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BASIS FOR OFFER PRICE

Explanation for the KPIs table with columns: KPI, Explanation. Rows include Gross NPA to AUM, Net NPA to AUM, Net worth, Debt to Net worth ratio, CRWAR, Number of branches, and Number of States.

Comparison of our KPIs with listed industry peers for the Financial Years included in the Restated Consolidated Financial Information. The following table provides a comparison of the KPIs of our Company with our peer group.

Table for Aavas Financiers Limited with columns: Particulars, As at and for the financial year ended (March 2021-2023), and As at and for the nine months period ended (December 2022-2023).

Table for Aptus Value Housing Finance India Limited with columns: Particulars, As at and for the financial year ended (March 2021-2023), and As at and for the nine months period ended (December 2022-2023).

Table for Home First Finance Company India Limited with columns: Particulars, As at and for the financial year ended (March 2021-2023), and As at and for the nine months period ended (December 2022-2023).

Table for India Shelter Finance Corporation with columns: Particulars, As at and for the financial year ended (March 2021-2023), and As at and for the nine months period ended (December 2022-2023).

Table for India Shelter Finance Corporation (continued) with columns: Particulars, As at and for the financial year ended (March 2021-2023), and As at and for the nine months period ended (December 2022-2023).

Table for India Shelter Finance Corporation (continued) with columns: Particulars, As at and for the financial year ended (March 2021-2023), and As at and for the nine months period ended (December 2022-2023).

Comparison with Listed Industry Peers. The peer group of the Company has been determined on the basis of companies listed on Indian stock exchanges and globally, whose business profile is comparable to our businesses in terms of our size and our business model.

Table comparing financial ratios of the company with listed industry peers, including metrics like P/E ratio, P/B ratio, EPS, and Return on Net Worth.

Financial information of our Company has been derived from the Restated Consolidated Financial Information prior to taking into account the exceptional items. To be updated upon finalization of the Offer Price. Sources for listed peers information included above.

Weighted average cost of acquisition ("WACA"). Price per share of our Company based on primary/new issue of Equity Shares or convertible securities (excluding Equity Shares issued under employee stock option plans and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of the Red Herring Prospectus.

Secondary acquisition. There have been no secondary transactions where our Promoter (also the Promoter Selling Shareholder) and members of the Promoter Group, are a party to the transaction, in the last three years preceding the date of the Red Herring Prospectus.

Weighted average cost of acquisition ("WACA"), floor price and cap price. Based on the above transactions (set out in point H above), below are the details of the WACA, as compared to the Floor Price and the Cap Price:

Table showing Weighted average cost of acquisition, Floor Price, and Cap Price for past transactions. Columns include Transaction Description, Weighted average cost of acquisition, Floor Price, and Cap Price.

As certified by S K Patodia & Associates LLP pursuant to their certificate dated April 30, 2024.

Justification for Basis of Offer Price. Detailed explanation for Cap Price along with our Company's KPIs and financial ratios for Offer and Fiscal 2023, 2022 and 2021.

- 1. We are the HFC focused on the low income housing segment in India with an AUM of INR 198,651.6 million as of December 31, 2023.
2. We have a widely dispersed branch and sales office network across 20 states and union territories with no state accounting for more than 14.0% in terms of Gross AUM as of December 31, 2023.
3. Our mix of customers in both formal and informal segments enables us to be better positioned to remain resilient through business cycles, by serving both salaried and self-employed customers.
4. We have been able to access cost-effective diversified debt financing due to our stable credit history, good credit ratings (AA/Stable) and conservative risk management policies.
5. We have robust, comprehensive systems and processes for underwriting, collections and monitoring asset quality.

FOR FURTHER DETAILS, SEE "BASIS FOR OFFER PRICE" BEGINNING ON PAGE 97 OF THE RHP.

ASBA # Simple, Safe, Smart way of Application!!! (APPLICATION SUPPORTED BY BLOCKED AMOUNT). # Applications supported by blocked amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account. For further details, check section on ASBA below.

UPI - Now available in ASBA for Retail Individual Bidders and Non-Institutional Bidders applying for amount upto ₹ 5,00,000/-, applying through Registered Brokers, DPs and RTAs. UPI Bidder also have the option to submit the application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account.

THE EQUITY SHARES OF OUR COMPANY WILL GET LISTED ON MAIN BOARD PLATFORM OF BSE AND NSE

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days.

This Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations, as amended. The Offer is being made in accordance with Regulation 6(1) of the SEBI ICDR Regulations and through a Book Building Process wherein not more than 50% of the Net Offer will be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs").

Bidders/Applicants should ensure that DP ID, PAN, Client ID and UPI ID (for UPI Bidders bidding through the UPI Mechanism) are correctly filled in the Bid cum Application Form. The DP ID, PAN and Client ID provided in the Bid cum Application Form should match with the DP ID, PAN, Client ID available in the Depository database.

to the Registrar to the Offer, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving Allotment Advice or unblocking of ASBA Account or for other correspondence(s) related to the Offer.

Contents of the Memorandum of Association of our Company as regards its objects: For information on the main objects of our Company, please see the section "History and Certain Corporate Matters" on page 190, of the RHP. The Memorandum of Association of our Company is a material document for inspection in relation to the Offer.

Amount of share capital of our Company and Capital structure: As on the date of the RHP, the authorised share capital of the Company is ₹ 5,000,000,000 divided into 500,000,000 Equity Shares of face value ₹ 10 each. The issued, subscribed and paid-up share capital of the Company is ₹ 3,947,549,700 divided into 394,754,970 Equity Shares of face value ₹ 10 each.

List of the Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters each dated March 7, 2024.

Disclaimer Clause of the SEBI: SEBI only gives its observations on the offer documents and this does not constitute approval of either the Offer or the specified securities or the offer document. The investors are advised to refer to page 379 of the RHP for the full text of the disclaimer clause of SEBI.

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