



STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

Date: September 15, 2025

To,

The Board of Directors
Baid Finserv Limited
1, Tara Nagar, Ajmer Road,
Jaipur, Rajasthan-302006

Sub: Statement of possible Special Tax Benefits available for the Proposed Rights Issue of Equity Shares of Baid Finserv Limited ("the Company") to its eligible Equity shareholders under the Direct tax and Indirect tax laws.

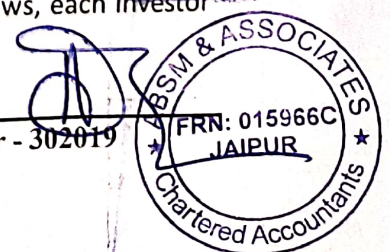
Dear Sir :

We refer to the proposed right issue of the equity shares of the Company. We enclose herewith the statement in **Annexure A** showing the current position of possible special tax benefits available to the Company and to its shareholders under the applicable direct and indirect tax laws presently in force in India including the Income Tax Act, 1961 and Income tax Rules, 1962, as amended by the Finance Act, 2025 (hereinafter referred to as "**Income Tax Law**"), the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (**'Indirect Tax'**), applicable for the Financial Year ending March 31, 2026, relevant to the assessment year ending March 31, 2027 presently in force in India.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company or its shareholders to derive the stated possible special direct and indirect tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives that the Company or its shareholders may face in the future and accordingly, the Company and its shareholders may or may not choose to fulfil.

The possible special tax benefits discussed in the enclosed annexure are neither exhaustive nor conclusive. The contents stated in the Annexure (Annexure A) are based on the information and explanations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. This Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor

314, 2nd Floor, Shree Gopal Nagar, Above HDFC Bank, Jaipur - 302019
Email - absmassociates@gmail.com





ABSM & ASSOCIATES Chartered Accountants

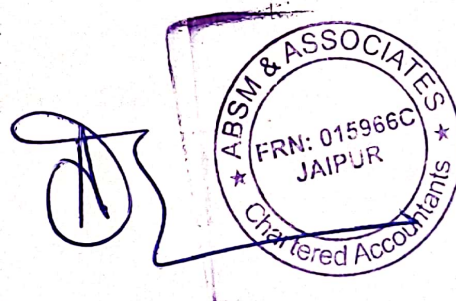
is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed right issue. We are neither suggesting nor advising the investor to invest money based on this statement. Further, any benefits available under any other laws within or outside India have not been examined and covered by this Statement.

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

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

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

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





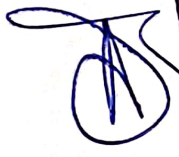

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This certificate may also be relied upon by the Company and the legal counsel in relation to the issue.

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

For ABSM & Associates,

Chartered Accountants

CA Anoop Bhatia

Partner

M. No: 402527

FRN: 015966C

UDIN: 254025278MLLMM5742

Place: Jaipur

Date: September 15, 2025



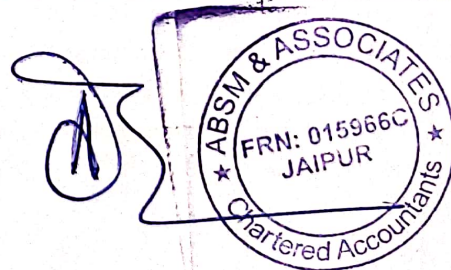
Annexure-A

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

The information provided below sets out the possible special tax benefits available to **Baid Finserv Limited** ("the Company") and its Equity Shareholders in a summary manner and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of Equity Shares of the Company, under the current Tax Laws presently in force in India. Several of these benefits are dependent on the shareholders fulfilling the conditions prescribed under the relevant Tax Laws. Hence, the ability of the shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which, based on business/ commercial imperatives a shareholder faces, may or may not choose to fulfil. We do not express any opinion or provide any assurance as to whether the Company and its shareholders will continue to obtain these benefits in future. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his own tax consultant with respect to the tax implications arising out of their participation in the Offer of particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

A. Special tax benefits available to the Company

The Statement of possible tax benefits enumerated below is as per the Income Tax Act, 1961 ('the Act') as amended from time to time and as applicable for the financial year 2025-26 relevant to assessment year 2026-27. Except as mentioned herein, there are no possible special tax benefits available to the Company under Income Tax Act, 1961 read with the relevant Income Tax Rules, 1962, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 and Goods and Services Tax (Compensation to States) Act, 2017 read with the relevant Central Goods and Services Tax Rules, 2017, Integrated Goods and Services Tax Rules, 2017, State Goods and Services Tax Rules, 2017 and notifications issued under these Acts and Rules.





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

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

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

- (viii) Deduction under any provisions of Chapter VI-A except for the provisions of Section 80JJAA or section 134 ix. 80M.
- (ix) Without set-off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred from clause i) to viii) above.
- (x) No set off of any loss or allowance for unabsorbed depreciation deemed so under Section 72A, if such loss or depreciation is attributable to any of the deductions referred from clause i) to viii) above.

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

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

The Company is a Non-Banking Financial Company and is entitled to accelerated deduction of bad and doubtful debts in terms of provision for bad and doubtful debts up to a specified limit under section 36(1)(vii) of the Act in computing its income under the head "Profits and gains of business or profession". As per the provisions of Section 36(1)(vii) of the IT Act, the Company could claim a deduction of provision created for bad and doubtful debts in its books of accounts to the extent of five per cent of its gross total income.





(computed before making any deduction under this section and Chapter VI-A of the Act), subject to satisfaction of certain prescribed conditions.

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

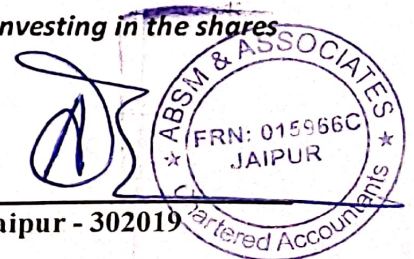
Subject to fulfilment of prescribed conditions, the Company is entitled to claim deduction, under the provisions of Section 80JJAA of the Act, of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous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

Notes:

1. The Statement of tax benefits enumerated above is as per the Direct Tax Laws including amendments as set out in the Finance Act, 2025/Finance Act, 2026.
2. The above statement is based upon the provisions of the specified Direct Tax Laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure.
3. This Statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
4. In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non-resident has fiscal domicile.
5. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

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

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





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

The Statement of possible tax benefits enumerated below is as per the Central Goods and Services Tax Act, 2017 ('CGST Act'), the Integrated Goods and Services Tax Act, 2017 ('IGST Act'), respective State Goods and Services Tax Act, 2017 ('SGST Act') (All these legislations collectively referred to as 'GST Legislation'), (collectively referred to as "Indirect Tax") as amended from time to time and as applicable for financial year 2025-26.

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

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

B. Special direct tax benefits available to the Shareholders

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

Notes:

- 1 The Statement of tax benefits enumerated above is as per the Indirect Tax Laws including amendments as set out in the Finance Act, 2025.
- 2 The above statement covers only above-mentioned Indirect Tax Laws benefits and does not cover any indirect tax law benefits or benefit under any other law.
- 3 This Statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice.
- 4 No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes

