                | 1                 | 1     |
| International | 0                | 0                 | 0     |

**17 Markets served by the entity**

**a. Number of locations**

|                                  |        |
|----------------------------------|--------|
| Locations                        | Number |
| National (No. of States)         | 1      |
| International (No. of Countries) | 0      |

b. What is the contribution of exports as a percentage of the total turnover of the entity? 0.00%

c. A brief on types of customers NA

**IV. Employees**

**18 Details as at the end of Financial Year**

**A. Employees and workers (including differently abled)**

| S. No. | Particulars              | Total (A) | Male    |           | Female  |           | Other   |           |
|--------|--------------------------|-----------|---------|-----------|---------|-----------|---------|-----------|
|        |                          |           | No. (B) | % (B / A) | No. (C) | % (C / A) | No. (H) | % (H / A) |
|        | <b>EMPLOYEES</b>         |           |         |           |         |           |         |           |
| 1      | Permanent (D)            | 2         | 1       | 50.00%    | 1       | 50.00%    | 0       | 0.00%     |
| 2      | Other than permanent (E) | 1         | 1       | 100.00%   | 0       | 0.00%     | 0       | 0.00%     |
| 3      | Total employees(D + E)   | 3         | 2       | 66.67%    | 1       | 33.33%    | 0       | 0.00%     |
|        | <b>WORKERS</b>           |           |         |           |         |           |         |           |
| 4      | Permanent (F)            | 0         | 0       | 0.00%     | 0       | 0.00%     | 0       | 0.00%     |
| 5      | Other than permanent (G) | 0         | 0       | 0.00%     | 0       | 0.00%     | 0       | 0.00%     |
| 6      | Total workers (F + G)    | 0         | 0       | 0.00%     | 0       | 0.00%     | 0       | 0.00%     |

**B. Differently abled Employees and workers:**

| S. No. | Particulars                               | Total (A) | Male    |           | Female  |           | Other   |           |
|--------|---|-----------|---------|-----------|---------|-----------|---------|-----------|
|        |   |           | No. (B) | % (B / A) | No. (C) | % (C / A) | No. (H) | % (H / A) |
|        | <b>DIFFERENTLY ABLED EMPLOYEES</b>        |           |         |           |         |           |         |           |
| 1      | Permanent (D)                             | 0         | 0       | 0.00%     | 0       | 0.00%     | 0       | 0.00%     |
| 2      | Other than Permanent (E)                  | 0         | 0       | 0.00%     | 0       | 0.00%     | 0       | 0.00%     |
| 3      | Total differently abled employees (D + E) | 0         | 0       | 0.00%     | 0       | 0.00%     | 0       | 0.00%     |
|        | <b>DIFFERENTLY ABLED WORKERS</b>          |           |         |           |         |           |         |           |
| 4      | Permanent (F)                             | 0         | 0       | 0.00%     | 0       | 0.00%     | 0       | 0.00%     |
| 5      | Other than Permanent (G)                  | 0         | 0       | 0.00%     | 0       | 0.00%     | 0       | 0.00%     |
| 6      | Total differently abled workers (F + G)   | 0         | 0       | 0.00%     | 0       | 0.00%     | 0       | 0.00%     |

**19 Participation/Inclusion/Representation of women**

|                          | Total (A) | No. and percentage of Females |           |
|--------------------------|-----------|-------------------------------|-----------|
|                          |           | No. (B)                       | % (B / A) |
| Board of Directors       | 6         | 1                             | 16.67%    |
| Key Management Personnel | 2         | 1                             | 50.00%    |

**20 Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)**

|                     | Turnover rate in current FY (2023-24) |        |       |       | Turnover rate in previous FY (2022-23) |        |       |       | Turnover rate in the year prior to the previous FY (2021-22) |        |       |       |
|---------------------|---------------------------------------|--------|-------|-------|--|--------|-------|-------|--|--------|-------|-------|
|                     | Male                                  | Female | Other | Total | Male                                   | Female | Other | Total | Male   | Female | Other | Total |
| Permanent Employees | 0.00%                                 | 0.00%  | 0.00% | 0.00% | 0.00%                                  | 0.00%  | 0.00% | 0.00% | 0.00%  | 0.00%  | 0.00% | 0.00% |
| Permanent Workers   | 0.00%                                 | 0.00%  | 0.00% | 0.00% | 0.00%                                  | 0.00%  | 0.00% | 0.00% | 0.00%  | 0.00%  | 0.00% | 0.00% |

**V. Holding, Subsidiary and Associate Companies (including joint ventures)**

**21 (a) Names of holding / subsidiary / associate companies / joint ventures**

| Holding, Subsidiary and Associate Companies (including joint ventures) |   |  |                                   |  |
|--|---|--|-----------------------------------|--|
| S. No.   | Name of the holding / subsidiary/associate companies/joint ventures (A) | Indicate whether holding/ Subsidiary/ Associate/ Joint Venture | % of shares held by listed entity | Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
| 1  | Kalyani Steels Ltd  | Associate  | 39.06%                            | No   |
| 2  | Kalyani Financial Services Limited                                      | Associate  | 49.00%                            | No   |
| 3  | Nandi Engineering Limited   | Associate  | 40.00%                            | No   |
| 4  | KSL Holdings Private Limited  | Associate  | 42.52%                            | No   |
| 5  | Triumphant Special Alloys Private Limited                               | Associate  | 45.51%                            | No   |
| 6  | Synise Technologies Limited   | Associate  | 46.77%                            | No   |
| 7  | Meritor HVS (India) Limited   | Joint Venture  | 48.99%                            | No   |
| 8  | Automotive Axles Limited  | Joint Venture  | 35.52%                            | No   |

**VI. CSR Details**

|    |       |   |                     |
|----|-------|---|---------------------|
| 22 | (i)   | Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) | Yes                 |
|    | (ii)  | Turnover (in Rs.)   | Rs. 111,10,70,000/- |
|    | (iii) | Net worth (in Rs.)  | Rs. 722,43,18,140/- |

## VII. Transparency and Disclosures Compliances

### 23 Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy) | FY (2023-24)                               |  |         | PY (2022-23)                               |  |         |
|---|--|--|--|---------|--|--|---------|
|   |  | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks |
| Communities                                       | NO   | 0  | 0  | Nil     | 0  | 0  | Nil     |
| Investors (other than shareholders)               | NO   | 0  | 0  | Nil     | 0  | 0  | Nil     |
| Shareholders                                      | YES*   | 6  | 0  | Nil     | 1  | 0  | Nil     |
| Employees and workers                             | YES#   | 0  | 0  | Nil     | 0  | 0  | Nil     |
| Customers   | NO   | 0  | 0  | Nil     | 0  | 0  | Nil     |
| Value Chain Partners                              | NO   | 0  | 0  | Nil     | 0  | 0  | Nil     |

\* <https://www.bfilpune.com/investors-grievance.html>

# <https://www.bfilpune.com/pdf/Policies%20and%20Terms/Whistle%20Blower%20Policy.pdf>

### 24 Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

| S. No. | Material issue identified                                     | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity                   | In case of risk, approach to adapt or mitigate   | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|---|--|--|--|--|
| 1      | Fluctuation in Securities Market and global economic scenario | R  | This may pose a risk of devaluation of investments made by Company | proper study and planning of market need to be done  | Negative   |
| 2      | Source of Income  | R  | Main source of income is dividend from Group Companies             | Closely monitor performance of investee Companies  | Negative   |
| 3      | Non recovery of principal amounts lent and interest thereon   | R  | Analysis of financial performances of borrowers need to be made    |  | Negative   |
| 4      | change in Government Policies                                 | R  | The Company operates in a highly regulated environment             | Flexibility to adopt Change  | Negative   |
| 5      | Digitalisation and Cyber security                             | R  | Access to sensitive data by miscreants and loss of data integrity  | Strong information security architecture and rigour of implementation with access points exercised | Negative   |

**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

| Disclosure Questions  | P 1  | P 2 | P 3   | P 4 | P 5 | P 6 | P 7 | P 8   | P 9 |
|---|--|-----|---|-----|-----|-----|-----|---|-----|
| <b>Policy and management processes</b>  |  |     |   |     |     |     |     |   |     |
| 1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)  | Yes  | No  | Yes   | No  | No  | No  | No  | Yes   | No  |
| b. Has the policy been approved by the Board? (Yes/No)  | Yes  | No  | Yes   | No  | No  | No  | No  | Yes   | No  |
| c. Web Link of the Policies, if available   | <a href="http://www.bfilpune.com/pdf/Policies%20and%20Terms/Code%20of%20Conduct%20BFIL%2030092023.pdf">www.bfilpune.com/pdf/Policies%20and%20Terms/Code%20of%20Conduct%20BFIL%2030092023.pdf</a> | -   | <a href="https://www.bfilpune.com/pdf/Policies%20and%20Terms/CSR%20Policy.pdf">https://www.bfilpune.com/pdf/Policies%20and%20Terms/CSR%20Policy.pdf</a> | -   | -   | -   | -   | <a href="https://www.bfilpune.com/pdf/Policies%20and%20Terms/CSR%20Policy.pdf">https://www.bfilpune.com/pdf/Policies%20and%20Terms/CSR%20Policy.pdf</a> | -   |
| 2. Whether the entity has translated the policy into procedures. (Yes / No)   | Yes  | No  | Yes   | No  | No  | No  | No  | Yes   | No  |
| 3. Do the enlisted policies extend to your value chain partners? (Yes/No)   | No   | No  | No  | No  | No  | No  | No  | No  | No  |
| 4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Truste) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle. | No such standards adopted by the entity  |     |   |     |     |     |     |   |     |

|   |   |
|---|---|
| 5. Specific commitments, goals and targets set by the entity with defined timelines, if any.                                      | Considering that we are in our initial year of ESG adoption, we intend to specify our objectives and targets in the upcoming reporting period. We recognise the need to align our ESG efforts with our business goals, and we are committed to implementing a comprehensive and effective ESG strategy that ensures sustainability and creates long-term value for all our stakeholders. We are dedicated to enhancing our ESG practices and performance and look forward to sharing our progress in the future |
| 6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met. | We are committed to providing comprehensive performance updates in the forthcoming years. As we navigate through the future, we intend to diligently communicate our achievements, financial results, and strategic advancements.   |

**Governance, leadership and oversight**

|  |  |
|--|--|
| 7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure): | <p>Dear Stakeholders,</p> <p>I am pleased to present the BRSR report for BF Investment Limited (BFINVEST), a Company engaged in the business of making investments in group. Corporate governance is of utmost importance to us, and we are dedicated to achieving transparency and governance goals. We adhere to established policies and frameworks that guide ethical decision-making in all our engagements. Considering that we are in our initial years of ESG adoption, we intend to specify our objectives and targets in the upcoming reporting period. We recognise the need to align our ESG efforts with our business goals, and we are committed to implementing a comprehensive and effective ESG strategy that ensures sustainability and creates long-term value for all our stakeholders. We are dedicated to enhancing our ESG practices and performance and look forward to sharing our progress in the future.</p> <p>Thank you for your continued support and partnership.</p> <p>Sincerely,</p> <p>Mr. Amit Kalyani<br/>Director<br/>DIN 00089430<br/>BF Investment Limited</p> |
| 8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).  | Name of highest authority Mr. Amit Kalyani<br>Designation Non-Executive - Non Independent Director-Chairperson related to Promoter<br>DIN 00089430   |
| 9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No).   | Yes  |
| If yes, provide details.   | The Company has a well-established internal governance structure to ensure implementation of various policies. We review the implementation of policies through our internal audit, Risk management process, monitoring of KPI's in-line with established policies   |

### 10. Details of Review of NGRBCs by the Company

| Subject for Review   | Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee |     |     |     |     |     |     |     |     | Frequency (Annually / Half yearly / Quarterly/ Any other-please specify) |     |     |     |     |     |     |     |     |
|--|---|-----|-----|-----|-----|-----|-----|-----|-----|--|-----|-----|-----|-----|-----|-----|-----|-----|
|  | P 1   | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 | P 1  | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
| Performance against above policies and follow up action  | Yes. The Performance is reviewed by Board or any other committee authorized by the Board.       |     |     |     |     |     |     |     |     | Annually   |     |     |     |     |     |     |     |     |
| Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances | There have been no instances of rectification of non-compliances.                               |     |     |     |     |     |     |     |     | Annually   |     |     |     |     |     |     |     |     |

|  |                |     |     |     |     |     |     |     |     |
|--|----------------|-----|-----|-----|-----|-----|-----|-----|-----|
| 11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No).<br>If yes, provide name of the agency. | P 1            | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|  | No             | No  | No  | No  | No  | No  | No  | No  | No  |
| If yes, provide name of the agency.  | Not Applicable |     |     |     |     |     |     |     |     |

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

| Questions   | P 1   | P 2   | P 3 | P 4   | P 5   | P 6   | P 7   | P 8 | P 9   |
|---|---|---|-----|---|---|---|---|-----|---|
| The entity does not consider the Principles material to its business (Yes/No)   | No  | Yes   | No  | No  | No  | No  | No  | No  | No  |
| The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No) | Yes   | No  | No  | No  | No  | No  | No  | No  | No  |
| The entity does not have the financial or/human and technical resources available for the task (Yes/No)                         | Yes   | Yes   | Yes | Yes   | Yes   | Yes   | Yes   | Yes | Yes   |
| It is planned to be done in the next financial year (Yes/No)  | Yes   | No  | No  | No  | No  | Yes   | Yes   | No  | No  |
| Any other reason (please specify)   | The Company is already in compliance with ethical standards by adopting code of conduct for Senior management and KMP and Board | This clause is not applicable considering nature of business. | -   | This clause is not applicable considering nature of business. | This clause is not applicable considering nature of business. | This clause is not applicable considering nature of business. | This clause is not applicable considering nature of business. | -   | The Company is always responsive to its customer needs. |

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

**PRINCIPLE 1** Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

### Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

| Segment                           | Total number of training and awareness programmes held | Topics/principles covered under the training and its impact   | %age of persons in respective category covered by the awareness programmes |
|-----------------------------------|--|---|--|
| Board of Directors                | 1  | Awareness programme for all Independent directors informing them about their roles, rights and responsibilities | 50.00%   |
| Key Managerial Personnel          | 0  | NA  | 0.00%  |
| Employees other than BoD and KMPs | 0  | NA  | 0.00%  |
| Workers                           | 0  | NA  | 0.00%  |

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format

Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website:

#### Monetary

|                 | NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Amount (in Rs.) | Brief of the Case | Has an appeal been preferred? (Yes/No) |
|-----------------|-----------------|---|-----------------|-------------------|--|
| Penalty/ Fine   | NA              | NA  | NA              | NA                | NA                                     |
| Settlement      | NA              | NA  | NA              | NA                | NA                                     |
| Compounding Fee | NA              | NA  | NA              | NA                | NA                                     |

#### Non-Monetary

|              | NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Amount (in Rs.) | Brief of the Case | Has an appeal been preferred? (Yes/No) |
|--------------|-----------------|---|-----------------|-------------------|--|
| Imprisonment | NA              | NA  | NA              | NA                | NA                                     |
| Punishment   | NA              | NA  | NA              | NA                | NA                                     |

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed

| Case Details | Name of the regulatory/ enforcement agencies/ judicial institutions |
|--------------|---|
| No such care |   |

4. Does the entity have an anti-corruption or anti-bribery policy?

The Company does not have anti-corruption or anti-bribery policy.

If yes, provide details in brief Provide a web-link to the policy, if available -NA

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

|           | FY 2023-24 (Current Financial Year) | FY 2022-23 (Previous Financial Year) |
|-----------|-------------------------------------|--------------------------------------|
| Directors | 0                                   | 0                                    |
| KMPs      | 0                                   | 0                                    |
| Employees | 0                                   | 0                                    |
| Workers   | 0                                   | 0                                    |

6. Details of complaints with regard to conflict of interest:

|  | FY (2023-24) |         | PY (2022-23) |         |
|--|--------------|---------|--------------|---------|
|  | Number       | Remarks | Number       | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | 0            | Nil     | 0            | Nil     |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs      | 0            | Nil     | 0            | Nil     |

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest. Not Applicable

8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:

|                                     | FY 2023-24 | FY 2022-23 |
|-------------------------------------|------------|------------|
| Number of days of accounts payables | 0          | 0          |

9. Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

| Parameter                  | Metrics  | FY 2023-24 | FY 2022-23 |
|----------------------------|--|------------|------------|
| Concentration of Purchases | a. Purchases from trading houses as % of total purchases                                 | 0          | 0          |
|                            | b. Number of trading houses where purchases are made from                                | 0          | 0          |
|                            | c. Purchases from top 10 trading houses as % of total purchases from trading houses      | 0          | 0          |
| Concentration of Sales     | a. Sales to dealers / distributors as % of total sales                                   | 0          | 0          |
|                            | b. Number of dealers / distributors to whom sales are made                               | 0          | 0          |
|                            | c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors  | 0          | 0          |
| Share of RPTs in           | a. Purchases (Purchases with related parties / Total Purchases)                          | 0          | 0          |
|                            | b. Sales (Sales to related parties / Total Sales)  | 0          | 0          |
|                            | c. Loans & advances (Loans & advances given to related parties / Total loans & advances) | 100%       | 100%       |
|                            | d. Investments ( Investments in related parties / Total Investments made)                | 100%       | 100%       |

**PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe**

**Essential Indicators**

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

|       | FY (2023-24) | PY (2022-23) | Details of improvements in environmental and social impacts |
|-------|--------------|--------------|---|
| R&D   | 0.00%        | 0.00%        | NA  |
| Capex | 0.00%        | 0.00%        | NA  |

|  |   |
|--|---|
| 2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)  | No  |
| b. If yes, what percentage of inputs were sourced sustainably?   |   |
| 3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste (d) other waste   | Not applicable considering nature of business |
| 4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same. | NA  |

**PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains**

**Essential Indicators**

1. a. Details of measures for the well-being of employees:

| Category                              | % of employees covered by |                  |                |                    |                |                    |               |                    |              |                     |              |
|---------------------------------------|---------------------------|------------------|----------------|--------------------|----------------|--------------------|---------------|--------------------|--------------|---------------------|--------------|
|                                       | Total (A)                 | Health insurance |                | Accident insurance |                | Maternity benefits |               | Paternity Benefits |              | Day Care facilities |              |
|                                       |                           | Number (B)       | % (B / A)      | Number (C)         | % (C / A)      | Number (D)         | % (D / A)     | Number (E)         | % (E / A)    | Number (F)          | % (F / A)    |
| <b>Permanent employees</b>            |                           |                  |                |                    |                |                    |               |                    |              |                     |              |
| Male                                  | 1                         | 1                | 100.00%        | 1                  | 100.00%        | 0                  | 0.00%         | 0                  | 0.00%        | 0                   | 0            |
| Female                                | 1                         | 1                | 100.00%        | 1                  | 100.00%        | 1                  | 100.00%       | 0                  | 0.00%        | 0                   | 0            |
| Other                                 | 0                         | 0                | 0.00%          | 0                  | 0              | 0                  | 0.00%         | 0                  | 0.00%        | 0                   | 0            |
| <b>Total</b>                          | <b>2</b>                  | <b>2</b>         | <b>100.00%</b> | <b>2</b>           | <b>100.00%</b> | <b>1</b>           | <b>50.00%</b> | <b>0</b>           | <b>0.00%</b> | <b>0</b>            | <b>0</b>     |
| <b>Other than permanent employees</b> |                           |                  |                |                    |                |                    |               |                    |              |                     |              |
| Male                                  | 1                         | 1                | 100.00%        | 1                  | 100.00%        | 0                  | 0.00%         | 0                  | 0.00%        | 0                   | 0.00%        |
| Female                                | 0                         | 0                | 0.00%          | 0                  | 0.00%          | 0                  | 0.00%         | 0                  | 0.00%        | 0                   | 0.00%        |
| Other                                 | 0                         | 0                | 0.00%          | 0                  | 0.00%          | 0                  | 0.00%         | 0                  | 0.00%        | 0                   | 0.00%        |
| <b>Total</b>                          | <b>1</b>                  | <b>1</b>         | <b>100.00%</b> | <b>1</b>           | <b>100.00%</b> | <b>0</b>           | <b>0.00%</b>  | <b>0</b>           | <b>0.00%</b> | <b>0</b>            | <b>0.00%</b> |

b. Details of measures for the well-being of workers:

| Category                     | % of workers covered by |                  |           |                    |           |                    |           |                    |           |                     |           |
|------------------------------|-------------------------|------------------|-----------|--------------------|-----------|--------------------|-----------|--------------------|-----------|---------------------|-----------|
|                              | Total (A)               | Health insurance |           | Accident insurance |           | Maternity benefits |           | Paternity Benefits |           | Day Care facilities |           |
|                              |                         | Number (B)       | % (B / A) | Number (C)         | % (C / A) | Number (D)         | % (D / A) | Number (E)         | % (E / A) | Number (F)          | % (F / A) |
| Permanent workers            |                         |                  |           |                    |           |                    |           |                    |           |                     |           |
| Male                         | 0                       | 0                | 0.00%     | 0                  | 0.00%     | 0                  | 0.00%     | 0                  | 0.00%     | 0                   | 0.00%     |
| Female                       | 0                       | 0                | 0.00%     | 0                  | 0.00%     | 0                  | 0.00%     | 0                  | 0.00%     | 0                   | 0.00%     |
| Other                        | 0                       | 0                | 0.00%     | 0                  | 0.00%     | 0                  | 0.00%     | 0                  | 0.00%     | 0                   | 0.00%     |
| Total                        | 0                       | 0                | 0.00%     | 0                  | 0.00%     | 0                  | 0.00%     | 0                  | 0.00%     | 0                   | 0.00%     |
| Other than permanent workers |                         |                  |           |                    |           |                    |           |                    |           |                     |           |
| Male                         | 0                       | 0                | 0.00%     | 0                  | 0.00%     | 0                  | 0.00%     | 0                  | 0.00%     | 0                   | 0.00%     |
| Female                       | 0                       | 0                | 0.00%     | 0                  | 0.00%     | 0                  | 0.00%     | 0                  | 0.00%     | 0                   | 0.00%     |
| Other                        | 0                       | 0                | 0.00%     | 0                  | 0.00%     | 0                  | 0.00%     | 0                  | 0.00%     | 0                   | 0.00%     |
| Total                        | 0                       | 0                | 0.00%     | 0                  | 0.00%     | 0                  | 0.00%     | 0                  | 0.00%     | 0                   | 0.00%     |

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format

|  | FY 2023-24 | FY 2022-23 |
|--|------------|------------|
| Cost incurred on wellbeing measures as a % of total revenue of the company | 0.01%      | 0.01%      |

2. Details of retirement benefits, for Current FY and Previous Financial Year

| Benefits | FY (2023-24)                                       |  |  | PY (2022-23)                                       |  |  |
|----------|--|--|--|--|--|--|
|          | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) |
| PF       | 100.00%  | 0.00%  | Yes  | 0.00%  | 0.00%  | NA   |
| Gratuity | 100.00%  | 0.00%  | Yes  | 0.00%  | 0.00%  | NA   |
| ESI      | 0.00%  | 0.00%  | NA   | 0.00%  | 0.00%  | NA   |
| Others - | 0.00%  | 0.00%  | NA   | 0.00%  | 0.00%  | NA   |

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

- Not Applicable as the Company does not have any differently abled employees. Further, the Company will make necessary arrangements as specified under Rights of Persons with Disabilities Act, 2016 as and when the Company hires any such differently abled employees

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy. - Not Applicable

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

- Not Applicable

| Gender | Permanent employees                        |                | Permanent workers   |                |
|--------|--|----------------|---------------------|----------------|
|        | Return to work rate                        | Retention rate | Return to work rate | Retention rate |
| Male   | Not Applicable as there are no such cases. |                |                     |                |
| Female |  |                |                     |                |
| Other  |  |                |                     |                |
| Total  |  |                |                     |                |

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? Yes

| If yes, give details of the mechanism in brief. | Yes/No | (If Yes, then give details of the mechanism in brief) |
|---|--------|---|
| Permanent Workers                               | NA     | NA  |
| Other than Permanent Workers                    | NA     | NA  |
| Permanent Employees                             | Yes    | The grievance can be reported to Directors.           |
| Other than Permanent Employees                  | Yes    | The grievance can be reported to Directors.           |

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Not Applicable

| Category                  | FY (2023-24)   |  |           | PY (2022-23)   |  |           |
|---------------------------|--|--|-----------|--|--|-----------|
|                           | Total employees/ workers in respective category (A)                  | No. of employees / workers in respective category, who are part of association(s) or Union (B) | % (B / A) | Total employees / workers in respective category (C) | No. of employees / workers in respective category, who are part of association(s) or Union (D) | % (D / C) |
| Total Permanent Employees | 'Not Applicable' as there are no such associations or organizations. |  |           |  |  |           |
| Male                      |  |  |           |  |  |           |
| Female                    |  |  |           |  |  |           |
| Other                     |  |  |           |  |  |           |
| Total Permanent Workers   |  |  |           |  |  |           |
| Male                      |  |  |           |  |  |           |
| Female                    |  |  |           |  |  |           |
| Other                     |  |  |           |  |  |           |

8. Details of training given to employees and workers:

| Category  | FY (2023-24) |                               |           |                      | PY (2022-23) |           |                               |           |                      |           |
|-----------|--------------|-------------------------------|-----------|----------------------|--------------|-----------|-------------------------------|-----------|----------------------|-----------|
|           | Total (A)    | On Health and safety measures |           | On Skill upgradation |              | Total (D) | On Health and safety measures |           | On Skill upgradation |           |
|           |              | No. (B)                       | % (B / A) | No. (C)              | % (C / A)    |           | No. (E)                       | % (E / D) | No. (F)              | % (F / D) |
| Employees |              |                               |           |                      |              |           |                               |           |                      |           |
| Male      | 0            | 0                             | 0.00%     | 0                    | 0.00%        | 0         | 0                             | 0.00%     | 0                    | 0.00%     |
| Female    | 0            | 0                             | 0.00%     | 0                    | 0.00%        | 0         | 0                             | 0.00%     | 0                    | 0.00%     |
| Other     | 0            | 0                             | 0.00%     | 0                    | 0.00%        | 0         | 0                             | 0.00%     | 0                    | 0.00%     |
| Total     | 0            | 0                             | 0.00%     | 0                    | 0.00%        | 0         | 0                             | 0.00%     | 0                    | 0.00%     |
| Workers   |              |                               |           |                      |              |           |                               |           |                      |           |
| Male      | 0            | 0                             | 0.00%     | 0                    | 0.00%        | 0         | 0                             | 0.00%     | 0                    | 0.00%     |
| Female    | 0            | 0                             | 0.00%     | 0                    | 0.00%        | 0         | 0                             | 0.00%     | 0                    | 0.00%     |
| Other     | 0            | 0                             | 0.00%     | 0                    | 0.00%        | 0         | 0                             | 0.00%     | 0                    | 0.00%     |
| Total     | 0            | 0                             | 0.00%     | 0                    | 0.00%        | 0         | 0                             | 0.00%     | 0                    | 0.00%     |

9. Details of performance and career development reviews of employees and worker:

| Category  | FY (2023-24) |         |           | PY (2022-23) |         |           |
|-----------|--------------|---------|-----------|--------------|---------|-----------|
|           | Total (A)    | No. (B) | % (B / A) | Total (D)    | No. (E) | % (E / D) |
| Employees |              |         |           |              |         |           |
| Male      | 2            | 2       | 100.00%   | 2            | 2       | 100.00%   |
| Female    | 1            | 1       | 100.00%   | 0            | 0       | 0.00%     |
| Other     | 0            | 0       | 0.00%     | 0            | 0       | 0.00%     |
| Total     | 3            | 3       | 100.00%   | 2            | 2       | 100.00%   |
| Workers   |              |         |           |              |         |           |
| Male      | 0            | 0       | 0.00%     | 0            | 0       | 0.00%     |
| Female    | 0            | 0       | 0.00%     | 0            | 0       | 0.00%     |
| Other     | 0            | 0       | 0.00%     | 0            | 0       | 0.00%     |
| Total     | 0            | 0       | 0.00%     | 0            | 0       | 0.00%     |

10. Health and safety management system:

|    |   |   |
|----|---|---|
| a. | Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No).<br>If yes, the coverage such system? | Yes<br><br>The Company acknowledges that there are no occupational health and safety hazards associated with its business operations. However, the well-being of its employees remain a top priority. We ensure the availability of first aid kit at our location. We conduct annual health check ups of our employees. |
| b. | What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?                 | In light of our business operations, hazard identification is not applicable.   |
| c. | Whether you have processes for workers to report the work related hazards and to remove themselves from such risks?                             | NA  |
| d. | Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?   | NA  |

11. Details of safety related incidents, in the following format: Not Applicable

| Safety Incident/Number  | Category          | FY (2023-24)                                | PY (2022-23) |
|---|-------------------|---|--------------|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees Workers | 'Not Applicable' as there are no incidents. |              |
| Total recordable work-related injuries  | Employees Workers |   |              |
| No. of fatalities   | Employees Workers |   |              |
| High consequence work related injury or ill-health (excluding fatalities)     | Employees Workers |   |              |

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The Company ensures the availability of first aid kit at our location. We conduct annual health check ups of our employees.

13. Number of Complaints on the following made by employees and workers:

|                    | FY (2023-24)          |                                       |         | PY (2022-23)          |                                       |         |
|--------------------|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
|                    | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Working Conditions | 0                     | 0                                     | NA      | 0                     | 0                                     | NA      |
| Health & Safety    | 0                     | 0                                     | NA      | 0                     | 0                                     | NA      |

14. Assessments for the year:

|                             | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|---|
| Health and safety practices | Not Applicable as the Company is not subject to any such inspection.                                  |
| Working Conditions          |   |

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions. - Not Applicable

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**

**Essential Indicators**

1. Describe the processes for identifying key stakeholder groups of the entity.

We place great emphasis on stakeholder identification Our stakeholder identification process remains a continuous undertaking, enabling us to remain informed, engaged, and responsive to the ever-evolving needs of our stakeholders.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

| Sr | Stakeholder Group         | Whether identified as vulnerable & Marginalized Group | Channels of Communication   | Frequency of Management               | Purpose and Scope of engagement including key topics and concerns raised during such engagement |
|----|---------------------------|---|---|---------------------------------------|---|
| 1  | Shareholders              | No  | <ul style="list-style-type: none"> <li>● Quarterly and annual financial results</li> <li>● Annual reports</li> <li>● Annual general meetings</li> </ul> | Quarterly<br><br>Annually<br>Annually | To share updates of the Company during AGM  |
| 2  | Investors                 | No  | Website   | Quarterly                             | To share updates of the Company during AGM  |
| 3  | Employees                 | No  | E-mail  | At required frequency                 | To share updates of the Company and work related updates  |
| 4  | Government and Regulators | No  | E-mail  | At required frequency                 | To update on various compliances and to seek approvals  |

#### PRINCIPLE 5 Businesses should respect and promote human rights

##### Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

| Category             | FY (2023-24) |  |           | PY (2022-23) |  |           |
|----------------------|--------------|--|-----------|--------------|--|-----------|
|                      | Total (A)    | No. of employees / workers covered (B) | % (B / A) | Total (C)    | No. of employees / workers covered (D) | % (D / C) |
| Employees            |              |  |           |              |  |           |
| Permanent            | 2            | 2                                      | 100.00%   | 0            | 0                                      | 0.00%     |
| Other than permanent | 1            | 1                                      | 100.00%   | 2            | 2                                      | 100.00%   |
| Total Employees      | 3            | 3                                      | 100.00%   | 2            | 2                                      | 100.00%   |
| Workers              |              |  |           |              |  |           |
| Permanent            | 0            | 0                                      | 0.00%     | 0            | 0                                      | 0.00%     |
| Other than permanent | 0            | 0                                      | 0.00%     | 0            | 0                                      | 0.00%     |
| Total Workers        | 0            | 0                                      | 0.00%     | 0            | 0                                      | 0.00%     |

2. Details of minimum wages paid to employees and workers, in the following format:

| Category             | FY (2023-24) |                       |           |                        |           | PY (2022-23) |                       |           |                        |           |
|----------------------|--------------|-----------------------|-----------|------------------------|-----------|--------------|-----------------------|-----------|------------------------|-----------|
|                      | Total (A)    | Equal to Minimum Wage |           | More than Minimum Wage |           | Total (D)    | Equal to Minimum Wage |           | More than Minimum Wage |           |
|                      |              | No. (B)               | % (B / A) | No. (C)                | % (C / A) |              | No. (E)               | % (E / D) | No. (F)                | % (F / D) |
| <b>Employees</b>     |              |                       |           |                        |           |              |                       |           |                        |           |
| Permanent            | 2            | 0                     | 0.00%     | 2                      | 100.00%   | 0            | 0                     | 0.00%     | 0                      | 0.00%     |
| Male                 | 1            | 0                     | 0.00%     | 1                      | 100.00%   | 0            | 0                     | 0.00%     | 0                      | 0.00%     |
| Female               | 1            | 0                     | 0.00%     | 1                      | 100.00%   | 0            | 0                     | 0.00%     | 0                      | 0.00%     |
| Other                | 0            | 0                     | 0.00%     | 0                      | 0.00%     | 0            | 0                     | 0.00%     | 0                      | 0.00%     |
| Other than Permanent | 2            | 0                     | 0.00%     | 2                      | 100.00%   | 2            | 0                     | 0.00%     | 2                      | 100.00%   |
| Male                 | 2            | 0                     | 0.00%     | 2                      | 100.00%   | 2            | 0                     | 0.00%     | 2                      | 100.00%   |
| Female               | 0            | 0                     | 0.00%     | 0                      | 0.00%     | 0            | 0                     | 0.00%     | 0                      | 0.00%     |
| Other                | 0            | 0                     | 0.00%     | 0                      | 0.00%     | 0            | 0                     | 0.00%     | 0                      | 0.00%     |
| <b>Workers</b>       |              |                       |           |                        |           |              |                       |           |                        |           |
| Permanent            | 0            | 0                     | 0.00%     | 0                      | 0.00%     | 0            | 0                     | 0.00%     | 0                      | 0.00%     |
| Male                 | 0            | 0                     | 0.00%     | 0                      | 0.00%     | 0            | 0                     | 0.00%     | 0                      | 0.00%     |
| Female               | 0            | 0                     | 0.00%     | 0                      | 0.00%     | 0            | 0                     | 0.00%     | 0                      | 0.00%     |
| Other                | 0            | 0                     | 0.00%     | 0                      | 0.00%     | 0            | 0                     | 0.00%     | 0                      | 0.00%     |
| Other than Permanent | 0            | 0                     | 0.00%     | 0                      | 0.00%     | 0            | 0                     | 0.00%     | 0                      | 0.00%     |
| Male                 | 0            | 0                     | 0.00%     | 0                      | 0.00%     | 0            | 0                     | 0.00%     | 0                      | 0.00%     |
| Female               | 0            | 0                     | 0.00%     | 0                      | 0.00%     | 0            | 0                     | 0.00%     | 0                      | 0.00%     |
| Other                | 0            | 0                     | 0.00%     | 0                      | 0.00%     | 0            | 0                     | 0.00%     | 0                      | 0.00%     |

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration/wages

|                                  | Male   |  | Female |  | Other  |   |
|----------------------------------|--------|--|--------|--|--------|---|
|                                  | Number | Median remuneration/ salary/ wages of respective category (in Rs.) | Number | Median remuneration/ salary/ wages of respective category (in Rs.) | Number | Median remuneration/ salary/ wages of respective category |
| Board of Directors (BoD)         | 5      | 2,8460,000/-   | 1      | 17,35,000/-  | 0      | 0   |
| Key Managerial Personnel         | 2      | 54,89,729/-  | 1      | 4,85,510/-   | 0      | 0   |
| Employees other than BoD and KMP | 1      | 9,92,167/-   | 0      | 0  | 0      | 0   |
| Workers                          | 0      | 0  | 0      | 0  | 0      | 0   |

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

|   | FY 2023-24 | FY 2022-23 |
|---|------------|------------|
| Gross wages paid to females as % of total wages | 6.75 %     | NA         |

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? - Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The employees can directly share their feedback, ideas and grievances with HR. HR will revert with relevant solutions.

