

# VALUATION ANALYSIS OF EQUITY SHARES GRIHUM HOUSING FINANCE LIMITED FOR COMPANIES ACT PURPOSES

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01<sup>st</sup> September 2025

Strictly Private & Confidential



To,  
**Board of Directors/Audit Committee**  
**Grihum Housing Finance Limited**  
6th Floor, B-Building, Ganga Trueno, Lohegaon,  
Dukirkline, Pune, Pune City, Maharashtra, India, 411014

Ref. No.: CPV/RV/2025-26/062

**Subject – Valuation Analysis of Equity Shares of Grihum Housing Finance Limited to comply with Companies Act, 2013 and Rule 13 of Companies (Share Capital and Debentures) Rules, 2014.**

**Dear Sir/Ma'am,**

We have been appointed as valuers by **Grihum Housing Finance Limited (“Client”/ “Company”/” GRIHUM”)** to assist in the determination of the fair value of Equity Shares for the issuance of Equity Shares of the Company as on **30<sup>th</sup> June 2025** for the following purpose:

Issuance of Equity shares to any person on a preferential basis is governed by Section 62(1)(c) of the Companies Act, 2013 and Rule 13 of Companies (Share Capital and Debentures) Rules, 2014 which has a valuation requirement from a Registered Valuer in accordance with the Companies (Registered Valuers and Valuation) Rules, 2017. Company will issue fresh equity shares to the specified investor as per provisions of Section 42 of the Companies Act, 2013 and Rule 14 (Prospectus and Allotment of Securities) Rules, 2014 for cash consideration, is required to be valued by a Registered Valuer.

**Purpose of the Valuation Analysis**

The purpose of this valuation exercise is to determine the fair value of the equity shares of the Company in connection with the proposed issuance of equity shares.

**Valuation Summary:**

As on 30<sup>th</sup> June 2025 and financial projections of the company as provided to us and subject to the notes and comments provided herein, we, **Corporate Professionals Valuation Services Private Limited**, (“herein-after-referred as “Valuer”), hereby certify the fair value of Equity Shares of the Company as on 30<sup>th</sup> June 2025 as follow:

Name of Instrument	Value per Equity Share (INR)	Equity Fair Value (INR Million)
Equity Shares	105.24/-	51,745.86

This certificate is being issued in compliance with the aforesaid purpose only.

Thank you

Date: 01<sup>st</sup> September 2025

Place: New Delhi

For Corporate Professionals Valuation Services Private Limited

Registered Valuer (IBBI)

Registration No. IBBI/RV-E/02/2019/106



Mr. Sanchit Vijay  
[Director]

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## **PURPOSE OF VALUATION, SCOPE & LIMITATIONS**

### **PURPOSE OF VALUATION AND APPOINTING AUTHORITY**

Based on discussions held with the Management and Key Managerial Personnel (KMPs) of the Company, we understand that **Grihum Housing Finance Limited** proposes to issue equity shares. In this regard, the undersigned Registered Valuer has been appointed in accordance with the terms outlined in the Engagement Letter dated 26<sup>th</sup> August 2025. This valuation certificate is being issued to determine the fair value of equity shares and is intended for compliance with the applicable provisions of the Companies Act, 2013.

### **IDENTITY OF CLIENT AND OTHER INTENDED USERS**

#### **Grihum Housing Finance Limited**

6th Floor, B-Building, Ganga Trueno, Lohegaon,  
Dukirkline, Pune, Pune City, Maharashtra, India, 411014

### **IDENTITY OF VALUER AND OTHER EXPERTS**

#### **Corporate Professionals Valuation Services Private Limited**

Registered Valuer (IBBI)

Registration No. IBBI/RV-E/02/2019/106

### **BACKGROUND INFORMATION OF THE ASSET BEING VALUED**

Grihum Housing Finance Limited, formerly Poonawalla Housing Finance Limited, is an RBI-registered housing finance company backed by the TPG group. Specializing in affordable housing finance, the Company serves semi-urban and peri-urban markets with offerings such as home construction, improvement, extension, balance transfer, and loan against property. With a robust distribution network of 208 branches across 18 states and Union Territories, Grihum follows its strategy of "Go Home Loan – Go Direct" to ensure transparency and ease for its customers.

