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VALUATION REPORT

CAPFIN INDIA LIMITED

(For the purpose of further issue of shares)

EXPERITY ADVISORS LLP

IBBI Registered Valuers Entity

202, Fortune House, Plot No. 17, Baner-Pashan Link Road, Baner, Pune - 411045

(+91) (20) 69010053 | www.experity.co.in | aas@experity.co.in

Strictly Private and Confidential

To
The Board of Directors
Capfin India Limited
1C/13, Basement, Rajnigandha Building,
New Rohtak Road,
New Delhi – 110005

Dear Sirs,

Sub.: Valuation of equity shares and equity share warrants of Capfin India Limited

This has reference to our engagement letter dated February 16, 2025, the various discussions that we had and the information that we have received from the management and key executives of **Capfin India Limited** (hereinafter referred to as the “CIL” or “the Company”) from time to time in connection with the valuation analysis of equity shares and / or proposed equity share warrants.

SCOPE AND PURPOSE OF THIS REPORT

Capfin India Limited is a Non-Banking Finance Company (‘NBFC’) registered with the Reserve Bank of India. Incorporated in 1992, Capfin India Limited provides loans to corporates and non-corporates. We have been explained that the company is proposing to issue equity shares and / or equity share warrants on preferential basis.

The Company has requested us M/s Experity Advisors LLP, Valuers Entity registered with the Insolvency and Bankruptcy Board of India (referred as ‘valuer’ / ‘we’ / ‘us’) to carry out valuation analysis of equity shares and / or proposed equity share warrants of the Company on a going concern basis as at December 31, 2024 (the “Valuation Date”) and February 19, 2025 (the “Reference Date” or the “Relevant Date”) for the purpose of proposed issue of equity shares and equity share warrants as required under section 42, section 62 and section 247 of Companies Act, 2013 and Regulations 164 and 166A of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time.

The valuation of shares is undertaken based on the valuation standards issued by ICAI Registered Valuers Organization including ICAI Valuation Standard 103 – Valuation Approaches and Methods.

It should also be understood that the values at which investments are made / price paid in a transaction may differ from the values computed in this report due to factors such as the objective of the parties, negotiation skills of the parties, the structure of the transaction (i.e. financial structure, transition of control, etc.) or other factors unique to the transaction.

In the course of the valuation, we were provided with both written and verbal information, including financial and operating data. We have evaluated the information provided to us by the Company through broad inquiry and analysis but have not carried out a due diligence or audit or review of the Company for the purpose of this engagement. We had relied on the information shared by the management.

This report and the information contained herein are confidential. It is intended for sole use and information of the Board of Directors and for the purpose of submissions to the Registrar of Companies and / or Stock Exchange. We understand that the Company is not required to submit this report to any other regulatory authorities, under any other applicable laws, in connection with issue of shares. We hereby consent to such disclosure of this report, on the basis that we owe responsibility to only the Company that

has engaged us and no other person; and that, to the fullest extent permitted by law, we accept no responsibility or liability to the shareholders of the Company or any other party, in connection with this report.

The results of our valuation and our report will not be permitted to be used or relied by the Company for any other purpose or any other party for any purpose whatsoever. We are not responsible to any other person (party for any decision of such person / party based on our report. It is hereby notified that reproduction, copying or otherwise quoting of our report or any part thereof, except for the purpose as set out earlier in this report, is not permitted.

During the course of this engagement, we have provided draft copies of this Valuation Report to management for comment on factual accuracy of the contents of our report. Management has confirmed that they have reviewed report in detail and have also confirmed to us the factual accuracy of contents in report. It may kindly be noted that the current report being issued and signed by us represents the final assessment and supersedes all draft versions that may have been shared by us in the past.

We have obtained representation letter from the management confirming that it has provided us with all the relevant information, knowledge and confirmations completely and correctly and that there has been no significant change in business operations since the date of valuation until the date of report, that could have any impact on the valuation exercise.

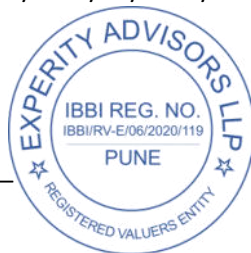
DISCLOSURE

It is hereby declared that neither the valuer nor any of its partners are interested in the business of the company directly or indirectly. It is further declared that the remuneration under this assignment is not contingent on the findings / outcome of this exercise.

If you have any questions or require additional information, please do feel free to contact us.

For **Experity Advisors LLP**

[IBBI Registration No.: IBBI/RV-E/06/2020/119]



Aalhad Deshmukh

Partner

[IBBI Registration No.: IBBI/RV/06/2019/10941]

Date: February 19, 2025

Place: Pune

UDIN: 25140158BMKVAN7207

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Executive Summary

Please note that this section is a summary and does not include all of our findings / observations arising from the valuation of the shares of the Company as on the Valuation Date. Accordingly, this report must be read in full to understand the basis of our conclusion, the assumptions used and other relevant aspects with respect to our valuation approach.

Purpose of Valuation	The management of the company is contemplating further issue of equity shares and / or equity share warrants on preferential basis. Accordingly, the purpose of valuation is to facilitate price for the further issue of shares in accordance with the provisions of section 42, section 62 and section 247 of Companies Act, 2013 and Regulations 164 and 166A of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time.
Valuation Approach	To estimate the fair value of the equity shares of the company, we have used the relative valuation approach by assigning suitable weightages to the findings under all three approaches to valuation.
Premise of Value	The premise of value for our analysis is Going Concern value as there is neither a planned or contemplated discontinuance of any line of business nor any liquidation of the company.
Fair Value Conclusion	Based on our analysis and as per the valuation methods applied, the fair value of the equity shares has been estimated to be INR 337.71/- per share.