6. Number of Complaints on the following made by employees and workers:

|                                   | FY (2023-24)          |                                       |         | PY (2022-23)          |                                       |         |
|-----------------------------------|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
|                                   | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Sexual Harassment                 | 0                     | 0                                     | Nil     | 0                     | 0                                     | Nil     |
| Discrimination at workplace       | 0                     | 0                                     | Nil     | 0                     | 0                                     | Nil     |
| Child Labour                      | 0                     | 0                                     | Nil     | 0                     | 0                                     | Nil     |
| Forced Labour/Involuntary Labour  | 0                     | 0                                     | Nil     | 0                     | 0                                     | Nil     |
| Wages                             | 0                     | 0                                     | Nil     | 0                     | 0                                     | Nil     |
| Other human rights related issues | 0                     | 0                                     | Nil     | 0                     | 0                                     | Nil     |

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

|   | FY 2023-24 | FY 2022-23 |
|---|------------|------------|
| Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) | Nil        | Nil        |
| Complaints on POSH as a % of female employees / workers   | NA         | NA         |
| Complaints on POSH upheld   | NA         | NA         |

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has internal complaint committee under Section 4 (1) of Sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

9. Do human rights requirements form part of your business agreements and contracts? No

10. Assessments for the year:

|                             | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|---|
| Child labour                | 0.00%   |
| Forced/involuntary labour   | 0.00%   |
| Sexual harassment           | 0.00%   |
| Discrimination at workplace | 0.00%   |
| Wages                       | 0.00%   |
| Others - please specify     | NA  |

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above : Not Applicable

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment**

**Essential Indicators**

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

The electricity consumption is 'Negligible' and the figures of the same cannot be procured as the rent paid by the Company covers the cost of electricity.

| Parameter   | FY (2023-24) | PY (2022-23) |                |
|---|--------------|--------------|----------------|
| <b>From renewable sources</b>   |              |              |                |
| Total electricity consumption (A)   | Nil          | Nil          |                |
| Total fuel consumption (B)  | Nil          | Nil          |                |
| Energy consumption through other sources (C)  | Nil          | Nil          |                |
| Total energy consumption (A+B+C)  | Nil          | Nil          |                |
| <b>From Non-renewable sources</b>   |              |              |                |
| Total electricity consumption (D)   | Nil          | Nil          |                |
| Total fuel consumption (E)  | Nil          | Nil          |                |
| Energy consumption through other sources (F)  | Nil          | Nil          |                |
| Total energy consumed from nonrenewable sources (D+E+F)   | Nil          | Nil          |                |
| Total energy consumed (A+B+C+D+E+F)   | Nil          | Nil          |                |
| Energy intensity per rupee of turnover<br>Total energy consumption/ turnover in rupees)   | Nil          | Nil          |                |
| Energy intensity per rupee of turnover<br>adjusted for Purchasing Power Parity (PPP)<br>(Total energy consumed / Revenue from operations<br>adjusted for PPP) | Nil          | Nil          |                |
| Energy intensity in terms of physical output  | Nil          | Nil          |                |
| Energy intensity (optional) - the relevant metric<br>may be selected by the entity  | Nil          | Nil          |                |
| Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?  |              |              | No             |
| If yes, name of the external agency.  |              |              | Not Applicable |

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? No

If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any. NA

3. Provide details of the following disclosures related to water, in the following format:

The water consumption is 'Negligible' as the Company only has 1 employee on deputation and 2 on roll.

| Parameter   | FY (2023-24) | PY (2022-23) |
|---|--------------|--------------|
| Water withdrawal by source (in kilolitres)  |              |              |
| (i) Surface water   | Nil          | Nil          |
| (ii) Groundwater  | Nil          | Nil          |
| (iii) Third party water   | Nil          | Nil          |
| (iv) Seawater / desalinated water   | Nil          | Nil          |
| (v) Others  | Nil          | Nil          |
| Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)  | Nil          | Nil          |
| Total volume of water consumption (in kilolitres)   | Nil          | Nil          |
| Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) | Nil          | Nil          |
| Water intensity in terms of physical output   | Nil          | Nil          |
| Water intensity (optional) - the relevant metric may be selected by the entity  | Nil          | Nil          |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

No

If yes, name of the external agency. NA

4. Provide the following details related to water discharged:

| Parameter   | FY (2023-24) | PY (2022-23) |
|---|--------------|--------------|
| Water discharge by destination and level of treatment (in kilolitres) |              |              |
| (i) To Surface water  | NA           | NA           |
| - No treatment  | NA           | NA           |
| - With treatment - please specify level of treatment                  | NA           | NA           |
| (ii) To Groundwater   | NA           | NA           |
| - No treatment  | NA           | NA           |
| - With treatment - please specify level of treatment                  | NA           | NA           |
| (iii) To Seawater   | NA           | NA           |
| - No treatment  | NA           | NA           |
| - With treatment - please specify level of treatment                  | NA           | NA           |
| (iv) Sent to third-parties  | NA           | NA           |
| - No treatment  | NA           | NA           |
| - With treatment - please specify level of treatment                  | NA           | NA           |
| (v) Others  | NA           | NA           |
| - No treatment  | NA           | NA           |
| - With treatment - please specify level of treatment                  | NA           | NA           |
| Total water discharged (in kilolitres)                                | NA           | NA           |

5. Has the entity implemented a mechanism for Zero Liquid Discharge? No  
If yes, provide details of its coverage and implementation. NA

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

The Company's operations do not result in any of the abovementioned air emissions.

| Parameter  | Please specify unit | FY (2023-24) | PY (2022-23) |
|--|---------------------|--------------|--------------|
| NOx  | NA                  | Nil          | Nil          |
| SOx  | NA                  | Nil          | Nil          |
| Particulate matter (PM)  | NA                  | Nil          | Nil          |
| Persistent organic pollutants (POP)  | NA                  | Nil          | Nil          |
| Volatile organic compounds (VOC)   | NA                  | Nil          | Nil          |
| Hazardous air pollutants (HAP)   | NA                  | Nil          | Nil          |
| Others - please specify  | NA                  |              |              |
| Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) |                     |              | No           |
| If yes, name of the external agency.   |                     |              | NA           |

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

| Parameter   | Unit | FY (2023-24) | PY (2022-23) |
|---|------|--------------|--------------|
| Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)  | NA   | Nil          | Nil          |
| Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)  | NA   | Nil          | Nil          |
| Total Scope 1 and Scope 2 emissions per rupee of turnover   | NA   | Nil          | Nil          |
| Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted or Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP) | NA   | Nil          | Nil          |
| Total Scope 1 and Scope 2 emission intensity in terms of physical output  | NA   | Nil          | Nil          |
| Total Scope 1 and Scope 2 emission intensity (optional)<br>- the relevant metric may be selected by the entity  | NA   | Nil          | Nil          |
| Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  |      |              | No           |
| If yes, name of the external agency.  |      |              | NA           |

8. Does the entity have any project related to reducing Green House Gas emission? No

If Yes, then provide details. NA

9. Provide details related to waste management by the entity, in the following format: NA

| Parameter   | FY (2023-24) | PY (2022-23) |
|---|--------------|--------------|
| Total Waste generated (in metric tonnes)  |              |              |
| Plastic waste (A)   | Nil          | Nil          |
| E-waste (B)   | Nil          | Nil          |
| Bio-medical waste (C)   | Nil          | Nil          |
| Construction and demolition waste (D)   | Nil          | Nil          |
| Battery waste (E)   | Nil          | Nil          |
| Radioactive waste (F)   | Nil          | Nil          |
| Other Hazardous waste. Please specify, if any. (G)  | Nil          | Nil          |
| Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)                 | Nil          | Nil          |
| Total (A+B + C + D + E + F + G + H)   | Nil          | Nil          |
| Waste intensity per rupee of turnover ( Total Waste generated/ Revenue from operations)   | Nil          | Nil          |
| Waste intensity per rupee of turnover adjusted Purchasing for Power Parity (PPP) (Total Revenue waste from generated / operations adjusted for PPP) | Nil          | Nil          |
| Waste intensity in terms of physical output   | Nil          | Nil          |
| Waste intensity (optional) ñ the relevant metric may be selected by the entity  | Nil          | Nil          |
| For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)             |              |              |
| Category of waste   |              |              |
| (i) Recycled  | Nil          | Nil          |
| (ii) Re-used  | Nil          | Nil          |
| (iii) Other recovery operations   | Nil          | Nil          |
| Total   | Nil          | Nil          |
| For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)  |              |              |
| Category of waste   |              |              |
| (i) Incineration  | Nil          | Nil          |
| (ii) Landfilling  | Nil          | Nil          |
| (iii) Other disposal operations   | Nil          | Nil          |
| Total   | Nil          | Nil          |
| Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)                                |              | No           |
| If yes, name of the external agency.  |              | NA           |

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes. Nil

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

| Sr. No.        | Location of operations/ offices | Type of operations | Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any |
|----------------|---------------------------------|--------------------|--|
| Not Applicable |                                 |                    |  |

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

| Name and brief details of project | EIA Notification No. | Date | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes/ No) | Relevant Weblink |
|-----------------------------------|----------------------|------|---|---|------------------|
| Not applicable                    |                      |      |   |   |                  |

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

| Sr. No.  | Specify the law / regulation/ guidelines which was not complied with | Provide details of the non-compliance | Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts | Corrective action taken, if any |
|--|--|---------------------------------------|---|---------------------------------|
| The Company's operations do not attract any of these permissions |  |                                       |   |                                 |

**PRINCIPLE 7** Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

**Essential Indicators**

1. a. Number of affiliations with trade and industry chambers/ associations - NIL
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

| S. No. | Name of the trade and industry chambers/ associations | Reach of trade and industry chambers/ associations (State/National/International) |
|--------|---|---|
| 1      | NA  | Nil   |
| 2      | NA  | Nil   |
| 3      | NA  | Nil   |

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities

| Name of the Authority | Brief of the Case | Corrective action taken |
|-----------------------|-------------------|-------------------------|
| Not Applicable        |                   |                         |

**PRINCIPLE 8 Businesses should promote inclusive growth and equitable development**

**Essential Indicators:**

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

| Name and brief details of project   | SIA Notification No. | Date of notification | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes/ No) | Relevant Weblink |
|---|----------------------|----------------------|---|---|------------------|
| As per applicable laws, SIA is not applicable for any of the projects undertaken by the Company |                      |                      |   |   |                  |

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

| Name of Project for which R&R is ongoing | State | District | No. of Project Affected Families (PAFs) | % of PAFs covered by R&R | Amounts paid to PAFs in the FY (In Rs.) |
|--|-------|----------|---|--------------------------|---|
| No such project undertaken               |       |          |   |                          |   |

3. Describe the mechanisms to receive and redress grievances of the community.
- |  |  |
|--|--|
|  | Step 1: Beneficiaries grievances are usually addressed by our implementing partner at their level. |
|  | Step 2 : If unresolved they may contact CSR committee or visit our location.                       |

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:
- |  | FY (2023-24) | PY (2022-23) |
|--|--------------|--------------|
| Directly sourced from MSMEs/ small producers                         | 0            | 0            |
| Sourced directly from within the district and neighbouring districts | 0            | 0            |

5. Job creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

| Location     | FY 2023-24 | FY 2022-23 |
|--------------|------------|------------|
| Rural        | NA         | NA         |
| Semi Urban   | NA         | NA         |
| Urban        | NA         | NA         |
| Metropolitan | NA         | NA         |

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

**PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner**

**Essential Indicators**

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Not Applicable in view of Company's nature of business.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about: Not Applicable

| Turnover of products and/ services as a percentage of turnover from all products/service that carry information about | As a percentage to total turnover |
|---|-----------------------------------|
| Environmental and social parameters relevant to the product   | 0.00%                             |
| Safe and responsible usage  | 0.00%                             |
| Recycling and/or safe disposal  | 0.00%                             |

3.

| Number of consumer complaints in respect of the following | FY (2023-24)             |                                   | Remark | PY (2022-23)             |                                   | Remark |
|---|--------------------------|-----------------------------------|--------|--------------------------|-----------------------------------|--------|
|   | Received during the year | Pending resolution at end of year |        | Received during the year | Pending resolution at end of year |        |
| Data privacy  | 0                        | 0                                 | NA     | 0                        | 0                                 | NA     |
| Advertising   | 0                        | 0                                 | NA     | 0                        | 0                                 | NA     |
| Cyber-security  | 0                        | 0                                 | NA     | 0                        | 0                                 | NA     |
| Delivery of essential services                            | 0                        | 0                                 | NA     | 0                        | 0                                 | NA     |
| Restrictive Trade Practices                               | 0                        | 0                                 | NA     | 0                        | 0                                 | NA     |
| Unfair Trade Practices                                    | 0                        | 0                                 | NA     | 0                        | 0                                 | NA     |
| Other   | 0                        | 0                                 | NA     | 0                        | 0                                 | NA     |

4.

| Details of instances of product recalls on account of safety issues | Number | Reasons for recall |
|---|--------|--------------------|
| Voluntary recalls   | Nil    | NA                 |
| Forced recalls  |        |                    |

5.

|   |   |
|---|---|
| Does the entity have a framework/ policy on cyber security and risks related to data privacy? | Yes   |
| If available, provide a web-link of the policy  | <a href="https://www.bfilpune.com/pdf/Policies%20and%20Terms/Risk%20Management%20Policy.pdf">https://www.bfilpune.com/pdf/Policies%20and%20Terms/Risk%20Management%20Policy.pdf</a> |

6.

|  |   |
|--|---|
| Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services. | We ensure to reply to the regulators for any information as required by regulators. |
|--|---|

7.

|   |        |
|---|--------|
| Provide the following information relating to data breaches:                              |        |
| a. Number of instances of data breaches   | a. Nil |
| b. Percentage of data breaches involving personally identifiable information of customers | b. NA  |
| c. Impact, if any, of the data breaches   | c. NA  |

# INDEPENDENT AUDITORS' REPORT

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To the Members of BF Investment Limited

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the Standalone Financial Statements of BF Investment Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of Material Accounting Policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements"). In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone 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 accounting principles generally accepted in India, of the standalone state of affairs of the Company as at March 31, 2024, and its standalone profit (including Other Comprehensive Income), standalone changes in equity and its standalone cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 Standalone Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

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

### Valuation of investments

At the balance sheet date, the value of investments amounted to Rs.25,097.47 million representing 87.62% of the total assets. Investments have been considered as key audit matter due to the size of the balance, various recognition principles, subsequent measurement principles and disclosure requirements. Refer note 1A(i) to the Standalone Financial Statements for its accounting policy.

### Principle Audit Procedures

- i) We have understood and evaluated the process of the Management to identify impairment indicators (if any) for the Company's investments.
- ii) For quoted investments, we have independently verified the fair values.
- iii) We have evaluated the fair value of unquoted investments adopted by the Management and assessed the parameters of the fair valuation reports obtained by the Management from external experts.
- iv) On a test check basis, we have verified appropriate evidence with regard to assertions of existence and rights to the investments.
- v) We have verified principles for recognition, subsequent measurement and disclosures as specified in the accounting policy adopted by the Company based on the Ind Accounting Standards.

### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Management Discussion and Analysis; Board of Directors' Report along with its Annexures and Corporate Governance

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Report included in the Annual Report which we obtained prior to the date of this auditor's report, express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the 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.

### **Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the standalone financial position, standalone financial performance (including other comprehensive income), Standalone changes in equity and Standalone cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

We also:

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

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

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 Standalone 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 paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards 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 March 31, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 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 with reference to financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - g) As required by section 197 (16) of the Act; in our opinion and according to information and explanation provided to us, the remuneration paid by the Company to its directors is in accordance with the provisions of section 197 of the Act and remuneration paid to directors is not in excess of the limit laid down under this section.
  - 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, in our opinion and to the best of our information and according to the explanations given to us:

- 
- (i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements - Refer Note 40 to the Standalone Financial Statements;
  - (ii) The Company did not have any long-term contracts including derivative contracts as at March 31, 2024.
  - (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 to us that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other 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 to us, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other 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 information and explanation given to us and audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations made by the management and as mentioned under sub-clause (iv)(a) and (iv)(b) above contain any material misstatement.
  - (v) The Company has not declared or paid dividend during the year.
  - (vi) Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has 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. 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 April 1, 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 financial year ended March 31, 2024.

**For P.G. BHAGWAT LLP**  
Chartered Accountants  
Firm Registration Number: 101118W/W100682

**Purva Kulkarni**  
Partner  
Membership No. 138855  
UDIN :24138855BKBKDP9462

Pune : May 30, 2024

## "ANNEXURE A" TO AUDITORS' REPORT

### Annexure A to the Independent Auditors' Report

Referred to in paragraph 1 under the heading, "Report on Other legal and Regulatory Requirements" of our report on even date:

- i.
    - (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
    - (B) The Company does not own any intangible assets. Therefore, the provisions of Clause 3(i)(a)(B) of the said Order are not applicable to the Company.
  - (b) The Property, Plant & Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
  - (c) According to the information and explanation provided to us and on the basis of our examination of the records of the Company, title deeds of immovable properties are held in the name of the Company, except as specified in note 10 to the Standalone Financial Statements.
  - (d) According to the information and explanation provided to us, the Company has chosen the cost model for its Property, Plant and Equipment. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of property, plant and equipment does not arise.
  - (e) According to the information and explanations provided to us there are no proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and rules made thereunder. Hence reporting under clause 3(i) (e) of the Order is not applicable.
- ii.
    - (a) The Company is a Core Investment Company and therefore, does not hold any inventory. Therefore, the provisions of Clause 3(ii)(a) of the said Order are not applicable to the Company.
    - (b) According to the information and explanations provided to us, the Company has not been sanctioned working capital limits in excess of five crore rupees during the year, in aggregate, from banks or financial institutions on the basis of security of current assets. Hence reporting under clause 3(ii)(b) of the Order is not applicable.
  - iii.
    - (a) The Company during the year has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence reporting under Clause (iii)(a) and (b), are not applicable to the Company.
    - (c) In respect of the aforesaid loans and advances in the nature of loans, no schedule for repayment of principal and payment of interest has been stipulated by the Company. Therefore, in absence of stipulation of repayment terms we cannot make any comment on the regularity of repayment of principal and/or payment of interest.
    - (d) According to information and explanation provided to us, no repayment schedule is stipulated and further no interest is being charged on any loans. Therefore, no amount is overdue.
    - (e) According to information and explanation provided to us, no loan or advance in the nature of loan granted has fallen due during the year. Accordingly reporting under clause 3(iii)(e) of the Order is not applicable.
    - (f) The Company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment in earlier period .

| Particulars     | Aggregate amount of loans/ advances in nature of loans | Percentage of loans/ advances in nature of loans to the total loans |
|-----------------|--|---|
| Related Parties | 230.63 Million   | 100%  |

- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186 of the Act. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

- vi. According to information and explanation provided to us, being an investment Company, maintenance of cost records under sub-section (1) of Section 148 of the Act is not applicable.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including Goods and Service Tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
- According to the information and explanation provided to us, no undisputed amounts payable in respect of statutory dues referred in sub clause (a) above were in arrear as at March 31, 2024, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.
- viii. In terms of the information and explanations given to us and the books of account and records examined by us, the Company has not surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Hence reporting under clause 3(viii) of the Order is not applicable.
- ix. (a) As the Company does not have any loans or other borrowings from any lender as at the balance sheet date, the provisions of Clause 3(ix)(a) of the Order are not applicable to the Company.
- (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 wilful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanations given to us and on the basis of our audit procedures, the Company has not availed any term loan.
- (d) According to the information and explanations given to us and on the basis of our audit procedures, the Company has not raised any funds on short term basis.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associates or joint ventures. The Company does not have any subsidiary.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its, joint ventures or associate companies. The Company does not have Subsidiary.
- x. (a) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) during the year. Accordingly, the provisions of Clause 3(x)(a) of the Order are not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partly or optionally convertible debentures during the year. Accordingly, the provisions of Clause 3(x)(b) of the Order are not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, report in the form ADT-4 as specified under sub-section (12) of section 143 of the Companies Act has not been filed. Accordingly reporting under clause 3(xi)(b) of the Order is not applicable.
- (c) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us and as represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Accounting Standard Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- 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. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. (a) According to the information and explanations given to us and in our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India, 1934.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is a Core Investment Company (CIC) and does not conduct any Non-Banking Financial or Housing Finance activities.
- (c) According to the information and explanations given to us and procedures performed by us, the Company is a Core Investment Company (CIC) as per RBI Master Direction- Core Investment Companies (Reserve Bank) Directions 2016, and continues to fulfil the criteria of CIC. According to the information and explanation given to us, the Company is unregistered CIC and, in our opinion, it continues to fulfil such criteria.
- (d) Based on information and explanation given to us and as represented by the management, the Group does have two Core Investment Companies (CIC)s as part of the Group.
- xvii. The Company has not incurred cash losses during current financial year and had not incurred cash losses during immediately preceding financial year.
- xviii. There has been no resignation by statutory auditors during the year hence reporting under clause 3(xviii) of the order is 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. (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.
- (b) In respect of ongoing projects, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the financial year in compliance with Section 135(6) of the said Act.

For P.G. BHAGWAT LLP  
Chartered Accountants  
Firm Registration Number: 101118W/W100682

Purva Kulkarni  
Partner  
Membership No. 138855  
UDIN :24138855BKBKDP9462

Pune : May 30, 2024

## "ANNEXURE B" TO AUDITORS' REPORT

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### Annexure B to the Independent Auditors' Report

Referred to in paragraph 2 (f) under the heading, "Report on Other legal and Regulatory Requirements" of our report on even date:

#### **Report on the Internal Financial Controls with reference to Standalone 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 reference to the Standalone Financial Statements of BF Investment Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the Standalone 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 controls over financial reporting criteria established by the Company considering the essential components of internal controls 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 with reference to the Standalone Financial Statements 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, to the extent applicable to an audit of internal financial controls, 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 with reference to the Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to the Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone 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 with reference to the Standalone Financial Statements.

#### **Meaning of Internal Financial controls with reference to the Standalone Financial Statements**

The Company's internal financial controls with reference to the Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. The Company's internal financial controls with reference to the Standalone Financial Statements 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 Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

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## **Inherent Limitations of Internal Financial Controls with reference to the Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to the Standalone Financial Statements, 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 with reference to the Standalone Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Standalone Financial Statements 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 in all material respects, adequate internal financial controls with reference to the Standalone Financial Statements and such internal financial controls with reference to the Standalone Financial Statements were operating effectively as at March 31, 2024, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For P.G. BHAGWAT LLP**  
Chartered Accountants  
Firm Registration Number: 101118W/W100682

**Purva Kulkarni**  
Partner  
Membership No. 138855  
UDIN :24138855BKBKDP9462

Pune : May 30, 2024

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# **Financial Statements**

## Standalone Balance Sheet as at 31<sup>st</sup> March, 2024

(In ₹ Million)

|  | Note No. | As at March 31, 2024    | As at March 31, 2023    |
|--|----------|-------------------------|-------------------------|
| <b>ASSETS</b>  |          |                         |                         |
| <b>1 Financial Assets</b>  |          |                         |                         |
| (a) Cash and cash equivalents  | 3        | 351.15                  | 78.44                   |
| (b) Bank balances other (a) above  | 4        | 2,520.70                | 1,949.80                |
| (c) Loans  | 5        | 230.63                  | 236.51                  |
| (d) Investments  | 6        | 25,097.47               | 18,639.86               |
| (e) Other financial assets   | 7        | 292.40                  | 280.84                  |
|  |          | <u>28,492.35</u>        | <u>21,185.45</u>        |
| <b>2 Non-financial assets</b>  |          |                         |                         |
| (a) Income tax assets (net)  | 8        | 3.20                    | 3.17                    |
| (b) Deferred tax asset (net)   | 9        | -                       | 27.14                   |
| (c) Investment property  | 10       | 129.79                  | 129.92                  |
| (d) Property, plant and equipment  | 11       | 18.78                   | 23.31                   |
| (e) Other non-financial assets   | 12       | 0.17                    | 1.37                    |
|  |          | <u>151.94</u>           | <u>184.91</u>           |
| <b>Total assets</b>  |          | <u><u>28,644.29</u></u> | <u><u>21,370.36</u></u> |
| <b>LIABILITIES AND EQUITY</b>  |          |                         |                         |
| <b>LIABILITIES</b>   |          |                         |                         |
| <b>1 Financial liabilities</b>   |          |                         |                         |
| (a) Trade payables   | 13       |                         |                         |
| - dues of micro enterprises and small enterprises                                    |          | -                       | -                       |
| - dues of creditors other than micro enterprises and small enterprises               |          | 0.04                    | 0.49                    |
| (b) Other financial liabilities  | 14       | 32.24                   | 26.49                   |
|  |          | <u>32.28</u>            | <u>26.98</u>            |
| <b>2 Non-financial liabilities</b>   |          |                         |                         |
| (a) Provisions   | 15       | 0.05                    | -                       |
| (b) Income tax liabilities   | 16       | 25.70                   | -                       |
| (c) Deferred tax liability (net)   | 9        | 709.13                  | -                       |
| (d) Other non-financial liabilities  | 17       | 0.38                    | 0.75                    |
|  |          | <u>735.26</u>           | <u>0.75</u>             |
| <b>3 EQUITY</b>  |          |                         |                         |
| (a) Share capital  | 18       | 188.34                  | 188.34                  |
| (b) Other equity   | 19       | 27,688.41               | 21,154.29               |
|  |          | <u>27,876.75</u>        | <u>21,342.63</u>        |
| <b>Total liabilities and equity</b>  |          | <u><u>28,644.29</u></u> | <u><u>21,370.36</u></u> |
| Summary of material accounting policies  | 1A       |                         |                         |
| Significant accounting judgements, estimates and assumptions                         | 2        |                         |                         |
| The accompanying notes form an integral part of the standalone financial statements. |          |                         |                         |

As per our attached report of even date,

For and on behalf of the Board of Directors of  
**BF INVESTMENT LIMITED**

For **P. G. BHAGWAT LLP**  
Chartered Accountants  
(FRN No. 101118W/ W100682)

**B.S. Mitkari**  
Director  
DIN: 03632549

**M. U. Takale**  
Director  
DIN : 01291287

**Purva Kulkarni**  
Partner  
Membership No. 138855

**Akshay Jagtap**  
Chief Executive Officer &  
Chief Financial Officer

**G. P. Pendse**  
Company Secretary

Place : Pune  
Date : May 30, 2024

Place : Pune  
Date : May 30, 2024

## Standalone Statement of Profit and Loss for the Year Ended 31<sup>st</sup> March, 2024

|           |  | (In ₹ Million)               |                              |
|-----------|--|------------------------------|------------------------------|
|           | Note No.   | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
| <b>1</b>  | <b>Revenue from Operations</b>   |                              |                              |
|           | (a) Interest income  | 166.26                       | 86.59                        |
|           | (b) Dividend income  | 944.81                       | 792.52                       |
|           | (c) Net gain on fair value changes   | 66.21                        | 66.32                        |
|           | <b>Total revenue from operations</b>   | <b>1,177.28</b>              | <b>945.43</b>                |
| <b>2</b>  | <b>Other income</b>  | <b>4.31</b>                  | <b>0.07</b>                  |
|           | <b>Total income</b>  | <b>1,181.59</b>              | <b>945.50</b>                |
| <b>3</b>  | <b>Expenses</b>  |                              |                              |
|           | (a) Employee benefits expense  | 7.20                         | 6.90                         |
|           | (b) Finance costs  | -                            | -                            |
|           | (c) Depreciation   | 4.97                         | 5.81                         |
|           | (d) Other expenses   | 55.72                        | 49.41                        |
|           | <b>Total expenses</b>  | <b>67.89</b>                 | <b>62.12</b>                 |
| <b>4</b>  | <b>Profit before exceptional items and tax</b>                                       | <b>1,113.70</b>              | <b>883.38</b>                |
| <b>5</b>  | <b>Exceptional items</b>   | <b>-</b>                     | <b>-</b>                     |
| <b>6</b>  | <b>Profit before tax</b>   | <b>1,113.70</b>              | <b>883.38</b>                |
| <b>7</b>  | <b>Tax expense</b>   | <b>28</b>                    |                              |
|           | Current tax  | 272.80                       | 208.20                       |
|           | Tax in respect of earlier years  | -                            | (10.43)                      |
|           | Deferred tax expense   | 3.83                         | 5.49                         |
|           | <b>Total tax expense</b>   | <b>276.63</b>                | <b>203.26</b>                |
| <b>8</b>  | <b>Profit for the year</b>   | <b>837.07</b>                | <b>680.12</b>                |
| <b>9</b>  | <b>Other comprehensive income, net of income tax</b>                                 |                              |                              |
|           | Items that will not be reclassified to profit or loss                                |                              |                              |
|           | (a) Re-measurement gains/(loss) on defined benefit plans                             | (0.03)                       | -                            |
|           | (b) Changes in fair value of FVOCI equity investment                                 | 6,429.53                     | 1,171.35                     |
|           | Tax Income / (Expense) thereon   | (732.46)                     | (79.58)                      |
|           | <b>Other comprehensive income for the year</b>                                       | <b>5,697.04</b>              | <b>1,091.77</b>              |
| <b>10</b> | <b>Total comprehensive income for the year</b>                                       | <b>6,534.11</b>              | <b>1,771.89</b>              |
| <b>11</b> | <b>Earnings per share (Face value of Rs. 5/- each) :</b>                             | <b>29</b>                    |                              |
|           | Basic & Diluted  | 22.22                        | 18.06                        |
|           | Summary of material accounting policies  | 1A                           |                              |
|           | Significant accounting judgements, estimates and assumptions                         | 2                            |                              |
|           | The accompanying notes form an integral part of the standalone financial statements. |                              |                              |

As per our attached report of even date,

**For P. G. BHAGWAT LLP**  
Chartered Accountants  
(FRN No. 101118W/ W100682)

**Purva Kulkarni**  
Partner  
Membership No. 138855

Place : Pune  
Date : May 30, 2024

For and on behalf of the Board of Directors of  
**BF INVESTMENT LIMITED**

**B.S. Mitkari**  
Director  
DIN: 03632549

**Akshay Jagtap**  
Chief Executive Officer &  
Chief Financial Officer

Place : Pune  
Date : May 30, 2024

**M. U. Takale**  
Director  
DIN : 01291287

**G. P. Pendse**  
Company Secretary

## Standalone Cash Flow Statement for the Year Ended 31<sup>st</sup> March, 2024

(In ₹ Million)

|   | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
|---|------------------------------|------------------------------|
| <b>A) Cash flows from operating activities</b>  |                              |                              |
| Profit before income tax but after exceptional items  | 1,113.70                     | 883.38                       |
| <b>Adjustments to reconcile profit before tax to net cash flows:</b>  |                              |                              |
| Depreciation and amortisation   | 4.97                         | 5.81                         |
| Net gain on fair value changes  | (66.21)                      | (66.32)                      |
|   | <u>(61.24)</u>               | <u>(60.51)</u>               |
| <b>Adjustments for changes in working capital</b>   |                              |                              |
| (Increase) / Decrease in loans  | 43.99                        | 10.00                        |
| Increase / (Decrease) in provisions   | 0.05                         | -                            |
| Increase / (Decrease) in trade payables   | (0.45)                       | 0.49                         |
| Increase / (Decrease) in other financial liabilities  | 5.72                         | 12.12                        |
| (Increase) / Decrease in other financial assets   | (11.56)                      | (7.64)                       |
| (Increase) / Decrease in other non financial assets   | 1.20                         | (1.25)                       |
| Increase / (Decrease) in other non financial liabilities  | (0.37)                       | (0.36)                       |
| <b>Cash generated from operations</b>   | <u>1,091.04</u>              | <u>836.23</u>                |
| Income taxes paid (net of refunds)  | (247.13)                     | (204.71)                     |
| <b>Net Cash from Operating activities (A)</b>   | <u>843.91</u>                | <u>631.52</u>                |
| <b>B) Cash flows from investing activities</b>  |                              |                              |
| Investment in fixed deposits  | (570.90)                     | (564.55)                     |
| Purchase of Property, plant and equipment   | (0.30)                       | -                            |
| <b>Net cash flows from investing activities (B)</b>   | <u>(571.20)</u>              | <u>(564.55)</u>              |
| <b>C) Cash flows from financing activities</b>  |                              |                              |
| <b>Net cash flows from financing activities (C)</b>   | <u>-</u>                     | <u>-</u>                     |
| <b>Net increase / (decrease) in cash and cash equivalents (A)+(B)+(C)</b>   | <u>272.71</u>                | <u>66.97</u>                 |
| Cash and cash equivalents at the beginning of the year (refer note 3)   | 78.44                        | 11.47                        |
| <b>Cash and cash equivalents at the end of the year (refer note 3)</b>  | <u>351.15</u>                | <u>78.44</u>                 |
| The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flow. |                              |                              |
| Summary of material accounting policies   | 1A                           |                              |
| Significant accounting judgements, estimates and assumptions  | 2                            |                              |
| The accompanying notes form an integral part of the standalone financial statements.  |                              |                              |

As per our attached report of even date,

For and on behalf of the Board of Directors of  
**BF INVESTMENT LIMITED**

For P. G. BHAGWAT LLP  
Chartered Accountants  
(FRN No. 101118W/ W100682)

B.S. Mitkari  
Director  
DIN: 03632549

M. U. Takale  
Director  
DIN : 01291287

Purva Kulkarni  
Partner  
Membership No. 138855

Akshay Jagtap  
Chief Executive Officer &  
Chief Financial Officer

G. P. Pendse  
Company Secretary

Place : Pune  
Date : May 30, 2024

Place : Pune  
Date : May 30, 2024

## Standalone Statement of Changes in Equity (SOCIE) for the year ended 31<sup>st</sup> March, 2024

### A. Equity Share Capital

(In ₹ Million)

| Particulars                     | No. of shares | Amount  |
|---------------------------------|---------------|---------|
| As at March 31, 2022            | 37,667,628    | 1,88.34 |
| Changes in equity share capital | -             | -       |
| As at March 31, 2023            | 37,667,628    | 1,88.34 |
| Changes in equity share capital | -             | -       |
| As at March 31, 2024            | 37,667,628    | 1,88.34 |

### B. Other Equity

(In ₹ Million)

| Particulars  | Notes | Reserves and Surplus |                 |              |                            |                 | Other reserve                   | Total     |
|--|-------|----------------------|-----------------|--------------|----------------------------|-----------------|---------------------------------|-----------|
|  |       | Retained Earnings    | General reserve | Reserve Fund | Capital Redemption reserve | Capital Reserve | FVOCI equity investment reserve |           |
| As at March 31, 2022   |       | 4,220.92             | 0.87            | 1,297.02     | 0.00                       | 2,367.52        | 11,496.08                       | 19,382.41 |
| Add: Profit for the year   |       | 680.12               | -               | -            | -                          | -               | -                               | 680.12    |
| Add: Other comprehensive income  |       | -                    | -               | -            | -                          | -               | 1,091.77                        | 1,091.77  |
| Total comprehensive income for the year  |       | 680.12               | -               | -            | -                          | -               | 1,091.77                        | 1,771.89  |
| Transferred to statutory reserve fund during the year                                |       | (136.02)             | -               | 136.02       | -                          | -               | -                               | -         |
| As at March 31, 2023   |       | 4,765.02             | 0.87            | 1,433.04     | 0.00                       | 2,367.52        | 12,587.85                       | 21,154.29 |
| Add: Profit for the year   |       | 837.07               | -               | -            | -                          | -               | -                               | 837.07    |
| Add: Other comprehensive income  |       | (0.02)               | -               | -            | -                          | -               | 5,697.07                        | 5,697.05  |
| Total comprehensive income for the year  |       | 837.05               | -               | -            | -                          | -               | 5,697.07                        | 6,534.12  |
| Transferred to statutory reserve fund during the year                                |       | (167.41)             | -               | 167.41       | -                          | -               | -                               | -         |
| As at March 31, 2024   |       | 5,434.66             | 0.87            | 1,600.45     | 0.00                       | 2,367.52        | 18,284.92                       | 27,688.41 |
| Summary of material accounting policies  | 1A    |                      |                 |              |                            |                 |                                 |           |
| Significant accounting judgements, estimates and assumptions                         | 2     |                      |                 |              |                            |                 |                                 |           |
| The accompanying notes form an integral part of the standalone financial statements. |       |                      |                 |              |                            |                 |                                 |           |

As per our attached report of even date,

For P. G. BHAGWAT LLP  
Chartered Accountants  
(FRN No. 101118W/ W100682)

Purva Kulkarni  
Partner  
Membership No. 138855

Place : Pune  
Date : May 30, 2024

For and on behalf of the Board of Directors of  
BF INVESTMENT LIMITED

B.S. Mitkari  
Director  
DIN: 03632549

Akshay Jagtap  
Chief Executive Officer &  
Chief Financial Officer

Place : Pune  
Date : May 30, 2024

M. U. Takale  
Director  
DIN : 01291287

G. P. Pendse  
Company Secretary

(All amounts are in Rupees Millions, except per share data and unless stated otherwise)

**1. Background:**

BF Investment Limited ("the Company") is a public limited company domiciled in India and incorporated in May, 2009 under the provisions of Companies Act, 1956. The equity shares of the Company are listed on two recognized stock exchanges in India i.e. the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company is primarily engaged in the business of making investments in group companies. The registered office of the Company is located at, Mundhwa Pune Cantonment, Pune-411036. The CIN of the Company is L65993PN2009PLC134021.

