REPORT ON

RECOMMENDATION OF

SHARE ENTITLEMENT RATIO

FOR THE

PROPOSED AMALGAMATION

OF

STPL TRADING AND SERVICES PRIVATE LIMITED

WITH

HOME CREDIT INDIA FINANCE PRIVATE LIMITED

AND AMALGAMATION OF

HOME CREDIT INDIA FINANCE PRIVATE LIMITED

WITH

TVS CREDIT SERVICES LIMITED

BANSI S. MEHTA VALUERS LLP
Registered Valuer: Securities & Financial Assets
11/13 Botawala Building,
2nd Floor, Horniman Circle Fort
Mumbai – 400 001.

Glossary

Abbreviation	Definition
HCIN	Home Credit India Finance Private Limited
STPL	STPL Trading and Services Private Limited
BSM	Bansi S.Mehta Valuers LLP
TVS Housing Finance	TVS Housing Finance Private Limited
TVS CREDIT	TVS Credit Services Limited
Valuation Date	March 31, 2027
The Managements	Management of HCIN, STPL, TVS Housing Finance and TVS CREDIT
Proposed Amalgamation	Amalgamation of STPL into HCIN and amalgamation of HCIN with TVS Credit
Proposed Scheme	The Composite Scheme of Arrangement between TVS CREDIT, HCIN, STPL, TVS Housing Finance and their respective shareholders
ROE	Return on Net Worth
Share Entitlement Ratio or Ratio	Fair Share Entitlement Ratio
ICAI	Institute of Chartered Accountants of India
IVS	ICAI Valuation Standards
SEBI	Securities and Exchange Board of India
Report	Share Entitlement Ratio Report
Report Date	Date of this Report i.e. August 05, 2026



Date: August 05, 2026

To,

The Board of Directors	The Board of Directors	The Board of Directors
Home Credit India Finance Private Limited	STPL Trading and Services Private Limited	TVS Credit Services Limited

Sub: Recommendation of Share Entitlement Ratio for the Proposed Amalgamation of STPL into HCIN and amalgamation of HCIN with TVS Credit

Dear Sirs / Madam,

We refer to the engagement letter dated July 14, 2026, whereby Home Credit India Finance Private Limited (hereinafter referred to as "HCIN "), STPL Trading and Services Private Limited (hereinafter referred to as "STPL"), and TVS Credit Services Limited (hereinafter referred to as "TVS Credit") have appointed Bansi S. Mehta Valuers LLP (hereinafter referred to as "BSM") to recommend the fair share entitlement ratio ("Share Entitlement Ratio" or "Ratio") for the Proposed Amalgamation of STPL into HCIN and amalgamation of HCIN with TVS Credit; and

HCIN, STPL, and TVS Credit are hereinafter individually referred to as the "Company" or the "Client" and jointly referred to as the "Companies" or the "Clients".

BSM have been hereinafter referred to as "Valuer" in this Share Entitlement Ratio report ("Valuation Report" or "Report" or "Share Entitlement Ratio report").

Share Entitlement Ratio means the ratio in which:

- the equity shareholders of STPL shall be entitled to receive equity shares of HCIN, upon amalgamation of STPL into HCIN, and,
- the equity shareholders of merged HCIN shall be entitled to receive equity shares of TVS Credit, upon amalgamation of HCIN with TVS Credit.

Our deliverable for this engagement is this Report. In our analysis, we have considered the values of HCIN, STPL and TVS Credit on a "Going Concern" premise, with March 31, 2027, being the "Valuation Date".

BACKGROUND OF THE COMPANIES

Home Credit India Finance Private Limited ("HCIN") a subsidiary of TVS Holdings Ltd. is a leading consumer finance company committed to driving credit penetration and financial inclusion across India. The company is involved in the business of providing consumer durable and unsecured personal loans to its customers.

TVS Housing Finance Private Limited ("TVS Housing Finance") is a company incorporated under the provisions of the Act, having corporate identity number U65999TN2017PTC118512, and its registered office at "Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai – 600006, Tamil Nadu, India. It is a wholly owned subsidiary of TVS Credit Services Limited.

STPL Trading and Services Private Limited,("STPL") a company incorporated under the provisions of the Act, having corporate identity number U70200TN2017PTC118238, and its registered office at Chaitanya, No. 12, Khader Nawaz Khan Road, Nungambakkam, Chennai – 600006, Tamil Nadu, India.

TVS Credit Services Limited ("TVS Credit") is a public limited company incorporated and domiciled in India having registered office at "Chaitanya", No. 12 Khader Nawaz Khan Road, Nungambakkam, Chennai – 600006, Tamil Nadu, India. The Company is engaged in providing Automobile Finance, Consumer Durable Loans and Small Business Loans. The Company is categorized as "NBFC - Investment and Credit Company (NBFC-ICC)" vide RBI circular DNBR (PD) CC.No.097/03.10.001/2018-19 dated 22nd February 2019. Effective 01st October 2022, the Company has been categorized as NBFC-Middle Layer under the RBI Scale Based Regulation dated 22nd October 2021.

The equity shares of HCIN, STPL, TVS Housing Finance and TVS Credit are not listed on any stock exchange.

SCOPE AND PURPOSE OF THIS REPORT

We understand that the management of HCIN, STPL, TVS Housing Finance and TVS Credit (hereinafter collectively referred to as the "Management") are evaluating amalgamation of STPL into HCIN and amalgamation of HCIN with TVS Credit ("Proposed Amalgamation"), pursuant to the Composite Scheme of Arrangement under the provisions of Section 230 to 232 of the Companies Act, 2013 (including any statutory modifications, enactments, re-enactment or amendments thereof) and other applicable securities and capital market laws and rules issued thereunder to the extent applicable (the "Proposed Scheme").