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Glossary and Terms of Abbreviations

Terms	Definition
BPS	Basis Points
CAGR	Compounded Annual Growth Rate
CAPM	Capital Asset Pricing Model
COE / K_e	Cost of Equity
COD / K_d	Cost of Debt
EBITDA	Earnings Before Interest, Tax, Depreciation, Amortization
EV	Enterprise Value
FCF	Free Cash Flow
FY	Financial Year (From April 01 to March 31)
FYE	Financial Year Ending
ICAI	The Institute of Chartered Accountants of India
INR / Rs. / ₹	Indian National Rupee
IVS	ICAI Valuation Standards / Valuation Standards issued by the Institute of Chartered Accountants of India
Management	Management of the company
PBT	Profit Before Tax
PAT	Profit After Tax
Relevant Date / Reference Date	Date considered for the purpose of regulations 164 of the SEBI ICDR Regulations i.e. February 19, 2025
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time
Valuation Date	December 31, 2024
Valuer	Experity Advisors LLP
WACC	Weighted Average Cost of capital

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Background and Purpose of Valuation¹

Company Information

M/s Capfin India Limited is a public limited company; registered under the Companies Act, 2013 with the Registrar of Companies, N.C.T of Delhi vide CIN – L74999DL1992PLC048032. The company is registered as a Company. It is incorporated in 1992, and it is a financial services company that provides a range of investment, lending, and wealth management solutions. It focuses on delivering financial products to both individuals and businesses, aiming to drive financial inclusion and growth. The company operates primarily in the Indian market, offering tailored services for its clients.

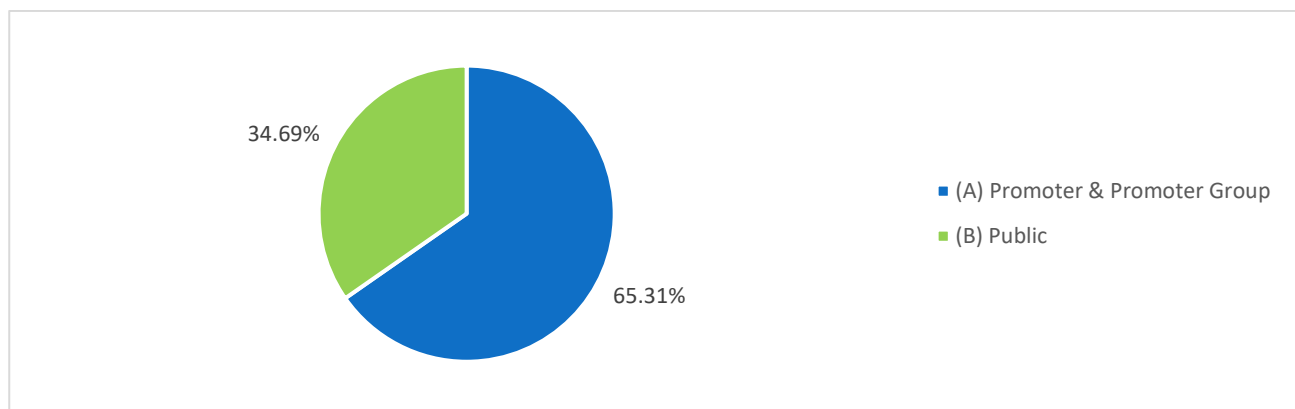
Capital Structure

The authorised capital of the company is Rs. 4,00,00,000 /- divided into 40,00,000 equity shares of Rs. 10/- each. The paid-up capital of the company is Rs. 2,86,47,000 /- divided into 28,64,700 equity shares of Rs. 10/- each as on the valuation date.

Shareholding Pattern

As per the information available on the website of the Bombay Stock Exchange ('BSE'), the shareholding pattern of the Company as at the Valuation Date is as under:

Category of shareholder	No. of shareholders	Total no. shares held	Percentage Shareholding	No. of Voting Rights	Percentage Voting Rights
(A) Promoter & Promoter Group	2	18,71,028	65.31%	18,71,028	65.31%
(B) Public	1,248	9,93,672	34.69%	9,93,672	34.69%
(C1) Shares underlying DRs	-	-	0.00%	-	0.00%
(C2) Shares held by Employee Trust	-	-	0.00%	-	0.00%
(C) Non-Promoter Non-Public	-	-	0.00%	-	0.00%
Grand Total	1,250	28,64,700	100.00%	28,64,700	100.00%



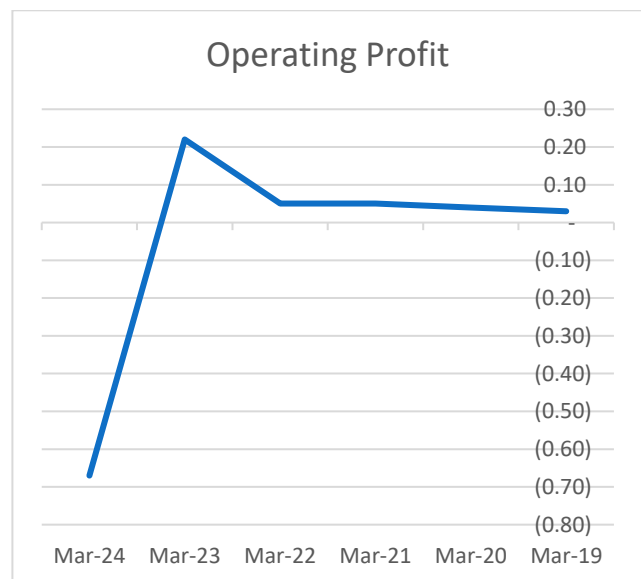
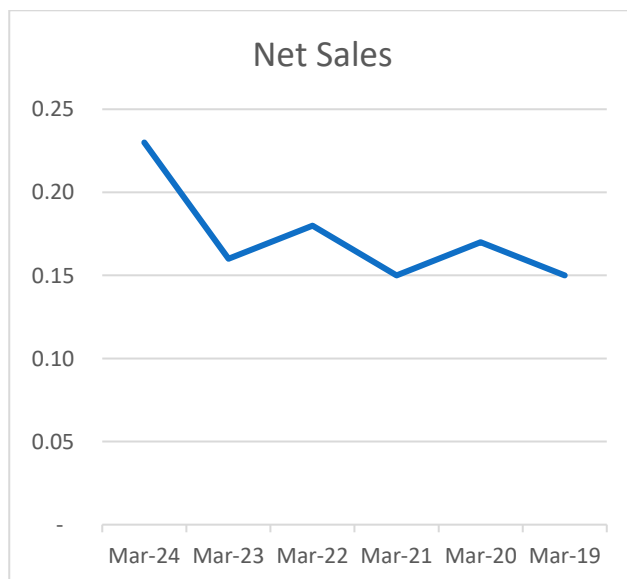
¹ Information obtained from the management of the company; not derived, reviewed or verified independently.