These standalone financial statements for the year ended March 31, 2024 were approved by the Board of Directors and authorized for issue on May 30, 2024.

**1A. Material accounting policies:**

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

**(a) Basis of preparation**

**(i) Compliance with Ind AS**

These standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 from time to time.

The standalone financials statements are presented in INR and all values are rounded to the nearest million (INR 000,000), except when otherwise indicated.

The Company prepared the standalone financial statements on the basis that it will continue to operate as a going concern.

**(ii) Historical cost convention**

The standalone financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities that are measured at fair value.
- Defined benefit plans- plan assets measured at fair value.

**(iii) Current versus non-current classification**

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when,

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**(b) Interest Income**

Interest income is accrued over the period of the loan / investment.

**(c) Dividends**

Dividends are recognized in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

**(d) Taxes**

**Current tax**

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961. The management periodically evaluates positions taken in returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to tax authorities.

**Deferred Tax**

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been

enacted or substantively enacted at the reporting date.

Current and deferred taxes are recognized in the statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**(e) Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts and cash credit facilities as they are considered an integral part of the Company's cash management.

**(f) Investment in associates and jointly controlled companies**

Investment in associates and jointly controlled companies are accounted at cost less accumulated impairment.

**(g) Fair value measurement**

The Company measures financial instruments at fair value on initial recognition.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level inputs that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets and liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is un-observable.

For assets and liabilities that are recognized in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as unquoted financial assets. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**(h) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another equity.

**(i) Financial assets**

**Initial recognition and measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortized cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)

**Financial assets at amortized cost:**

A financial asset is measured at amortized cost if both following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in other income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss.

**Financial assets at fair value through other comprehensive income**

A financial asset is measured at fair value through other comprehensive income if both of the following criteria are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets, until they are derecognized or reclassified, are subsequently measured at fair value and recognized in other comprehensive income except for interest income, gain/loss on impairment, gain/loss on foreign exchange which is recognized in the statement of profit and loss.

**Financial assets at fair value through profit or loss**

A financial asset is measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income.

In addition, the Company may elect to classify a financial asset, which otherwise meets amortized cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such selection is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

After initial measurement, such financial assets are subsequently measured at fair value in the statement of profit and loss.

#### De-recognition of financial assets

A financial asset is de-recognized when:

- the contractual rights to receive cash flows from the financial asset have expired, or
- The Company has transferred its contractual rights 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 a pass-through arrangement and either
  - (a) the Company has transferred substantially all the risks and rewards of the asset or
  - (b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

#### Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortized cost e.g. loans, debt-securities, deposits, trade receivables and bank balance
- Financial assets that are debt instruments and are measured as at FVTOCI

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

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 a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the Company is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss. This amount is reflected under the head "Other Expenses" in the statement of profit and loss.

The Balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost.

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-offs criteria, the Company does not de-recognize impairment allowance from the gross carrying amount.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/origination.

**(j) De-recognition of financial liabilities**

A financial liability (or a part of a financial liability) is de-recognized from its balance sheet when, and only when, it is extinguished i.e., when the obligation specified in the contract is discharged or cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

**(k) Offsetting of financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

**(l) Investment Property**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

Investment property are depreciated using straight line method over their estimated useful lives.

**Transition to Ind AS**

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its investment properties recognized as at 1 April 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

**(m) Property, plant and equipment**

Property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). All significant costs relating to the acquisition and installation of property, plant and equipment are capitalized. Such cost includes the cost of replacing part of the property, plant and equipment and borrowings costs for long term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection/relining is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of profit and loss during the reporting period in which they are incurred.

Subsequent costs are included in the asset's carrying amount as recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for a separate asset is derecognized when replaced.

The identified components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

Depreciation on additions is provided from the beginning of the month in which the asset is put to use.

Depreciation on assets sold, discarded or demolished during the year is being provided at their respective rates on pro-rata basis up to the end of the month prior to the month in which such assets are sold, discarded or demolished.

The useful lives have been determined based on those specified by Schedule II to the Companies Act, 2013. The residual values are not more than 5% of the original cost of the asset.

Depreciation is charged on the basis of useful life of assets on straight line method for furniture & fixtures & on WDV method for car and computer.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the standalone statement of profit and loss when the asset is derecognized.

The residual values, useful lives, and methods of depreciation of property, plant and equipment are reviewed at each financial year.

#### **Transition to Ind AS**

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 1, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

#### **(n) Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses including impairment on inventories are recognized in the statement of profit and loss.

Previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of asset does not exceed its recoverable amount. Such reversal is recognized in statement of profit and loss.

#### **(o) Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are unsecured and are presented as current liabilities unless payment is not due within operating cycle determined by the Company after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

#### **(p) Provisions and contingent liabilities**

Provisions are recognized when the Company has a present, legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are determined based on the best estimate required to settle the obligation at the Balance Sheet date. Provisions are reviewed at each Balance Sheet date and adjusted to reflect current best estimates.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. A disclosure for a contingent liability is made where there is a possible obligation arising out of past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation arising out of a past

event where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

**(q) Paid-up equity**

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**(r) Dividends**

The Company recognizes a liability to make cash or non-cash distributions to equity holders of the Company when distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

**(s) Earnings per share**

**(i) Basic Earnings per Share**

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the financial year. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

**(ii) Diluted Earnings per Share**

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**1B. Significant Accounting Policies:**

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

**(a) Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions for the Company. Refer note 36 for segment information presented.

**(b) Foreign currency translation**

**Functional and presentation currency**

Items included in the standalone financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The standalone financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

**Initial Recognition**

Foreign currency transactions are recorded in Indian currency, by applying the exchange rate between the Indian currency and the foreign currency at the date of transaction.

**Conversion**

Monetary items, designated in foreign currencies are revalued at the rate prevailing on the date of Balance Sheet.

**Exchange Differences**

Exchange differences arising on the settlement and conversion of foreign currency transactions are recognized as income or as expenses in the year in which they arise, except in cases where they relate to

the acquisition of qualifying assets, in which cases they were adjusted in the cost of the corresponding asset.

**(c) Leases**

The determination of whether a contract is (or contains) a lease is based on the substance of the contract at the inception of the lease. The contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**Company as a Lessee**

At the commencement date, a lessee shall recognise a right-of-use asset and a lease liability. A lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

The Company uses the practical expedient to apply the requirements of Ind AS 116 to a portfolio of leases with similar characteristics if the effects on the financial statements of applying to the portfolio does not differ materially from applying the requirement to the individual leases within that portfolio.

However, when the lessee and the lessor each have the right to terminate the lease without permission from the other party with no more than an insignificant penalty the Company considers that lease to be no longer enforceable. Also according to Ind AS 116, for leases with a lease term of 12 months or less (short-term leases) and for leases for which the underlying asset is of low value, the lessee is not required to recognize right-of-use asset and a lease liability. The Company applies both recognition exemptions.

**Right of use asset**

Right-of-use assets, which are included under property, plant and equipment, are measured at cost less any accumulated depreciation and, if necessary, any accumulated impairment. The cost of a right-of-use asset comprises the present

value of the outstanding lease payments plus any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs and an estimate of costs to be incurred in dismantling or removing the underlying asset. In this context, the Company also applies the practical expedient that the payments for non-lease components are generally recognized as lease payments.

If the lease transfers ownership of the underlying asset to the lessee at the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the right-of-use asset is depreciated to the end of the useful life of the underlying asset. Otherwise, the right-of-use asset is depreciated to the end of the lease term.

**Lease liability**

Lease liabilities, which are assigned to financing liabilities, are measured initially at the present value of the lease payments. Subsequent measurement of a lease liability includes the increase of the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

**Lease modification**

For a lease modification that is not accounted for as a separate lease, the Company accounts for the re-measurement of the lease liability by making a corresponding adjustment to the right-of-use asset.

**Company as Lessor**

A lessor shall classify each of its leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

Amounts due from lessees under finance leases are recorded as receivables at the company's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment and depreciated over its useful economic life. However, if there is no reasonable certainty that

the Company will obtain possession of the asset upon end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases or another systematic basis is available. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

**(d) Post-employment and other employee benefits**

Post-employment benefits are employee benefits (other than termination benefits and short-term employee benefits) that are payable after the completion of employment.

**Provident fund**

Provident fund is a defined contribution plan covering eligible employees. The Company and the eligible employees make a monthly contribution to the provident fund maintained by the Regional Provident Fund Commissioner equal to the specified percentage of the basic salary of the eligible employees as per the scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The Company has no obligation, other than the contribution payable to the provident fund.

**Gratuity**

At present the Company has no Gratuity plan asset. The present value of the obligation under such defined benefit plan is determined based on the actuarial valuation using the Projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet as asset/liability with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs
- Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:
- Service costs comprising of current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

**Compensated Absences**

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date.

Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave encashment liability as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date. Where the Company has the unconditional legal and contractual right to defer the settlement for a period beyond twelve months, the same is presented as non-current liability.

## 2. Significant accounting judgements, estimates and assumptions

The preparation of the Company's standalone financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. This note provides an overview of the areas that involve a higher degree of judgments or complexities and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these judgments, estimates and assumptions is mentioned below.

Judgments, estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### i. Fair value measurement of unquoted financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 33 for further disclosures.

#### ii. Deferred Tax

At each balance sheet date, the Company assesses whether the realization of future tax benefits is sufficiently probable to recognize deferred tax assets. This assessment requires the use of significant estimates with respect to assessment of future taxable income. The recorded amount of total deferred tax asset could change if estimates of projected future taxable income or if changes in current tax regulations are enacted.

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2024.

(In ₹ Million)

| Particulars   | As at<br>March 31,<br>2024 | As at<br>March 31,<br>2023 |
|---|----------------------------|----------------------------|
| <b>3 Cash and Cash Equivalents</b>                                      |                            |                            |
| (a) Balances with banks   |                            |                            |
| In current accounts   | 3.64                       | 3.54                       |
| Term deposits with original maturity of less than three months          | 347.50                     | 74.90                      |
| (b) Cash in hand  | 0.01                       | -                          |
| <b>Total</b>  | <u>351.15</u>              | <u>78.44</u>               |
| <b>4 Bank Balances other (a) above</b>                                  |                            |                            |
| Term Deposits with Banks having original maturity of more than 3 months | 2,520.70                   | 1,949.80                   |
| <b>Total</b>  | <u>2,520.70</u>            | <u>1,949.80</u>            |

The Company has not traded or invested in crypto currency or virtual currency during the year.

**5 Loans**

| Particulars                     | As at March 31, 2024 |                                   |         | As at March 31, 2023 |                                   |         |
|---------------------------------|----------------------|-----------------------------------|---------|----------------------|-----------------------------------|---------|
|                                 | Amortised cost       | Fair value through profit or loss | Total   | Amortised cost       | Fair value through profit or loss | Total   |
| <b>(A) Loans</b>                |                      |                                   |         |                      |                                   |         |
| (i) Intercorporate deposit      | 86.93                | 230.63                            | 317.56  | 86.93                | 236.51                            | 323.44  |
| <b>Total (A) - Gross</b>        | 86.93                | 230.63                            | 317.56  | 86.93                | 236.51                            | 323.44  |
| Less: impairment loss allowance | (86.93)              | -                                 | (86.93) | (86.93)              | -                                 | (86.93) |
| <b>Total (A) - Net</b>          | -                    | 230.63                            | 230.63  | -                    | 236.51                            | 236.51  |
| <b>(B)</b>                      |                      |                                   |         |                      |                                   |         |
| (i) Unsecured                   | 86.93                | 230.63                            | 317.56  | 86.93                | 236.51                            | 323.44  |
| <b>Total (B) - Gross</b>        | 86.93                | 230.63                            | 317.56  | 86.93                | 236.51                            | 323.44  |
| Less: impairment loss allowance | (86.93)              | -                                 | (86.93) | (86.93)              | -                                 | (86.93) |
| <b>Total (B) - Net</b>          | -                    | 230.63                            | 230.63  | -                    | 236.51                            | 236.51  |
| <b>(C) Loans in India</b>       | 86.93                | 230.63                            | 317.56  | 86.93                | 236.51                            | 323.44  |
| <b>Total (C) - Gross</b>        | 86.93                | 230.63                            | 317.56  | 86.93                | 236.51                            | 323.44  |
| Less: impairment loss allowance | (86.93)              | -                                 | (86.93) | (86.93)              | -                                 | (86.93) |
| <b>Total (C) - Net</b>          | -                    | 230.63                            | 230.63  | -                    | 236.51                            | 236.51  |
| Good                            |                      |                                   | 230.63  |                      |                                   | 236.51  |
| Doubtful                        |                      |                                   | 86.93   |                      |                                   | 86.93   |

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2024.

**Disclosures required under section 186 (4) of the Companies Act, 2013**

| Name of the loanee                           | Purpose             | Rate of Interest p.a. | Term of Repayment       | As at March 31, 2024 | As at March 31, 2023 |
|--|---------------------|-----------------------|-------------------------|----------------------|----------------------|
| Nandi Economic Corridor Enterprises Limited  | Business operations | Non interest bearing  | Without repayment terms | 1,160.52             | 1,160.52             |
| Nandi Infrastructure Corridor Enterprise Ltd | Business operations | Non interest bearing  | Without repayment terms | 30.00                | 30.00                |
| BF Utilities Limited                         | Business operations | Non interest bearing  | Without repayment terms | 130.00               | 174.00               |

Details of loans or advances in the nature of loans are granted to promoters, director's, KMPs and the related parties that are repayable on demand or without any terms or period of repayment:

| Type of Borrower | As at March 31, 2024  |   | As at March 31, 2023  |   |
|------------------|---|---|---|---|
|                  | Amount of loan or advance in the nature of loan outstanding | Percentage to the total Loans & Advances in the nature of loans | Amount of loan or advance in the nature of loan outstanding | Percentage to the total Loans & Advances in the nature of loans |
| Promoter         | -   | -   | -   | -   |
| Directors        | -   | -   | -   | -   |
| KMP's            | -   | -   | -   | -   |
| Related Parties  | 230.63  | 100%  | 236.51  | 100%  |

| Particulars  | As at March 31, 2024 |                |                                    |                        | As at March 31, 2023 |                |                                    |                        |        |
|--|----------------------|----------------|------------------------------------|------------------------|----------------------|----------------|------------------------------------|------------------------|--------|
|  | Quantity             | As at          | At Cost                            | Total                  | Quantity             | As at          | At Cost                            | Total                  |        |
|  | in numbers           | March 31, 2024 |                                    | At fair value          | in numbers           | March 31, 2023 |                                    | At fair value          |        |
|  |                      |                | Through other comprehensive income | Through profit or loss |                      |                | Through other comprehensive income | Through profit or loss |        |
| <b>Equity shares:</b>  |                      |                |                                    |                        |                      |                |                                    |                        |        |
| Equity shares of ₹ 2/- each fully paid in Bharat Forge Ltd.  | 15,614,676           | 15,614,676     | 17,638.34                          | 17,638.34              | 12,030.33            | 12,030.33      | 12,030.33                          | 12,030.33              |        |
| Equity shares of ₹ 5/- each fully paid in BF Utilities Ltd.  | 1,187,903            | 1,187,903      | 917.06                             | 917.06                 | 352.99               | 352.99         | 352.99                             | 352.99                 |        |
| Equity shares of ₹ 2/- each fully paid in Hikal Ltd.   | 3,273,375            | 3,273,375      | 867.61                             | 867.61                 | 921.95               | 921.95         | 921.95                             | 921.95                 |        |
| Equity shares of ₹ 10/- each fully paid in Kalyani Forge Ltd.  | 569,600              | 569,600        | 232.51                             | 232.51                 | 126.96               | 126.96         | 126.96                             | 126.96                 |        |
| Equity shares of ₹10/- each fully paid in Saarloha Advanced Materials Pvt. Ltd. (previously known as Kalyani Carpenter Special Steels Pvt. Ltd.)   | 500                  | 500            | 0.01                               | 0.01                   | 0.01                 | 0.01           | 0.01                               | 0.01                   |        |
| Equity shares of ₹ 10/- each fully paid in Khed Economic Infrastructure Pvt. Ltd.  | 71,362,260           | 71,362,260     | 1,972.45                           | 1,972.45               | 1,836.86             | 1,836.86       | 1,836.86                           | 1,836.86               |        |
| Equity shares of ₹ 10/- each fully paid in Kalyani Maxion Wheels Pvt. Ltd.   | 2,399,998            | 2,399,998      | 606.42                             | 606.42                 | 535.78               | 535.78         | 535.78                             | 535.78                 |        |
| <b>Total value of equity shares</b>  |                      |                | -                                  | 22,234.40              | -                    | 15,804.88      | -                                  | 15,804.88              |        |
| <b>Equity shares in associates</b>   |                      |                |                                    |                        |                      |                |                                    |                        |        |
| Equity shares of ₹ 5/- each, fully paid in Kalyani Steels Ltd.   | 17,052,421           | 17,052,421     | 309.57                             | 309.57                 | -                    | -              | 309.57                             | -                      | 309.57 |
| Equity shares of ₹ 10/- each fully paid in KSL Holdings Pvt. Ltd.  | 32,999,000           | 32,999,000     | 329.99                             | 329.99                 | -                    | -              | 329.99                             | -                      | 329.99 |
| Equity shares of ₹ 10/- each fully paid in Triumphant Special Alloys Pvt. Ltd. (previously known as Carpenter Kalyani Special Alloys Pvt. Ltd.)    | 3,195,397            | 3,195,397      | 4.76                               | 4.76                   | -                    | -              | 4.76                               | -                      | 4.76   |
| Equity shares of ₹ 10/- each fully paid in Kalyani Financial Services Ltd.   | 2,940,000            | 2,940,000      | 47.88                              | 47.88                  | -                    | -              | 47.88                              | -                      | 47.88  |
| Equity shares of ₹ 10/- each fully paid in Nandi Engineering Ltd.  | 25,000               | 25,000         | 0.25                               | 0.25                   | -                    | -              | 0.25                               | -                      | 0.25   |
| Equity shares of ₹ 10/- each fully paid in Synise Technologies Ltd.  | 1,131,793            | 1,131,793      | 55.85                              | 55.85                  | -                    | -              | 55.85                              | -                      | 55.85  |
| <b>Total value of equity shares in associates</b>  |                      |                | 748.30                             | 748.30                 | -                    | -              | 748.30                             | -                      | 748.30 |
| <b>Equity shares in joint venture</b>  |                      |                |                                    |                        |                      |                |                                    |                        |        |
| Equity shares of ₹ 10/- each fully paid in Automotive Axles Ltd.   | 5,367,803            | 5,367,803      | 260.69                             | 260.69                 | -                    | -              | 260.69                             | -                      | 260.69 |
| Equity shares of ₹ 10/- each fully paid in Meritor HVS India Ltd.  | 1,190,694            | 1,190,694      | 11.91                              | 11.91                  | -                    | -              | 11.91                              | -                      | 11.91  |
| <b>Total value of equity shares in joint ventures</b>  |                      |                | 272.60                             | 272.60                 | -                    | -              | 272.60                             | -                      | 272.60 |
| <b>Preference shares:</b>  |                      |                |                                    |                        |                      |                |                                    |                        |        |
| 7% Cumulative Optionally Convertible Non-Participating Preference Shares of ₹ 10/- each, fully paid in Kalyani Technoforge Limited. <sup>(a)</sup> | 36,042,440           | 36,042,440     | -                                  | 372.54                 | -                    | -              | -                                  | 363.80                 | 363.80 |

Carried over

**6 Investments (Contd.)**

| Particulars  | As at March 31, 2024 |                      | As at March 31, 2023               |                        | Total         |
|--|----------------------|----------------------|------------------------------------|------------------------|---------------|
|  | As at March 31, 2024 | As at March 31, 2023 | At fair value                      | At fair value          |               |
|  | Quantity in numbers  | Quantity in numbers  | At Cost                            | At Cost                |               |
|  |                      |                      | Through other comprehensive income | Through profit or loss | Total         |
| <b>Preference shares in Associate</b>  |                      |                      |                                    |                        |               |
| 9% Cumulative Redeemable Non Convertible Preference Shares of ₹ 10/- each, fully paid in KSL Holdings Pvt. Ltd. <sup>(b)</sup> | 4,000,000            | 4,000,000            | -                                  | -                      | 558.41        |
| 1% Non Cumulative Compulsorily Convertible Preference Shares of ₹ 10/- each, fully paid in Kalyani Financial services Ltd. (c) | 6,860,000            | 6,860,000            | -                                  | -                      | 63.17         |
| <b>Total value of preference shares in associates</b>  |                      |                      |                                    |                        | <b>985.38</b> |
| <b>Debentures in associate:</b>  |                      |                      |                                    |                        |               |
| 0% Fully Convertible Debentures of ₹ 100/- each fully paid of Kalyani Financial Services Ltd. (d)                              | 6,636,000            | 6,636,000            | 884.80                             | -                      | 884.80        |
| <b>Total value of debentures:</b>  |                      |                      | 884.80                             | -                      | 884.80        |
| <b>Total - Gross (A)</b>   |                      |                      | 1,020.90                           | 1,013.47               | 1,020.90      |
| (i) investments outside India  |                      |                      | -                                  | -                      | -             |
| (ii) investments in India  |                      |                      | 1,020.90                           | 1,013.47               | 1,020.90      |
| Less: Allowance for impairment loss  |                      |                      | (56.10)                            | -                      | (56.10)       |
| <b>Total Value of Investments</b>  |                      |                      | 964.80                             | 1,013.47               | 964.80        |
| Quoted shares valued at Fair Value through OCI   |                      |                      |                                    |                        | 19,655.52     |
| Quoted Shares valued at cost, being Associate / Joint Venture  |                      |                      |                                    |                        | 570.26        |

- a) 21,042,440 7% Cumulative Optionally Convertible Non-Participating Preference Shares of ₹ 10/- each, fully paid in Kalyani Technoforge Limited are redeemable at par on or before 21st December, 2024. 3,000,000 7% Cumulative Optionally Convertible Non Participating Preference Shares of ₹ 10/- each, fully paid in Kalyani Technoforge Limited are redeemable at par on or before 5th September, 2025. 12,000,000 7% Cumulative Optionally Convertible Non Participating Preference Shares of ₹ 10/- each, fully paid in Kalyani Technoforge Limited are redeemable at par on or before 26th September, 2026.
- b) 4,000,000 9% Cumulative Redeemable Non Convertible Preference Shares of ₹ 10/- each, fully paid in KSL Holdings Pvt. Ltd. are redeemable at par on or before 25<sup>th</sup> October, 2036.
- c) 1% Non Cumulative Compulsorily Convertible Preference Shares (CCPS) of ₹ 10/- each, fully paid in Kalyani Financial Services Ltd. shall be compulsorily convertible into such number of equity shares of ₹ 10/- each at the higher of the fair market value determined as on the date of conversion or ₹ 10/- per share (being the face value of the equity share). The said CCPS shall be convertible upon the expiry of 5 years from the date of allotment i.e. 28th March, 2024. During the year by consent of the Company, the board of directors of Kalyani Financial Services Limited has extended the due date of conversion by 20 years. However, management of Kalyani Financial Services Limited intend to redeem the CCPS on or before September 30, 2024.
- d) Of the 6,636,000 0% Fully Convertible Debentures (FCDs) of ₹ 100/- each, fully paid of Kalyani Financial Services Limited, 4,980,346 FCDs are compulsorily convertible into such number of fully paid up Equity Shares of ₹ 10/- each, at such a price as shall be fixed by the said Company on or before 31st March, 2024 (the original maturity date was 27th September, 2022). 398,801 FCDs are compulsorily convertible into Equity Shares of Rs. 10/- each, fully paid up at a premium of ₹ 20/- per share on or before 30th March, 2024 and 1,256,853 FCDs are compulsorily convertible into Equity Shares of ₹ 10/- each, fully paid up at a premium of ₹ 20/- per share on or before 31st March, 2024. During the year by consent of the Company, the board of directors of Kalyani Financial Services Limited has extended the due date of conversion by 5 years.

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2024.

| Particulars  | (In ₹ Million)             |                            |
|--|----------------------------|----------------------------|
|  | As at<br>March 31,<br>2024 | As at<br>March 31,<br>2023 |
| <b>7 Other financial assets</b>  |                            |                            |
| Interest receivable  | 27.54                      | 15.98                      |
| Provision for doubtful interest receivable   | (1.45)                     | (1.45)                     |
| Net interest receivable  | 26.09                      | 14.54                      |
| Security deposits  | 266.31                     | 266.31                     |
| <b>Total</b>   | <b>292.40</b>              | <b>280.84</b>              |
| <b>8 Income tax assets (net)/ Income tax liability</b>   |                            |                            |
| Tax paid in advance (net of provisions)  | 3.20                       | 3.17                       |
| <b>Total</b>   | <b>3.20</b>                | <b>3.17</b>                |
| <b>9 Deferred Tax Asset/(liabilities) (net)</b>  |                            |                            |
| Deferred tax liability on fair valuation of investments and loans  | (1,007.14)                 | (310.60)                   |
| Deferred tax asset on fair valuation of investments and loans  | 296.07                     | 336.09                     |
| Deferred tax asset on gratuity   | 0.01                       | -                          |
| Depreciation and amortisation  | 1.93                       | 1.64                       |
| <b>Net deferred tax</b>  | <b>(709.13)</b>            | <b>27.14</b>               |
| <b>Changes in deferred tax assets/ liabilities in profit and loss [charged / (credited) during the year]</b>           |                            |                            |
| <b>Deferred tax liabilities</b>  |                            |                            |
| On account of temporary difference   | -                          | -                          |
| <b>Deferred tax assets</b>   |                            |                            |
| On account of temporary difference   |                            |                            |
| Depreciation and amortisation  | 0.29                       | (0.41)                     |
| Deferred tax asset on fair valuation of investments and loans  | 3.54                       | 5.90                       |
| <b>Total</b>   | <b>3.83</b>                | <b>5.49</b>                |
| <b>Changes in deferred tax assets/ liabilities in Other comprehensive income [charged/ (credited) during the year]</b> |                            |                            |
| Deferred tax on fair valuation of investments  | 732.46                     | 79.58                      |
| <b>Total</b>   | <b>732.46</b>              | <b>79.58</b>               |

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2024.

(In ₹ Million)

| Particulars   | Freehold land | Buildings | Total  |
|---|---------------|-----------|--------|
| <b>10 Investment property</b>                         |               |           |        |
| Gross block as at March 31, 2022                      | 125.85        | 7.66      | 133.51 |
| Additions   | -             | -         | -      |
| Adjustments   | -             | -         | -      |
| Gross block as at March 31, 2023                      | 125.85        | 7.66      | 133.51 |
| Additions   | -             | -         | -      |
| Adjustments   | -             | -         | -      |
| Gross block as at March 31, 2024                      | 125.85        | 7.66      | 133.51 |
| Closing accumulated depreciation as at March 31, 2022 | -             | 3.46      | 3.46   |
| Depreciation charge                                   | -             | 0.13      | 0.13   |
| Closing accumulated depreciation as at March 31, 2023 | -             | 3.59      | 3.59   |
| Depreciation charge                                   | -             | 0.13      | 0.13   |
| Closing accumulated depreciation as at March 31, 2024 | -             | 3.72      | 3.72   |
| Net carrying amount as at March 31, 2023              | 125.85        | 4.07      | 129.92 |
| Net carrying amount as at March 31, 2024              | 125.85        | 3.94      | 129.79 |

Amount recognised in profit and loss for investment properties

| Particulars  | As at March 31, 2024 | As at March 31, 2023 |
|--------------|----------------------|----------------------|
| Depreciation | 0.13                 | 0.13                 |
| <b>Total</b> | <b>0.13</b>          | <b>0.13</b>          |

Fair Value of investment properties

| Particulars          | Freehold land | Buildings |
|----------------------|---------------|-----------|
| As on March 31, 2024 | 865.80        | 15.13     |
| As on March 31, 2023 | 865.80        | 12.11     |

Fair Valuation for Free hold land treated as Investment property is based on valuation by registered valuer as defined under Rule 2 of Companies (Registered valuer and valuation) Rule, 2017. The main input used for valuation derived as on 31st March 2024 is current price in active market for similar properties and if not available then ready reckoner rate. Fair valuation of building treated as Investment property is determined by the Company based on market rate available on online portal. All resulting fair value estimates for investment properties are included in Level 2.

a) The Title deeds of Immovable Properties are held in the name of the Company except following building.

| Line item of Balance sheet | Description of item of Property | Gross carrying value (In ₹ Million) | Title deeds held in the name of | Whether title deed holder is promoter, director or relative of promoter/ director or employee of promoter/director | Property held since which date | Reason for not being held in the name of the Company |
|----------------------------|---------------------------------|-------------------------------------|---------------------------------|--|--------------------------------|--|
| Investment Property        | Building                        | 7.66                                | Refer note below                | No   | 01-04-2009                     | Refer note below                                     |

Note: Updation of Company's name in the revenue/ land records of the Government of Delhi is pending.

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2024.

**11 Property, plant and equipment**

| Particulars                      | (In ₹ Million) |          |                        |       |
|----------------------------------|----------------|----------|------------------------|-------|
|                                  | Computer       | Vehicles | Furniture and Fixtures | Total |
| Gross Block as at March 31, 2022 | 0.06           | 18.55    | 27.21                  | 45.82 |
| Additions                        | -              | -        | -                      | -     |
| Transfers                        | -              | -        | -                      | -     |
| Disposals / Adjustments          | -              | -        | -                      | -     |
| Gross Block as at March 31, 2023 | 0.06           | 18.55    | 27.21                  | 45.82 |
| Additions                        | 0.24           | -        | 0.06                   | 0.30  |
| Transfers                        | -              | -        | -                      | -     |
| Disposals / Adjustments          | -              | -        | -                      | -     |
| Gross Block as at March 31, 2024 | 0.30           | 18.55    | 27.27                  | 46.12 |
| Accumulated Depreciation :       |                |          |                        |       |
| As at March 31, 2022             | 0.02           | 8.75     | 8.06                   | 16.83 |
| For the year                     | 0.03           | 3.06     | 2.59                   | 5.68  |
| Disposals/Adjustments            | -              | -        | -                      | -     |
| As at March 31, 2023             | 0.05           | 11.81    | 10.65                  | 22.51 |
| For the year                     | 0.13           | 2.11     | 2.59                   | 4.83  |
| Disposals/Adjustments            | -              | -        | -                      | -     |
| As at March 31, 2024             | 0.18           | 13.92    | 13.24                  | 27.34 |
| Net Block                        |                |          |                        |       |
| As at March 31, 2023             | 0.01           | 6.74     | 16.56                  | 23.31 |
| As at March 31, 2024             | 0.12           | 4.63     | 14.03                  | 18.78 |

i) The information relating to Gross block, accumulated Depreciation and Impairment if any, has been disclosed as an additional information since the Company has adopted deemed cost exemption under Ind AS 101.

**12 Other non-financial assets**

| Particulars              | (In ₹ Million)             |                            |
|--------------------------|----------------------------|----------------------------|
|                          | As at<br>March 31,<br>2024 | As at<br>March 31,<br>2023 |
| Prepaid expenses         | 0.17                       | 0.17                       |
| Advance to suppliers     | -                          | 1.20                       |
| Balances with government | -                          | -                          |
| <b>Total</b>             | <u>0.17</u>                | <u>1.37</u>                |

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2024.

| Particulars | (In ₹ Million)             |                            |
|-------------|----------------------------|----------------------------|
|             | As at<br>March 31,<br>2024 | As at<br>March 31,<br>2023 |

**13 Financial Liabilities - Trade payables**

|  |             |             |
|--|-------------|-------------|
| Total outstanding dues of micro enterprises and small enterprises                      | -           | -           |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 0.04        | 0.49        |
| <b>Total</b>   | <u>0.04</u> | <u>0.49</u> |

The Company has compiled this information based on the current information in its possession as at March 31, 2024. No supplier has intimated the Company about its status as Micro and Small Enterprises or its registration with the appropriate authority under the Micro, Small and Medium Enterprises Development Act, 2006.

Ageing for trade payables from the due date of payment for each of the category as at 31st March, 2024

| Particulars                | Not due | Outstanding for following periods<br>from due date of payment |           |           |                      | Total |
|----------------------------|---------|---|-----------|-----------|----------------------|-------|
|                            |         | Less than<br>1 year   | 1-2 Years | 2-3 Years | More than<br>3 years |       |
| i) MSME                    | -       | -   | -         | -         | -                    | -     |
| ii) Others                 | -       | 0.04  | -         | -         | -                    | 0.04  |
| iii) Disputed dues - MSME  | -       | -   | -         | -         | -                    | -     |
| iv) Disputed dues - Others | -       | -   | -         | -         | -                    | -     |

Ageing for trade payables from the due date of payment for each of the category as at 31st March, 2023

| Particulars                | Not due | Outstanding for following periods<br>from due date of payment |           |           |                      | Total |
|----------------------------|---------|---|-----------|-----------|----------------------|-------|
|                            |         | Less than<br>1 year   | 1-2 Years | 2-3 Years | More than<br>3 years |       |
| i) MSME                    | -       | -   | -         | -         | -                    | -     |
| ii) Others                 | -       | 0.49  | -         | -         | -                    | 0.49  |
| iii) Disputed dues - MSME  | -       | -   | -         | -         | -                    | -     |
| iv) Disputed dues - Others | -       | -   | -         | -         | -                    | -     |

| Particulars | (In ₹ Million)             |                            |
|-------------|----------------------------|----------------------------|
|             | As at<br>March 31,<br>2024 | As at<br>March 31,<br>2023 |

**14 Other financial liabilities**

|                                  |              |              |
|----------------------------------|--------------|--------------|
| Provision for expense            | 32.11        | 26.49        |
| Salary, wages and reimbursements | 0.13         | -            |
| <b>Total</b>                     | <u>32.24</u> | <u>26.49</u> |

**15 Provisions**

|  |             |          |
|--|-------------|----------|
| Provision for gratuity (Refer note 32) | 0.03        | -        |
| Provision for leave encashment         | 0.02        | -        |
| <b>Total</b>                           | <u>0.05</u> | <u>-</u> |

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2024.

| Particulars                                 | (In ₹ Million)             |                            |
|---|----------------------------|----------------------------|
|   | As at<br>March 31,<br>2024 | As at<br>March 31,<br>2023 |
| <b>16 Income tax liabilities</b>            |                            |                            |
| Income tax liabilities (net of advance tax) | 25.70                      | -                          |
| <b>Total</b>                                | <u>25.70</u>               | <u>-</u>                   |
| <b>17 Other non financial liabilities</b>   |                            |                            |
| Statutory dues                              | 0.38                       | 0.75                       |
| <b>Total</b>                                | <u>0.38</u>                | <u>0.75</u>                |

**18 Share capital**

**(a) Authorised share capital**

| Particulars                   | Equity shares |
|-------------------------------|---------------|
| <b>As at March 31, 2024 :</b> |               |
| Number of shares              | 40,000,000    |
| Face value per share (Rupees) | 5.00          |
| Amount (Rs. in millions)      | 200.00        |
| <b>As at March 31, 2023 :</b> |               |
| Number of shares              | 40,000,000    |
| Face value per share (Rupees) | 5.00          |
| Amount (Rs. in millions)      | 200.00        |

**(b) Terms/ rights attached to equity shares**

The Company has only one class of issued equity shares having a par value of Rs.5/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive surplus assets of the Company, remaining after distribution of all preferential amounts.