### **DATES AND OTHER KEY ASPECTS**

- **Date of Appointment** – 26<sup>th</sup> August 2025
- **Valuation Date** – 30<sup>th</sup> June 2025
- **Date of Report** – 01<sup>st</sup> September 2025
- **Base of Value** - Fair Value
- **Valuation Currency** - INR

### **PROCEDURES ADOPTED AND VALUATION STANDARDS FOLLOWED**

This valuation has been carried out in accordance with internationally accepted valuation standards and prevailing valuation practices commonly followed in India for such purposes.

### **NATURE AND SOURCES OF INFORMATION USED OR RELIED UPON**

We have reviewed the following documents including but not limited to:

- Discussions with the KMPs.
- Provisional Financials for the period ended 30<sup>th</sup> June 2025
- Management Certified Business Projections from 01<sup>st</sup> July 2025 to 31<sup>st</sup> March 2030
- Capitaline Database and other information in the public domain.
- Management Representations.



**EXTENT OF THE INVESTIGATION UNDERTAKEN**

We have taken due care in performing valuation procedures and have also applied appropriate discount rates considering the riskiness of the business plan. However, we would like to expressly state that though we have reviewed the financial data for the limited purpose of valuation assessment, but we have not performed an Audit and have relied upon the historical as well as future financials (P&L Account and Balance Sheet) as prepared and submitted to us by the management of the company. It may so happen that the projections do not materialize but the management has represented to us that it has taken due care in the preparation of such forecasts of financial statements and the same may be considered as a true and fair view of the expected business plan of the company.



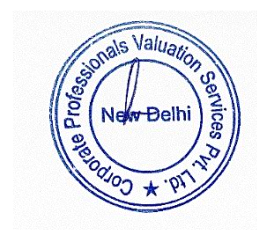
## HISTORICAL FINANCIALS

### Provisional Balance Sheet as on 30<sup>th</sup> June 2025:

Particulars	Amount in INR Million
Equity Share Capital	3,267.80
Instruments Entirely Equity in Nature	1,606.20
Other Equity	21,548.03
<b>Total Shareholder Funds</b>	<b>26,422.03</b>
Financial Liabilities	62,366.00
Non-Financial Liabilities	553.39
<b>Total Equity &amp; Liabilities</b>	<b>89,341.39</b>
Non-Financial Assets	1,405.84
Financial Assets	87,935.55
<b>Total Assets</b>	<b>89,341.39</b>

### Provisional Profit and Loss Account for the period ended 30<sup>th</sup> June 2025:

Particulars	Amount in INR Million
Revenue	3,315.19
Other Income	9.70
<b>Total Income</b>	<b>3,324.89</b>
<b>Total Expenses</b>	<b>2,771.43</b>
<b>Profit Before Tax</b>	<b>553.46</b>



**VALUATION METHODOLOGIES AND VALUE CONCLUSION**

There are three approaches to Valuation namely Income, Asset, and Market Approaches.