Historical Financial Statements

The historical financials have been presented only for the reference purpose. This report may not be construed to be certification of historical financials of the Company.

Statement of Profit and Loss (Amount in INR Cr)

	Mar-24	Mar-23	Mar-22	Mar-21	Mar-20	Mar-19
Net Sales	0.23	0.16	0.18	0.15	0.17	0.15
Total Expenditure	0.91	0.12	0.13	0.10	0.13	0.12
PBIDT (Excl. OI)	-0.68	0.04	0.05	0.05	0.04	0.03
Other Income	0.01	0.18	-	-	-	-
Operating Profit	-0.67	0.22	0.05	0.05	0.04	0.03
Interest	-	-	-	-	-	-
Exceptional Items	-	-	-	-	-	-
PBDT	-0.67	0.22	0.05	0.05	0.04	0.03
Depreciation	-	-	-	0.01	0.01	0.01
Profit Before Tax	-0.67	0.22	0.05	0.04	0.03	0.02
Tax	-0.20	0.04	0.01	0.01	0.01	0.01
Provisions and contingencies	-	-	-	-	-	-
Profit After Tax	-0.46	0.18	0.04	0.04	0.03	0.01



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Overview of the engagement

Purpose of Valuation

We have been engaged for valuation of Equity Shares and / or proposed Equity Share Warrants for the purpose of deciding the price for such equity shares / equity share warrants on preferential basis under the provisions of the Companies Act, 2013 the Securities and Exchange Board Of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

Regulatory provisions applicable

The relevant extract of the Companies Act, 2013 is as under:

62. Further issue of share capital

(1) Where at any time, a company having a share capital proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered-

(c) to any persons, if it is authorised by a special resolution, whether or not those persons include the persons referred to in clause(a) or clause(b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions may be prescribed

The relevant extract of the SEBI (ICDR) Regulations is as under:

Regulation 164 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018

A listed company seeking to make a preferential issue of shares is required to comply with the pricing guidelines of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

Regulation 164(1) of the ICDR stipulates pricing in case of frequently traded shares and prescribes a minimum price at which the preferential issue is required to be made. It is stipulated that *"The Price of the equity shares to be allotted pursuant to the preferential issue shall be not less than higher of the following:*

- *the 90 trading days volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date; or*
- *the 10 trading days volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant date."*

Regulations 166A of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018

Other conditions for pricing

(1) Any preferential issue, which may result in a change in control or allotment of more than five per cent of the post issue fully diluted share capital of the issuer, to an allottee or to allottees acting in concert, shall require a valuation report from an independent registered valuer and consider the same for determining the price:

Provided that the floor price, in such cases, shall be higher of the floor price determined under sub-regulation (1), (2) or (4) of regulation 164, as the case may be, or the price determined under the valuation report from the independent registered valuer or the price determined in accordance with the provisions of the Articles of Association of the issuer, if applicable:

Provided further that if any proposed preferential issue is likely to result in a change in control of the issuer, the valuation report from the registered valuer shall also cover guidance on control premium, which shall be computed over and above the price determined in terms of the first proviso:

Provided further that valuation report from the registered valuer shall be published on the website of the issuer and a reference of the same shall be made in the notice calling general meeting of shareholders.

Scope of work

The Board of Directors of the Company have engaged us to prepare an independent valuation report on the fair value of equity shares of the Company for the purpose of proposed issue of equity shares and / or equity share warrants.

In this context, the purpose of our work is to determine the value of the Company by applying generally accepted valuation methodologies, as well as also considering the criteria laid down by ICAI Valuation Standards, 2018 along with the provisions of section 42, section 62 and section 247 of Companies Act, 2013 and Regulations 164 and 166A of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time.

Identity of the Valuer:

M/s Experity Advisors LLP is a Limited Liability Partnership, registered with the Registrar of Companies, Pune. Experity Advisors LLP is registered as a Valuers Entity with the Insolvency and Bankruptcy Board of India. Following are the credentials of the valuer:

Name	Experity Advisors LLP
LLP Identification Number	AAQ-9132
IBBI Registration Number	IBBI/RV-E/06/2020/119
Asset Class	Securities or Financial Assets
Name of the Signing Partner	Aalhad Deshmukh
IBBI Registration Number of the Signing Partner	IBBI/RV/06/2019/10941
ICAI Membership No. of the signing partner	140158

Valuation Base and Premise of Value:

We have used fair value Base of Valuation and Going Concern Premise for the valuation of shares as stated in ICAI Valuation Standard 102 – Valuation Bases.

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 valuation date.

Going concern value is the value of a business enterprise that is expected to continue to operate in the future.

Valuation Date:

The reference date for the purposes of this valuation exercise is December 31, 2024. According to the Company's management, there have been no major events or occurrences after the date of valuation liable to have a significant impact on our valuation and which have not been considered for the purposes of this report.

For the purpose of calculation of the volume weighted average price for 90 days and 10 days preceding the relevant date as per regulation 164 of the SEBI ICDR Regulations, we have assumed relevant date of February 19, 2025. This is in line with the draft notice of the EGM as informed to us.

Date of Appointment:

We have been appointed by the Board of Directors of the Company vide engagement letter dated February 16, 2025.

Source of Information:

For the purpose of arriving at the fair value, we have essentially relied on the information provided to us by the management, which we believe to be reliable, and our conclusions are dependent on and subject to such information being complete and accurate in all material respects.

The principal sources of information used in undertaking our assessment include:

- Audited financial statements for the year ended March 31, 2024; March 31, 2023 and March 31, 2022
- Unaudited, management certified financial statements for the period ended December 31, 2024
- Other relevant details relating to the Company such as shareholding pattern and other data, including information in the public domain.
- Shareholding pattern of the company and secretarial records
- Such other information and explanations as were required by us and were furnished by the management.

We have also undertaken analysis of other facts and data considered pertinent to this valuation analysis.

Valuation Standards:

Our valuation methodologies and approaches are in conformity with Valuation Standard issued by the ICAI. The Valuation Standards issued by ICAI set out concepts, principles and procedures which are generally accepted internationally having regard to legal framework and practices prevalent in India.

Restriction for use of report:

Our report is issued for limited purposes of proposed issue of shares to investors and undertake filing with regulatory authorities. We give our consent to share the report with the auditor of the Company in relation to their attestation function.