**(c) Issued and subscribed equity share capital**

| Particulars                     | (In ₹ Million)                |                                   |               |
|---------------------------------|-------------------------------|-----------------------------------|---------------|
|                                 | Number of<br>shares<br>Issued | Number of<br>shares<br>Subscribed | Amount        |
| <b>As at March 31, 2022</b>     | 37667628                      | 37667628                          | 188.34        |
| Changes in equity share capital | -                             | -                                 | -             |
| <b>As at March 31, 2023</b>     | 37667628                      | 37667628                          | 188.34        |
| Changes in equity share capital | -                             | -                                 | -             |
| <b>As at March 31, 2024</b>     | <u>37667628</u>               | <u>37667628</u>                   | <u>188.34</u> |

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2024.

(d) Details of shareholders holding more than 5% shares in the Company

| Particulars                 | Ajinkya Investment & Trading Company | Sundaram Trading & Investment Private Limited | KSL Holdings Pvt. Ltd. |
|-----------------------------|--------------------------------------|---|------------------------|
| <b>As at March 31, 2024</b> |                                      |   |                        |
| % of holding                | 27.32%                               | 25.99%  | 13.42%                 |
| Number of shares            | 10,292,103                           | 9,793,068                                     | 5,054,091              |
| <b>As at March 31, 2023</b> |                                      |   |                        |
| % of holding                | 27.32%                               | 25.99%  | 13.42%                 |
| Number of shares            | 10,292,103                           | 9,793,068                                     | 5,054,091              |

Shares held by promoters of the Company:

| S. N. | Promoter Name                                 | As at March 31, 2024 |            | As at March 31, 2023 |            | % Change |
|-------|---|----------------------|------------|----------------------|------------|----------|
|       |   | No. of shares        | % of total | No. of shares        | % of total |          |
| 1     | Ajinkya Investment And Trading Company        | 10,292,103           | 27.32%     | 10,292,103           | 27.32%     | 0%       |
| 2     | Sundaram Trading And Investment Pvt. Ltd.     | 9,793,068            | 26.00%     | 9,793,068            | 26.00%     | 0%       |
| 3     | Ksl Holdings Private Limited                  | 5,054,091            | 13.42%     | 5,054,091            | 13.42%     | 0%       |
| 4     | Pih Finvest Company Limited                   | 1,424,885            | 3.78%      | 1,424,885            | 3.78%      | 0%       |
| 5     | Jannhavi Investment Private Limited           | 458,514              | 1.22%      | 458,514              | 1.22%      | 0%       |
| 6     | Rajgad Trading Company Pvt. Ltd.              | 151,674              | 0.40%      | 151,674              | 0.40%      | 0%       |
| 7     | Kalyani Consultants Pvt. Ltd.                 | 149,500              | 0.40%      | 149,500              | 0.40%      | 0%       |
| 8     | Kalyani Exports & Investments Pvt.Ltd.        | 145,250              | 0.39%      | 145,250              | 0.39%      | 0%       |
| 9     | Aboli Investment Pvt Ltd                      | 136,900              | 0.36%      | 136,900              | 0.36%      | 0%       |
| 10    | Dandakaranya Investment And Trading Pvt. Ltd. | 95,000               | 0.25%      | 95,000               | 0.25%      | 0%       |
| 11    | Gaurishankar Neelkanth Kalyani                | 63,779               | 0.17%      | 63,779               | 0.17%      | 0%       |
| 12    | Campanula Investment & Finance Pvt. Ltd.      | 61,389               | 0.16%      | 61,389               | 0.16%      | 0%       |
| 13    | Cornflower Investment & Finance Pvt. Ltd.     | 41,900               | 0.11%      | 41,900               | 0.11%      | 0%       |
| 14    | Amit Babasaheb Kalyani                        | 28,220               | 0.07%      | 28,220               | 0.07%      | 0%       |
| 15    | Babasaheb Neelkanth Kalyani                   | 7,212                | 0.02%      | 7,212                | 0.02%      | 0%       |
| 16    | Hastinapur Investment & Trading Pvt.Ltd.      | 6,267                | 0.02%      | 6,267                | 0.02%      | 0%       |
| 17    | Sunita Babasaheb Kalyani                      | 4,000                | 0.01%      | 4,000                | 0.01%      | 0%       |
| 18    | Rohini Gaurishankar Kalyani                   | 2,000                | 0.01%      | 2,000                | 0.01%      | 0%       |
| 19    | Dronacharya Investment & Trading Pvt.Ltd.     | 5,643                | 0.01%      | 5,643                | 0.01%      | 0%       |
| 20    | Mira Kheny                                    | 700                  | 0.00%      | 700                  | 0.00%      | 0%       |
| 21    | Ashok Kumar Kheny                             | 581                  | 0.00%      | 581                  | 0.00%      | 0%       |
| 22    | Deeksha Amit Kalyani                          | 50                   | 0.00%      | 50                   | 0.00%      | 0%       |
|       | <b>Total</b>                                  | <b>27,922,726</b>    |            | <b>27,922,726</b>    |            |          |

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2024.

| Particulars   | (In ₹ Million)             |                            |
|---|----------------------------|----------------------------|
|   | As at<br>March 31,<br>2024 | As at<br>March 31,<br>2023 |
| <b>19 Other equity</b>                                    |                            |                            |
| Retained earnings   | 4,765.01                   | 4,220.91                   |
| Add: Profit for the year                                  | 837.07                     | 680.12                     |
| Add: Re-measurement gains/(loss) on defined benefit plans | (0.02)                     | -                          |
| Less: Transfer to statutory reserve fund                  | (167.41)                   | (136.02)                   |
|   | 5,434.65                   | 4,765.01                   |
| General reserve as at the beginning and end of the year   | 0.87                       | 0.87                       |
| Capital reserve as at the beginning and end of the year   | 2,367.52                   | 2,367.52                   |
| Statutory reserve fund as at the beginning of the year    | 1,433.04                   | 1,297.02                   |
| Add: For the year   | 167.41                     | 136.02                     |
| Reserve fund as at the end of the year                    | 1,600.45                   | 1,433.04                   |
| FVOCI equity investments                                  |                            |                            |
| As at the beginning of the year net of deferred taxes     | 12,587.85                  | 11,496.08                  |
| Deferred tax impact (FVOCI)                               | (732.46)                   | (79.58)                    |
| Add: Fair value gains/(losses) for the year               | 6,429.53                   | 1,171.35                   |
| As at the end of the year                                 | 18,284.92                  | 12,587.85                  |
| <b>Total</b>  | <b>27,688.41</b>           | <b>21,154.29</b>           |

**Nature and purpose of reserves:**

- i **General reserve** : Under the erstwhile Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn. There is no movement in General Reserve since transfer under the scheme of arrangement.
- ii **Capital reserve** : It is the reserve pertaining to the investment undertaking transferred to the Resultant Company, i.e. BF Investment Ltd., Consequent to the scheme of arrangement approved by High Court of judicature, Mumbai during F.Y. 2009-2010.
- iii **Capital Redemption Reserve** : An erstwhile subsidiary of BF Utilities Ltd. (amalgamated company) had preference capital. At the time of redemption of said preference capital, Redemption reserve was created, which has since got transferred to BF Investment by means of scheme of arrangement.
- iv **Statutory Reserve Fund** : Under sec 45IC(1) of RBI Act, every NBFC has to transfer 20% of its post tax profits to a corpus termed as Reserve Fund.
- v **FVTOCI Equity investment reserve**: The Company has selected to recognise changes in the fair value of investment in equity shares in other comprehensive income. These changes are accumulated within the FVTOCI investment reserve within equity. The Company will transfer amounts from the said reserve to retained earnings when the relevant equity shares are de-recognised.

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2024.

| Particulars   | (In ₹ Million)               |                              |
|---|------------------------------|------------------------------|
|   | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
| <b>20 Interest income</b>   |                              |                              |
| <b>On financial assets measured at amortised cost</b>                         |                              |                              |
| Interest received on bank deposits  | 166.26                       | 86.59                        |
| Interest received on intercorporate deposit                                   | -                            | -                            |
| <b>Total</b>  | <u>166.26</u>                | <u>86.59</u>                 |
| <b>21 Dividend income</b>   |                              |                              |
| Dividend received   | 944.81                       | 792.52                       |
| <b>Total</b>  | <u>944.81</u>                | <u>792.52</u>                |
| <b>22 Net Gain/(loss) on fair value changes</b>                               |                              |                              |
| Net gain/(loss) on financial instruments at fair value through profit or loss |                              |                              |
| - Preference shares   | 28.10                        | 43.91                        |
| - Loans   | 38.11                        | 22.41                        |
| - Equity shares   | -                            | -                            |
| Total net gain/(loss) on fair value changes                                   | 66.21                        | 66.32                        |
| <b>Fair Value Changes:</b>  |                              |                              |
| - Realised  | -                            | -                            |
| - Unrealised  | 66.21                        | 66.32                        |
| <b>Total Net gain/(loss) on fair value changes</b>                            | <u>66.21</u>                 | <u>66.32</u>                 |
| <b>23 Other income</b>  |                              |                              |
| Provision written back  | -                            | 0.04                         |
| Sale of investment  | 3.06                         | -                            |
| Bad debts recovered   | 0.87                         | -                            |
| Miscellaneous Income  | 0.38                         | 0.03                         |
| <b>Total</b>  | <u>4.31</u>                  | <u>0.07</u>                  |
| <b>24 Employee benefit expenses</b>   |                              |                              |
| Salaries and wages  | 6.99                         | 6.72                         |
| Gratuity expenses   | -                            | -                            |
| Contribution to provident and other funds                                     | 0.19                         | 0.18                         |
| Leave encashment expenses   | 0.02                         | -                            |
| <b>Total</b>  | <u>7.20</u>                  | <u>6.90</u>                  |

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2024.

| Particulars                                   | (In ₹ Million)               |                              |
|---|------------------------------|------------------------------|
|   | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
| <b>25 Finance Cost</b>                        |                              |                              |
| Other interest*                               | 0.00                         | -                            |
| Finance cost on leases                        | -                            | -                            |
| <b>Total</b>                                  | <u>-</u>                     | <u>-</u>                     |
| *Amount less than Rs. 5,000.                  |                              |                              |
| <b>26 Depreciation</b>                        |                              |                              |
| Depreciation on property, plant and equipment | 4.84                         | 5.68                         |
| Amortization of right to use of asset         | -                            | -                            |
| Depreciation on investment property           | 0.13                         | 0.13                         |
| <b>Total</b>                                  | <u>4.97</u>                  | <u>5.81</u>                  |
| <b>27 Other expenses</b>                      |                              |                              |
| Rates and taxes                               | 4.95                         | 2.97                         |
| Rent  | 2.83                         | 2.83                         |
| Repairs and maintenance                       | 0.41                         | 0.50                         |
| Communication expenses                        | 0.04                         | 0.04                         |
| Printing and stationery                       | 0.18                         | 0.13                         |
| Advertisement and publicity                   | 0.19                         | 0.18                         |
| Director's fees, allowances and expenses      | 0.36                         | 0.22                         |
| Auditor's fees and expenses (refer note 30)   | 1.19                         | 0.77                         |
| Insurance                                     | 0.54                         | 0.53                         |
| Brand fees                                    | 0.56                         | 0.56                         |
| Subscription & membership fees                | 0.69                         | 0.66                         |
| Professional fees                             | 11.85                        | 13.31                        |
| Commission to directors                       | 30.00                        | 25.00                        |
| CSR expenditure (refer note 37)               | 1.04                         | 0.34                         |
| Miscellaneous expense                         | 0.89                         | 1.37                         |
| <b>Total</b>                                  | <u>55.72</u>                 | <u>49.41</u>                 |

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2024.

| Particulars   | (In ₹ Million)               |                              |
|---|------------------------------|------------------------------|
|   | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
| <b>28 Tax expense</b>   |                              |                              |
| Current tax   | 272.80                       | 208.20                       |
| Deferred tax expense  | 3.83                         | 5.49                         |
| Tax for earlier years   | -                            | (10.43)                      |
| <b>Total</b>  | <u>276.63</u>                | <u>203.26</u>                |
| <b>Reconciliation of tax expense and accounting profit multiplied by statutory tax rate</b> |                              |                              |
| Profit before tax   | 1,113.70                     | 883.38                       |
| Applicable tax rate   | 25.17%                       | 25.17%                       |
| Computed tax expense  | 280.30                       | 222.35                       |
| Tax effect of amounts which are not deductible (taxable) in calculating taxable income :    |                              |                              |
| Non-deductible expenses   | 6.50                         | 2.01                         |
| Others  | (10.17)                      | (10.67)                      |
| Tax in respect of earlier years   | -                            | (10.43)                      |
| <b>Income tax expense</b>   | <u>276.63</u>                | <u>203.26</u>                |
| <b>29 Earnings per share</b>  |                              |                              |
| Net profit before tax (In Rs. Million)  | 1,113.70                     | 883.38                       |
| Tax expense (In Rs. Million)  | 276.63                       | 203.26                       |
| Net profit/(loss) after tax (In Rs. Million)  | 837.07                       | 680.12                       |
| Weighted average number of equity shares  | 37,667,628                   | 37,667,628                   |
| Basic and diluted earning per share of nominal value of Rs. 5/- each                        | <u>22.22</u>                 | <u>18.06</u>                 |
| <b>30 Payment to auditors</b>   |                              |                              |
| As auditor:   |                              |                              |
| Audit fees including limited review   | 0.83                         | 0.63                         |
| Tax audit   | 0.08                         | 0.04                         |
| Certification fees  | 0.04                         | 0.03                         |
| Reimbursement of out of pocket expenses and GST   | 0.24                         | 0.07                         |
| <b>Total</b>  | <u>1.19</u>                  | <u>0.77</u>                  |

### 31 Related party transactions

#### A) Name of the related parties and nature of relationship

##### (1) Names of the related party and nature of relationship where control/ significant influence exists

|  | Ownership interest held by the Company |                |
|--|--|----------------|
|  | March 31, 2024                         | March 31, 2023 |
| <b>a) Associate Companies</b>  |  |                |
| i) Kalyani Steels Limited  | 39.06%                                 | 39.06%         |
| ii) KSL Holdings Private Limited   | 42.52%                                 | 42.52%         |
| iii) Triumphant Special Alloys Pvt. Ltd. (previously known as Carpenter Kalyani Special Alloys Pvt. Ltd) | 45.51%                                 | 45.51%         |
| iv) Kalyani Financial Services Limited   | 49.00%                                 | 49.00%         |
| v) Nandi Engineering Limited   | 40.00%                                 | 40.00%         |
| vi) Synise Technologies Limited  | 46.77%                                 | 46.77%         |

The principal place of business of the associate is India and the Company has accounted for its investment in associate at cost.

|                                 | Ownership interest held by the Company |                |
|---------------------------------|--|----------------|
|                                 | March 31, 2024                         | March 31, 2023 |
| <b>b) Joint Ventures</b>        |  |                |
| i) Automotive Axles Limited     | 35.52%                                 | 35.52%         |
| ii) Meritor (HVS) India Limited | 48.99%                                 | 48.99%         |

The principal place of business of the Joint Venture is India and the Company has accounted for its investment in Joint Venture at cost.

##### (2) Key Management Personnel/ Directors

- i) Mr. J. G. Patwardhan, the Chief Executive Officer and Chief Financial Officer (Up to April 30, 2024)
- ii) Mr. S. R. Kshirsagar, the Company Secretary (Up to July 31, 2023)
- iii) Mrs. G. P. Pendse, the Company Secretary (From August 01, 2023)
- iv) Mr. Akshay Jagtap, the Chief Executive Officer and Chief Financial Officer (From May 15, 2024)
- v) Mr. Amit B. Kalyani, Director
- vi) Mr. B. B. Hattarki, Director (Up to March 31, 2024 end of Business hours)
- vii) Mr. M. U. Takale, Director
- viii) Mr. B. S. Mitkari, Director
- ix) Mr. S. G. Joglekar, Director
- x) Ms. A. A. Sathe, Director

##### (3) Enterprise where in the Company is an associate :

- i) Ajinkya Investment & Trading Company
- ii) Sundaram Trading & Investment Private Limited

##### (4) Other related parties with whom transactions have taken place during the year:

###### a) Entities under common control

- i) Bharat Forge Limited
- ii) Hikal Limited
- iii) Kalyani TechnoForge Ltd.
- iv) BF Utilities Limited
- v) Khed Economic Infrastructure Private Limited
- vi) Kalyani Strategic Management Services Pvt Ltd

###### b) KMP or close member of KMP having control over the Company or has significant influence

- i) KTMS Design and Engineering Pvt. Ltd. (formally known as Kalyani Global Engineering Pvt. Ltd.)

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2024.

| Particulars   | (In ₹ Million)                  |                                 |
|---|---------------------------------|---------------------------------|
|   | Year ended<br>March 31,<br>2024 | Year ended<br>March 31,<br>2023 |
| <b>B) Details of transactions with and balances outstanding of related parties:</b>               |                                 |                                 |
| <b>a) Dividend Received</b>   |                                 |                                 |
| <b>Associate</b>  |                                 |                                 |
| i) Kalyani Steels Limited   | 170.52                          | 170.52                          |
| ii) KSL Holdings Private Limited  | 36.00                           | 19.63                           |
| <b>Joint venture</b>  |                                 |                                 |
| i) Automotive Axles Limited   | 171.77                          | 80.52                           |
| ii) Meritor HVS India Limited   | 410.73                          | 382.33                          |
| <b>Entities under common control</b>  |                                 |                                 |
| i) Bharat Forge Limited   | 124.92                          | 109.30                          |
| ii) Hikal Limited   | 3.93                            | 3.27                            |
| iii) Kalyani TechnoForge Ltd.   | 25.23                           | 25.23                           |
| <b>Total</b>  | <u>943.10</u>                   | <u>790.81</u>                   |
| <b>b) Repayment of loan received</b>  |                                 |                                 |
| <b>Entities under common control</b>  |                                 |                                 |
| i) BF Utilities Limited   | 44.00                           | 10.00                           |
| ii) Khed Economic Infrastructure Private Limited  | -                               | -                               |
| <b>Total</b>  | <u>44.00</u>                    | <u>10.00</u>                    |
| <b>c) Interest received on loan given</b>   |                                 |                                 |
| <b>Entities under common control</b>  |                                 |                                 |
| i) Khed Economic Infrastructure Private Limited   | -                               | -                               |
| <b>Total</b>  | <u>-</u>                        | <u>-</u>                        |
| <b>d) Rent paid</b>   |                                 |                                 |
| <b>KMP or close member of KMP having control over the Company or has significant influence</b>    |                                 |                                 |
| i) KTMS Design and Engineering Pvt. Ltd. (formally known as Kalyani Global Engineering Pvt. Ltd.) | 2.40                            | 2.40                            |
| <b>Total</b>  | <u>2.40</u>                     | <u>2.40</u>                     |
| <b>e) Branding fees paid</b>  |                                 |                                 |
| <b>Entities under common control</b>  |                                 |                                 |
| i) Kalyani Strategic Management Services Pvt Ltd  | 0.50                            | 0.50                            |
| <b>Total</b>  | <u>0.50</u>                     | <u>0.50</u>                     |
| <b>f) Remuneration to Key Managerial Person</b>   |                                 |                                 |
| i) Mr. J. G. Patwardhan, the Chief Financial Officer and Chief Executive Officer*                 | 5.00                            | 4.78                            |
| ii) Mr. S. R. Kshirsagar, the Company Secretary (Up to July 31, 2023)*                            | 0.49                            | 2.11                            |
| iii) Mrs. G. P. Pendse, the Company Secretary (From August 01, 2023)                              | 0.49                            | -                               |
| <b>Total</b>  | <u>5.98</u>                     | <u>6.89</u>                     |

\*Reimbursed to BF Utilities Ltd. and KTMS Design and Engineering Pvt. Ltd., respectively, being on deputation from them.

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2024.

| Particulars  | (In ₹ Million)                  |                                 |
|--|---------------------------------|---------------------------------|
|  | Year ended<br>March 31,<br>2024 | Year ended<br>March 31,<br>2023 |
| <b>g) Director's sitting fees</b>  |                                 |                                 |
| i) Mr. Amit B. Kalyani, Director   | 0.02                            | 0.02                            |
| ii) Mr. B. B. Hattarki, Director   | 0.04                            | 0.02                            |
| iii) Mr. M. U. Takale, Director  | 0.04                            | 0.02                            |
| iv) Ms. A. A. Sathe, Director  | 0.04                            | 0.01                            |
| v) Mr. B. S. Mitkari, Director   | 0.04                            | 0.03                            |
| vi) Mr. S. G. Joglekar, Director   | 0.04                            | 0.03                            |
| <b>Total</b>   | <u>0.22</u>                     | <u>0.13</u>                     |
| <b>h) Director's commission</b>  |                                 |                                 |
| i) Mr. Amit B. Kalyani, Director   | 21.50                           | 18.50                           |
| ii) Mr. B. B. Hattarki, Director   | 1.70                            | 1.30                            |
| iii) Mr. M. U. Takale, Director  | 1.70                            | 1.30                            |
| iv) Ms. A. A. Sathe, Director  | 1.70                            | 1.30                            |
| v) Mr. B. S. Mitkari, Director   | 1.70                            | 1.30                            |
| vi) Mr. S. G. Joglekar, Director   | 1.70                            | 1.30                            |
| <b>Total</b>   | <u>30.00</u>                    | <u>25.00</u>                    |
| <b>Balances with related parties</b>   |                                 |                                 |
| <b>a) Director's commission payable</b>  |                                 |                                 |
| i) Mr. Amit B. Kalyani, Director   | 21.50                           | 18.50                           |
| ii) Mr. B. B. Hattarki, Director   | 1.70                            | 1.30                            |
| iii) Mr. M. U. Takale, Director  | 1.70                            | 1.30                            |
| iv) Mr. B. S. Mitkari, Director  | 1.70                            | 1.30                            |
| v) Mr. S. G. Joglekar, Director  | 1.70                            | 1.30                            |
| vi) Ms. A. A. Sathe, Director  | 1.70                            | 1.30                            |
| <b>Total</b>   | <u>30.00</u>                    | <u>25.00</u>                    |
| <b>b) Loan/ security deposit receivable<br/>(after adjusting fair valuation impact)</b>              |                                 |                                 |
| <b>Entities under common control</b>   |                                 |                                 |
| i) Nandi Economic Corridor Enterprises Limited   | 129.60                          | 117.79                          |
| ii) Khed Economic Infrastructure Private Limited   | 265.00                          | 265.00                          |
| iii) Nandi Infrastructure Corridor Enterprise Ltd  | 3.35                            | 3.05                            |
| iv) BF Utilities Limited   | 97.67                           | 115.67                          |
| v) Kalyani Strategic Management Services Pvt Ltd   | 1.30                            | 1.30                            |
| <b>c) Amount payable</b>   |                                 |                                 |
| i) KTMS Design and Engineering Pvt. Ltd.<br>(formally known as Kalyani Global Engineering Pvt. Ltd.) | -                               | 0.47                            |
| ii) Kalyani Strategic Management Services Pvt Ltd  | -                               | 0.50                            |
| iii) Mrs. G. P. Pendse, the Company Secretary  | 0.05                            | -                               |

The above transactions are at arm's length, and the commission payable is unsecured.

### 32 Gratuity and other post-employment benefit plans

#### Gratuity plan

##### Unfunded scheme

The Company has a defined benefit gratuity plan for its employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972 and the Scheme framed by the Company. Under the Act, every employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the employee's length of service and salary at retirement age. Every employee who has completed five years but not more than fifteen years of service gets a gratuity on departure at 15 days salary (last drawn) for each completed year of service as per the provisions of the Payment of Gratuity Act, 1972. Every employee who has completed fifteen years of service gets a gratuity on departure at one month's salary (last drawn) for each completed year of service, subject to maximum for 20 month's salary as per the Scheme of the Company.

##### Risk exposure and asset-liability matching

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companies take on uncertain long-term obligations to make future benefit payments.

#### 1) Liability risks

##### a) Asset-liability mismatch risk

Risk arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Company is successfully able to neutralize valuation swings caused by interest rate movements.

##### b) Discount rate risk

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practice can have a significant impact on the defined benefit liabilities.

##### c) Future salary escalation and inflation risk

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

#### 2) Asset risks

At present the Company has not opted for any asset plan.

In respect of the above plans, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at 31 March 2024 by a member firm of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

The following table summarises the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan.

The employees have joined during current financial year hence data for previous year is not available for comparison.

The principal assumptions used in determining gratuity for the Company's plan is shown below:

| Particulars  | As at<br>March 31, 2024 |
|--|-------------------------|
| Mortality table  | IALM(2012-14) ult       |
| Discount rate  | 7.20%                   |
| Rate of increase in compensation levels                          | 7.50%                   |
| Expected rate of return on plan assets                           | -                       |
| Expected average remaining working lives of employees (in years) | 9.36                    |
| Average remaining working life (years)                           | 28.73                   |
| Withdrawal rate (based on grade and age of employees)            |                         |
| Age up to 30 years   | 10%                     |
| Age 31 - 44 years  | 10%                     |
| Age 45 - 50 years  | 10%                     |
| Age above 50 years   | 10%                     |

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2024.

| Particulars   | (In ₹ Million)<br>As at<br>March 31, 2024 |
|---|---|
| <b>Changes in the present value of the defined benefit obligation recognised in balance sheet are as follows:</b> |   |
| Present value of obligation as at the beginning of the period   | -   |
| Interest expense  | -   |
| Current service cost  | -   |
| Benefits (paid)   | -   |
| Premeasurements on obligation [Actuarial (Gain) / Loss]   | 0.03                                      |
| Closing defined benefit obligation  | 0.03                                      |
| <b>Break up of service cost:</b>  |   |
| Past service cost   | -   |
| Current service cost  | -   |
| Curtailement cost/ (credit) on plan amendments  | -   |
| Settlement cost/ (credit) on plan amendments  | -   |
| <b>Changes in the fair value of plan assets recognised in the balance sheet are as follows:</b>                   |   |
| Opening fair value of plan assets   | -   |
| Interest Income   | -   |
| Contributions   | -   |
| Benefits paid   | -   |
| Premeasurements   | -   |
| Return on plan assets, excluding amount recognized in   | -   |
| Interest Income - Gain / (Loss)   | -   |
| Closing fair value of plan assets   | -   |
| Actual return on plan assets  | -   |
| <b>Particulars</b>  |   |
|   | <b>Year ended<br/>March 31, 2024</b>      |
| <b>Net Interest (Income/Expense)</b>  |   |
| Interest (Income) / Expense - Obligation  | -   |
| Interest (Income) / Expense - Plan assets   | -   |
| Net Interest (Income) / Expense for the period  | -   |
| <b>Premeasurement for the year [Actuarial (Gain)/loss]</b>  |   |
| Experience (Gain) / Loss on plan liabilities  | 0.03                                      |
| Demographic (Gain) / Loss on plan liabilities   | -   |
| Financial (Gain) / Loss on plan liabilities   | -   |
| Experience (Gain) / Loss on plan assets   | -   |
| Financial (Gain) / Loss on plan assets  | -   |

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2024.

| Particulars   | (In ₹ Million)               |
|---|------------------------------|
|   | Year ended<br>March 31, 2024 |
| <b>Amount recognised in Statement of Other Comprehensive Income (OCI)</b> |                              |
| Opening amount recognised in OCI outside profit and loss account          | -                            |
| Premeasurement for the year-Obligation (Gain)/Loss                        | 0.03                         |
| Premeasurement for the year-Plan assets (Gain)/Loss                       | -                            |
| Total Premeasurement cost/(credit) for the period recognised in OCI       | 0.03                         |
| Closing amount recognised in OCI outside profit and loss account          | 0.03                         |

| Particulars   | As at<br>March 31, 2024 |
|---|-------------------------|
| <b>The amounts to be recognised in the Balance Sheet</b>  |                         |
| Present value of obligation as at the end of the period   | 0.03                    |
| Fair value of plan assets as at the end of the period     | -                       |
| Surplus/ (Deficit)  | 0.03                    |
| Current liability   | -                       |
| Non-current liability                                     | 0.03                    |
| (Net asset) / liability to be recognised in balance sheet | 0.03                    |

| Particulars  | Year ended<br>March 31, 2024 |
|--|------------------------------|
| <b>Expense recognised in the statement of profit and loss</b>            |                              |
| Current service cost   | -                            |
| Net Interest (Income) / Expense  | -                            |
| Net periodic benefit cost recognised in the statement of profit and loss | -                            |

| Particulars   | As at<br>March 31, 2024 |
|---|-------------------------|
| <b>Reconciliation of net asset/ (liability) recognised:</b>       |                         |
| Net asset / (liability) recognised at the beginning of the period | -                       |
| Company contributions   | -                       |
| Benefits directly paid by Company                                 | -                       |
| Amount recognised outside profit & loss for the period            | 0.03                    |
| Expense recognised at the end of period                           | -                       |
| Mortality charges and taxes                                       | -                       |
| Impact of transfer (In)/ Out                                      | -                       |
| (Net asset) / liability recognised at the end of the period       | 0.03                    |

(In ₹ Million)

| Particulars  | As at<br>March 31, 2024 |
|--|-------------------------|
| The major categories of plan assets as a percentage of the fair value of total plan assets are as follows: |                         |
| Government of India securities   | -                       |
| High quality corporate bonds   | -                       |
| Equity shares of listed companies  | -                       |
| Property   | -                       |
| Special deposit scheme   | -                       |
| Funds managed by insurer   | -                       |
| Others   | -                       |
| Total  | -                       |

**Sensitivity analysis****A) Impact of change in discount rate when base assumption is decreased/increased by 100 basis points****Discount Rate**

|        |      |
|--------|------|
| 6.2% * | 0.00 |
| 8.2% * | 0.00 |

\*Amount less than Rs. 5,000.

**B) Impact of change in salary increase rate when base assumption is decreased/increased by 100 basis points****Salary Increment Rate**

|        |      |
|--------|------|
| 6.5% * | 0.00 |
| 8.5% * | 0.00 |

\*Amount less than Rs. 5,000.

**C) Impact of change in withdrawal rate when base assumption is decreased/increased by 100 basis points****Withdrawal Rate**

|       |      |
|-------|------|
| 9% *  | 0.00 |
| 11% * | 0.00 |

\*Amount less than Rs. 5,000.

The estimates of future salary increase, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

(In ₹ Million)

**Particulars**

**As at  
March 31, 2024**

The following are the expected benefit payments to the defined benefit plan in future years:

|  |      |
|--|------|
| Within one year                              | -    |
| After one year but not more than five years  | -    |
| After five years but not more than ten years | 0.04 |

Weighted average duration of the plan (based on discounted cash flows using mortality, withdrawal and interest rate) is 17.65 years.

**Provident Fund**

The Company operated defined contribution plan. Under the defined contribution plan, provident fund is contributed to the government administered provident fund. The Company has no obligation, other than the contribution payable to the provident fund.

**Compensated absences**

The compensated absences cover the Company's liability for privilege leave.

### 33 Fair value measurements

#### Financial assets and liabilities at amortised cost

| Particulars                        | (In ₹ Million)             |                            |
|------------------------------------|----------------------------|----------------------------|
|                                    | As at<br>March 31,<br>2024 | As at<br>March 31,<br>2023 |
| <b>Financial assets</b>            |                            |                            |
| Term deposits                      | 2,520.70                   | 1,949.80                   |
| Security deposits                  | 266.31                     | 266.31                     |
| Loans                              | -                          | -                          |
| Interest receivable                | 26.09                      | 14.54                      |
| Cash and cash equivalents          | 351.15                     | 78.44                      |
| <b>Total financial assets</b>      | <b>3,164.25</b>            | <b>2,309.09</b>            |
| <b>Financial liabilities</b>       |                            |                            |
| Trade payables                     | 0.04                       | 0.49                       |
| Provision for expenses             | 32.11                      | 26.49                      |
| <b>Total financial liabilities</b> | <b>32.15</b>               | <b>26.98</b>               |

#### Financial assets and liabilities classified as FVTPL

| Particulars                     | (In ₹ Million)             |                            |
|---------------------------------|----------------------------|----------------------------|
|                                 | As at<br>March 31,<br>2024 | As at<br>March 31,<br>2023 |
| Investment in preference shares | 1,013.47                   | 985.38                     |
| Loans                           | 230.63                     | 236.51                     |

#### Financial assets and liabilities classified as FVTOCI

| Particulars                 | (In ₹ Million)             |                            |
|-----------------------------|----------------------------|----------------------------|
|                             | As at<br>March 31,<br>2024 | As at<br>March 31,<br>2023 |
| Investment in equity shares | 22,234.40                  | 15,804.88                  |
| Investment in debentures    | 884.80                     | 884.80                     |

#### i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

|   | (In ₹ Million) |         |          |
|---|----------------|---------|----------|
| Financial assets and liabilities measured at fair value - recurring fair value measurements | Level 1        | Level 2 | Level 3  |
| <b>Investment in preference shares</b>  |                |         |          |
| March 31, 2024  | -              | -       | 1,013.47 |
| March 31, 2023  | -              | -       | 985.38   |
| <b>Investment in equity shares</b>  |                |         |          |
| March 31, 2024  | 19,655.52      | -       | 2,578.88 |
| March 31, 2023  | 13,432.23      | -       | 2,372.65 |
| <b>Investment in debentures</b>   |                |         |          |
| March 31, 2024  | -              | -       | 884.80   |
| March 31, 2023  | -              | -       | 884.80   |
| <b>Loans</b>  |                |         |          |
| March 31, 2024  | -              | -       | 230.63   |
| March 31, 2023  | -              | -       | 236.51   |

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

**ii) Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices or dealer quotes for similar instruments
- The fair value for preference shares is determined using discounted cash flow analysis (KSL Holding Limited, Kalyani Technoforge Limited and Kalyani Financial Services Limited)
- The fair value for loans is determined using discounted cash flow analysis (Loans to BF Utilities Limited, Nandi Infrastructure Corridor Enterprise Limited and Nandi Economic Corridor Enterprises Limited).
- The fair value for compulsorily convertible debentures is determined using asset approach (Net Asset Value method).
- The fair value for unquoted equity shares are determined using cost approach.

**iii) Valuation process**

The Company performs the valuations of assets and liabilities required for financial reporting purposes. The Company appoints external valuation experts whenever the need arises for level 3 fair valuation. Discussions of valuation processes and results are held between the Company and the valuation experts periodically, in line with the Company's annual reporting period.