Approach	Valuation Methodologies	Basis of Consideration
Asset	Net Asset Value (NAV) Method	<p>The Asset-Based Approach considers a business as a collection of assets and liabilities, where its value is derived from the net difference between the two—evaluated on a Book Value, Realizable Value, or Replacement Cost basis. While this method is useful in certain contexts, it primarily reflects historical costs and does not adequately capture the company's current earning potential, relative financial performance, or market-based valuation metrics such as enterprise value. As a result, the Net Asset Value (NAV) typically serves as a floor or minimum proxy for the company's value.</p> <p><b>In the instant case, the Company is engaged in Financial Service (Housing Finance) Industry so its risk and return can be better captured by its future cash flows, therefore we have not applied this methodology for the purpose of valuation.</b></p>
Market	Comparable Companies Multiples (CCM) Method	<p>The Market Approach, specifically the Comparable Company Multiple Method, involves applying valuation multiples of publicly traded peer companies to the subject company's financial metrics. These multiples are typically based on indicators such as Revenue, EBITDA, EBIT, Earnings per Share, or Book Value. One of the key advantages of this methodology is that it reflects real-time market perceptions, as it is derived from current stock prices—making it a market-driven and observable valuation benchmark.</p> <p><b>In the instant case, the Company operates in the housing finance industry, which is characterized by unique business drivers such as interest rate sensitivity, regulatory compliance, and credit risk assessment. The risk and return profile of such companies is highly influenced by macroeconomic factors and their specific asset-liability management practices, which cannot be fully captured through a direct comparison with peers using the CCM, therefore we deemed it appropriate to ignore this methodology for this valuation.</b></p>
Income	Discounted Free Cash Flow (DFCE) Method	<p>The DFCE method expresses the present value of the business as a function of its future cash earnings capacity.</p> <p>This methodology works on the premise that the value of a business is measured in terms of future cash flow streams, discounted to the present time at an appropriate discount rate. The value of Equity is arrived at by estimating the Free Cash Flows (FCF) to Equity and discounting the same with cost of Equity (Ke). The DFCE methodology is the most appropriate basis for determining the earning capability of a business.</p> <p><b>In the DFCE approach, the appraiser estimates the cash flows of business as a going concern after considering operating expenses, taxes, and necessary investments in working capital, Change in debts and Capex. Therefore, we have considered this methodology for the purpose of Valuation.</b></p>



**METHODOLOGIES USED FOR VALUATION****Computation of Equity Value as on 30<sup>th</sup> June 2025****Method of Valuation**

Discounted Free Cash Flow Analysis (DFCE) WORKING:

<b>Discounted Cash Flow Analysis - Grihum Housing Finance Limited</b>						
<b>Ke:</b>	<b>18.00%</b>	<b>Amount In INR Million</b>				
<b>GROWTH RATE:</b>	<b>5.00%</b>					
<b>FY</b>	<b>2026 (9M)</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>Terminal</b>
<b>PARTICULARS</b>						
<b>Revenue from business</b>	<b>10569.91</b>	<b>17303.61</b>	<b>21401.84</b>	<b>25788.35</b>	<b>31170.47</b>	
<b>Other Income</b>	<b>1222.34</b>	<b>1585.65</b>	<b>1908.12</b>	<b>2373.26</b>	<b>2995.08</b>	
Earnings before taxes (EBT-Excluding Other Income)	2,676.25	4,784.50	6,046.17	7,395.73	9,229.75	
Less: Direct Taxes Paid	673.56	1,204.16	1,521.70	1,861.36	2,322.94	
<b>Profit attributable to Equity Shareholders</b>	<b>2,002.69</b>	<b>3,580.33</b>	<b>4,524.47</b>	<b>5,534.37</b>	<b>6,906.81</b>	
Add: Depreciation	175.16	208.72	192.33	179.25	169.32	
Less: Capital Expenditure	104.70	128.32	123.42	125.87	128.32	
Less: Non-Cash Working Capital	-	-	-	-	-	
Add: Net Debt	-	-	-	-	-	
<b>Free Cash Flows to Equity</b>	<b>2,073.15</b>	<b>3,660.74</b>	<b>4,593.38</b>	<b>5,587.75</b>	<b>6,947.81</b>	<b>55,783.65</b>
Discounting Factor	0.94	0.81	0.69	0.58	0.49	0.49
<b>Present Value of Cash Flow</b>	<b>1,948.38</b>	<b>2,976.55</b>	<b>3,165.14</b>	<b>3,262.98</b>	<b>3,438.28</b>	<b>27,605.82</b>
<b>Equity Value</b>	<b>42,397.16</b>					
Add: Cash & Cash Equivalents as on 30.06.2025	2,091.13					
Add: Bank Balance as on 30.06.2025	4,255.66					
Add: Amount Receivable against ESOPs	306.22					
Add: Investments as on 30.06.2025	3,052.43					
Less: Deferred Tax Liabilities as on 30.06.2025	356.72					
<b>Adjusted Equity Value</b>	<b>51,745.86</b>					
Diluted Number of Equity Shares as on 30.06.2025	49,16,89,733					
<b>Value per Equity Share (INR)</b>	<b>105.24</b>					

**Note:**

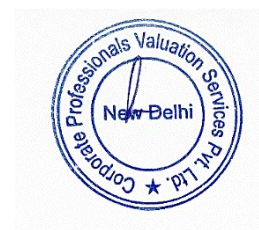
For the purpose of equity valuation in this transaction through DFCE methodology, we have relied upon the projections provided by the management for the period beginning 01<sup>st</sup> July 2025, and ending March 31, 2030, duly supplemented by its Terminal Value based on the Gordon Growth Model and extrapolating the adjusted free cash flows for last year at an annual growth rate of 5% to perpetuity.