Inspection / Investigation Undertaken:

- We have tried to understand the business model of the Company and key factors affecting the business model.
- We have reviewed the provisional financial statement as on valuation date.
- We have undertaken high level review of the business plan provided to us by the Company.
- We have further enquired the assumptions considered for revenue, cost, capex and working capital forecasting.
- We have further discussed contingent liabilities with management and understood their assessment of the contingent liabilities.
- We have conducted enquiries and discussions on information received from the management of the Company.

Calculation of 90 days and 10 days volume weighted average price ('VWAP')

The Volume Weighted Average Price (VWAP) for 90 trading days and 10 trading days has been calculated in accordance with Regulation 164(1) of SEBI (ICDR) Regulations, 2018. As per the regulation, VWAP is determined based on the trading data from a recognized stock exchange. For this valuation, we have relied on trading data obtained from the BSE (Bombay Stock Exchange) website. We have considered trading days instead of calendar days for the purpose of these calculations.

Procedures adopted in carrying out the valuation:

- Execution of valuation engagement letter.
- Requested and received financial and qualitative information.
- Obtained data available in public domain.
- Discussed (in-person / over call) with management to understand the business fundamental factors that affect its earning or income generating capacity including historic financial performance.
- Undertook Industry analysis.
- Research publicly available (market data including the economic factors and industry trends that may impact valuation.
- Analysis of key trends and valuation multiples of comparable companies / comparable transaction using:
 - ✓ Proprietary databases subscribed by us or by our associates or by our network firm.
- Selection of generally accepted valuation methodology/(ies) as considered appropriate by us.

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Industry Overview²

Introduction

The Non-Banking Financial Companies (NBFCs) sector plays a crucial role in India's financial ecosystem by providing credit access to underserved segments, including small businesses, rural customers, and individuals outside the formal banking sector. Over the years, NBFCs have significantly expanded their market share in India's credit landscape, accounting for nearly 12.6% of the GDP as of 2023. Their growing presence is attributed to innovative business models, digital transformation, and strategic partnerships with banks and fintech companies.

While NBFCs have facilitated financial inclusion, their rapid expansion has introduced systemic risks, leading to increased regulatory oversight from the Reserve Bank of India (RBI). The introduction of the Scale-Based Regulatory (SBR) Framework has reshaped NBFCs' classifications, imposing stricter governance measures to maintain financial stability.

Market Size & Growth Trends

The NBFC sector has seen steady credit growth, driven by strong demand for retail and personal loans, infrastructure financing, and microfinance. Some key trends include:

- **Credit Growth:** Between 2022 and 2023, gross advances by NBFCs surged by 20.8%, outpacing traditional banks in certain lending segments.
- **Retail Loan Expansion:** Personal loans grew at a CAGR of 33%, driven by the increasing adoption of digital lending platforms.
- **Vehicle and Housing Finance:** NBFCs held 60% market share in gold loans and 43.5% in vehicle loans, while their contribution to housing finance remains lower but is expected to rise due to affordable housing initiatives.
- **Co-Lending with Banks:** Collaborations between NBFCs and banks under the co-lending model have improved liquidity access and risk-sharing capabilities.

Digital Transformation & Innovation

The adoption of technology has transformed the NBFC sector, making loan origination, credit underwriting, and risk management more efficient. Some notable innovations include:

- **Digital Lending & Embedded Finance:** Many NBFCs are integrating their lending solutions within e-commerce, supply chain, and fintech ecosystems, enabling seamless credit access for consumers.
- **Use of Artificial Intelligence (AI) & Data Analytics:** AI-driven risk assessment models, credit underwriting automation, and customer behavior analytics have enhanced loan approvals and reduced default risks.
- **Core Financial Services Solutions (CFSS):** To streamline operations, mid-sized and large NBFCs are mandated to adopt CFSS by September 2025, ensuring real-time financial monitoring and compliance.
- **Regulatory Technology (RegTech) Adoption:** NBFCs are leveraging automated compliance systems to monitor risk, fraud detection, and regulatory reporting.

² Sources:

1. "NBFCs Building the future of India" by India Brand Equity Foundation
2. "NBFC Sector Outlook" by Infomerics Ratings
3. "Pioneers of Change: Building resilient NBFCs" by PWC

Regulatory Landscape & Risk Management

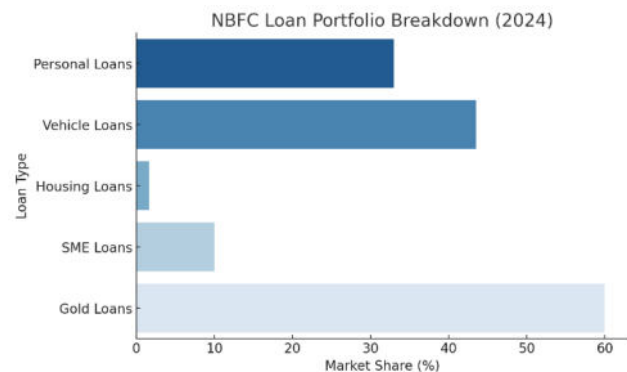
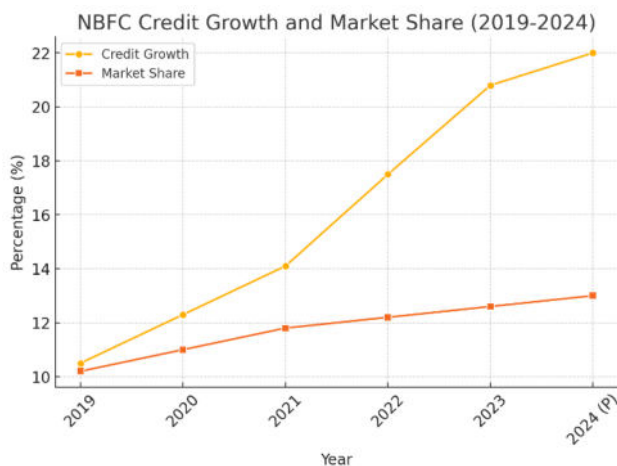
Given the rapid expansion of NBFCs, the RBI has introduced stricter regulatory norms to mitigate risks. Key regulatory developments include:

- **Scale-Based Regulation (SBR) Framework:** NBFCs are now classified into Base, Middle, Upper, and Top Layers, based on their size and systemic importance.
- **Revised Capital & Liquidity Norms:** The capital adequacy ratio (CRAR) stood at 26.6% in 2024, reflecting strong financial health.
- **Enhanced Risk Weightage for Unsecured Loans:** To prevent excessive risk accumulation, the RBI has raised risk weightage on unsecured consumer loans, moderating growth in personal lending.
- **Loan Classification & Compliance:** NBFCs are now required to classify non-performing loans (NPLs) after 90 days of overdue payments, aligning their norms with banks.