**iv) Fair value of financial assets and liabilities measured at amortised cost**

The carrying amounts of such financial assets and liabilities are a reasonable approximation of their fair values.

v) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items:

| Particulars   | (In ₹ Million)            |                      |               |               |                 |
|---|---------------------------|----------------------|---------------|---------------|-----------------|
|   | Unquoted<br>Equity shares | Preference<br>shares | Debentures    | Loans         | Total           |
| <b>As at March 31, 2022</b>                             | 2,000.12                  | 941.46               | 796.32        | 224.10        | 3,962.00        |
| Purchased (redeemed/repaid) during the year             | -                         | -                    | -             | (10.00)       | (10.00)         |
| Gain/(loss) recognised in profit or loss                | -                         | 43.92                | -             | 22.41         | 66.33           |
| Gains/(losses) recognised in other comprehensive income | 372.53                    | -                    | 88.48         | -             | 461.01          |
| <b>As at March 31, 2023</b>                             | <b>2,372.65</b>           | <b>985.38</b>        | <b>884.80</b> | <b>236.51</b> | <b>4,479.34</b> |
| Purchased (redeemed/repaid) during the year             | -                         | -                    | -             | (44.00)       | (44.00)         |
| Gain/(loss) recognised in profit or loss                | -                         | 28.09                | -             | 38.12         | 66.21           |
| Gains/(losses) recognised in other comprehensive income | 206.23                    | -                    | -             | -             | 206.23          |
| <b>As at March 31, 2024</b>                             | <b>2,578.88</b>           | <b>1,013.47</b>      | <b>884.80</b> | <b>230.63</b> | <b>4,707.78</b> |

## vi) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value

(In ₹ Million)

| Name of the entity  | Method of valuation- significant unobservable inputs  | Fair value as at |                | Inputs used for fair value   |  |
|---|---|------------------|----------------|--|--|
|   |   | March 31, 2024   | March 31, 2023 | March 31, 2024   | March 31, 2023   |
| Equity Shares of Rs. 10/- each fully paid in Khed Economic Infrastructure Private Limited.  | Cost approach - method<br>Inputs considered for cost approach :<br>Inventory valuation<br>1) Rate per acre for developed land<br>2) Rate per acre for land under development<br>3) Rate per acre for undeveloped land | 1,972.45         | 1,836.86       | Inventory valuation Rate per acre for developed land and land under development in the range of Rs. 1.10 to Rs. 1.26 crore per acre            | Inventory valuation Rate per acre for developed land and land under development in the range of Rs. 1.06 to Rs. 1.26 crore per acre            |
| Equity Shares of Rs. 10/- each fully paid in Kalyani Maxion Wheels Private Limited  | Cost approach - method<br>Inputs considered for cost approach :<br>Fair valuation of Tangible assets  | 606.42           | 535.78         | Fair value tangible assets viz. land, buildings and plant and equipment viz. plant and machinery, factory equipment, research and development. | Fair value tangible assets viz. land, buildings and plant and equipment viz. plant and machinery, factory equipment, research and development. |
| 0% Fully Convertible Debentures of Rs. 100/- each fully paid of Kalyani Financial Services Ltd.                                       | Cost approach - method<br>Inputs considered for cost approach :<br>Fair valuation of Investments  | 884.80           | 884.80         | Fair value of current and non current investments viz. equity shares and debentures.   | Fair value of current and non current investments viz. equity shares and debentures.   |
| 7% Cumulative Optionally Convertible Non-Participating Preference Shares of Rs. 10/- each, fully paid in Kalyani Technoforge Limited. | Discounted cash flow method   | 372.54           | 363.80         | 10%  | 10%  |
| 9% Cumulative Redeemable Non Convertible Preference Shares of Rs. 10/- each, fully paid in KSL Holdings Private Limited.              | Discounted cash flow method   | 572.33           | 558.41         | 10%  | 10%  |
| 1% Non Cumulative Compulsorily Convertible Preference Shares of Rs. 10/- each, fully paid in Kalyani Financial Services Limited       | Discounted cash flow method   | 68.60            | 63.17          | 10%  | 10%  |

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2024.

The sensitivity analysis on account of inputs used for fair valuation are as follows:

(In ₹ Million)

| Particulars  | March 31,<br>2024 | March 31,<br>2023 |
|--|-------------------|-------------------|
| <b>Equity shares of Khed Economic Infrastructure Private Limited:</b>  |                   |                   |
| Rate per acre  |                   |                   |
| Increase by 5%   | 111.33            | 107.04            |
| Decrease by 5%   | (111.33)          | (107.04)          |
| <b>Equity shares of Kalyani Maxion Wheels Private Limited:</b>   |                   |                   |
| Fair value of tangible assets  |                   |                   |
| Increase by 5%   | 21.98             | 20.78             |
| Decrease by 5%   | (21.98)           | (20.78)           |
| <b>0% Fully Convertible Debentures of Rs. 100/- each fully paid of Kalyani Financial Services Ltd.:</b>                                      |                   |                   |
| Fair value of investments  |                   |                   |
| Increase by 20%  | 132.59            | 132.59            |
| Decrease by 20%  | (132.59)          | (110.49)          |
| <b>7% Cumulative Optionally Convertible Non-Participating Preference Shares of Rs. 10/- each, fully paid in Kalyani Technoforge Limited.</b> |                   |                   |
| Discount rate  |                   |                   |
| Increase by 1%   | (26.24)           | (23.85)           |
| Decrease by 1%   | 28.07             | 25.51             |
| <b>9% Cumulative Redeemable Non Convertible Preference Shares of Rs. 10/- each, fully paid in KSL Holdings Private Limited.</b>              |                   |                   |
| Discount rate  |                   |                   |
| Increase by 1%   | (48.66)           | (27.54)           |
| Decrease by 1%   | 80.83             | 30.33             |
| <b>1% Non Cumulative Compulsorily Convertible Preference Shares of Rs. 10/- each, fully paid in Kalyani Financial Services Limited</b>       |                   |                   |
| Discount rate  |                   |                   |
| Increase by 1%   | -                 | (0.49)            |
| Decrease by 1%   | -                 | 0.50              |

### 34 Financial risk management

Presented below is a description of the risks (market risk and liquidity risk) together with a sensitivity analysis, performed annually, of each of these risks based on selected changes in market rates and prices. These analyses reflect management's view of changes which are reasonably possible to occur over a one-year period.

#### I Market Risk

##### A Price risk

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet whether at fair value through Other Comprehensive Income or at fair value through profit and loss. To manage its price risk arising from investments from investments in equity securities, the Company diversifies the portfolio. The majority of Company's equity investments are publically traded and are included in the BSE and NSE indices.

#### II Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these debt financing plans.

##### i) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities:

|                        | (In ₹ Million)      |                     |
|------------------------|---------------------|---------------------|
|                        | Less than<br>1 year | More than<br>1 year |
| <b>March 31, 2024</b>  |                     |                     |
| <b>Non- derivative</b> |                     |                     |
| Trade payables         | 0.04                | -                   |
| Provision for expenses | 32.11               | -                   |
| <b>March 31, 2023</b>  |                     |                     |
| <b>Non- derivative</b> |                     |                     |
| Trade payables         | 0.49                | -                   |
| Provision for expenses | 26.49               | -                   |

#### III Credit Risk:

The Company is exposed to credit risk from its activity of giving loans and from its financing activities, including deposits with banks and other financial instruments. The balances with banks, loans given to corporate bodies, security deposits are subject to low credit risk since the counter-party has strong capacity to meet the obligations and where the risk of default is negligible except for few which are already impaired. An impairment analysis is performed at each reporting date on an individual basis for each loan given.

##### i) Loss allowance for loans :

|  | (In ₹ Million)    |                   |
|--|-------------------|-------------------|
| Particulars                                  | March 31,<br>2024 | March 31,<br>2023 |
| Gross carrying amount                        | 317.56            | 323.44            |
| Loss allowance provision                     | (86.93)           | (86.93)           |
| Carrying amount of loans (net of impairment) | 230.63            | 236.51            |

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2024.

| ii) Reconciliation of loss allowance provision - loans |  | (In ₹ Million) |
|--|--|----------------|
| Loss allowance as on April 1, 2022                     |  | 86.93          |
| Changes in loss allowance                              |  | -              |
| Loss allowance as on March 31, 2023                    |  | 86.93          |
| Changes in loss allowance                              |  | -              |
| Loss allowance as on March 31, 2024                    |  | 86.93          |

### 35 Capital management

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital. The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets. The Company does not have any debt. The capital structure of the Company is as follows:

| Particulars   | (In ₹ Million)   |                  |
|---------------|------------------|------------------|
|               | March 31, 2024   | March 31, 2023   |
| Share capital | 188.34           | 188.34           |
| Other equity  | 27,688.41        | 21,154.29        |
| <b>Total</b>  | <b>27,876.75</b> | <b>21,342.63</b> |

### 36 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors has been identified as the chief operating decision maker.

The Company is in the business of making investments in group companies, focusing on earning income through dividends, interest and gains on investment held, which is a single segment in accordance with Ind AS 108 - "Operating segment" notified pursuant to Companies (Indian Accounting Standards) Rules, 2015 as amended.

All assets are in India.

### 37 Corporate social responsibility (CSR)

The Company has formed Corporate Social Responsibility (CSR) Committee and has also adopted a CSR Policy in accordance with the provisions of section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Company recognizes CSR spends as and when incurred. Relevant details for the financial year covered by these statements are as under.

|  | (In ₹ Million)            |                           |
|--|---------------------------|---------------------------|
|  | Year ended March 31, 2024 | Year ended March 31, 2023 |
| Amount required to be spent by the Company during the year   | 1.04                      | 0.34                      |
| Amount of expenditure incurred (including short fall of previous year paid in current year)  | -                         | -                         |
| Shortfall / (Excess) at the end of the year  | 1.04                      | 0.34                      |
| Total of previous years shortfall / (excess)   | -                         | -                         |
| Details of related party transactions  | NA                        | NA                        |
| Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year | NA                        | NA                        |

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2024.

The Company receives majority of its dividends from Indian companies that comply with the provisions of section 135 of the Act. As per Companies (Corporate Social Responsibility Policy) Rules, 2014 such dividend amount is excluded from the net profit for the calculation of amount of CSR expenditure for the period.

**Details of shortfall and reasons for shortfall**

During the year ended March 31, 2024, as against the required expenditure of Rs. 1.04 Million, the amount of Rs. 1.04 million remain unspent. The unspent amount for the year ended March 31, 2024 has been transferred to the unspent CSR account and the same shall be utilised by the Company in the next years for CSR projects undertaken by the Company.

**Nature of activities**

**Ongoing projects**

As part of ongoing project for CSR, the Company has undertaken activity such as empowering education and welfare.

**38** Legal title to some of the assets vested and transferred to the Company in pursuance of the Composite Scheme of Arrangement approved by the Honourable High Court of judicature at Bombay, as per Order dated 5<sup>th</sup> February, 2010 referred to herein before, could not be transferred in the name of the Company as at 31<sup>st</sup> March, 2024. The Company is in the process of completing the required legal formalities.

**39 Long term loans given :**

The Company has given letter of subordination to Nandi Economic Corridor Enterprises Ltd. (NECE) and Airro (Mauritius) Holdings V, whereby the Company has agreed to subordinate the interest free unsecured loan of Rs. 1,160,520,067 (Previous Year: Rs. 1,160,520,067) granted by it to NECE, until the entire stakeholding of Airro (Mauritius) Holdings V in NECE Ltd. is completely sold off or all the amounts payable by NECE Ltd. to Airro (Mauritius) Holdings V in terms of the Shareholders Agreement dated 24th December, 2010, between Airro (Mauritius) Holdings V and NECE Ltd. are fully paid off. The Company has given Interest free unsecured loans of Rs. 130,000,000/- (P.Y. Rs. 174,000,000/-) and Rs. 30,000,000/- (P.Y. Rs.30,000,000/-) to BF Utilities Ltd. & Nandi Infrastructure Corridor Enterprise Ltd. (NICE) respectively. These loans are repayable over 10 & 30 year period respectively, commencing from 1st April, 2018.

**40 Contingent Liabilities not provided for :**

|   | March 31,<br>2024 | March 31,<br>2023 |
|---|-------------------|-------------------|
| During the financial year 2019-20, the Company had paid a Transfer Duty of Rs. 10,85,127/- to New Delhi Municipal Council, towards registration of its property held at Antariksh Bhavan, New Delhi, in its name. The relevant mutation certificates as Property Tax payer are on Company's record. The process for registering name of the Company as property holder in the land records is currently in process. | Unascertainable   | Unascertainable   |

(In ₹ Million)

| March 31,<br>2024 | March 31,<br>2023 |
|-------------------|-------------------|
|-------------------|-------------------|

**41 Capital commitments (net of advances) :**

|   |   |
|---|---|
| - | - |
|---|---|

**42 Additional regulatory information required by Schedule III to the Companies Act, 2013:**

- i) The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- ii) The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- iii) The Company has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2024.

- (iv) Utilisation of borrowed funds and share premium:-The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:(a) 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(b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries-The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:(a) 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(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- (v) There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.
- (vi) The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.
- (vii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

**4.3 Financial Ratios:**

| Sr. No. | Ratios                                       | Numerator                        | Denominator                | 31st March 2024 | 31st March 2023 |
|---------|--|----------------------------------|----------------------------|-----------------|-----------------|
| 1       | Capital to risk-weighted assets ratio (CRAR) | Tier1 capital+ Tier2 capital     | Risk Weighted Assets       | NA              | NA              |
| 2       | Tier I CRAR                                  | Tier1                            | Total Risk Weighted Assets | NA              | NA              |
| 3       | Tier I CRAR                                  | Tier2                            | Risk Weighted Assets       | NA              | NA              |
| 4       | Liquidity Coverage Ratio                     | High quality liquid asset amount | Total net cash flow amount | NA              | NA              |

Since the above ratios are relevant for NBFCs therefore being Core Investment Company (CIC), the Company has not disclosed above ratios.

**4.4** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our attached report of even date,

For **P. G. BHAGWAT LLP**  
Chartered Accountants  
(FRN No. 101118W/ W100682)

**Purva Kulkarni**  
Partner  
Membership No. 138855

Place : Pune  
Date : May 30, 2024

For and on behalf of the Board of Directors of  
**BF INVESTMENT LIMITED**

**B.S. Mitkari**  
Director  
DIN: 03632549

**Akshay Jagtap**  
Chief Executive Officer &  
Chief Financial Officer

Place : Pune  
Date : May 30, 2024

**M. U. Takale**  
Director  
DIN : 01291287

**G. P. Pendse**  
Company Secretary

# CONSOLIDATED FINANCIAL STATEMENTS

## Independent Auditor's Report

To the Members of BF Investment Limited

Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated Financial Statements of BF Investment Limited (hereinafter referred to as 'the Company'), its Associates and Joint Ventures which comprise the consolidated Balance Sheet as at March 31, 2024, and the consolidated statement of Profit and Loss (including Other Comprehensive Income), the Consolidated statement of Changes in Equity and the Consolidated statement of Cash Flows for the year then ended, and notes to the consolidated Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate Financial Statements the aforesaid Consolidated 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 accounting principles generally accepted in India, of the consolidated state of affairs of the Company, its Associates and Joint Ventures as at March 31, 2024, of the consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) 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 Consolidated Financial Statements section of our report. We are independent of the Company and its /associates and Joint Ventures 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 Consolidated Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion

### Key Audit Matters

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

#### a. Valuation of Investments

At the Balance Sheet date, the value of Investments in the Company amounted to Rs. 64589.31 million representing 94.79% of the Total Assets. Investments have been considered as key audit matter due to the size of the balance, various recognition principles, subsequent measurement principles and disclosure requirements. Refer note 1A(i) to the Consolidated Financial Statements for its accounting policy.

### Principle Audit Procedures

- i. We have understood and evaluated the process of the Management to identify impairment indicators (if any) for the Company's investments.
- ii. For quoted investments, we have independently verified the fair values.
- iii. We have evaluated the fair value of unquoted investments adopted by the Management and assessed the parameters of the fair valuation reports obtained by the Management from external experts.
- iv. On a test check basis, we have verified appropriate evidence with regard to assertions of existence and rights to the investments.
- v. We have verified principles for recognition, subsequent measurement and disclosures as specified in the accounting policy adopted by the Company based on the Indian Accounting Standards.

### Other Information

The Company's Board of Directors are responsible for the other information. The other information comprises Management Discussion and Analysis; Board of Directors' Report along with its Annexures and Corporate Governance Report (together referred to as "the other information") included in the Annual Report but does not include the Consolidated Financial Statements and our Auditors' Report thereon. The Other Information is expected to be made available to us after the date of this auditor's report. Our opinion on the Consolidated Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon. In connection with our

audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

#### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), the consolidated statement of changes in equity and consolidated cash flows of the Company including its associates and Joint Ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The respective Board of Directors of the Company, its associates and Joint Ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company, its Associates and Joint Ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the Company, its Associates and Joint Ventures are responsible for assessing the ability of the Company, its Associates and Joint Ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless respective Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Company, its Associates and Joint Ventures are responsible for overseeing the financial reporting process of the Company, its Associates and Joint Ventures.

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

We also:

- Identify and assess the risks of material misstatement of the Consolidated 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, its Associates and Joint Ventures has adequate internal financial controls with reference to Consolidated financial statements in place and the operating effectiveness of such controls based on our audit.
- 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 ability of the Company, its Associates and Joint Ventures 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 Consolidated 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.

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However, future events or conditions may cause the Company, its Associates and Joint Ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company, its Associates and Joint Ventures to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Financial Statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Company, its Associates and Joint Ventures included in the Consolidated Financial Statements of which we are the independent auditors 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 Consolidated 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.

#### **Other Matter/s**

- i. The Consolidated Financial Statements include the Company's share (by equity method) of total comprehensive income of Rs. 10506.20 million for the financial year ended March 31, 2024 from its four Associates and two Joint Ventures. The financial statements/information of these Associate and Joint Ventures have been audited by other auditors whose reports have been furnished to us by the Management and our conclusion on the Consolidated Financial Statements to the extent they have been derived from such financial statements/information is based solely on the audit reports of the other auditors.
- ii. The management has not consolidated two Associates namely Nandi Engineering Limited and Synise Technologies Limited having no operations and therefore immaterial with respect to the Consolidated Financial Statements.

Our opinion on the Consolidated Financial Statements is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements as noted in the 'Other Matters' paragraph, we report to the extent applicable, 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 of the aforesaid Consolidated Financial Statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
  - d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - e) On the basis of the written representations received from the directors of the Company as on March 31, 2024 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its Associates and Joint Ventures, none of the directors of the Company, Associates and Joint Ventures

are disqualified as on March 31, 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 with respect to financial reporting of the Company, its Associates and Joint Venture and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g) As required by section 197 (16) of the Act; in our opinion and according to the information and explanations given to us and on the consideration of reports of the other auditors on separate financial statements, the remuneration paid during the current year to its Directors by the Company, its Associates and Joint Ventures is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act.
- 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, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements:
  - (i) The Consolidated Financial Statements disclose the impact of pending litigations as at March 31, 2024 on the Consolidated financial position of the Company, its Associates and Joint ventures Refer Note 34A & 41 to the Consolidated Financial Statements
  - (ii) The Company, Associates and Joint ventures have made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company, its Associates and Joint Ventures during the year ended March 31, 2024.
  - (iv)
    - (a) The respective management of the Company, its Associates and Joint Ventures which are incorporated in India and audited by us, have represented to us and their respective auditors that to the best of knowledge and belief no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or its Associate companies or Joint Ventures to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or its Associates, Joint Ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (b) The respective management of the Company, its Associates Joint Ventures which are incorporated in India and audited by us, have represented to us that and their respective auditors that to the best of knowledge and belief , no funds have been received by the Company or, its Associate and Joint Ventures from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or Associates and Joint Ventures shall, whether, 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 information and explanation given to us and audit procedures performed by us as considered reasonable and appropriate in the circumstances on the Company and its Associates and Joint Ventures incorporated in India and audited by us, and based on the consideration of the reports of the other auditors on separate financial statements of the Associates and Joint Ventures incorporated in India and not audited by us, nothing has come to our notice that has caused us to believe that the representations made by the respective managements of such companies and as mentioned under sub-clause (iv)(a) and (iv)(b) above contain any material misstatement.
  - (v) In our opinion and based on audit reports of other auditors on separate financial statements, the dividend declared and paid during the year by its Associates and Joint Ventures is in compliance with Section 123 of the Act.
  - (vi) Based on our examination which included test checks and that performed by the respective auditors of the joint ventures and associate companies which are companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the Company, its joint ventures and associate companies have used accounting software for maintaining its books of accounts which has a feature of recording audit trail (edit log) facility and the

same has operated throughout the year for all relevant transactions recorded in the respective software:

- (i) In respect of one joint venture, audit trail feature is not enabled for certain changes made, if any, using privileged/ administrative access rights to the application and the database.
- (ii) In respect of one joint venture, for one accounting software, the audit trail (edit log) feature was not enabled for all the relevant tables throughout the year and for another software used for maintaining the payroll records, the audit trail (edit log) feature was not enabled throughout the year.
- (iii) In respect of one associate company, the feature of recording audit trail (edit log) was enabled since May 12, 2023 for all relevant transactions recorded in the accounting software used by the associate company. The audit report of three associate companies of associate company were not available and hence the respective auditor could not comment on using the feature of recording audit trail (edit log) in those associates.

Further, during the course of our audit, we and respective auditors of the above referred joint ventures and associate companies did not come across any instance of audit trail feature being tampered with in respect of the accounting software.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 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 financial year ended March 31, 2024.

2. With respect to the matters specified in paragraphs 3(xxii) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by us for the Company and other auditors of Associates and Joint Ventures included in the Consolidated Financial Statements, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports except following:

| Sr. No. | Name                               | CIN                   | Company/ Associate/ Joint Venture | Clause number of the CARO report which is qualified or adverse |
|---------|------------------------------------|-----------------------|-----------------------------------|--|
| 1       | Kalyani Financial Services Limited | U65910PN1986PLC039645 | Associate                         | Clause vii (a), (b), Clause xvi (a) and Clause xvii            |
| 2       | Automotive Axles Limited           | L51909KA1981PLC004198 | Joint Venture                     | Clause iii (c) & (d) Clause vii (b)                            |
| 3       | Meritor HVS (India) Limited        | U29221KA1998PLC023383 | Joint Venture                     | Clause vii (c)   |
| 4       | Kalyani Steels Limited             | L27104MH1973PLC016350 | Associate                         | Clause ix (d)  |

For P.G. BHAGWAT LLP  
Chartered Accountants  
Firm Registration Number : 101118W / W100682

Purva Kulkarni  
Partner  
Membership No. 138855  
UDIN: 24138855BKBDQ9625

Pune : May 30, 2024

## "ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2 (f) under the heading, "Report on Other legal and Regulatory Requirements" of our report on even date:

### Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the Consolidated Financial Statements of BF Investment Limited as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to the Consolidated Financial Statements of BF Investment Limited (hereinafter referred to as the "Company") and its Associates and Joint Ventures which are incorporated in India, as of that date.

#### Management's Responsibility for Internal Financial Controls

The respective management of the companies incorporated in India included in the Company, its Associates and Joint Ventures, which are incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective 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, Associates and Joint Venture'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 internal financial controls with reference to the Consolidated Financial Statements 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, to the extent applicable to an audit of internal financial controls, 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 with reference to Consolidated Financial Statements 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 internal financial controls with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, and audit evidence obtained by other auditors of the Associates and Joint Ventures in terms of their reports referred to in the other matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Company, its Associates and Joint Ventures internal financial controls with reference to Consolidated Financial Statements.

#### Meaning of Internal Financial Controls with reference to the Consolidated Financial Statements

The Company's internal financial control with reference to the Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. The Company's internal financial control with reference to the Consolidated Financial Statements 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 Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Consolidated Financial Statements.

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## **Inherent Limitations of Internal Financial Controls with reference to the Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls with reference to the Consolidated Financial Statements, 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 with reference to the Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to the Consolidated Financial Statements 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 and based on the audit reports of other auditors, the Company, its Associates and Joint Ventures incorporated in India have, in all material respects, adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company, its Associates and Joint Ventures 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.

### **Other Matters**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 4 Associates and 2 Joint Ventures, is based on the corresponding reports of the auditors of such companies incorporated in India.

The Management has not consolidated two Associates namely Nandi Engineering Limited and Synise Technologies Limited having no operations and therefore immaterial with respect to the Consolidated Financial Statements.

Our opinion is not modified in respect of this matter.

**For P.G. BHAGWAT LLP**  
Chartered Accountants  
Firm Registration Number : 101118W / W100682

Purva Kulkarni  
Partner  
Membership No. 138855  
UDIN: 24138855BKBKDQ9625

Pune : May 30, 2024

# Consolidated Balance Sheet as at 31<sup>st</sup> March, 2024

(In ₹ Million)

|  | Note No. | As at March 31, 2024    | As at March 31, 2023    |
|--|----------|-------------------------|-------------------------|
| <b>ASSETS</b>  |          |                         |                         |
| <b>1 Financial Assets</b>  |          |                         |                         |
| (a) Cash and cash equivalents  | 3        | 351.15                  | 78.44                   |
| (b) Bank balances other (a) above  | 4        | 2,520.70                | 1,949.80                |
| (c) Loans  | 5        | 230.63                  | 236.51                  |
| (d) Investments  | 6a       | 24,132.67               | 17,675.06               |
| (e) Investments accounted using equity method  | 6b       | 40,456.64               | 30,703.46               |
| (f) Other financial assets   | 7        | 292.40                  | 280.84                  |
|  |          | <u>67,984.19</u>        | <u>50,924.11</u>        |
| <b>2 Non-financial assets</b>  |          |                         |                         |
| (a) Income tax assets (net)  | 8        | 3.20                    | 3.17                    |
| (b) Deferred tax asset (net)   | 9        | -                       | -                       |
| (c) Investment property  | 10       | 129.79                  | 129.92                  |
| (d) Property, plant and equipment  | 11       | 18.78                   | 23.31                   |
| (e) Other non-financial assets   | 12       | 0.17                    | 1.37                    |
|  |          | <u>151.94</u>           | <u>157.77</u>           |
| <b>Total assets</b>  |          | <u><b>68,136.13</b></u> | <u><b>51,081.88</b></u> |
| <b>LIABILITIES AND EQUITY</b>  |          |                         |                         |
| <b>LIABILITIES</b>   |          |                         |                         |
| <b>1 Financial liabilities</b>   |          |                         |                         |
| (a) Trade payables   | 13       |                         |                         |
| - dues of micro enterprises and small enterprises                                      |          | -                       | -                       |
| - dues of creditors other than micro enterprises and small enterprises                 |          | 0.04                    | 0.49                    |
| (b) Other financial liabilities  | 14       | 32.24                   | 26.49                   |
|  |          | <u>32.28</u>            | <u>26.98</u>            |
| <b>2 Non-financial liabilities</b>   |          |                         |                         |
| (a) Provisions   | 15       | 0.05                    | -                       |
| (b) Income tax liabilities   | 16       | 25.70                   | -                       |
| (c) Deferred tax liability (net)   | 9        | 6,064.85                | 4,154.20                |
| (d) Other non-financial liabilities  | 17       | 0.38                    | 0.75                    |
|  |          | <u>6,090.98</u>         | <u>4,154.95</u>         |
| <b>3 EQUITY</b>  |          |                         |                         |
| (a) Share capital  | 18       | 188.34                  | 188.34                  |
| (b) Other equity   | 19       | 61,824.53               | 46,711.61               |
|  |          | <u>62,012.87</u>        | <u>46,899.95</u>        |
| <b>Total liabilities and equity</b>  |          | <u><b>68,136.13</b></u> | <u><b>51,081.88</b></u> |
| Summary of material accounting policies  | 1A       |                         |                         |
| Significant accounting judgements, estimates and assumptions                           | 2        |                         |                         |
| The accompanying notes form an integral part of the consolidated financial statements. |          |                         |                         |

As per our attached report of even date,

For **P. G. BHAGWAT LLP**  
Chartered Accountants  
(FRN No. 101118W/ W100682)

**Purva Kulkarni**  
Partner  
Membership No. 138855

Place : Pune  
Date : May 30, 2024

For and on behalf of the Board of Directors of  
**BF INVESTMENT LIMITED**

**B.S. Mitkari**  
Director  
DIN: 03632549

**Akshay Jagtap**  
Chief Executive Officer &  
Chief Financial Officer

Place : Pune  
Date : May 30, 2024

**M. U. Takale**  
Director  
DIN : 01291287

**G. P. Pendse**  
Company Secretary

## Consolidated Statement of Profit and Loss for the Year Ended 31<sup>st</sup> March, 2024

|  |          | (In ₹ Million)               |                              |
|--|----------|------------------------------|------------------------------|
|  | Note No. | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
| 1  |          |                              |                              |
| <b>Revenue from Operations</b>   |          |                              |                              |
| (a)  | 20       | 166.26                       | 86.59                        |
| (b)  | 21       | 191.78                       | 159.14                       |
| (c)  | 22       | 66.21                        | 66.32                        |
| <b>Total revenue from operations</b>   |          | <u>424.25</u>                | <u>312.05</u>                |
| 2  | 23       | 4.31                         | 0.07                         |
| <b>Total income</b>  |          | <u>428.56</u>                | <u>312.12</u>                |
| 3  |          |                              |                              |
| <b>Expenses</b>  |          |                              |                              |
| (a)  | 24       | 7.20                         | 6.90                         |
| (b)  | 25       | -                            | -                            |
| (c)  | 26       | 4.97                         | 5.81                         |
| (d)  | 27       | 55.72                        | 49.40                        |
| <b>Total expenses</b>  |          | <u>67.89</u>                 | <u>62.11</u>                 |
| 4  |          |                              |                              |
| <b>Profit before exceptional items, share in net profit of associates and joint ventures and tax</b>     |          | <u>360.67</u>                | <u>250.01</u>                |
| 5  |          | -                            | -                            |
| 6  |          | 5,427.75                     | 3,188.12                     |
| <b>Share in profit of associates and joint ventures accounted for using equity method</b>                |          |                              |                              |
| 7  |          | <u>5,788.42</u>              | <u>3,438.13</u>              |
| 8  | 28       |                              |                              |
| <b>Tax expense</b>   |          |                              |                              |
| Current tax  |          | 272.80                       | 208.20                       |
| Tax in respect of earlier years  |          | -                            | (10.43)                      |
| Deferred tax expense   |          | 1,178.19                     | 647.35                       |
| <b>Total tax expense</b>   |          | <u>1,450.99</u>              | <u>845.12</u>                |
| 9  |          | <u>4,337.43</u>              | <u>2,593.01</u>              |
| 10   |          |                              |                              |
| <b>Other comprehensive income, net of income tax</b>   |          |                              |                              |
| Items that will not be reclassified to profit or loss  |          |                              |                              |
| (a)  |          | (0.03)                       | -                            |
| (b)  |          | 6,429.53                     | 1,171.35                     |
| Tax Income / (Expense) thereon   |          | (732.46)                     | (79.58)                      |
| Share of other comprehensive income of associates and Joint Ventures accounted for using equity method : |          |                              |                              |
| (a)  |          | 5,087.10                     | 2,842.36                     |
| (b)  |          | (8.65)                       | (4.46)                       |
| <b>Other comprehensive income for the year</b>   |          | <u>10,775.49</u>             | <u>3,929.67</u>              |
| 11   |          | <u>15,112.92</u>             | <u>6,522.68</u>              |
| 12   |          |                              |                              |
| <b>Earnings per share (Face value of Rs. 5/- each) :</b>   |          |                              |                              |
| Basic & Diluted  |          | 115.15                       | 68.84                        |
| Summary of material accounting policies  |          | 1A                           |                              |
| Significant accounting judgements, estimates and assumptions   |          | 2                            |                              |
| The accompanying notes form an integral part of the consolidated financial statements.                   |          |                              |                              |

As per our attached report of even date,

For and on behalf of the Board of Directors of  
**BF INVESTMENT LIMITED**

**For P. G. BHAGWAT LLP**  
Chartered Accountants  
(FRN No. 101118W/ W100682)

**B.S. Mitkari**  
Director  
DIN: 03632549

**M. U. Takale**  
Director  
DIN : 01291287

**Purva Kulkarni**  
Partner  
Membership No. 138855

**Akshay Jagtap**  
Chief Executive Officer &  
Chief Financial Officer

**G. P. Pendse**  
Company Secretary

Place : Pune  
Date : May 30, 2024

Place : Pune  
Date : May 30, 2024

## Consolidated Cash Flow Statement for the year ended 31<sup>st</sup> March, 2024

|   |  | (In ₹ Million)               |                              |
|---|--|------------------------------|------------------------------|
|   |  | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
| <b>A) Cash flows from operating activities</b>  |  |                              |                              |
| Profit before income tax but after exceptional items  |  | 5,788.42                     | 3,438.13                     |
| <b>Adjustments to reconcile profit before tax to net cash flows:</b>  |  |                              |                              |
| Depreciation and amortisation   |  | 4.97                         | 5.81                         |
| Net gain on fair value changes  |  | (66.21)                      | (66.32)                      |
| Share in profit of associates and joint ventures  |  | (5,427.75)                   | (3,188.12)                   |
|   |  | (5,488.99)                   | (3,248.63)                   |
| <b>Adjustments for changes in working capital</b>   |  |                              |                              |
| (Increase) / Decrease in loans  |  | 43.99                        | 10.00                        |
| Increase / (Decrease) in provisions   |  | 0.05                         | -                            |
| Increase / (Decrease) in trade payables   |  | (0.45)                       | 0.50                         |
| Increase / (Decrease) in other financial liabilities  |  | 5.72                         | 12.12                        |
| (Increase) / Decrease in other financial assets   |  | (11.56)                      | (7.65)                       |
| (Increase) / Decrease in other non financial assets   |  | 1.20                         | (1.25)                       |
| Increase / (Decrease) in other non financial liabilities  |  | (0.37)                       | (0.36)                       |
| <b>Cash generated from operations</b>   |  | 338.01                       | 202.86                       |
| Income taxes paid (net of refunds)  |  | (247.13)                     | (204.71)                     |
| <b>Net Cash from Operating activities (A)</b>   |  | 90.88                        | (1.85)                       |
| <b>B) Cash flows from investing activities</b>  |  |                              |                              |
| Investment in fixed deposits  |  | (570.90)                     | (564.55)                     |
| Proceeds from sale of asset   |  | (0.30)                       | -                            |
| Dividend Received from associates & Joint ventures  |  | 753.03                       | 633.37                       |
| <b>Net cash flows from investing activities (B)</b>   |  | 181.83                       | 68.82                        |
| <b>C) Cash flows from financing activities</b>  |  |                              |                              |
| <b>Net cash flows from financing activities (C)</b>   |  | -                            | -                            |
| <b>Net increase / (decrease) in cash and cash equivalents (A)+(B)+(C)</b>   |  | 272.71                       | 66.97                        |
| Cash and cash equivalents at the beginning of the year (refer note 3)   |  | 78.44                        | 11.47                        |
| <b>Cash and cash equivalents at the end of the year (refer note 3)</b>  |  | 351.15                       | 78.44                        |
| The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flow. |  |                              |                              |
| Summary of material accounting policies   |  | 1A                           |                              |
| Significant accounting judgements, estimates and assumptions  |  | 2                            |                              |
| The accompanying notes form an integral part of the consolidated financial statements.  |  |                              |                              |

As per our attached report of even date,

For P. G. BHAGWAT LLP  
Chartered Accountants  
(FRN No. 101118W/ W100682)

Purva Kulkarni  
Partner  
Membership No. 138855

Place : Pune  
Date : May 30, 2024

For and on behalf of the Board of Directors of  
**BF INVESTMENT LIMITED**

B.S. Mitkari  
Director  
DIN: 03632549

Akshay Jagtap  
Chief Executive Officer &  
Chief Financial Officer

Place : Pune  
Date : May 30, 2024

M. U. Takale  
Director  
DIN : 01291287

G. P. Pendse  
Company Secretary

## Consolidated Statement of Changes in Equity (SOCIE) for the year ended 31<sup>st</sup> March, 2024

### A. Equity Share Capital

(In ₹ Million)

| Particulars                     | No. of shares | Amount  |
|---------------------------------|---------------|---------|
| As at March 31,2022             | 37,667,628    | 1,88.34 |
| Changes in equity share capital | -             | -       |
| As at March 31,2023             | 37,667,628    | 1,88.34 |
| Changes in equity share capital | -             | -       |
| As at March 31,2024             | 37,667,628    | 1,88.34 |

### B. Other Equity

(In ₹ Million)

| Particulars  | Notes | Reserves and Surplus |                 |                 |                            |                 | Other reserve                   | Total            |
|--|-------|----------------------|-----------------|-----------------|----------------------------|-----------------|---------------------------------|------------------|
|  |       | Retained Earnings    | General reserve | Reserve Fund    | Capital Redemption reserve | Capital Reserve | FVOCI equity investment reserve |                  |
| As at March 31, 2022   |       | 15,866.59            | 0.87            | 1,297.03        | 0.00                       | 2,367.52        | 20,656.93                       | 40,188.94        |
| Add: Profit for the year   |       | 2,593.01             | -               | -               | -                          | -               | -                               | 2,593.01         |
| Add: Re-measurement gains/(loss) on defined benefit plans                              |       | (4.46)               | -               | -               | -                          | -               | -                               | (4.46)           |
| Add: Changes in fair value of FVOCI equity investment                                  |       | -                    | -               | -               | -                          | -               | 3,934.13                        | 3,934.13         |
| Total comprehensive income for the year  |       | 2,588.55             | -               | -               | -                          | -               | 3,934.13                        | 6,522.68         |
| Transferred to statutory reserve fund during the year                                  |       | (136.02)             | -               | 136.02          | -                          | -               | -                               | -                |
| <b>As at March 31, 2023</b>  |       | <b>18,319.12</b>     | <b>0.87</b>     | <b>1,433.05</b> | <b>0.00</b>                | <b>2,367.52</b> | <b>24,591.06</b>                | <b>46,711.61</b> |
| Add: Profit for the year   |       | 4,337.43             | -               | -               | -                          | -               | -                               | 4,337.43         |
| Add: Re-measurement gains/(loss) on defined benefit plans                              |       | (8.68)               | -               | -               | -                          | -               | -                               | (8.68)           |
| Add: Changes in fair value of FVOCI equity investment                                  |       | -                    | -               | -               | -                          | -               | 10,784.17                       | 10,784.17        |
| Total comprehensive income for the year  |       | 4,328.75             | -               | -               | -                          | -               | 10,784.17                       | 15,112.92        |
| Transferred to statutory reserve fund during the year                                  |       | (167.41)             | -               | 167.41          | -                          | -               | -                               | -                |
| <b>As at March 31, 2024</b>  |       | <b>22,480.46</b>     | <b>0.87</b>     | <b>1,600.46</b> | <b>0.00</b>                | <b>2,367.52</b> | <b>35,375.23</b>                | <b>61,824.53</b> |
| Summary of material accounting policies  | 1A    |                      |                 |                 |                            |                 |                                 |                  |
| Significant accounting judgements, estimates and assumptions                           | 2     |                      |                 |                 |                            |                 |                                 |                  |
| The accompanying notes form an integral part of the consolidated financial statements. |       |                      |                 |                 |                            |                 |                                 |                  |

As per our attached report of even date,

**For P. G. BHAGWAT LLP**  
Chartered Accountants  
(FRN No. 101118W/ W100682)

**Purva Kulkarni**  
Partner  
Membership No. 138855

Place : Pune  
Date : May 30, 2024

For and on behalf of the Board of Directors of  
**BF INVESTMENT LIMITED**

**B.S. Mitkari**  
Director  
DIN: 03632549

**Akshay Jagtap**  
Chief Executive Officer &  
Chief Financial Officer

Place : Pune  
Date : May 30, 2024

**M. U. Takale**  
Director  
DIN : 01291287

**G. P. Pendse**  
Company Secretary

(All amounts are in Rupees millions, except per share data and unless stated otherwise)

## 1. Background:

The Consolidated financial statements comprise of BF Investment Limited ("the Company") and its associates and joint ventures (collectively, "the Group"). The Company is a public limited company domiciled in India and incorporated in May, 2009 under the provisions of Companies Act, 1956. The equity shares of the Company are listed on two recognized stock exchanges in India i.e. the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company is primarily engaged in the business of making investments in group companies. The registered office of the Company is located at, Mundhwa Pune Cantonment, Pune-411036. The CIN of the Company is L65993PN2009PLC134021.