**DFCE Assumptions:**

Particulars		Notes
Risk free rate (Rf) as on 30.06.2025	6.31%	Considered of long-term Indian government bond rate
Market Rate of Return	15.11%	BSE Sensex return on long term basis
Industry Beta... (β)	0.65	We have taken the beta (B) as 0.65 since the Company's shares are not listed and as discussed with the management that there are listed companies in this domain hence, we have taken the comparable industry to arrive to the beta.
Additional Company Specific (including Small Company) Risk Premium (unsystematic risk) (CSRP)	6.00%	We have given 6.00% additional risk premium looking into company profile, financial structure and ROI investors will investigate while investing in this type of company. This is also dependent upon the level of aggressiveness of the future cash flow and present scenario of the country and company environment in which it is operating.
<b>Cost of Equity (Ke)</b>	<b>18.00%</b>	<b>As per Modified CAPM model i.e. <math>[Ke = Rf + \beta(Rm - Rf) + CSRP]</math></b>
Growth Rate	5.00%	As the perpetuity growth rate assumes that the company will continue its historic business and generate Free Cash Flows at a steady state forever. Since terminal value constitutes a major proportion of the entire value of the business, we while deciding the terminal growth rate have given emphasis to economic factors & financial factors like Inflation of the Country, GDP growth of the Country, Projected Financials, Historical Financial Position, Organic & Inorganic growth strategies of the Company, investment opportunity etc. Accordingly, for perpetuity, we have considered 5% growth rate.

**Based on our analysis of Grihum Housing Finance Limited, the fair value of the Company has been determined at INR 51,745.86 million, with a corresponding fair value of INR 105.24 per equity share as on 30<sup>th</sup> June 2025.**



## CAVEATS

- This Valuation Report has been issued on the specific request of “**Grihum Housing Finance Limited**” for determining the Equity Value of the “**Grihum Housing Finance Limited**” in accordance with the Companies Act, 2013 and Rules thereof. This Report is prepared exclusively for the above-stated purpose and must not be copied, disclosed, or circulated or referred to in correspondence or discussion with any other party. Neither this report nor its content may be used for any other purpose without our prior written consent.
- No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in accounts. Therefore, no responsibility is assumed for matters of a legal nature.
- In accordance with the customary approach adopted in Valuation exercise, we have summarized the Equity Valuation Analysis of the “**Grihum Housing Finance Limited**” based on the information as was provided to us by the management of the “**Grihum Housing Finance Limited**” both written, verbal, and other publicly available information. We do not assume any responsibility for the accuracy or reliability of such documents on which we have relied upon in forming our opinion.
- This Report does not investigate the business/commercial reasons behind the transaction nor the likely benefits arising out of the same. In addition, we express no opinion or recommendation, and the shareholders are expected to exercise their own discretion.
- We have no present or planned future interest in “**Grihum Housing Finance Limited**” and the fee for this Valuation analysis is not contingent upon the values reported herein. The Valuation Analysis contained herein is not intended to represent the value at any time other than the date that is specifically stated in this Report.
- We understand that this report will be used for the purposes of arriving at the fair market value of the above-mentioned issue of shares and may be shared with the Board of Directors, the relevant stakeholders in the above transfer of shares or such other relevant person as the Company’s Board may deem fit. We are aware that this report may also be used for the purpose of certain statutory and regulatory disclosures, and we provide consent for the same.
- The report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.
- In no circumstances shall the liability of a valuer, its partners, directors, or employees, relating to the services provided in connection with the engagement set out in this Valuation report shall exceed the amount paid to such valuer in respect of the fees charged by it for these services.
- Our valuation report should not be construed as investment advice; specifically, we do not express any opinion on the suitability of or otherwise of entering the proposed transaction.