Future Outlook & Growth Potential

The NBFC sector is expected to grow at a robust pace, driven by:

- Increasing credit demand, particularly in retail, infrastructure, and MSME lending.
- Enhanced financial inclusion, as NBFCs continue reaching unbanked rural segments.
- Growing partnerships with fintech firms, improving digital loan accessibility.
- Regulatory strengthening, ensuring long-term financial stability.



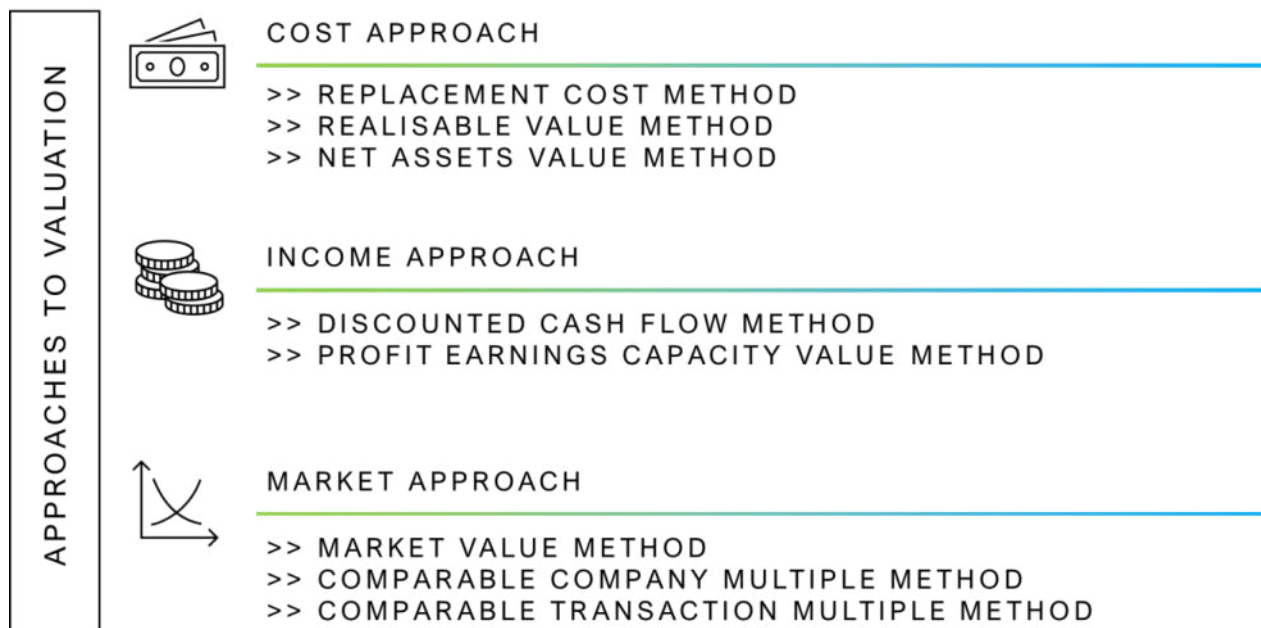
With India's GDP projected to grow at 7.2% in FY 2024, NBFCs will play a critical role in fuelling economic expansion by bridging the credit gap in various sectors. However, challenges such as regulatory compliance, cybersecurity risks, and credit quality concerns must be proactively addressed.

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Valuation Approaches and Methodologies

In terms of and as required under the Companies Act, 2013 and SEBI ICDR Regulations, read with ICAI Valuation Standard 103 – Valuation Approaches and methods and ICAI Valuation Standard 301 – Business Valuation, we are required to arrive at the fair valuation of shares of the Company as per any internationally accepted valuation methodology for valuation of shares on arm's length basis.

There are three broad approaches to valuation – Cost / Asset Approach, Market Approach and Income Approach. There are several generally accepted and commonly used valuation methodologies for determining the fair value of the shares of a company. These methods fall under following approaches:



We are discussing following major valuation methods which are broadly used in any valuation assignment.

1. Net Asset value ("NAV") method
2. Profit Earnings Capacity Value ("PECV") method
3. Market Value method

NAV method

The asset-based valuation method is based on the value per share of the underlying net assets and liabilities of the Company, either on a book value basis or replacement cost basis. This valuation approach is used in cases where the firm is to be liquidated i.e. it does not meet the going concern" criterion or is used in case where the asset base dominates earnings capacity.

In the circumstances and keeping in mind that the present valuation of the Company is on a going concern basis, and the value of the Company is driven more by the potential to generate cash flows in the future than its underlying assets, therefore, the value arrived at under this method is of little relevance as compared to the value under the other methods discussed below.

PECV method

Considering the low level of operations and low profitability of the company, along with the fact that the management has not provided financial projections, the Discounted Cash Flow (DCF) method could not be applied due to the lack of reliable future cash flow estimates. Given these limitations, we have adopted the Profit Earnings Capitalization Value (PECV) method, which is more suitable for valuing companies with stable earnings but limited growth projections. This approach ensures a market-aligned valuation based on sustainable earnings and an appropriate capitalization rate.

The Profit Earnings Capitalization Value (PECV) Method is a widely used valuation approach that determines the fair value of a company based on its sustainable earnings and an appropriate capitalization rate. This method capitalizes the Sustainable Maintainable Profit After Tax (PAT) to derive the business value. The capitalization rate is typically determined using the inverse of the Price-to-Earnings (P/E) ratio of comparable companies or derived from the Cost of Equity (Ke) under the Capital Asset Pricing Model (CAPM).

For the purpose of this valuation, we have considered cost of equity and market trends to arrive at an appropriate capitalization rate. This method ensures a fair and market-aligned valuation, reflecting the company's earning potential and risk profile.