These consolidated financial statements for the year ended March 31, 2024 were approved by the Board of Directors and authorized for issue on May 30, 2024.

## 1A. Material accounting policies:

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

### (a) Basis of preparation

#### (i) Compliance with Ind AS

These consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 from time to time.

The consolidated financial statements are presented in INR and all values are rounded to the nearest million (INR 000,000), except when otherwise indicated.

The Company prepared the consolidated financial statements on the basis that it will continue to operate as a going concern.

#### (ii) Principles of consolidation and equity accounting

##### ● Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognized at cost.

##### ● Joint Arrangements

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. Group only has joint ventures.

##### Joint Ventures

Interests in joint ventures are accounted for using the equity method (see below), after initially being recognised at cost in the consolidated balance sheet.

##### ● Equity method

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognized as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The Group has adopted not to recognize the effects of the transactions recorded in equity of associates and joint ventures outside the statement of profit or loss and other comprehensive income of the associates and joint ventures

**(iii) Historical cost convention**

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities that are measured at fair value.
- Defined benefit plans- plan assets measured at fair value.

**(iv) Current versus non-current classification**

The Group presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when,

- It is expected to be settled in normal operating cycle
  - It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

**(b) Interest Income**

Interest income is accrued over the period of the loan / investment.

**(c) Dividends**

Dividends are recognized in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

**(d) Taxes**

**Current tax**

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961. The management

periodically evaluates positions taken in returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to tax authorities.

#### Deferred Tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Current and deferred taxes are recognized in the statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### (e) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts and cash credit facilities as they are considered an integral part of the Group's cash management.

#### (f) Investment in associates and jointly controlled companies

Investment in associates and jointly controlled companies are accounted at cost less accumulated impairment.

#### (g) Fair value measurement

The Group measures financial instruments at fair value on initial recognition.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level inputs that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets and liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is un-observable.

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as unquoted financial assets. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

#### (h) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another equity.

#### (i) Financial assets

##### Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

##### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortized cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)

#### **Financial assets at amortized cost:**

A financial asset is measured at amortized cost if both following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in other income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss.

#### **Financial assets at fair value through other comprehensive income**

A financial asset is measured at fair value through other comprehensive income if both of the following criteria are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets, until they are derecognized or reclassified, are subsequently measured at fair value and recognized in other comprehensive income except for interest income, gain/loss on impairment, gain/loss on foreign exchange which is recognized in the statement of profit and loss.

#### **Financial assets at fair value through profit or loss**

A financial asset is measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income.

In addition, the Group may elect to classify a financial asset, which otherwise meets amortized cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such selection is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

After initial measurement, such financial assets are subsequently measured at fair value in the statement of profit and loss.

#### **De-recognition of financial assets**

A financial asset is de-recognized when:

- the contractual rights to receive cash flows from the financial asset have expired, or
- The Group has transferred its contractual rights 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 a pass-through arrangement and either
  - (a) the Group has transferred substantially all the risks and rewards of the asset or
  - (b) The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

#### **Impairment of financial assets**

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortized cost e.g. loans, debt-securities, deposits, trade receivables and bank balance
- Financial assets that are debt instruments and are measured as at FVTOCI

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather,

it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

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 a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the Group is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss. This amount is reflected under the head "Other Expenses" in the statement of profit and loss.

The Balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost.

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-offs criteria, the Group does not de-recognize impairment allowance from the gross carrying amount.

The Group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/origination.

#### **(j) De-recognition of financial liabilities**

A financial liability (or a part of a financial liability) is de-recognized from its balance sheet when, and only when, it is extinguished i.e., when the obligation specified in the contract is discharged or cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

#### **(k) Offsetting of financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

#### **(l) Investment Property**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

Investment properties are depreciated using straight line method over their estimated useful lives.

#### Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its investment properties recognized as at 1 April 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

#### (m) Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). All significant costs relating to the acquisition and installation of property, plant and equipment are capitalized. Such cost includes the cost of replacing part of the property, plant and equipment and borrowings costs for long term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection/ relining is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of profit and loss during the reporting period in which they are incurred.

Subsequent costs are included in the asset's carrying amount as recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for a separate asset is derecognized when replaced.

The identified components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

Depreciation on additions is provided from the beginning of the month in which the asset is put to use.

Depreciation on assets sold, discarded or demolished during the year is being provided at their respective rates on pro-rata basis up to the end of the month prior to the month in which such assets are sold, discarded or demolished.

The useful lives have been determined based on those specified by Schedule II to the Companies Act, 2013. The residual values are not more than 5% of the original cost of the asset.

Depreciation is charged on the basis of useful life of assets on straight line method for furniture & fixtures & on WDV method for car and computer.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the consolidated statement of profit and loss when the asset is derecognized.

The residual values, useful lives, and methods of depreciation of property, plant and equipment are reviewed at each financial year.

#### Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 1, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

#### (n) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses including impairment on inventories are recognized in the statement of profit and loss.

Previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of asset does not exceed its recoverable amount. Such reversal is recognized in statement of profit and loss.

**(o) Trade and other payables**

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are unsecured and are presented as current liabilities unless payment is not due within operating cycle determined by the Group after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

**(p) Provisions and contingent liabilities**

Provisions are recognized when the Group has a present, legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are determined based on the best estimate required to settle the obligation at the Balance Sheet date. Provisions are reviewed at each Balance Sheet date and adjusted to reflect current best estimates.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements. A disclosure for a contingent liability is made where there is a possible obligation arising out of past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation arising out of a past event where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

**(q) Paid-up equity**

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**(r) Dividends**

The Group recognizes a liability to make cash or non-cash distributions to equity holders of the Group when distribution is authorized and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

**(s) Earnings per share**

**(i) Basic Earnings per Share**

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the financial year. Earnings considered in ascertaining the Group's earnings per share is the net profit for the period after deducting any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

**(ii) Diluted Earnings per Share**

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

## 1B. Significant Accounting Policies:

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

### (a) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions for the Group. Refer note 37 for segment information presented.

### (b) Foreign currency translation

#### Functional and presentation currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (INR), which is the Group's functional and presentation currency.

#### Initial Recognition

Foreign currency transactions are recorded in Indian currency, by applying the exchange rate between the Indian currency and the foreign currency at the date of transaction.

#### Conversion

Monetary items, designated in foreign currencies are revalued at the rate prevailing on the date of Balance Sheet.

#### Exchange Differences

Exchange differences arising on the settlement and conversion of foreign currency transactions are recognized as income or as expenses in the year in which they arise, except in cases where they relate to the acquisition of qualifying assets, in which cases they were adjusted in the cost of the corresponding asset.

### (c) Leases

The determination of whether a contract is (or contains) a lease is based on the substance of the contract at the inception of the lease. The contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Company as a Lessee

At the commencement date, a lessee shall recognise a right-of-use asset and a lease liability. A lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

The Company uses the practical expedient to apply the requirements of Ind AS 116 to a portfolio of leases with similar characteristics if the effects on the financial statements of applying to the portfolio does not differ materially from applying the requirement to the individual leases within that portfolio.

However, when the lessee and the lessor each have the right to terminate the lease without permission from the other party with no more than an insignificant penalty the Company considers that lease to be no longer enforceable. Also according to Ind AS 116, for leases with a lease term of 12 months or less (short-term leases) and for leases for which the underlying asset is of low value, the lessee is not required to recognize right-of-use asset and a lease liability. The Company applies both recognition exemptions.

#### Right of use asset

Right-of-use assets, which are included under property, plant and equipment, are measured at cost less any accumulated depreciation and, if necessary, any accumulated impairment. The cost of a right-of-use asset comprises the present value of the outstanding lease payments plus any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs and an estimate of costs to be incurred in dismantling or removing the underlying asset. In this context, the Company also

applies the practical expedient that the payments for non-lease components are generally recognized as lease payments.

If the lease transfers ownership of the underlying asset to the lessee at the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the right-of-use asset is depreciated to the end of the useful life of the underlying asset. Otherwise, the right-of-use asset is depreciated to the end of the lease term.

#### Lease liability

Lease liabilities, which are assigned to financing liabilities, are measured initially at the present value of the lease payments. Subsequent measurement of a lease liability includes the increase of the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

#### Lease modification

For a lease modification that is not accounted for as a separate lease, the Company accounts for the re-measurement of the lease liability by making a corresponding adjustment to the right-of-use asset.

#### Company as Lessor

A lessor shall classify each of its leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment and depreciated over its useful economic life. However, if there is no reasonable certainty that the Company will obtain possession of the asset upon end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases or another systematic basis is available. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

#### (d) Post-employment and other employee benefits

Post-employment benefits are employee benefits (other than termination benefits and short-term employee benefits) that are payable after the completion of employment.

##### Provident fund

Provident fund is a defined contribution plan covering eligible employees. The Company and the eligible employees make a monthly contribution to the provident fund maintained by the Regional Provident Fund Commissioner equal to the specified percentage of the basic salary of the eligible employees as per the scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The Company has no obligation, other than the contribution payable to the provident fund.

##### Gratuity

At present the Company has no Gratuity plan asset. The present value of the obligation under such defined benefit plan is determined based on the actuarial valuation using the Projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet as asset/liability with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs
- Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:
  - Service costs comprising of current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
  - Net interest expense or income

#### **Compensated Absences**

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date.

Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave encashment liability as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date. Where the Company has the unconditional legal and contractual right to defer the settlement for a period beyond twelve months, the same is presented as non-current liability.

## **2. Significant accounting judgements, estimates and assumptions**

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. This note provides an overview of the areas that involve a higher degree of judgments or complexities and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these judgments, estimates and assumptions is mentioned below.

Judgments, estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

#### **Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

##### **i. Fair value measurement of unquoted financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 33 for further disclosures.

##### **ii. Deferred Tax**

At each balance sheet date, the Group assesses whether the realization of future tax benefits is sufficiently probable to recognize deferred tax assets. This assessment requires the use of significant estimates with respect to assessment of future taxable income. The recorded amount of total deferred tax asset could change if estimates of projected future taxable income or if changes in current tax regulations are enacted.

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024.

(In ₹ Million)

| Particulars   | As at<br>March 31,<br>2024 | As at<br>March 31,<br>2023 |
|---|----------------------------|----------------------------|
| <b>3 Cash and cash equivalents</b>                                      |                            |                            |
| (a) Balances with banks   |                            |                            |
| In current accounts   | 3.64                       | 3.54                       |
| Term deposits with original maturity of less than three months          | 347.50                     | 74.90                      |
| (b) Cash in hand  | 0.01                       | -                          |
| <b>Total</b>  | <u>351.15</u>              | <u>78.44</u>               |
| <b>4 Bank Balances other (a) above</b>                                  |                            |                            |
| Term Deposits with Banks having original maturity of more than 3 months | 2,520.70                   | 1,949.80                   |
| <b>Total</b>  | <u>2,520.70</u>            | <u>1,949.80</u>            |

The Company has not traded or invested in crypto currency or virtual currency during the year.

**5 Loans**

| Particulars                     | As at March 31, 2024 |  |         | As at March 31, 2023 |  |         |
|---------------------------------|----------------------|--|---------|----------------------|--|---------|
|                                 | Amortised<br>cost    | Fair value<br>through<br>profit or<br>loss | Total   | Amortised<br>cost    | Fair value<br>through<br>profit or<br>loss | Total   |
| <b>(A) Loans</b>                |                      |  |         |                      |  |         |
| (i) Intercorporate deposit      | 86.93                | 230.63                                     | 317.56  | 86.93                | 236.51                                     | 323.44  |
| <b>Total (A) - Gross</b>        | 86.93                | 230.63                                     | 317.56  | 86.93                | 236.51                                     | 323.44  |
| Less: impairment loss allowance | (86.93)              | -  | (86.93) | (86.93)              | -  | (86.93) |
| <b>Total (A) - Net</b>          | -                    | 230.63                                     | 230.63  | -                    | 236.51                                     | 236.51  |
| <b>(B)</b>                      |                      |  |         |                      |  |         |
| (i) Unsecured                   | 86.93                | 230.63                                     | 317.56  | 86.93                | 236.51                                     | 323.44  |
| <b>Total (B) - Gross</b>        | 86.93                | 230.63                                     | 317.56  | 86.93                | 236.51                                     | 323.44  |
| Less: impairment loss allowance | (86.93)              | -  | (86.93) | (86.93)              | -  | (86.93) |
| <b>Total (B) - Net</b>          | -                    | 230.63                                     | 230.63  | -                    | 236.51                                     | 236.51  |
| <b>(C) Loans in India</b>       | 86.93                | 230.63                                     | 317.56  | 86.93                | 236.51                                     | 323.44  |
| <b>Total (C) - Gross</b>        | 86.93                | 230.63                                     | 317.56  | 86.93                | 236.51                                     | 323.44  |
| Less: impairment loss allowance | (86.93)              | -  | (86.93) | (86.93)              | -  | (86.93) |
| <b>Total (C) - Net</b>          | -                    | 230.63                                     | 230.63  | -                    | 236.51                                     | 236.51  |
| Good                            |                      |  | 230.63  |                      |  | 236.51  |
| Doubtful                        |                      |  | 86.93   |                      |  | 86.93   |

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024.

Disclosures required under section 186 (4) of the Companies Act, 2013

| Name of the loanee                           | Purpose             | Rate of Interest p.a. | Term of Repayment       | As at March 31, 2024 | As at March 31, 2023 |
|--|---------------------|-----------------------|-------------------------|----------------------|----------------------|
| Nandi Economic Corridor Enterprises Limited  | Business Operations | Non interest bearing  | Without repayment terms | 1,160.52             | 1,160.52             |
| Nandi Infrastructure Corridor Enterprise Ltd | Business Operations | Non interest bearing  | Without repayment terms | 30.00                | 30.00                |
| BF Utilities Limited                         | Business Operations | Non interest bearing  | Without repayment terms | 130.00               | 174.00               |

Details of loans or advances in the nature of loans are granted to promoters, director's, KMP's and the related parties that are repayable on demand or without any terms or period of repayment:

| Type of Borrower | As at March 31, 2024  |   | As at March 31, 2023  |   |
|------------------|---|---|---|---|
|                  | Amount of loan or advance in the nature of loan outstanding | Percentage to the total Loans & Advances in the nature of loans | Amount of loan or advance in the nature of loan outstanding | Percentage to the total Loans & Advances in the nature of loans |
| Promoter         | -   | -   | -   | -   |
| Directors        | -   | -   | -   | -   |
| KMP's            | -   | -   | -   | -   |
| Related Parties  | 230.63  | 100%  | 236.51  | 100%  |

| Particulars  | As at March 31, 2024                              |  |                 |  | As at March 31, 2023            |          |  |                                 |
|--|---|--|-----------------|--|---------------------------------|----------|--|---------------------------------|
|  | As at March 31, 2024<br>Quantity<br>in<br>numbers | As at March 31,<br>2023<br>Quantity<br>in<br>numbers | If<br>Quoted    | At fair value                                    |                                 | At Cost  | Through fair value                               |                                 |
|  |   |  |                 | Through<br>other<br>compre-<br>hensive<br>income | Through<br>profit<br>or<br>loss |          | Through<br>other<br>compre-<br>hensive<br>income | Through<br>profit<br>or<br>loss |
| <b>Equity shares:</b>  |   |  |                 |  |                                 |          |  |                                 |
| Equity shares of ₹ 2/- each fully paid in Bharat Forge Ltd.  | 15,614,676  | 15,614,676   | Quoted          | 17,638.34  | -                               | -        | 12,030.33  | -                               |
| Equity shares of ₹ 5/- each fully paid in BF Utilities Ltd.  | 1,187,903   | 1,187,903  | Quoted          | 917.06   | -                               | -        | 352.99   | -                               |
| Equity shares of ₹ 2/- each fully paid in Hikal Ltd.   | 3,273,375   | 3,273,375  | Quoted          | 867.61   | -                               | -        | 921.95   | -                               |
| Equity shares of ₹ 10/- each fully paid in Kalyani Forge Ltd.  | 569,600   | 569,600  | Quoted          | 232.51   | -                               | -        | 126.96   | -                               |
| Equity shares of ₹ 10/- each fully paid in Saarloha Advanced Materials Pvt. Ltd. (previously known as Kalyani Carpenter Special Steels Pvt. Ltd.)  | 500   | 500  |                 | 0.01   | -                               | -        | 0.01   | -                               |
| Equity shares of ₹ 10/- each fully paid in Khed Economic Infrastructure Pvt. Ltd.  | 71,362,260  | 71,362,260   |                 | 1,972.45   | -                               | -        | 1,836.86   | -                               |
| Equity shares of ₹ 10/- each fully paid in Kalyani Maxion Wheels Pvt. Ltd.   | 2,399,998   | 2,399,998  |                 | 606.42   | -                               | -        | 535.78   | -                               |
| <b>Total value of equity shares</b>  | <b>36,042,440</b>                                 | <b>36,042,440</b>                                    | <b>Unquoted</b> | <b>372.54</b>                                    | <b>-</b>                        | <b>-</b> | <b>15,804.88</b>                                 | <b>-</b>                        |
| <b>Preference shares:</b>  |   |  |                 |  |                                 |          |  |                                 |
| 7% Cumulative Optionally Convertible Non-Participating Preference Shares of ₹ 10/- each, fully paid in Kalyani Technoforge Limited. <sup>(a)</sup>   |   |  |                 |  |                                 |          |  |                                 |
| Preference shares in Associate   | 4,000,000   | 4,000,000  | Unquoted        | -  | 572.33                          | -        | -  | 558.41                          |
| 9% Cumulative Redeemable Non Convertible Preference Shares of ₹ 10/- each, fully paid in KSL Holdings Pvt. Ltd. <sup>(b)</sup>   |   |  |                 |  |                                 |          |  |                                 |
| 1% Non Cumulative Compulsorily Convertible Preference Shares of ₹ 10/- each, fully paid in Kalyani Financial Services Ltd. <sup>(c)</sup>  | 6,860,000   | 6,860,000  | Unquoted        | -  | 68.60                           | -        | -  | 63.17                           |
| <b>Total value of preference shares in associates</b>  |   |  |                 |  |                                 |          |  |                                 |
| <b>Debtentures in associate:</b>   |   |  |                 |  |                                 |          |  |                                 |
| 0% Fully Convertible Debtentures of ₹ 100/- each fully paid of Kalyani Financial Services Ltd. <sup>(d)</sup>  | 6,636,000   | 6,636,000  | Unquoted        | 884.80   | -                               | -        | 884.80   | -                               |
| <b>Total value of debtentures</b>  |   |  |                 |  |                                 |          |  |                                 |
| <b>Total - Gross (A)</b>   |   |  |                 |  |                                 |          |  |                                 |
| (i) investments outside India  |   |  |                 |  |                                 |          |  |                                 |
| (ii) investments in India  |   |  |                 |  |                                 |          |  |                                 |
| Less: Allowance for impairment loss  |   |  |                 |  |                                 |          |  |                                 |
| <b>Total Value of Investments</b>  |   |  |                 |  |                                 |          |  |                                 |
| <b>Quoted shares valued at Fair Value through OCI</b>  |   |  |                 |  |                                 |          |  |                                 |
| a) 21,042,440 7% Cumulative Optionally Convertible Non-Participating Preference Shares of ₹ 10/- each, fully paid in Kalyani Technoforge Limited are redeemable at par on or before 21 <sup>st</sup> December, 2024.   |   |  |                 |  |                                 |          |  |                                 |
| 3,000,000 7% Cumulative Optionally Convertible Non Participating Preference Shares of ₹ 10/- each, fully paid in Kalyani Technoforge Limited are redeemable at par on or before 5 <sup>th</sup> September, 2025.   |   |  |                 |  |                                 |          |  |                                 |
| 12,000,000 7% Cumulative Optionally Convertible Non Participating Preference Shares of ₹ 10/- each, fully paid in Kalyani Technoforge Limited are redeemable at par on or before 26 <sup>th</sup> September, 2026.   |   |  |                 |  |                                 |          |  |                                 |
| b) 4,000,000 9% Cumulative Redeemable Non Convertible Preference Shares (CCPS) of ₹ 10/- each, fully paid in KSL Holdings Pvt. Ltd. are redeemable at par on or before 25 <sup>th</sup> October, 2036.   |   |  |                 |  |                                 |          |  |                                 |
| c) 1% Non Cumulative Compulsorily Convertible Preference Shares (CCPS) of ₹ 10/- each, fully paid in Kalyani Financial Services Ltd. shall be compulsorily convertible into such number of equity shares of ₹ 10/- each at the higher of the fair market value determined as on the date of conversion or ₹ 10/- per share (being the face value of the equity share). The said CCPS shall be convertible upon the expiry of 5 years from the date of allotment i.e. 28 <sup>th</sup> March, 2024. During the year by consent of the Company, the board of directors of Kalyani Financial Services Limited has extended the due date of conversion by 20 years. However, management of Kalyani Financial Services Limited intend to redeem the CCPS on or before September 30, 2024.   |   |  |                 |  |                                 |          |  |                                 |
| d) Of the 6,636,000 0% Fully Convertible Debtentures (FCDs) of ₹ 100/- each, fully paid of Kalyani Financial Services Limited. 4,980,346 FCDs are compulsorily convertible into such number of fully paid up Equity Shares of ₹ 10/- each, at such a price as shall be fixed by the said Company on or before 31 <sup>st</sup> March, 2024 (the original maturity date was 27 <sup>th</sup> September, 2022). 398,801 FCDs are compulsorily convertible into Equity Shares of ₹ 10/- each, fully paid up at a premium of ₹ 20/- per share on or before 30 <sup>th</sup> March, 2024 and 1,256,853 FCDs are compulsorily convertible into Equity Shares of ₹ 10/- each, fully paid up at a premium of ₹ 20/- per share on or before 31 <sup>st</sup> March, 2024. During the year by consent of the Company, the board of directors of Kalyani Financial Services Limited has extended the due date of conversion by 5 years. |   |  |                 |  |                                 |          |  |                                 |

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024.

| 6b Investments accounted using Equity Method  |                            |                            |              |                            |                            | (In ₹ Million) |
|---|----------------------------|----------------------------|--------------|----------------------------|----------------------------|----------------|
| Particulars   | As at<br>March 31,<br>2024 | As at<br>March 31,<br>2023 | If<br>Quoted | As at<br>March 31,<br>2024 | As at<br>March 31,<br>2023 |                |
| Quantity in numbers   |                            |                            |              |                            |                            |                |
| <b>Equity Shares in Associates</b>  |                            |                            |              |                            |                            |                |
| Equity shares of ₹ 5/- each, fully paid in Kalyani Steels Ltd.  | 17,052,421                 | 17,052,421                 | Quoted       | 4,995.57                   | 4,197.76                   |                |
| Equity shares of ₹ 10/- each fully paid in KSL Holdings Pvt. Ltd.   | 32,999,000                 | 32,999,000                 |              | 30,721.40                  | 22,332.16                  |                |
| Equity shares of ₹ 10/- each fully paid in Truimphant Special Alloys Pvt. Ltd. (previously known as Carpenter Kalyani Special Alloys Pvt. Ltd.) | 3,195,397                  | 3,195,397                  |              | 8.75                       | 8.28                       |                |
| Equity shares of ₹ 10/- each fully paid in Kalyani Financial Services Ltd.  | 2,940,000                  | 2,940,000                  |              | 321.48                     | 297.43                     |                |
| Equity shares of ₹ 10/- each fully paid in Nandi Engineering Ltd.   | 25,000                     | 25,000                     |              | 0.25                       | 0.25                       |                |
| Equity shares of ₹ 10/- each fully paid in Synise Technologies Ltd.   | 1,131,793                  | 1,131,793                  |              | 55.85                      | 55.85                      |                |
| <b>Total equity shares in associates</b>  |                            |                            |              | <b>36,103.30</b>           | <b>26,891.73</b>           |                |
| <b>Equity shares in Joint Venture</b>   |                            |                            |              |                            |                            |                |
| Equity shares of ₹ 10/- each fully paid in Automotive Axles Ltd.  | 5,367,803                  | 5,367,803                  | Quoted       | 3,010.32                   | 2,596.11                   |                |
| Equity shares of ₹ 10/- each fully paid in Meritor HVS India Ltd.   | 1,190,694                  | 1,190,694                  |              | 1,399.12                   | 1,271.72                   |                |
| <b>Total equity shares in joint ventures</b>  |                            |                            |              | <b>4,409.44</b>            | <b>3,867.83</b>            |                |
| <b>Gross Investments accounted using equity method</b>  |                            |                            |              | <b>40,512.74</b>           | <b>30,759.56</b>           |                |
| <b>Less: Allowance for impairment loss</b>  |                            |                            |              | <b>(56.10)</b>             | <b>(56.10)</b>             |                |
| <b>Net Investments accounted using equity method</b>  |                            |                            |              | <b>40,456.64</b>           | <b>30,703.46</b>           |                |
| (i) Gross investments outside india   |                            |                            |              | -                          | -                          |                |
| (ii) Gross investments in India   |                            |                            |              | <b>40,512.74</b>           | <b>30,759.56</b>           |                |

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024.

| Particulars  | (In ₹ Million)             |                            |
|--|----------------------------|----------------------------|
|  | As at<br>March 31,<br>2024 | As at<br>March 31,<br>2023 |
| <b>7 Other financial assets</b>  |                            |                            |
| Interest receivable  | 27.54                      | 15.98                      |
| Provision for doubtful interest receivable   | (1.45)                     | (1.45)                     |
| Net interest receivable  | <u>26.09</u>               | 14.54                      |
| Security deposits  | 266.31                     | 266.31                     |
| <b>Total</b>   | <u><u>292.40</u></u>       | <u><u>280.84</u></u>       |
| <b>8 Income tax assets (net)/ Income tax liability</b>   |                            |                            |
| Tax paid in advance (net of provisions)  | 3.20                       | 3.17                       |
| <b>Total</b>   | <u><u>3.20</u></u>         | <u><u>3.17</u></u>         |
| <b>9 Deferred Tax Asset/(liabilities) (net)</b>  |                            |                            |
| Deferred tax liability on fair valuation of investments and loans  | -                          | -                          |
| Deferred tax asset on fair valuation of investments and loans  | -                          | -                          |
| Deferred tax asset on gratuity   | -                          | -                          |
| Depreciation and amortisation  | -                          | -                          |
| <b>Net deferred tax assets</b>   | <u><u>-</u></u>            | <u><u>-</u></u>            |
| Deferred tax liability (net) on distributable profit of associates and joint ventures                                  | 5,355.68                   | 4,181.33                   |
| Deferred tax liability on fair valuation of investments and loans  | 1,007.18                   | 310.60                     |
| Deferred tax asset on fair valuation of investments and loans  | (296.07)                   | (336.09)                   |
| Deferred tax asset on gratuity   | (0.01)                     | -                          |
| Depreciation and amortisation  | (1.93)                     | (1.64)                     |
| <b>Net deferred tax liability</b>  | <u><u>6,064.85</u></u>     | <u><u>4,154.20</u></u>     |
| <b>Changes in deferred tax assets/ liabilities in profit and loss [charged / (credited) during the year]</b>           |                            |                            |
| <b>Deferred tax liabilities</b>  |                            |                            |
| On account of temporary difference   | -                          | (0.40)                     |
| <b>Deferred tax assets</b>   |                            |                            |
| On account of temporary difference   |                            |                            |
| Depreciation and amortisation  | 0.29                       | -                          |
| Deferred tax asset on fair valuation of investments and loans  | 3.54                       | 5.90                       |
| Distributable profit of associates and joint ventures  | 1,174.36                   | 641.85                     |
| <b>Total</b>   | <u><u>1,178.19</u></u>     | <u><u>647.35</u></u>       |
| <b>Changes in deferred tax assets/ liabilities in Other comprehensive income [charged/ (credited) during the year]</b> |                            |                            |
| Deferred tax on fair valuation of investments  | 732.46                     | 79.58                      |
| <b>Total</b>   | <u><u>732.46</u></u>       | <u><u>79.58</u></u>        |

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024.

| Particulars   | (In ₹ Million) |             |               |
|---|----------------|-------------|---------------|
|   | Freehold land  | Buildings   | Total         |
| <b>10 Investment property</b>                         |                |             |               |
| Gross block as at March 31, 2022                      | 125.85         | 7.66        | 133.51        |
| Additions   | -              | -           | -             |
| Adjustments   | -              | -           | -             |
| Gross block as at March 31, 2023                      | 125.85         | 7.66        | 133.51        |
| Additions   | -              | -           | -             |
| Adjustments   | -              | -           | -             |
| Gross block as at March 31, 2024                      | 125.85         | 7.66        | 133.51        |
| Closing accumulated depreciation as at March 31, 2022 | -              | 3.46        | 3.46          |
| Depreciation charge                                   | -              | 0.13        | 0.13          |
| Closing accumulated depreciation as at March 31, 2023 | -              | 3.59        | 3.59          |
| Depreciation charge                                   | -              | 0.13        | 0.13          |
| Closing accumulated depreciation as at March 31, 2024 | -              | 3.72        | 3.72          |
| <b>Net carrying amount as at March 31, 2023</b>       | <b>125.85</b>  | <b>4.07</b> | <b>129.92</b> |
| <b>Net carrying amount as at March 31, 2024</b>       | <b>125.85</b>  | <b>3.94</b> | <b>129.79</b> |

Amount recognised in profit and loss for investment properties

| Particulars  | (In ₹ Million)       |                      |
|--------------|----------------------|----------------------|
|              | As at March 31, 2024 | As at March 31, 2023 |
| Depreciation | 0.13                 | 0.13                 |
| <b>Total</b> | <b>0.13</b>          | <b>0.13</b>          |

Fair Value of investment properties

| Particulars          | Freehold land | Buildings |
|----------------------|---------------|-----------|
| As on March 31, 2024 | 865.80        | 15.13     |
| As on March 31, 2023 | 865.80        | 12.11     |

Fair Valuation for Free hold land treated as Investment property is based on valuation by registered valuer as defined under Rule 2 of Companies (Registered valuer and valuation) Rule, 2017. The main input used for valuation derived as on 31st March 2024 is current price in active market for similar properties and if not available then ready reckoner rate. Fair valuation of building treated as Investment property is determined by the Company based on market rate available on online portal. All resulting fair value estimates for investment properties are included in Level 2.

a) The Title deeds of Immovable Properties are held in the name of the Company except following building.

| Line item of Balance sheet | Description of item of Property | Gross carrying value (In Rs. Million) | Title deeds held in the name of | Whether title deed holder is promoter, director or relative of promoter/director or employee of promoter/director | Property held since which date | Reason for not being held in the name of the Company |
|----------------------------|---------------------------------|---------------------------------------|---------------------------------|---|--------------------------------|--|
| Investment Property        | Building                        | 7.66                                  | Refer note below                | No  | 01-04-2009                     | Refer note below                                     |

Note: Updation of Company's name in the revenue/ land records of the Government of Delhi is pending.

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024.

| (In ₹ Million)  |          |          |                           |       |
|---|----------|----------|---------------------------|-------|
| Particulars   | Computer | Vehicles | Furniture<br>and Fixtures | Total |
| <b>11 Property, plant and equipment</b>   |          |          |                           |       |
| Gross Block as at March 31, 2022  | 0.06     | 18.55    | 27.21                     | 45.82 |
| Additions   | -        | -        | -                         | -     |
| Transfers   | -        | -        | -                         | -     |
| Disposals / Adjustments   | -        | -        | -                         | -     |
| Gross Block as at March 31, 2023  | 0.06     | 18.55    | 27.21                     | 45.82 |
| Additions   | 0.24     | -        | 0.06                      | 0.30  |
| Transfers   | -        | -        | -                         | -     |
| Disposals / Adjustments   | -        | -        | -                         | -     |
| Gross Block as at March 31, 2024  | 0.30     | 18.55    | 27.27                     | 46.12 |
| Accumulated Depreciation :  |          |          |                           |       |
| As at March 31, 2022  | 0.02     | 8.75     | 8.06                      | 16.83 |
| For the year  | 0.03     | 3.06     | 2.59                      | 5.68  |
| Disposals/Adjustments   | -        | -        | -                         | -     |
| As at March 31, 2023  | 0.05     | 11.81    | 10.65                     | 22.51 |
| For the year  | 0.13     | 2.11     | 2.59                      | 4.83  |
| Disposals/Adjustments   | -        | -        | -                         | -     |
| As at March 31, 2024  | 0.18     | 13.92    | 13.24                     | 27.34 |
| Net Block   |          |          |                           |       |
| As at March 31, 2023  | 0.01     | 6.74     | 16.56                     | 23.31 |
| As at March 31, 2024  | 0.12     | 4.63     | 14.03                     | 18.78 |
| i) The information relating to Gross block, accumulated Depreciation and Impairment if any, has been disclosed as an additional information since the Group has adopted deemed cost exemption under Ind AS 101. |          |          |                           |       |

| (In ₹ Million)   |                            |                            |
|--|----------------------------|----------------------------|
| Particulars  | As at<br>March 31,<br>2024 | As at<br>March 31,<br>2023 |
| <b>12 Other non-financial assets</b>   |                            |                            |
| Prepaid expenses   | 0.17                       | 0.17                       |
| Advance to suppliers   | -                          | 1.20                       |
| Balances with government   | -                          | -                          |
| <b>Total</b>   | <u>0.17</u>                | <u>1.37</u>                |
| <b>13 Financial Liabilities - Trade payables</b>                                       |                            |                            |
| Total outstanding dues of micro enterprises and small enterprises                      | -                          | -                          |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 0.04                       | 0.49                       |
| <b>Total</b>   | <u>0.04</u>                | <u>0.49</u>                |

The Company has compiled this information based on the current information in its possession as at March 31, 2024. No supplier has intimated the Company about its status as Micro and Small Enterprises or its registration with the appropriate authority under the Micro, Small and Medium Enterprises Development Act, 2006.

(In ₹ Million)

Ageing for trade payables from the due date of payment for each of the category as at 31<sup>st</sup> March, 2024

| Particulars                | Not due | Outstanding for following periods from due date of payment |           |           |                   | Total |
|----------------------------|---------|--|-----------|-----------|-------------------|-------|
|                            |         | Less than 1 year   | 1-2 Years | 2-3 Years | More than 3 years |       |
| i) MSME                    | -       | -  | -         | -         | -                 | -     |
| ii) Others                 | -       | 0.04   | -         | -         | -                 | 0.04  |
| iii) Disputed dues - MSME  | -       | -  | -         | -         | -                 | -     |
| iv) Disputed dues - Others | -       | -  | -         | -         | -                 | -     |

Ageing for trade payables from the due date of payment for each of the category as at 31<sup>st</sup> March, 2023

| Particulars                | Not due | Outstanding for following periods from due date of payment |           |           |                   | Total |
|----------------------------|---------|--|-----------|-----------|-------------------|-------|
|                            |         | Less than 1 year   | 1-2 Years | 2-3 Years | More than 3 years |       |
| i) MSME                    | -       | -  | -         | -         | -                 | -     |
| ii) Others                 | -       | 0.49   | -         | -         | -                 | 0.49  |
| iii) Disputed dues - MSME  | -       | -  | -         | -         | -                 | -     |
| iv) Disputed dues - Others | -       | -  | -         | -         | -                 | -     |

**Particulars**

|   | As at<br>March 31,<br>2024 | As at<br>March 31,<br>2023 |
|---|----------------------------|----------------------------|
| <b>14 Other financial liabilities</b>       |                            |                            |
| Provision for expense                       | 32.11                      | 26.49                      |
| Salary, wages and reimbursements            | 0.13                       | -                          |
| <b>Total</b>                                | <u>32.24</u>               | <u>26.49</u>               |
| <b>15 Provisions</b>                        |                            |                            |
| Provision for gratuity (Refer note 32)      | 0.03                       | -                          |
| Provision for leave encashment              | 0.02                       | -                          |
| <b>Total</b>                                | <u>0.05</u>                | <u>-</u>                   |
| <b>16 Income tax liabilities</b>            |                            |                            |
| Income tax liabilities (net of advance tax) | 25.70                      | -                          |
| <b>Total</b>                                | <u>25.70</u>               | <u>-</u>                   |
| <b>17 Other non financial liabilities</b>   |                            |                            |
| Statutory dues                              | 0.38                       | 0.75                       |
| <b>Total</b>                                | <u>0.38</u>                | <u>0.75</u>                |

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024.

(In ₹ Million)

Equity shares

**18 Share capital**

**(a) Authorised share capital**

As at March 31, 2024 :

|                               |            |
|-------------------------------|------------|
| Number of shares              | 40,000,000 |
| Face value per share (Rupees) | 5.00       |
| Amount (Rs. in millions)      | 200.00     |

As at March 31, 2023 :

|                               |            |
|-------------------------------|------------|
| Number of shares              | 40,000,000 |
| Face value per share (Rupees) | 5.00       |
| Amount (Rs. in millions)      | 200.00     |

**(b) Terms/ rights attached to equity shares**

The Company has only one class of issued equity shares having a par value of Rs.5/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive surplus assets of the Company, remaining after distribution of all preferential amounts.

**(c) Issued and subscribed equity share capital**

(In ₹ Million)

| Particulars                     | Number of issued shares | Number of subscribed shares | Amount |
|---------------------------------|-------------------------|-----------------------------|--------|
| As at March 31, 2022            | 37,667,628              | 37,667,628                  | 188.34 |
| Changes in equity share capital | -                       | -                           | -      |
| As at March 31, 2023            | 37,667,628              | 37,667,628                  | 188.34 |
| Changes in equity share capital | -                       | -                           | -      |
| As at March 31, 2024            | 37,667,628              | 37,667,628                  | 188.34 |

**(d) Details of shareholders holding more than 5% shares in the Company**

| Particulars                 | Ajinkya Investment & Trading Company | Sundaram Trading & Investment Private Limited | KSL Holdings Pvt. Ltd. |
|-----------------------------|--------------------------------------|---|------------------------|
| <b>As at March 31, 2024</b> |                                      |   |                        |
| % of holding                | 27.32%                               | 25.99%  | 13.42%                 |
| Number of shares            | 10,292,103                           | 9,793,068                                     | 5,054,091              |
| <b>As at March 31, 2023</b> |                                      |   |                        |
| % of holding                | 27.32%                               | 25.99%  | 13.42%                 |
| Number of shares            | 10,292,103                           | 9,793,068                                     | 5,054,091              |

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024.

Shares held by promoters of the Company:

| S. N. | Promoter Name                                 | As at March 31, 2024 |                   | As at March 31, 2023 |                   | % Change |
|-------|---|----------------------|-------------------|----------------------|-------------------|----------|
|       |   | No. of shares        | % of total shares | No. of shares        | % of total shares |          |
| 1     | Ajinkya Investment And Trading Company        | 10,292,103           | 27.32%            | 10,292,103           | 27.32%            | 0%       |
| 2     | Sundaram Trading And Investment Pvt. Ltd.     | 9,793,068            | 26.00%            | 9,793,068            | 26.00%            | 0%       |
| 3     | Ksl Holdings Private Limited                  | 5,054,091            | 13.42%            | 5,054,091            | 13.42%            | 0%       |
| 4     | Pih Finvest Company Limited                   | 1,424,885            | 3.78%             | 1,424,885            | 3.78%             | 0%       |
| 5     | Jannhavi Investment Private Limited           | 458,514              | 1.22%             | 458,514              | 1.22%             | 0%       |
| 6     | Rajgad Trading Company Pvt. Ltd.              | 151,674              | 0.40%             | 151,674              | 0.40%             | 0%       |
| 7     | Kalyani Consultants Pvt. Ltd.                 | 149,500              | 0.40%             | 149,500              | 0.40%             | 0%       |
| 8     | Kalyani Exports & Investments Pvt.Ltd.        | 145,250              | 0.39%             | 145,250              | 0.39%             | 0%       |
| 9     | Aboli Investment Pvt Ltd                      | 136,900              | 0.36%             | 136,900              | 0.36%             | 0%       |
| 10    | Dandakaranya Investment And Trading Pvt. Ltd. | 95,000               | 0.25%             | 95,000               | 0.25%             | 0%       |
| 11    | Gaurishankar Neelkanth Kalyani                | 63,779               | 0.17%             | 63,779               | 0.17%             | 0%       |
| 12    | Campanula Investment & Finance Pvt. Ltd.      | 61,389               | 0.16%             | 61,389               | 0.16%             | 0%       |
| 13    | Cornflower Investment & Finance Pvt. Ltd.     | 41,900               | 0.11%             | 41,900               | 0.11%             | 0%       |
| 14    | Amit Babasaheb Kalyani                        | 28,220               | 0.07%             | 28,220               | 0.07%             | 0%       |
| 15    | Babasaheb Neelkanth Kalyani                   | 7,212                | 0.02%             | 7,212                | 0.02%             | 0%       |
| 16    | Hastinapur Investment & Trading Pvt.Ltd.      | 6,267                | 0.02%             | 6,267                | 0.02%             | 0%       |
| 17    | Sunita Babasaheb Kalyani                      | 4,000                | 0.01%             | 4,000                | 0.01%             | 0%       |
| 18    | Rohini Gaurishankar Kalyani                   | 2,000                | 0.01%             | 2,000                | 0.01%             | 0%       |
| 19    | Dronacharya Investment & Trading Pvt.Ltd.     | 5,643                | 0.01%             | 5,643                | 0.01%             | 0%       |
| 20    | Mira Kheny                                    | 700                  | 0.00%             | 700                  | 0.00%             | 0%       |
| 21    | Ashok Kumar Kheny                             | 581                  | 0.00%             | 581                  | 0.00%             | 0%       |
| 22    | Deeksha Amit Kalyani                          | 50                   | 0.00%             | 50                   | 0.00%             | 0%       |
|       | <b>Total</b>                                  | <b>27,922,726</b>    |                   | <b>27,922,726</b>    |                   |          |

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024.

| Particulars   | (In ₹ Million)             |                            |
|---|----------------------------|----------------------------|
|   | As at<br>March 31,<br>2024 | As at<br>March 31,<br>2023 |
| <b>19 Other equity</b>                                    |                            |                            |
| Retained earnings   | 18,319.12                  | 15,866.59                  |
| Add: Profit for the year                                  | 4,337.43                   | 2,593.01                   |
| Add: Re-measurement gains/(loss) on defined benefit plans | (8.68)                     | (4.46)                     |
| Less: Transfer to statutory reserve fund                  | (167.41)                   | (136.02)                   |
|   | <u>22,480.46</u>           | <u>18,319.12</u>           |
| General reserve as at the beginning and end of the year   | 0.87                       | 0.87                       |
| Capital reserve as at the beginning and end of the year   | 2,367.52                   | 2,367.52                   |
| Statutory reserve fund as at the beginning of the year    | 1,433.04                   | 1,297.02                   |
| Add: For the year   | 167.41                     | 136.02                     |
| Reserve fund as at the end of the year                    | <u>1,600.45</u>            | <u>1,433.04</u>            |
| FVOCI equity investments                                  |                            |                            |
| As at the beginning of the year net of deferred taxes     | 24,591.06                  | 20,656.93                  |
| Deferred tax impact (FVOCI)                               | (732.46)                   | (79.58)                    |
| Add: Fair value gains/(losses) for the year               | 11,516.63                  | 4,013.71                   |
| As at the end of the year                                 | <u>35,375.23</u>           | <u>24,591.06</u>           |
| <b>Total</b>  | <u><u>61,824.53</u></u>    | <u><u>46,711.61</u></u>    |

**Nature and purpose of reserves:**

- i **General reserve** : Under the erstwhile Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn. There is no movement in General Reserve since transfer under the scheme of arrangement.
- ii **Capital reserve** : It is the reserve pertaining to the investment undertaking transferred to the Resultant Company, i.e. BF Investment Ltd., Consequent to the scheme of arrangement approved by High Court of judicature, Mumbai during F.Y. 2009-2010.
- iii **Capital Redemption Reserve** : An erstwhile subsidiary of BF Utilities Ltd. (amalgamated company) had preference capital. At the time of redemption of said preference capital, Redemption reserve was created, which has since got transferred to BF Investment by means of scheme of arrangement.
- iv **Statutory Reserve Fund** : Under sec 45IC(1) of RBI Act, every NBFC has to transfer 20% of it's post tax profits to a corpus termed as Reserve Fund.
- v **FVTOCI Equity investment reserve**: The Company has elected to recognise changes in the fair value of investment in equity shares in other comprehensive income. These changes are accumulated within the FVTOCI investment reserve within equity. The Company will transfer amounts from the said reserve to retained earnings when the relevant equity shares are de-recognised.

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024.

| Particulars   | (In ₹ Million)               |                              |
|---|------------------------------|------------------------------|
|   | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
| <b>20 Interest income</b>   |                              |                              |
| <b>On financial assets measured at amortised cost</b>                         |                              |                              |
| Interest received on bank deposits  | 166.26                       | 86.59                        |
| Interest received on intercorporate deposit                                   | -                            | -                            |
| <b>Total</b>  | <u>166.26</u>                | <u>86.59</u>                 |
| <b>21 Dividend income</b>   |                              |                              |
| Dividend received   | 191.78                       | 159.14                       |
| <b>Total</b>  | <u>191.78</u>                | <u>159.14</u>                |
| <b>22 Net Gain/(loss) on fair value changes</b>                               |                              |                              |
| Net gain/(loss) on financial instruments at fair value through profit or loss |                              |                              |
| - Preference shares   | 28.10                        | 43.91                        |
| - Loans   | 38.11                        | 22.41                        |
| - Equity shares   | -                            | -                            |
| Total net gain/(loss) on fair value changes                                   | <u>66.21</u>                 | <u>66.32</u>                 |
| <b>Fair Value Changes:</b>  |                              |                              |
| - Realised  | -                            | -                            |
| - Unrealised  | 66.21                        | 66.32                        |
| <b>Total Net gain/(loss) on fair value changes</b>                            | <u>66.21</u>                 | <u>66.32</u>                 |
| <b>23 Other income</b>  |                              |                              |
| Provision written back  | -                            | 0.04                         |
| Sale of investment  | 3.06                         | -                            |
| Bad debts recovered   | 0.87                         | -                            |
| Miscellaneous Income  | 0.38                         | 0.03                         |
| <b>Total</b>  | <u>4.31</u>                  | <u>0.07</u>                  |
| <b>24 Employee benefit expenses</b>   |                              |                              |
| Salaries and wages  | 6.99                         | 6.72                         |
| Gratuity expenses   | -                            | -                            |
| Contribution to provident and other funds                                     | 0.19                         | 0.18                         |
| Leave encashment expenses   | 0.02                         | -                            |
| <b>Total</b>  | <u>7.20</u>                  | <u>6.90</u>                  |

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024.

| Particulars                                   | (In ₹ Million)               |                              |
|---|------------------------------|------------------------------|
|   | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
| <b>25 Finance Cost</b>                        |                              |                              |
| Other interest*                               | 0.00                         | -                            |
| Finance cost on leases                        | -                            | -                            |
| <b>Total</b>                                  | <u>-</u>                     | <u>-</u>                     |
| *Amount less than Rs. 5,000.                  |                              |                              |
| <b>26 Depreciation</b>                        |                              |                              |
| Depreciation on property, plant and equipment | 4.84                         | 5.68                         |
| Amortization of right to use of asset         | -                            | -                            |
| Depreciation on investment property           | 0.13                         | 0.13                         |
| <b>Total</b>                                  | <u>4.97</u>                  | <u>5.81</u>                  |
| <b>27 Other expenses</b>                      |                              |                              |
| Rates and taxes                               | 4.95                         | 2.97                         |
| Rent  | 2.83                         | 2.83                         |
| Repairs and maintenance                       | 0.41                         | 0.50                         |
| Communication expenses                        | 0.04                         | 0.04                         |
| Printing and stationery                       | 0.18                         | 0.13                         |
| Advertisement and publicity                   | 0.19                         | 0.18                         |
| Director's fees, allowances and expenses      | 0.36                         | 0.22                         |
| Auditor's fees and expenses (refer note 30)   | 1.19                         | 0.77                         |
| Insurance                                     | 0.54                         | 0.53                         |
| Brand fees                                    | 0.56                         | 0.56                         |
| Subscription & membership fees                | 0.69                         | 0.66                         |
| Professional fees                             | 11.85                        | 13.31                        |
| Commission to directors                       | 30.00                        | 25.00                        |
| CSR expenditure (refer note 38)               | 1.04                         | 0.34                         |
| Miscellaneous expense                         | 0.89                         | 1.36                         |
| <b>Total</b>                                  | <u>55.72</u>                 | <u>49.40</u>                 |

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024.

| Particulars   | (In ₹ Million)               |                              |
|---|------------------------------|------------------------------|
|   | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
| <b>28 Tax expense</b>   |                              |                              |
| Current tax   | 272.80                       | 208.20                       |
| Deferred tax expense  | 1,178.19                     | 647.35                       |
| Tax for earlier years   | -                            | (10.43)                      |
| <b>Total</b>  | <u>1,450.99</u>              | <u>845.12</u>                |
| <b>Reconciliation of tax expense and accounting profit multiplied by statutory tax rate</b> |                              |                              |
| Profit before tax   | 5,788.42                     | 3,438.13                     |
| Applicable tax rate   | 25.17%                       | 25.17%                       |
| Computed tax expense  | 1,456.83                     | 865.38                       |
| Tax effect of amounts which are not deductible (taxable) in calculating taxable income :    |                              |                              |
| Non-deductible expenses   | 6.50                         | 2.01                         |
| Others  | (12.31)                      | (11.84)                      |
| Tax in respect of earlier years   | -                            | (10.43)                      |
| <b>Income tax expense</b>   | <u>1,451.02</u>              | <u>845.12</u>                |
| <b>29 Earnings per share</b>  |                              |                              |
| Net profit before tax (In Rs. Million)  | 5,788.42                     | 3,438.13                     |
| Tax expense (In Rs. Million)  | 1,450.99                     | 845.12                       |
| Net profit/(loss) after tax (In Rs. Million)  | 4,337.43                     | 2,593.01                     |
| Weighted average number of equity shares  | 37,667,628                   | 37,667,628                   |
| Basic and diluted earning per share of nominal value of Rs. 5/- each                        | 115.15                       | 68.84                        |
| <b>30 Payment to auditors</b>   |                              |                              |
| As auditor:   |                              |                              |
| Audit fees including limited review   | 0.83                         | 0.63                         |
| Tax audit   | 0.08                         | 0.04                         |
| Certification fees  | 0.04                         | 0.03                         |
| Reimbursement of out of pocket expenses and GST   | 0.24                         | 0.07                         |
| <b>Total</b>  | <u>1.19</u>                  | <u>0.77</u>                  |

**31 Related party transactions**

**A) Name of the related parties and nature of relationship**

**(1) Names of the related party and nature of relationship where control/ significant influence exists**

| a) Associate Company   | Ownership interest held by the Company |                |
|--|--|----------------|
|  | March 31, 2024                         | March 31, 2023 |
| i) Kalyani Steels Limited  | 39.06%                                 | 39.06%         |
| ii) KSL Holdings Private Limited   | 42.52%                                 | 42.52%         |
| iii) Triumphant Special Alloys Pvt. Ltd. (previously known as Carpenter Kalyani Special Alloys Pvt. Ltd) | 45.51%                                 | 45.51%         |
| iv) Kalyani Financial Services Limited   | 49.00%                                 | 49.00%         |
| v) Nandi Engineering Limited   | 40.00%                                 | 40.00%         |
| vi) Synise Technologies Limited  | 46.77%                                 | 46.77%         |

The principal place of business of the associate is India and the Company has accounted for its investment in associate at cost.

| b) Joint Venture               | Ownership interest held by the Company |                |
|--------------------------------|--|----------------|
|                                | March 31, 2024                         | March 31, 2023 |
| i Automotive Axles Limited     | 35.52%                                 | 35.52%         |
| ii Meritor (HVS) India Limited | 48.99%                                 | 48.99%         |

The principal place of business of the Joint Venture is India and the Company has accounted for its investment in Joint Venture at cost.

**(2) Key Management Personnel/ Directors**

- i) Mr. J. G. Patwardhan, the Chief Executive Officer and Chief Financial Officer (Up to April 30, 2024)
- ii) Mr. S. R. Kshirsagar, the Company Secretary (Up to July 31, 2023)
- iii) Mrs. G. P. Pendse, the Company Secretary (From August 01, 2023)
- iv) Mr. Akshay Jagtap, the Chief Executive Officer and Chief Financial Officer (From May 15, 2024)
- v) Mr. Amit B. Kalyani, Director
- vi) Mr. B. B. Hattarki, Director (Up to March 31, 2024 end of business hours)
- vii) Mr. M. U. Takale, Director
- viii) Mr. B. S. Mitkari, Director
- ix) Mr. S. G. Joglekar, Director
- x) Ms. A. A. Sathe, Director

**(3) Enterprise where in the Company is an associate :**

- i) Ajinkya Investment & Trading Company
- ii) Sundaram Trading & Investment Private Limited

**(4) Other related parties with whom transactions have taken place during the year:**

- a) Entities under common control
  - i) Bharat Forge Limited
  - ii) Hikal Limited
  - iii) Kalyani TechnoForge Ltd.
  - iv) BF Utilities Limited
  - v) Khed Economic Infrastructure Private Limited
  - vi) Kalyani Strategic Management Services Pvt Ltd

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024.

| Particulars   | (In ₹ Million)               |                              |
|---|------------------------------|------------------------------|
|   | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
| b) KMP or close member of KMP having control over the Company or has significant influence                              |                              |                              |
| i) KTMS Design and Engineering Pvt. Ltd.<br>(formally known as Kalyani Global Engineering Pvt. Ltd.)                    |                              |                              |
| <b>B) Details of transactions with and balances outstanding of related parties:</b>                                     |                              |                              |
| a) Dividend Received  |                              |                              |
| Entities under common control   |                              |                              |
| i) Bharat Forge Limited   | 124.92                       | 109.30                       |
| ii) Hikal Limited   | 3.93                         | 3.27                         |
| iii) Kalyani TechnoForge Ltd.   | 25.23                        | 25.23                        |
| <b>Total</b>  | <u>154.08</u>                | <u>137.80</u>                |
| b) Repayment of loan received   |                              |                              |
| Entities under common control   |                              |                              |
| i) BF Utilities Limited   | 44.00                        | 10.00                        |
| ii) Khed Economic Infrastructure Private Limited  | -                            | -                            |
| <b>Total</b>  | <u>44.00</u>                 | <u>10.00</u>                 |
| c) Interest received on loan given  |                              |                              |
| Entities under common control   |                              |                              |
| i) Khed Economic Infrastructure Private Limited   | -                            | -                            |
| <b>Total</b>  | <u>-</u>                     | <u>-</u>                     |
| d) Rent paid  |                              |                              |
| KMP or close member of KMP having control over the Company or has significant influence                                 |                              |                              |
| i) KTMS Design and Engineering Pvt. Ltd.<br>(formally known as Kalyani Global Engineering Pvt. Ltd.)                    | 2.40                         | 2.40                         |
| <b>Total</b>  | <u>2.40</u>                  | <u>2.40</u>                  |
| e) Branding fees paid   |                              |                              |
| Entities under common control   |                              |                              |
| i) Kalyani Strategic Management Services Pvt Ltd  | 0.50                         | 0.50                         |
| <b>Total</b>  | <u>0.50</u>                  | <u>0.50</u>                  |
| f) Remuneration to Key Managerial Person  |                              |                              |
| i) Mr. J. G. Patwardhan, *<br>the Chief Financial Officer and Chief Executive Officer                                   | 5.00                         | 4.78                         |
| ii) Mr. S. R. Kshirsagar, the Company Secretary *<br>(Up to July 31, 2023)  | 0.49                         | 2.11                         |
| iii) Mrs. G. P. Pendse, the Company Secretary<br>(From August 01, 2023)   | 0.49                         | -                            |
| <b>Total</b>  | <u>5.98</u>                  | <u>6.89</u>                  |
| *Reimbursed to BF Utilities Ltd. and KTMS Design and Engineering Pvt. Ltd., respectively, being on deputation from them |                              |                              |

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024.

| Particulars  | (In ₹ Million)               |                              |
|--|------------------------------|------------------------------|
|  | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
| <b>B) Details of transactions with and balances outstanding of related parties (continued):</b>      |                              |                              |
| <b>g) Director's sitting fees</b>  |                              |                              |
| i) Mr. Amit B. Kalyani, Director   | 0.02                         | 0.02                         |
| ii) Mr. B. B. Hattarki, Director   | 0.04                         | 0.02                         |
| iii) Mr. M. U. Takale, Director  | 0.04                         | 0.02                         |
| iv) Ms. A. A. Sathe, Director  | 0.04                         | 0.01                         |
| v) Mr. B. S. Mitkari, Director   | 0.04                         | 0.03                         |
| vi) Mr. S. G. Joglekar, Director   | 0.04                         | 0.03                         |
| <b>Total</b>   | <u>0.22</u>                  | <u>0.13</u>                  |
| <b>h) Director's commission</b>  |                              |                              |
| i) Mr. Amit B. Kalyani, Director   | 21.50                        | 18.50                        |
| ii) Mr. B. B. Hattarki, Director   | 1.70                         | 1.30                         |
| iii) Mr. M. U. Takale, Director  | 1.70                         | 1.30                         |
| iv) Ms. A. A. Sathe, Director  | 1.70                         | 1.30                         |
| v) Mr. B. S. Mitkari, Director   | 1.70                         | 1.30                         |
| vi) Mr. S. G. Joglekar, Director   | 1.70                         | 1.30                         |
| <b>Total</b>   | <u>30.00</u>                 | <u>25.00</u>                 |
| <b>Balances with related parties</b>   |                              |                              |
| <b>a) Director's commission payable</b>  |                              |                              |
| i) Mr. Amit B. Kalyani, Director   | 21.50                        | 18.50                        |
| ii) Mr. B. B. Hattarki, Director   | 1.70                         | 1.30                         |
| iii) Mr. M. U. Takale, Director  | 1.70                         | 1.30                         |
| iv) Mr. B. S. Mitkari, Director  | 1.70                         | 1.30                         |
| v) Mr. S. G. Joglekar, Director  | 1.70                         | 1.30                         |
| vi) Ms. A. A. Sathe, Director  | 1.70                         | 1.30                         |
| <b>Total</b>   | <u>30.00</u>                 | <u>25.00</u>                 |
| <b>b) Loan/ security deposit receivable (after adjusting fair valuation impact)</b>                  |                              |                              |
| <b>Entities under common control</b>   |                              |                              |
| i) Nandi Economic Corridor Enterprises Limited   | 129.60                       | 117.79                       |
| ii) Khed Economic Infrastructure Private Limited   | 265.00                       | 265.00                       |
| iii) Nandi Infrastructure Corridor Enterprise Ltd  | 3.35                         | 3.05                         |
| iv) BF Utilities Limited   | 97.67                        | 115.67                       |
| v) Kalyani Strategic Management Services Pvt Ltd   | 1.30                         | 1.30                         |
| <b>c) Amount payable</b>   |                              |                              |
| i) KTMS Design and Engineering Pvt. Ltd.<br>(formally known as Kalyani Global Engineering Pvt. Ltd.) | -                            | 0.47                         |
| ii) Kalyani Strategic Management Services Pvt Ltd  | -                            | 0.50                         |
| iii) Mrs. G. P. Pendse, the Company Secretary  | 0.05                         | -                            |

The above transactions are at arm's length, and the commission payable is unsecured.

### 32 Gratuity and other post-employment benefit plans

#### Gratuity plan

##### Unfunded scheme

The Company has a defined benefit gratuity plan for its employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972 and the Scheme framed by the Company. Under the Act, every employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the employee's length of service and salary at retirement age. Every employee who has completed five years but not more than fifteen years of service gets a gratuity on departure at 15 days salary (last drawn) for each completed year of service as per the provisions of the Payment of Gratuity Act, 1972. Every employee who has completed fifteen years of service gets a gratuity on departure at one month's salary (last drawn) for each completed year of service, subject to maximum for 20 months' salary as per the Scheme of the Company.

##### Risk exposure and asset-liability matching

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companies take on uncertain long-term obligations to make future benefit payments.

#### 1) Liability risks

##### a) Asset-liability mismatch risk

Risk arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Company is successfully able to neutralize valuation swings caused by interest rate movements.

##### b) Discount rate risk

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practice can have a significant impact on the defined benefit liabilities.

##### c) Future salary escalation and inflation risk

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

#### 2) Asset risks

At present the Company has not opted for any asset plan.

In respect of the above plans, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at 31 March 2024 by a member firm of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

The following table summarises the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan.

The employees have joined during current financial year hence data for previous year is not available for comparison.

The principal assumptions used in determining gratuity for the Company's plan is shown below:

| Particulars  | As at<br>March 31, 2024 |
|--|-------------------------|
| Mortality table  | IALM(2012-14) ult       |
| Discount rate  | 7.20%                   |
| Rate of increase in compensation levels                          | 7.50%                   |
| Expected rate of return on plan assets                           | -                       |
| Expected average remaining working lives of employees (in years) | 9.36                    |
| Average remaining working life (years)                           | 28.73                   |
| Withdrawal rate (based on grade and age of employees)            |                         |
| Age up to 30 years   | 10%                     |
| Age 31 - 44 years  | 10%                     |
| Age 45 - 50 years  | 10%                     |
| Age above 50 years   | 10%                     |

| Particulars   | (In ₹ Million)               |
|---|------------------------------|
|   | As at<br>March 31, 2024      |
| <b>Changes in the present value of the defined benefit obligation recognised in balance sheet are as follows:</b> |                              |
| Present value of obligation as at the beginning of the period   | -                            |
| Interest expense  | -                            |
| Current service cost  | -                            |
| Benefits (paid)   | -                            |
| Premeasurements on obligation [Actuarial (Gain) / Loss]   | 0.03                         |
| Closing defined benefit obligation  | 0.03                         |
| <b>Break up of service cost:</b>  |                              |
| Past service cost   | -                            |
| Current service cost  | -                            |
| Curtailement cost/ (credit) on plan amendments  | -                            |
| Settlement cost/ (credit) on plan amendments  | -                            |
| <b>Changes in the fair value of plan assets recognised in the balance sheet are as follows:</b>                   |                              |
| Opening fair value of plan assets   | -                            |
| Interest Income   | -                            |
| Contributions   | -                            |
| Benefits paid   | -                            |
| Premeasurements   | -                            |
| Return on plan assets, excluding amount recognized in   | -                            |
| Interest Income - Gain / (Loss)   | -                            |
| Closing fair value of plan assets   | -                            |
| Actual return on plan assets  | -                            |
| Particulars   | Year ended<br>March 31, 2024 |
| <b>Net Interest (Income/Expense)</b>  |                              |
| Interest (Income) / Expense - Obligation  | -                            |
| Interest (Income) / Expense - Plan assets   | -                            |
| Net Interest (Income) / Expense for the period  | -                            |
| <b>Premeasurement for the year [Actuarial (Gain)/loss]</b>  |                              |
| Experience (Gain) / Loss on plan liabilities  | 0.03                         |
| Demographic (Gain) / Loss on plan liabilities   | -                            |
| Financial (Gain) / Loss on plan liabilities   | -                            |
| Experience (Gain) / Loss on plan assets   | -                            |
| Financial (Gain) / Loss on plan assets  | -                            |

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024.

| Particulars   | (In ₹ Million)                   |
|---|----------------------------------|
| <b>Amount recognised in Statement of Other Comprehensive Income (OCI)</b> |                                  |
| Opening amount recognised in OCI outside profit and loss account          | -                                |
| Premeasurement for the year-Obligation (Gain)/Loss                        | 0.03                             |
| Premeasurement for the year-Plan assets (Gain)/Loss                       | -                                |
| Total Premeasurement cost/(credit) for the period recognised in OCI       | 0.03                             |
| Closing amount recognised in OCI outside profit and loss account          | 0.03                             |
| <b>Particulars</b>  |                                  |
|   | <b>As at March 31, 2024</b>      |
| <b>The amounts to be recognised in the Balance Sheet</b>                  |                                  |
| Present value of obligation as at the end of the period                   | 0.03                             |
| Fair value of plan assets as at the end of the period                     | -                                |
| Surplus/ (Deficit)  | 0.03                             |
| Current liability   | -                                |
| Non-current liability   | 0.03                             |
| (Net asset) / liability to be recognised in balance sheet                 | 0.03                             |
| <b>Particulars</b>  |                                  |
|   | <b>Year ended March 31, 2024</b> |
| <b>Expense recognised in the statement of profit and loss</b>             |                                  |
| Current service cost  | -                                |
| Net Interest (Income) / Expense   | -                                |
| Net periodic benefit cost recognised in the statement of profit and loss  | -                                |
| <b>Particulars</b>  |                                  |
|   | <b>As at March 31, 2024</b>      |
| <b>Reconciliation of net asset/ (liability) recognised:</b>               |                                  |
| Net asset / (liability) recognised at the beginning of the period         | -                                |
| Company contributions   | -                                |
| Benefits directly paid by Company   | -                                |
| Amount recognised outside profit & loss for the period                    | 0.03                             |
| Expense recognised at the end of period                                   | -                                |
| Mortality charges and taxes   | -                                |
| Impact of transfer (In)/ Out  | -                                |
| (Net asset) / liability recognised at the end of the period               | 0.03                             |

(In ₹ Million)

| Particulars   | As at<br>March 31, 2024 |
|---|-------------------------|
| <b>The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:</b> |                         |
| Government of India securities  | -                       |
| High quality corporate bonds  | -                       |
| Equity shares of listed companies   | -                       |
| Property  | -                       |
| Special deposit scheme  | -                       |
| Funds managed by insurer  | -                       |
| Others  | -                       |
| Total   | -                       |

**Sensitivity analysis****A) Impact of change in discount rate when base assumption is decreased/increased by 100 basis points****Discount Rate**

|        |      |
|--------|------|
| 6.2% * | 0.00 |
| 8.2% * | 0.00 |

\*Amount less than Rs. 5,000.

**B) Impact of change in salary increase rate when base assumption is decreased/increased by 100 basis points****Salary Increment Rate**

|        |      |
|--------|------|
| 6.5% * | 0.00 |
| 8.5% * | 0.00 |

\*Amount less than Rs. 5,000.

**C) Impact of change in withdrawal rate when base assumption is decreased/increased by 100 basis points****Withdrawal Rate**

|       |      |
|-------|------|
| 9% *  | 0.00 |
| 11% * | 0.00 |

\*Amount less than Rs. 5,000.

The estimates of future salary increase, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

(In ₹ Million)

| Particulars   | As at<br>March 31, 2024 |
|---|-------------------------|
| <b>The following are the expected benefit payments to the defined benefit plan in future years:</b> |                         |
| Within one year   | -                       |
| After one year but not more than five years   | -                       |
| After five years but not more than ten years  | 0.04                    |

Weighted average duration of the plan (based on discounted cash flows using mortality, withdrawal and interest rate) is 17.65 years.

#### **Provident Fund**

The Company operated defined contribution plan. Under the defined contribution plan, provident fund is contributed to the government administered provident fund. The Company has no obligation, other than the contribution payable to the provident fund.