Market Price method

As the company is a listed entity, and the management has confirmed that its shares are frequently traded, we have adopted the Market Price Method as a direct observable input under the Market Approach for valuation. This method relies on actual market transactions, ensuring that the valuation reflects the prevailing market conditions. However, in compliance with Regulation 164 of SEBI (ICDR) Regulations, 2018, we have determined the minimum price for valuation by calculating the 10 trading days' VWAP and 90 trading days' VWAP preceding the relevant date. This ensures adherence to regulatory requirements while maintaining a fair and transparent valuation approach.

Selected Approach

The specific valuation techniques used in a valuation engagement depend on the facts and circumstances specific to each case, including the nature and characteristics of the business enterprise being valued, and the purpose of the business appraisal. The valuer's choice of methods is determined by the characteristics of the business to be appraised, the availability of reliable information requisite to the various methods, the function and use of the appraisal, applicable statutory law, case law, and administrative rulings.

In addition to these fundamental considerations, "a sound valuation will be based upon all the relevant facts, but the elements of common sense, informed judgment and reasonableness must enter into the process of weighing those facts and determining their aggregate significance".

We have calculated values using the Net Asset Value (NAV) Method, Market Price Method, and Price to Earnings Capitalization Value (PECV) Method. Each of these methods provides a distinct perspective on the company's valuation—NAV reflects the intrinsic value of assets, Market Price captures market perception, and PECV considers earnings-based valuation. To arrive at a fair and balanced valuation, we have assigned suitable weights to each method based on its relevance and reliability in the given context. Using these weighted values, we have computed the weighted average value as a measure of relative valuation, ensuring a well-rounded and justifiable assessment.

Valuation Working

NAV method

We have adopted the management certified financial statements of the Company for the period ended December 31, 2024 for the purpose of calculation of the Net Asset Value. The calculation has been done as under:

[Amount in INR]

Sl. No.	Particulars	Amount
[A]	Assets	
	Property, Plant and Equipment	1,859
	Trade receivables	1
	Deferred tax assets net	17,99,608
	Cash and cash equivalents	3,82,651
	Bank balances	16,293
	Loans	2,95,55,682
	Other current assets	1,71,647
	Total Assets	3,19,27,740
[B]	Liabilities	
	Trade Payables	17,700
	Provisions	11,800
	Current Tax Liabilities (Net)	10,21,000
	Total Liabilities	10,50,500
[C]	Net Assets [A - B]	3,08,77,240
	No. of shares o/s	28,64,700
	Fair value per share	10.78

PECV method

Under PECV method, the business value is calculated by capitalising the sustainable maintainable profits. The formula for calculating PECV is as follow:

$$\text{Value of Business} = \frac{\text{Sustainable Maintainable PAT}}{\text{Capitalization Rate}}$$

We have used weighted average PAT for last three years for calculating the sustainable maintainable PAT by assigning more weight to the latest year.

Particulars	Weight	Amount in INR	Weighted Amount
PAT for FY 2023-24	1	-46,26,679	-46,26,679
PAT for FY 2022-23	1	18,15,767	18,15,767
PAT for FY 2021-22	1	3,69,658	3,69,658
Total	3		-24,41,254
Weighted Average			-8,13,751

As the resultant amount is negative, due the latest year reporting the losses, it is not feasible to determine fair value using the PECV method. Accordingly, the fair value under PECV method is being reported as 'NIL'.

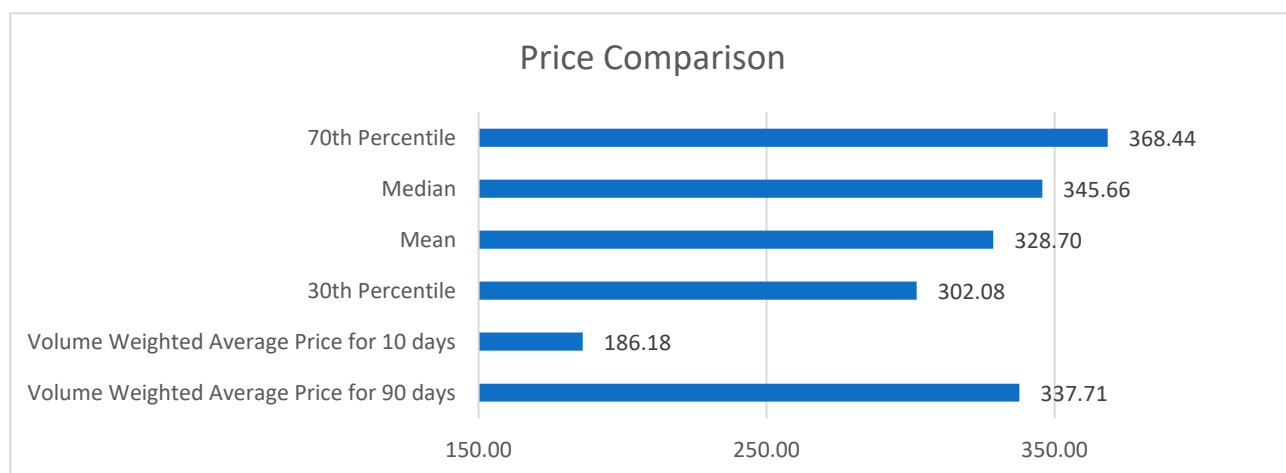
Market Price method

For the purpose of arriving at the Volume Weighted Average Price ('VWAP') for preceding 90 days and 10 days, we have taken data from the BSE website. Please refer Annexure – 1.

Accordingly, following results were obtained.

[Amount in INR]

	Amount
Total volume for 90 days	1,16,673
Total Value (No. of shares x Wt. Avg. Price) for 90 days	3,94,01,777
Total volume for 10 days	7,223
Total Value (No. of shares x Wt. Avg. Price) for 10 days	13,44,765
Volume Weighted Average Price for 90 days	337.71
Volume Weighted Average Price for 10 days	186.18
30th Percentile	302.08
Mean	328.70
Median	345.66
70th Percentile	368.44



As per SEBI ICDR Regulation 164, the market price is accordingly arrived at as under:

	Amount
[A] Volume Weighted Average Price for 90 days	337.71
[B] Volume Weighted Average Price for 10 days	186.18
[C] Market Price to be adopted (higher of A and B above)	337.71

Relative Valuation

By assigning suitable weights to the findings under different methods as above, we have arrived at the relative fair value per share as under:

[Amount in INR]

Approach	Method	Weight	Amount
Cost Approach	Net Asset Value Method	-	10.78
Income Approach	Profit Earnings Capacity Value Method	-	-
Market Approach	Market Price Method	100%	337.71
Weighted Average			337.71

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Valuation Conclusion

With reference to the aforementioned discussion and subject to the caveats, disclaimers and limitations as stated in this report, the fair value per equity share of Capfin India Limited for the purpose of further issue of shares as per section 42, section 62 and section 247 of Companies Act, 2013 and Regulations 164 and 166A of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time, has been arrived at INR 337.71 (Rupees Three Hundred Thirty-Seven and Paise Seventy-One only).