#### **Compensated absences**

The compensated absences cover the Company's liability for privilege leave.

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024.

| Particulars  | (In ₹ Million)             |                            |
|--|----------------------------|----------------------------|
|  | As at<br>March 31,<br>2024 | As at<br>March 31,<br>2023 |
| <b>33 Fair value measurements</b>                            |                            |                            |
| <b>Financial assets and liabilities at amortised cost</b>    |                            |                            |
| <b>Financial assets</b>                                      |                            |                            |
| Term deposits  | 2,520.70                   | 1,949.80                   |
| Security deposits  | 266.31                     | 266.31                     |
| Loans  | -                          | -                          |
| Interest receivable  | 26.09                      | 14.54                      |
| Cash and cash equivalents                                    | 351.15                     | 78.44                      |
| <b>Total financial assets</b>                                | <u><u>3,164.25</u></u>     | <u><u>2,309.09</u></u>     |
| <b>Financial liabilities</b>                                 |                            |                            |
| Trade payables   | 0.04                       | 0.49                       |
| Provision for expenses                                       | 32.11                      | 26.49                      |
| <b>Total financial liabilities</b>                           | <u><u>32.15</u></u>        | <u><u>26.98</u></u>        |
| <b>Financial assets and liabilities classified as FVTPL</b>  |                            |                            |
| Investment in preference shares                              | 1,013.47                   | 985.38                     |
| Loans  | 230.63                     | 236.51                     |
| <b>Financial assets and liabilities classified as FVTOCI</b> |                            |                            |
| Investment in equity shares                                  | 22,234.40                  | 15,804.88                  |
| Investment in debentures                                     | 884.80                     | 884.80                     |

i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

| Financial assets and liabilities measured at fair value - recurring fair value measurements | (In ₹ Million) |         |          |
|---|----------------|---------|----------|
|   | Level 1        | Level 2 | Level 3  |
| <b>Investment in preference shares</b>  |                |         |          |
| March 31, 2024  | -              | -       | 1,013.47 |
| March 31, 2023  | -              | -       | 985.38   |
| <b>Investment in equity shares</b>  |                |         |          |
| March 31, 2024  | 19,655.52      | -       | 2,578.88 |
| March 31, 2023  | 13,432.23      | -       | 2,372.65 |
| <b>Investment in debentures</b>   |                |         |          |
| March 31, 2024  | -              | -       | 884.80   |
| March 31, 2023  | -              | -       | 884.80   |
| <b>Loans</b>  |                |         |          |
| March 31, 2024  | -              | -       | 230.63   |
| March 31, 2023  | -              | -       | 236.51   |

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices or dealer quotes for similar instruments
- The fair value for preference shares is determined using discounted cash flow analysis (KSL Holding Limited, Kalyani Technoforge Limited and Kalyani Financial Services Limited)
- The fair value for loans is determined using discounted cash flow analysis (Loans to BF Utilities Limited, Nandi Infrastructure Corridor Enterprise Limited and Nandi Economic Corridor Enterprises Limited)
- The fair value for compulsorily convertible debentures is determined using asset approach (Net Asset Value method)
- The fair value for unquoted equity shares are determined using cost approach.

iii) Valuation process

The Company performs the valuations of assets and liabilities required for financial reporting purposes. The Company appoints external valuation experts whenever the need arises for level 3 fair valuation. Discussions of valuation processes and results are held between the Company and the valuation experts periodically, in line with the Company's annual reporting period.

iv) Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of such financial assets and liabilities are a reasonable approximation of their fair values.

v) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items:

| Particulars   | (In Rs. Million)       |                   |            |         |          |
|---|------------------------|-------------------|------------|---------|----------|
|   | Unquoted Equity shares | Preference shares | Debentures | Loans   | Total    |
| As at March 31, 2022                                    | 2,000.12               | 941.46            | 796.32     | 224.10  | 3,962.00 |
| Purchased (redeemed/repaid) during the year             | -                      | -                 | -          | (10.00) | (10.00)  |
| Gain/(loss) recognised in profit or loss                | -                      | 43.92             | -          | 22.41   | 66.33    |
| Gains/(losses) recognised in other comprehensive income | 372.53                 | -                 | 88.48      | -       | 461.01   |
| As at March 31, 2023                                    | 2,372.65               | 985.38            | 884.80     | 236.51  | 4,479.34 |
| Purchased (redeemed/repaid) during the year             | -                      | -                 | -          | (44.00) | (44.00)  |
| Gain/(loss) recognised in profit or loss                | -                      | 28.09             | -          | 38.12   | 66.21    |
| Gains/(losses) recognised in other comprehensive income | 206.23                 | -                 | -          | -       | 206.23   |
| As at March 31, 2024                                    | 2,578.88               | 1,013.47          | 884.80     | 230.63  | 4,707.78 |

| vi) Valuation inputs and relationships to fair value<br>The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value (In ₹ Million) |   |                  |                |  |  |  |
|---|---|------------------|----------------|--|--|--|
| Name of the entity  | Method of valuation- significant unobservable inputs  | Fair value as at |                | Inputs used for fair value   |  |  |
|   |   | March 31, 2024   | March 31, 2023 | March 31, 2024   | March 31, 2023   |  |
| Equity Shares of Rs. 10/- each fully paid in Khed Economic Infrastructure Private Limited.  | Cost approach - method Inputs considered for cost approach : Inventory valuation<br>1) Rate per acre for developed land<br>2) Rate per acre for land under development<br>3) Rate per acre for undeveloped land | 1,972.45         | 1,836.86       | Inventory valuation Rate per acre for developed land and land under development in the range of Rs. 1.10 to Rs. 1.26 crore per acre            | Inventory valuation Rate per acre for developed land and land under development in the range of Rs. 1.06 to Rs. 1.26 crore per acre            |  |
| Equity Shares of Rs. 10/- each fully paid in Kalyani Maxion Wheels Private Limited  | Cost approach - method Inputs considered for cost approach : Fair valuation of Tangible assets  | 606.42           | 535.78         | Fair value tangible assets viz. land, buildings and plant and equipment viz. plant and machinery, factory equipment, research and development. | Fair value tangible assets viz. land, buildings and plant and equipment viz. plant and machinery, factory equipment, research and development. |  |
| 0% Fully Convertible Debentures of Rs. 100/- each fully paid of Kalyani Financial Services Ltd.   | Cost approach - method Inputs considered for cost approach : Fair valuation of Investments  | 884.80           | 884.80         | Fair value of current and non current investments viz. equity shares and debentures.   | Fair value of current and non current investments viz. equity shares and debentures.   |  |
| 7% Cumulative Optionally Convertible Non-Participating Preference Shares of Rs. 10/- each, fully paid in Kalyani Technoforge Limited.   | Discounted cash flow method   | 372.54           | 363.80         | 10%  | 10%  |  |
| 9% Cumulative Redeemable Non Convertible Preference Shares of Rs. 10/- each, fully paid in KSL Holdings Private Limited.  | Discounted cash flow method   | 572.33           | 558.41         | 10%  | 10%  |  |
| 1% Non Cumulative Compulsorily Convertible Preference Shares of Rs. 10/- each, fully paid in Kalyani Financial Services Limited   | Discounted cash flow method   | 68.60            | 63.17          | 10%  | 10%  |  |

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024.

| Particulars  | (In ₹ Million)             |                            |
|--|----------------------------|----------------------------|
|  | As at<br>March 31,<br>2024 | As at<br>March 31,<br>2023 |
| The sensitivity analysis on account of inputs used for fair valuation are as follows:  |                            |                            |
| <b>Equity shares of Khed Economic Infrastructure Private Limited:</b>  |                            |                            |
| Rate per acre  |                            |                            |
| Increase by 5%   | 111.33                     | 107.04                     |
| Decrease by 5%   | (111.33)                   | (107.04)                   |
| <b>Equity shares of Kalyani Maxion Wheels Private Limited:</b>   |                            |                            |
| Fair value of tangible assets  |                            |                            |
| Increase by 5%   | 21.98                      | 20.78                      |
| Decrease by 5%   | (21.98)                    | (20.78)                    |
| <b>0% Fully Convertible Debentures of Rs. 100/- each fully paid of Kalyani Financial Services Ltd.:</b>                                      |                            |                            |
| Fair value of investments  |                            |                            |
| Increase by 20%  | 132.59                     | 132.59                     |
| Decrease by 20%  | (132.59)                   | (110.49)                   |
| <b>7% Cumulative Optionally Convertible Non-Participating Preference Shares of Rs. 10/- each, fully paid in Kalyani Technoforge Limited.</b> |                            |                            |
| Discount rate  |                            |                            |
| Increase by 1%   | (26.24)                    | (23.85)                    |
| Decrease by 1%   | 28.07                      | 25.51                      |
| <b>9% Cumulative Redeemable Non Convertible Preference Shares of Rs. 10/- each, fully paid in KSL Holdings Private Limited.</b>              |                            |                            |
| Discount rate  |                            |                            |
| Increase by 1%   | (48.66)                    | (27.54)                    |
| Decrease by 1%   | 80.83                      | 30.33                      |
| <b>1% Non Cumulative Compulsorily Convertible Preference Shares of Rs. 10/- each, fully paid in Kalyani Financial Services Limited</b>       |                            |                            |
| Discount rate  |                            |                            |
| Increase by 1%   | -                          | (0.49)                     |
| Decrease by 1%   | -                          | 0.50                       |

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024.

(In ₹ Million)

**34A Interests in associates and joint ventures**

| Name of entity          | Kalyani Steels Limited | KSL Holdings Private Limited | Truimphant Special Alloys Private Limited | Kalyani Financial Services Limited | Meritor (HVS) India Limited | Automotive Axles Limited |
|-------------------------|------------------------|------------------------------|---|------------------------------------|-----------------------------|--------------------------|
| Place of business       | Pune, India            | Pune, India                  | Pune, India                               | Pune, India                        | Mysuru, India               | Mysuru, India            |
| % of ownership interest | 39.06%                 | 42.52%                       | 45.51%                                    | 49.00%                             | 48.99%                      | 35.52%                   |
| Relationship            | Associate              | Associate                    | Associate                                 | Associate                          | Joint Venture               | Joint Venture            |
| Accounting method       | Equity method          | Equity method                | Equity method                             | Equity method                      | Equity method               | Equity method            |
| Quoted fair value       |                        |                              |   |                                    |                             |                          |
| March 31, 2024          | 14,601.14              | NA                           | NA  | NA                                 | NA                          | 9,433.65                 |
| March 31, 2023          | 5,027.05               | NA                           | NA  | NA                                 | NA                          | 12,690.84                |
| Carrying amount         |                        |                              |   |                                    |                             |                          |
| March 31, 2024          | 4,995.57               | 30,721.40                    | 8.75                                      | 321.48                             | 1,399.12                    | 3,010.32                 |
| March 31, 2023          | 4,197.76               | 22,332.16                    | 8.28                                      | 297.43                             | 1,271.72                    | 2,596.11                 |

**Commitments and contingent liabilities in respect of associates and joint ventures**

|  | March 31, 2024  | March 31, 2023 |
|--|-----------------|----------------|
| <b>Commitments :</b>   |                 |                |
| Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances | 351.68          | 338.20         |
| <b>Total Commitments:</b>  | <u>351.68</u>   | <u>338.20</u>  |
| <b>Contingent liabilities :</b>  |                 |                |
| Associates   | 717.27          | 547.83         |
| Joint Ventures   | 398.09          | 6.59           |
| <b>Total Contingent liabilities</b>  | <u>1,115.36</u> | <u>554.42</u>  |

**Summarised financial information for associates and joint ventures**

**Summarised balance sheet (Associates)**

|                               | Kalyani Steels Limited |                  | KSL Holdings Private Limited |                  | Truimphant Special Alloys Private Limited |                | Kalyani Financial Services Limited |                 |
|-------------------------------|------------------------|------------------|------------------------------|------------------|---|----------------|------------------------------------|-----------------|
|                               | March 31, 2024         | March 31, 2023   | March 31, 2024               | March 31, 2023   | March 31, 2024                            | March 31, 2023 | March 31, 2024                     | March 31, 2023  |
| Total non-current assets      | 12,006.38              | 7,802.83         | 91,417.78                    | 67,056.69        | -   | 0.66           | 1,405.89                           | 1,365.09        |
| Total current assets          | 13,726.79              | 15,702.57        | 10,330.19                    | 7,748.47         | 18.02                                     | 15.19          | 424.16                             | 425.08          |
| Total non-current liabilities | 1,119.65               | 1,895.94         | 21,556.77                    | 16,382.54        | -   | -              | 82.65                              | 91.85           |
| Total current liabilities     | 7,814.07               | 6,714.68         | 4,866.29                     | 4,851.49         | 1.26                                      | 0.10           | 0.05                               | 0.05            |
| <b>Net Assets</b>             | <b>16,799.45</b>       | <b>14,894.78</b> | <b>75,324.91</b>             | <b>53,571.13</b> | <b>16.76</b>                              | <b>15.75</b>   | <b>1,747.35</b>                    | <b>1,698.27</b> |

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024.

(In ₹ Million)

Summarised balance sheet (Joint ventures)

|  | Meritor (HVS) India Limited |                 | Automotive Axles Limited |                 |
|--|-----------------------------|-----------------|--------------------------|-----------------|
|  | March 31, 2024              | March 31, 2023  | March 31, 2024           | March 31, 2023  |
| Total non-current assets                         | 145.86                      | 116.38          | 2,597.41                 | 2,752.26        |
| Total current assets                             | 5,774.42                    | 6,252.20        | 9,699.88                 | 8,813.44        |
| Cash and cash equivalents                        | 642.86                      | 799.41          | 329.57                   | 111.79          |
| Other assets                                     | 5,131.56                    | 5,452.79        | 9,370.31                 | 8,701.65        |
| Total non-current liabilities                    | 65.97                       | -               | 220.31                   | 256.95          |
| Financial liabilities (excluding trade payables) | 65.97                       | -               | 167.20                   | 217.83          |
| Other liabilities                                | -                           | -               | 53.11                    | 39.12           |
| Total current liabilities                        | 3,203.70                    | 3,978.18        | 3,317.60                 | 3,715.52        |
| Financial liabilities (excluding trade payables) | 12.35                       | 8.33            | 210.45                   | 247.33          |
| Other liabilities                                | 102.52                      | 130.82          | 290.32                   | 307.25          |
| <b>Net Assets</b>                                | <b>2,650.61</b>             | <b>2,390.40</b> | <b>8,759.38</b>          | <b>7,593.23</b> |

Summarised statement of profit and loss (Associates)

|                            | Kalyani Steels Limited    |                           | KSL Holdings Private Limited |                           | Truimphant Special Alloys Private Limited |                           | Kalyani Financial Services Limited |                           |
|----------------------------|---------------------------|---------------------------|------------------------------|---------------------------|---|---------------------------|------------------------------------|---------------------------|
|                            | Year ended March 31, 2024 | Year ended March 31, 2023 | Year ended March 31, 2024    | Year ended March 31, 2023 | Year ended March 31, 2024                 | Year ended March 31, 2023 | Year ended March 31, 2024          | Year ended March 31, 2023 |
| Revenue                    | 19,594.92                 | 18,993.54                 | 27,697.97                    | 22,321.93                 | 2.16                                      | 2.47                      | -                                  | -                         |
| Profit for the year        | 2,487.85                  | 1,670.27                  | 8,178.36                     | 3,353.59                  | 1.01                                      | 2.23                      | (0.13)                             | 11.56                     |
| Other comprehensive income | (8.74)                    | (13.58)                   | 13,575.42                    | 6,474.09                  | -   | -                         | 49.21                              | 194.69                    |
| Total comprehensive income | 2,479.11                  | 1,656.69                  | 21,753.78                    | 9,827.68                  | 1.01                                      | 2.23                      | 49.09                              | 206.25                    |
| Dividends received         | 170.52                    | 170.52                    | -                            | -                         | -   | -                         | -                                  | -                         |

Summarised statement of profit and loss (Joint Ventures)

|                               | Meritor (HVS) India Limited |                           | Automotive Axles Limited  |                           |
|-------------------------------|-----------------------------|---------------------------|---------------------------|---------------------------|
|                               | Year ended March 31, 2024   | Year ended March 31, 2023 | Year ended March 31, 2024 | Year ended March 31, 2023 |
| Revenue                       | 20,851.28                   | 20,369.57                 | 22,291.74                 | 23,237.01                 |
| Interest Income               | 10.07                       | 5.10                      | 133.65                    | 39.51                     |
| Depreciation and amortisation | 22.91                       | 25.08                     | 363.75                    | 413.72                    |
| Interest expense              | 4.25                        | 4.22                      | 26.54                     | 29.15                     |
| Income tax expense            | 375.69                      | 366.89                    | 568.10                    | 560.66                    |
| Profit for the year           | 1,100.55                    | 1,076.88                  | 1,661.55                  | 1,620.29                  |
| Other comprehensive income    | (2.11)                      | (2.19)                    | (11.82)                   | (10.99)                   |
| Total comprehensive income    | 1,098.44                    | 1,074.69                  | 1,649.73                  | 1,609.30                  |
| Dividends received            | 410.73                      | 382.33                    | 171.77                    | 80.52                     |

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024.

(In ₹ Million)

Reconciliation to carrying amounts (Associates)

|  | Kalyani Steels Limited |                | KSL Holdings Private Limited |                | Truimphant Special Alloys Private Limited |                | Kalyani Financial Services Limited |                |
|--|------------------------|----------------|------------------------------|----------------|---|----------------|------------------------------------|----------------|
|  | March 31, 2024         | March 31, 2023 | March 31, 2024               | March 31, 2023 | March 31, 2024                            | March 31, 2023 | March 31, 2024                     | March 31, 2023 |
| Opening net assets                                 | 14,894.78              | 13,674.62      | 53,571.13                    | 43,743.45      | 15.75                                     | 13.52          | 1,698.27                           | 1,492.00       |
| Profit for the year                                | 2,487.84               | 1,670.27       | 7,822.80                     | 3,353.59       | 1.01                                      | 2.23           | (0.13)                             | 11.56          |
| Other comprehensive income                         | (8.74)                 | (13.58)        | 11,907.31                    | 6,474.09       | -   | -              | 49.21                              | 194.69         |
| Total Comprehensive Income                         | 2,479.10               | 1,656.69       | 19,730.11                    | 9,827.68       | 1.01                                      | 2.23           | 49.09                              | 206.25         |
| Dividends paid                                     | (436.53)               | (436.53)       | -                            | -              | -   | -              | -                                  | -              |
| Adjustments in retained earnings of Associates/JVs | (138.96)               | -              | -                            | -              | -   | -              | -                                  | -              |
| Closing net assets                                 | 16,798.39              | 14,894.78      | 73,301.24                    | 53,571.13      | 16.76                                     | 15.75          | 1,747.35                           | 1,698.27       |
| Group's share in %                                 | 39.06%                 | 39.06%         | 42.52%                       | 42.52%         | 45.51%                                    | 45.51%         | 49.00%                             | 49.00%         |
| Group's share in INR                               | 6,615.67               | 5,817.86       | 31,167.65                    | 22,778.41      | 7.63                                      | 7.16           | 856.19                             | 832.14         |
| Goodwill/(Capital Reserve)                         | (1,620.11)             | (1,620.11)     | (446.25)                     | (446.25)       | 1.12                                      | 1.12           | (534.71)                           | (534.71)       |
| Carrying amount                                    | 4,995.57               | 4,197.76       | 30,721.40                    | 22,332.16      | 8.75                                      | 8.28           | 321.48                             | 297.43         |

Reconciliation to carrying amounts (Joint Ventures)

|  | Meritor (HVS) India Limited |                | Automotive Axles Limited |                |
|--|-----------------------------|----------------|--------------------------|----------------|
|  | March 31, 2024              | March 31, 2023 | March 31, 2024           | March 31, 2023 |
| Opening net assets                                 | 2,390.40                    | 2,095.99       | 7,593.23                 | 6,210.61       |
| Profit for the year                                | 1,100.55                    | 1,076.88       | 1,661.55                 | 1,620.29       |
| Other comprehensive income                         | (2.11)                      | (2.19)         | (11.82)                  | (10.99)        |
| Total Comprehensive Income                         | 1,098.44                    | 1,074.69       | 1,649.73                 | 1,609.30       |
| Dividends paid                                     | (838.23)                    | (780.28)       | (483.58)                 | (226.68)       |
| Adjustments in retained earnings of Associates/JVs | -                           | -              | -                        | -              |
| Closing net assets                                 | 2,650.61                    | 2,390.40       | 8,759.38                 | 7,593.23       |
| Group's share in %                                 | 48.99%                      | 48.99%         | 35.52%                   | 35.52%         |
| Group's share in INR                               | 1,298.51                    | 1,171.11       | 3,111.33                 | 2,697.13       |
| Goodwill/(Capital Reserve)                         | 100.61                      | 100.61         | (101.01)                 | (101.01)       |
| Carrying amount                                    | 1,399.12                    | 1,271.72       | 3,010.32                 | 2,596.11       |

Individually immaterial associates

|   | Nandi Engineering Limited |                | Synise Technologies Limited |                |
|---|---------------------------|----------------|-----------------------------|----------------|
|   | March 31, 2024            | March 31, 2023 | March 31, 2024              | March 31, 2023 |
| Aggregate carrying amount of individually immaterial associates | -                         | -              | -                           | -              |
| Aggregate amounts of the group's share of:                      |                           |                |                             |                |
| Profit/(loss) from operations                                   | -                         | -              | -                           | -              |
| Other comprehensive income                                      | -                         | -              | -                           | -              |
| Total comprehensive income                                      | -                         | -              | -                           | -              |

| Particulars                               | As at March 31, 2024  |                  | Year ended March 31, 2024                   |                 |   |                  |   |                  |
|---|---|------------------|---|-----------------|---|------------------|---|------------------|
|   | Net Assets<br>(i.e Total Assets<br>minus total liabilities) |                  | Share in<br>profit / (loss)                 |                 | Share in other<br>comprehensive<br>income                     |                  | Share in total<br>comprehensive<br>income                     |                  |
|   | As a % of<br>consolidated<br>net assets                     | In ₹<br>Million  | As a % of<br>consolidated<br>profit/ (loss) | In ₹<br>Million | As a % of<br>consolidated<br>other<br>comprehensive<br>income | In ₹<br>Million  | As a % of<br>consolidated<br>total<br>comprehensive<br>income | In ₹<br>Million  |
| <b>1. Parent</b>                          |   |                  |   |                 |   |                  |   |                  |
| BF Investment Limited                     | 44.95%  | 27,876.74        | 19.30%                                      | 837.07          | 52.87%  | 5,697.04         | 43.24%  | 6,534.11         |
| <b>2. Associate (Domestic)</b>            |   |                  |   |                 |   |                  |   |                  |
| Kalyani Steels Limited                    | 10.58%  | 6,561.45         | 22.40%                                      | 971.75          | -0.03%  | (3.41)           | 6.41%   | 968.34           |
| KSL Holdings Private Limited              | 50.26%  | 31,167.69        | 76.69%                                      | 3,326.25        | 46.99%  | 5,062.99         | 55.51%  | 8,389.24         |
| Truimphant Special Alloys Private Limited | 0.01%   | 7.63             | 0.01%                                       | 0.46            | 0.00%   | -                | 0.00%   | 0.46             |
| Kalyani Financial Services Limited        | 1.29%   | 802.30           | 0.00%                                       | -0.06           | 0.22%   | 24.11            | 0.16%   | 24.05            |
| <b>3. Joint Ventures (Domestic)</b>       |   |                  |   |                 |   |                  |   |                  |
| Meritor (HVS) India Limited               | 2.09%   | 1,298.53         | 12.43%                                      | 539.16          | -0.01%  | (1.03)           | 3.56%   | 538.13           |
| Automotive Axles Limited                  | 5.02%   | 3,111.33         | 13.61%                                      | 590.18          | -0.04%  | (4.20)           | 3.88%   | 585.98           |
| <b>Consolidation adjustments</b>          | -14.21%   | (8,812.80)       | -44.44%                                     | (1,927.39)      | 0.00%   | (0.02)           | -12.75%   | (1,927.41)       |
| <b>Total</b>                              | <b>100%</b>   | <b>62,012.87</b> | <b>100%</b>                                 | <b>4,337.43</b> | <b>100%</b>   | <b>10,775.49</b> | <b>100%</b>   | <b>15,112.92</b> |

## Note 34B : Disclosure in terms of Schedule III of the Companies Act, 2013 (Contd.)

| Particulars                               | As at March 31, 2023  |                  |   |                 | Year ended March 31, 2023                                     |                 |   |                 |
|---|---|------------------|---|-----------------|---|-----------------|---|-----------------|
|   | Net Assets<br>(i.e Total Assets<br>minus total liabilities) |                  | Share in<br>profit / (loss)                 |                 | Share in other<br>comprehensive<br>income                     |                 | Share in total<br>comprehensive<br>income                     |                 |
|   | As a % of<br>consolidated<br>net assets                     | In ₹<br>Million  | As a % of<br>consolidated<br>profit/ (loss) | In ₹<br>Million | As a % of<br>consolidated<br>other<br>comprehensive<br>income | In ₹<br>Million | As a % of<br>consolidated<br>total<br>comprehensive<br>income | In ₹<br>Million |
| <b>1. Parent</b>                          |   |                  |   |                 |   |                 |   |                 |
| BF Investment Limited                     | 34.42%  | 21,342.63        | 15.68%                                      | 680.12          | 10.13%  | 1,091.77        | 11.72%  | 1,771.89        |
| <b>2. Associate (Domestic)</b>            |   |                  |   |                 |   |                 |   |                 |
| Kalyani Steels Limited                    | 9.38%   | 5,817.90         | 15.04%                                      | 652.41          | -0.05%  | (5.30)          | 4.28%   | 647.10          |
| KSL Holdings Private Limited              | 35.48%  | 22,002.17        | 32.88%                                      | 1,425.95        | 25.55%  | 2,752.78        | 27.65%  | 4,178.73        |
| Truimphant Special Alloys Private Limited | 0.01%   | 7.17             | 0.02%                                       | 1.01            | 0.00%   | -               | 0.01%   | 1.01            |
| Kalyani Financial Services Limited        | 0.40%   | 249.55           | 0.13%                                       | 5.66            | 0.89%   | 95.40           | 0.67%   | 101.06          |
| <b>3. Joint Ventures (Domestic)</b>       |   |                  |   |                 |   |                 |   |                 |
| Meritor (HVS) India Limited               | 2.03%   | 1,259.82         | 12.16%                                      | 527.56          | -0.01%  | (1.07)          | 3.48%   | 526.49          |
| Automotive Axles Limited                  | 3.77%   | 2,335.42         | 13.27%                                      | 575.53          | -0.04%  | (3.90)          | 3.78%   | 571.62          |
| <b>Consolidation adjustments</b>          | -9.86%  | (6,114.71)       | -29.40%                                     | (1,275.23)      | 0.00%   | (0.01)          | -8.44%  | (1,275.22)      |
| <b>Total</b>                              | <b>76 %</b>   | <b>46,899.95</b> | <b>60 %</b>                                 | <b>2,593.01</b> | <b>36 %</b>   | <b>3,929.67</b> | <b>43 %</b>   | <b>6,522.68</b> |

(In ₹ Million)

**35 Financial risk management**

Presented below is a description of the risks (market risk and liquidity risk) together with a sensitivity analysis, performed annually, of each of these risks based on selected changes in market rates and prices. These analyses reflect management's view of changes which are reasonably possible to occur over a one-year period.

**I Market Risk****A Price risk**

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet whether at fair value through Other Comprehensive Income or at fair value through profit and loss. To manage its price risk arising from investments in equity securities, the Company diversifies the portfolio. The majority of group's equity investments are publically traded and are included in the BSE and NSE indices.

**II Liquidity Risk**

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these debt financing plans.

**i) Maturities of financial liabilities**

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities:

| Particulars            | (In ₹ Million)      |                     |
|------------------------|---------------------|---------------------|
|                        | Less than<br>1 year | More than<br>1 year |
| <b>March 31, 2024</b>  |                     |                     |
| <b>Non- derivative</b> |                     |                     |
| Trade payables         | 0.04                | -                   |
| Provision for expenses | 32.11               | -                   |
| <b>March 31, 2023</b>  |                     |                     |
| <b>Non- derivative</b> |                     |                     |
| Trade payables         | 0.49                | -                   |
| Provision for expenses | 26.49               | -                   |

**III Credit Risk:**

The Company is exposed to credit risk from its activity of giving loans and from its financing activities, including deposits with banks and other financial instruments. The balances with banks, loans given to corporate bodies, security deposits are subject to low credit risk since the counter-party has strong capacity to meet the obligations and where the risk of default is negligible except for few which are already impaired. An impairment analysis is performed at each reporting date on an individual basis for each loan given.

**i) Loss allowance for loans :**

| Particulars                                  | (In ₹ Million)    |                   |
|--|-------------------|-------------------|
|  | March 31,<br>2024 | March 31,<br>2023 |
| Gross carrying amount                        | 317.56            | 323.44            |
| Loss allowance provision                     | (86.93)           | (86.93)           |
| Carrying amount of loans (net of impairment) | 230.63            | 236.51            |

**ii) Reconciliation of loss allowance provision - loans**

|                                     | (In ₹ Million) |
|-------------------------------------|----------------|
| Loss allowance as on April 1, 2022  | 86.93          |
| Changes in loss allowance           | -              |
| Loss allowance as on March 31, 2023 | 86.93          |
| Changes in loss allowance           | -              |
| Loss allowance as on March 31, 2024 | 86.93          |

**36 Capital management**

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets. The Company does not have any debt.

The capital structure of the Company is as follows:

| Particulars   | (In ₹ Million)   |                  |
|---------------|------------------|------------------|
|               | March 31, 2024   | March 31, 2023   |
| Share capital | 188.34           | 188.34           |
| Other equity  | 61,824.53        | 46,711.61        |
| <b>Total</b>  | <b>62,012.87</b> | <b>46,899.95</b> |

**37 Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors has been identified as the chief operating decision maker.

The Company is in the business of making investments in group companies, focusing on earning income through dividends, interest and gains on investment held, which is a single segment in accordance with Ind AS 108 - "Operating segment" notified pursuant to Companies (Indian Accounting Standards) Rules, 2015 as amended.

All assets are in India.

**38 Corporate social responsibility (CSR)**

The Company has formed Corporate Social Responsibility (CSR) Committee and has also adopted a CSR Policy in accordance with the provisions of section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Company recognizes CSR spends as and when incurred. Relevant details for the financial year covered by these statements are as under.

| Particulars  | (In ₹ Million)            |                           |
|--|---------------------------|---------------------------|
|  | Year ended March 31, 2024 | Year ended March 31, 2023 |
| Amount required to be spent by the Company during the year   | 1.04                      | 0.34                      |
| Amount of expenditure incurred (including short fall of previous year paid in current year)  | -                         | -                         |
| Shortfall / (Excess) at the end of the year  | 1.04                      | 0.34                      |
| Total of previous years shortfall / (excess)   | -                         | -                         |
| Details of related party transactions  | NA                        | NA                        |
| Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year | NA                        | NA                        |

The Company receives majority of its dividends from Indian companies that comply with the provisions of section 135 of the Act. As per Companies (Corporate Social Responsibility Policy) Rules, 2014 such dividend amount is excluded from the net profit for the calculation of amount of CSR expenditure for the period.

**Details of shortfall and reasons for shortfall**

During the year ended March 31, 2024, as against the required expenditure of Rs. 1.04 Million, the amount of Rs. 1.04 million remain unspent. The unspent amount for the year ended March 31, 2024 has been transferred to the unspent CSR account and the same shall be utilised by the Company in the next years for CSR projects undertaken by the Company.

**Nature of activities****Ongoing projects**

As part of ongoing project for CSR, the Company has undertaken activity such as empowering education and welfare.

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2024.

39 Legal title to some of the assets vested and transferred to the Company in pursuance of the Composite Scheme of Arrangement approved by the Honourable High Court of judicature at Bombay, as per Order dated 5<sup>th</sup> February, 2010 referred to herein before, could not be transferred in the name of the Company as at 31<sup>st</sup> March, 2024. The Company is in the process of completing the required legal formalities.

40 Long term loans given :

The Company has given letter of subordination to Nandi Economic Corridor Enterprises Ltd. (NECE) and Airro (Mauritius) Holdings V, whereby the Company has agreed to subordinate the interest free unsecured loan of Rs. 1,160,520,067 (Previous Year: Rs. 1,160,520,067) granted by it to NECE, until the entire stakeholding of Airro (Mauritius) Holdings V in NECE Ltd. is completely sold off or all the amounts payable by NECE Ltd. to Airro (Mauritius) Holdings V in terms of the Shareholders Agreement dated 24th December, 2010, between Airro (Mauritius) Holdings V and NECE Ltd. are fully paid off. The Company has given Interest free unsecured loans of Rs. 130,000,000/- (P.Y. Rs. 174,000,000/-) and Rs. 30,000,000/- (P.Y. Rs.30,000,000/-) to BF Utilities Ltd. & Nandi Infrastructure Corridor Enterprise Ltd. (NICE) respectively. These loans are repayable over 10 & 30 year period respectively, commencing from 1st April, 2018.

|  | March 31,<br>2024 | March 31,<br>2023 |
|--|-------------------|-------------------|
|--|-------------------|-------------------|

41 Contingent Liabilities not provided for :

During the financial year 2019-20, the Company had paid a Transfer Duty of Rs. 10,85,127/- to New Delhi Municipal Council, towards registration of it's property held at Antariksh Bhavan, New Delhi, in its name. The relevant mutation certificates as Property Tax payer are on Companies record. The process for registering name of the Company as property holder in the land records is currently in process.

Unascertainable Unascertainable

(₹ in Mln.s)

|  | March 31,<br>2024 | March 31,<br>2023 |
|--|-------------------|-------------------|
|--|-------------------|-------------------|

42 Capital commitments (net of advances) :

- -

43 Additional regulatory information required by Schedule III to the Companies Act, 2013:

- i) The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- ii) The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- iii) The Company has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.
- (iv) Utilisation of borrowed funds and share premium:-The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:(a) 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(b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries-The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:(a) 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(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries
- (v) There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.
- (vi) The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.
- (vii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

**44 Financial Ratios:**

| Sr. No. | Ratios                                       | Numerator                        | Denominator                | 31st March 2024 | 31st March 2023 |
|---------|--|----------------------------------|----------------------------|-----------------|-----------------|
| 1       | Capital to risk-weighted assets ratio (CRAR) | Tier1 capital+ Tier2 capital     | Risk Weighted Assets       | NA              | NA              |
| 2       | Tier I CRAR Assets                           | Tier1                            | Total Risk Weighted        | NA              | NA              |
| 3       | Tier I CRAR                                  | Tier2                            | Risk Weighted Assets       | NA              | NA              |
| 4       | Liquidity Coverage Ratio                     | High quality liquid asset amount | Total net cash flow amount | NA              | NA              |

Since the above ratios are relevant for NBFCs therefore being Core Investment Company (CIC), the Company has not disclosed above ratios.

**45** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our attached report of even date,

**For P. G. BHAGWAT LLP**  
Chartered Accountants  
(FRN No. 101118W/ W100682)

**Purva Kulkarni**  
Partner  
Membership No. 138855

Place : Pune  
Date : May 30, 2024

For and on behalf of the Board of Directors of  
**BF INVESTMENT LIMITED**

**B.S. Mitkari**  
Director  
DIN: 03632549

**Akshay Jagtap**  
Chief Executive Officer &  
Chief Financial Officer

Place : Pune  
Date : May 30, 2024

**M. U. Takale**  
Director  
DIN : 01291287

**G. P. Pendse**  
Company Secretary









**KALYANI**  
DRIVING INNOVATION

# **BF INVESTMENT LIMITED**

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MAHARASHTRA, INDIA.  
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