Assuming the conversion ratio of 1:1, the fair value of the proposed equity share warrant may be considered as INR 337.71 (Rupees Three Hundred Thirty-Seven and Paise Seventy-One only).

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Caveats and Statement of Limiting Conditions

All opinions and estimates in this publication or report are, regardless of source, given in good faith, and may only be valid as of the stated date of this publication or report and are subject to change without notice.

The party to which this valuation is addressed should read the basis upon which the valuation has been done and be aware of the potential later variations in value due to factors that are unforeseen at the date of valuation.

The recommendation/(s) rendered in this Report only represent our recommendation/(s) based upon information furnished by the Company and their representatives and the said recommendation/(s) shall be in the nature of non-binding advice. We have no obligation to update this Report.

We have provided our recommendation of the Valuation based on the information available to us and within the scope of our engagement, others may have a different opinion. The final responsibility for value at which the proposed transaction shall take place will be with the Board of Directors of the Company / investors, who should take into account other factors such as their own assessment of the proposed transaction and input of other advisors.

Valuation is based on estimates of future financial performance or opinions that represent reasonable expectations at a particular point, but such information, estimates or opinions are not offered as or as assurances that a particular level of income or profit will be achieved, that events will occur, or that a particular price will be offered or accepted. Actual results achieved during the period covered by prospective financial analysis will vary from these estimates, and the variations may be material.

We have relied on the written representations from the management that the information contained in this report is materially accurate and complete in the manner of its portrayal and therefore forms a reliable basis for the valuation. In accordance with our engagement letter and the customary approach adopted in valuation exercises, we have not audited, reviewed or otherwise investigated the historical financial information provided to us. We have not, independently investigated or otherwise verified the data provided by the company. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the financial statements. Accordingly, we assume no responsibility for any errors in the information furnished by the company and their impact on the Report. We have performed reasonability tests on information provided by the Company.

The Report assumes that the company complies fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated and will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this Valuation Report has given no consideration to matters of a legal nature, issues of legal title and companies with local laws, and litigation and other contingent liabilities that are recorded in the audited / unaudited carved out balance sheets.

Our scope of work did not include checking the adequacy of the carved out financial statements of the company and the specified projects and this is the responsibility of the Management and we have assumed these to be correct.

We are not advisors with respect to accounting, legal, tax and regulatory matters for the proposed transaction. This Report does not look into the business / commercial reasons behind the proposed transaction nor the likely benefits arising out of it. Similarly, it does not address the relative merits of the proposed transaction as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

We owe responsibility only to the Board of Directors of the company that has appointed us under the terms of our engagement letter and nobody else. We will not be liable for any losses, claims, damages or liabilities

arising out of the actions taken, omissions of or advice given by any other advisor to the company. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or wilful default on the part of the company, its directors, employees or agents. Unless specifically agreed, in no circumstances shall the liability of the Valuer its partners, its directors or employees, relating to the services provided in connection with the engagement set out in this Report exceed the amount paid to the Valuer in respect of the fees charged by it for these services.

We have relied on the judgment of the management as regards contingent and other liabilities. Accordingly, our valuation does not consider the assumption of contingent liabilities other than those given to us as likely to crystalize. If there were any omissions, inaccuracies or misrepresentations of the information provided to us, it may have the effect on our valuation computations. The valuation and result are governed by concept of materiality.

The information and material presented in the report are provided for informational purposes only and are not to be used considered as an offer or solicitation to sell or buy or subscribe for securities or other financial instruments to any advice or recommendation with respect to such securities or other financial instruments. Neither the valuer nor any of its affiliates makes any representation or warranty or guarantee as to the completeness, accuracy, timeliness or suitability of any information contained within any pan of the Report nor that it is free from error. The valuer does not accept any liability (whether in contract, tort or otherwise howsoever and whether or not they have been negligent) for any loss or damage (including, without limitation, loss of profit), which may arise directly or indirectly from use of or reliance on such information.

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The risk of investing in certain financial instruments is generally high as their market value is exposed to a lot of different factors such as the operational and financial conditions of the relevant company, growth prospects, change in interest rates, the economic and political environment, foreign exchange rates, shifts in market sentiments etc. Where an investment or security is denominated in a different currency to the investor's currency of reference, changes in rates of exchange may have an adverse effect on the value, price or income of or from that investment to the investor. Past performance is not a guide to future performance. Estimates of future performance are based on assumptions that may not be realized.

The valuer may perform services for, solicit business from the Company mentioned in the publication or report. To limit possible conflicts of interest and counter the abuse of inside knowledge, the analysis of the valuer are subject to internal rules on sound ethical conduct, the management of inside information, handling of unpublished research material, contact with other units of the Group Companies and personal account dealing.

Annexure – 1

Movement in share price of Capfin India Limited

[Amount in INR]

Date	Open Price	High Price	Low Price	Close Price	WAP	No. of Shares	No. of Trades	Total Turnover (Rs.)
18-Feb-25	173.45	173.45	173.45	173.45	173.45	2,288.00	27.00	3,96,853
17-Feb-25	182.55	182.55	182.55	182.55	182.55	318.00	8.00	58,050
14-Feb-25	192.15	192.15	192.15	192.15	192.15	4,499.00	53.00	8,64,482
13-Feb-25	202.25	202.25	202.25	202.25	202.24	37.00	3.00	7,483
12-Feb-25	212.85	212.85	212.85	212.85	212.84	37.00	1.00	7,875
11-Feb-25	224.05	224.05	224.05	224.05	224.03	30.00	1.00	6,721
10-Feb-25	235.80	235.80	235.80	235.80	235.79	14.00	1.00	3,301
03-Feb-25	248.20	248.20	248.20	248.20	248.19	159.00	6.00	39,463
27-Jan-25	261.25	261.25	261.25	261.25	261.25	381.00	9.00	99,536
20-Jan-25	275.00	275.00	275.00	275.00	275.00	23.00	4.00	6,325
13-Jan-25	289.45	289.45	289.45	289.45	289.45	123.00	4.00	35,602
06-Jan-25	304.65	304.65	304.65	304.65	304.64	56.00	4.00	17,060
30-Dec-24	320.65	320.65	320.65	320.65	320.64	56.00	2.00	17,956
26-Dec-24	348.95	348.95	322.95	337.50	323.73	761.00	29.00	2,46,360
24-Dec-24	347.00	352.95	328.30	339.90	346.59	1,954.00	61.00	6,77,235
23-Dec-24	336.95	337.45	325.00	337.45	330.94	1,997.00	73.00	6,60,881
20-Dec-24	339.95	340.00	320.00	321.40	332.62	637.00	41.00	2,11,881
19-Dec-24	329.95	344.80	316.25	332.10	326.74	5,667.00	69.00	18,51,646
18-Dec-24	350.00	350.00	332.85	332.85	334.49	2,235.00	77.00	7,47,586
17-Dec-24	370.00	370.00	345.80	350.35	352.99	2,348.00	78.00	8,28,812
16-Dec-24	382.70	389.00	362.95	364.00	365.18	7,610.00	110.00	27,79,012
13-Dec-24	414.85	414.85	382.05	382.05	392.22	1,553.00	88.00	6,09,119
12-Dec-24	397.60	416.00	387.10	402.15	405.62	4,003.00	115.00	16,23,680
11-Dec-24	412.00	412.00	373.20	397.60	388.64	3,128.00	116.00	12,15,663
10-Dec-24	389.90	392.80	389.90	392.80	392.68	6,565.00	98.00	25,77,971
09-Dec-24	374.85	374.85	372.00	374.10	374.34	9,054.00	166.00	33,89,318
06-Dec-24	357.00	357.00	357.00	357.00	357.00	952.00	25.00	3,39,864
05-Dec-24	345.40	352.00	345.40	350.00	347.37	524.00	24.00	1,82,022
04-Dec-24	346.00	346.00	345.40	345.40	345.45	1,124.00	40.00	3,88,290
03-Dec-24	352.00	352.40	352.00	352.40	352.38	1,521.00	25.00	5,35,975
02-Dec-24	345.50	352.00	345.50	345.50	345.87	1,240.00	30.00	4,28,880
29-Nov-24	345.50	352.45	345.50	345.50	352.04	1,052.00	28.00	3,70,346
28-Nov-24	359.60	359.60	352.45	352.45	353.00	36.00	9.00	12,708
27-Nov-24	366.90	366.90	359.60	359.60	361.43	107.00	20.00	38,673
26-Nov-24	374.00	374.00	366.90	366.90	371.04	1,263.00	19.00	4,68,619
25-Nov-24	366.55	374.00	366.55	374.00	367.12	650.00	26.00	2,38,630
22-Nov-24	360.75	375.00	360.75	374.00	368.78	999.00	22.00	3,68,416
21-Nov-24	368.10	368.10	368.10	368.10	368.09	69.00	12.00	25,398
19-Nov-24	380.00	380.00	375.60	375.60	376.00	65.00	15.00	24,440
18-Nov-24	383.45	383.45	383.25	383.25	383.45	1,560.00	26.00	5,98,179

Date	Open Price	High Price	Low Price	Close Price	WAP	No. of Shares	No. of Trades	Total Turnover (Rs.)
14-Nov-24	375.95	375.95	375.95	375.95	375.95	442.00	13.00	1,66,169
13-Nov-24	383.60	384.00	383.60	383.60	383.66	327.00	10.00	1,25,457
12-Nov-24	391.40	391.40	391.40	391.40	391.40	133.00	4.00	52,056
11-Nov-24	407.00	407.00	399.35	399.35	405.18	787.00	25.00	3,18,878
08-Nov-24	424.05	424.05	407.45	407.45	422.40	1,794.00	35.00	7,57,792
07-Nov-24	415.75	415.75	415.75	415.75	415.75	2,800.00	41.00	11,64,100
06-Nov-24	407.60	407.60	407.60	407.60	407.60	802.00	29.00	3,26,895
05-Nov-24	399.65	399.65	399.65	399.65	399.65	4,392.00	19.00	17,55,262
04-Nov-24	389.95	391.85	385.00	391.85	390.08	2,975.00	46.00	11,60,480
01-Nov-24	373.20	373.20	373.20	373.20	373.20	662.00	13.00	2,47,058
31-Oct-24	355.45	355.45	355.45	355.45	355.45	911.00	28.00	3,23,814
30-Oct-24	338.55	338.55	338.55	338.55	338.55	197.00	7.00	66,694
29-Oct-24	321.95	322.45	313.25	322.45	321.89	3,175.00	27.00	10,21,998
28-Oct-24	298.35	307.10	290.00	307.10	301.97	4,361.00	79.00	13,16,903
25-Oct-24	304.00	304.00	280.10	292.50	286.24	1,642.00	37.00	4,70,004
24-Oct-24	315.90	315.90	290.00	294.80	307.48	477.00	38.00	1,46,666
23-Oct-24	309.50	309.50	289.40	305.00	305.20	1,071.00	52.00	3,26,871
22-Oct-24	283.00	310.95	282.00	304.60	302.19	2,568.00	72.00	7,76,032
21-Oct-24	300.90	307.00	292.85	296.80	301.81	3,782.00	135.00	11,41,459
18-Oct-24	294.00	295.80	267.75	292.85	285.42	1,100.00	34.00	3,13,965
17-Oct-24	287.70	287.70	260.80	281.80	269.64	3,004.00	43.00	8,09,989
16-Oct-24	270.60	298.90	270.60	274.50	271.91	4,102.00	55.00	11,15,371
15-Oct-24	304.00	309.75	284.80	284.80	289.29	2,397.00	40.00	6,93,436
14-Oct-24	299.75	299.75	272.80	299.75	296.88	6,077.00	68.00	18,04,117



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