Pursuant to the Proposed Amalgamation, the equity shares of HCIN would be issued to the shareholders of STPL and equity shares of TVS Credit would be issued to the shareholders of HCIN. Since TVS Housing Finance is a wholly owned subsidiary of TVS Credit, no equity shares of TVS Credit would be issued to the shareholders of TVS Housing Finance.

The Proposed Amalgamation are planned to be carried out with effect from the Appointed Date, as specified in the Proposed Scheme.

In connection with the Proposed Scheme, the Board of Directors of HCIN, STPL and TVS Credit have appointed BSM, Registered Valuers, to recommend Share Entitlement Ratio in accordance with generally accepted valuation standards; and provide a Registered Valuers' Report for recommending the Share Entitlement Ratio, for the consideration of the Board of Directors of the Companies.

The Report will be used by the Companies only for the purpose, indicated in this Report, for which we have been appointed. The results of our analysis and our Report cannot be used or relied by the Clients for any other purpose or by 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 this Report.

It is clarified that any reference to this Report in any document and/ or filing with any tribunal/ judicial/ regulatory authorities/ government authorities/ stock exchanges/ courts/ shareholders/ professional advisors/ merchant bankers, in connection with the Proposed Transaction, shall not be deemed to be an acceptance by the Valuers of any responsibility or liability to any person/ party other than to the respective Board of Directors.

The scope of our services is to determine fair value of equity shares of HCIN, STPL and TVS Credit on a relative basis and recommend Share Entitlement Ratio in connection with the Proposed Scheme, in accordance with generally accepted valuation standards.
We have taken into consideration the market parameters till the Valuation Date in our analysis. Further, we have been informed that all material information impacting the Companies and their operations have been disclosed to us.

We have been informed by Management that there are no unusual/ abnormal events in the Companies materially impacting their operating performance/ financials after 30 June 2026 till the Report date.

Our deliverable for this engagement is the Share Entitlement Ratio Report.

The Report will be placed before the Audit Committee and the Board of Directors of HCIN, STPL, TVS Housing Finance and TVS Credit, as applicable. This report maybe produced before the judicial regulatory or governmental authorities, shareholders in connection with the Proposed Scheme.

BACKGROUND OF VALUER

Bansi S. Mehta Valuers LLP ("BSM")

BSM is a limited liability partnership firm, with its registered office at 11/13 Botawala Building, 2nd Floor, Horniman Circle, Fort, Mumbai – 400 001 BSM is engaged in providing valuation and related advisory services.

BSM is registered with IBBI as a Registered Valuer for asset class – Securities or Financial Asset with Registration Number: : IBBI/RV – E /06/2022/172

SOURCES OF INFORMATION

In connection with this exercise, we have relied on the following information received from Management and gathered from public domain:

- Draft Scheme for the proposed Composite Scheme of Arrangement
- Audited financial statements of HCIN, STPL, TVS Housing Finance and TVS Credit for the years ended March 31, 2024, 2025 and 2026.
- Audited Financial Statements of Harita ARC, Harita TW Mall, TVS Housing Finance for the quarter ended June 30, 2026.
- Audited financial statements of STPL and HCIN for the quarter ended June 30, 2026
- Limited reviewed financial statements of TVS Credit for the quarter ended June 30, 2026
- Projected financial information of HCIN and TVS Credit as at March 31, 2027
- Shareholding Pattern as on as on Report Date of TVS Credit.
- Shareholding Pattern as on as on Report Date of HCIN.
- Shareholding Pattern as on Report Date of STPL.
- Shareholding Pattern as on June 30, 2026 of TVS Housing Finance.

In addition, we have obtained information from public sources/ proprietary databases.

During discussions with the Management, we have also obtained explanations, information and representations, which we believed were reasonably necessary and relevant for our exercise. The Clients have been provided with the opportunity to review the draft report (excluding the recommended Share Entitlement Ratio) as part of our standard practice to make sure that factual inaccuracy/ omissions are avoided in our Report.

PROCEDURES ADOPTED AND VALUATION METHODS FOLLOWED

In connection with this exercise, we have adopted the following procedures to carry out the valuation:

- Requested and received financial and qualitative information from the Management.
- Considered data available in public domain related to the Companies and its peers.
- Discussions with the Management to understand the business and fundamental factors that affect Companies' income-generating capability and historical financial performance.
- Study publicly available market data including economic factors and industry trends that may impact the valuation.
- Analysis of valuation multiples of comparable companies/comparable transactions using information available in public domain.
- Selection of well accepted valuation methodology/(ies) as considered appropriate by us, in accordance with the applicable Valuation Standards; and
- Arriving at relative values of HCIN, STPL and TVS Credit in order to determine the Share Entitlement Ratio for the Proposed Merger

SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

This Report has been prepared for the purposes stated herein and should not be relied upon for any other purpose. Our Clients are the only authorized users of this Report and use of the Report is restricted for the purpose indicated in our respective engagement letters. This restriction does not preclude the Clients from providing a copy of the Report to third-party advisors whose review would be consistent with the intended use. We do not take any responsibility for the unauthorized use of this Report.

Neither the Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the Proposed Scheme, without our prior written consent. In addition, this Report does not in any manner address the prices at which the equity shares of TVS Credit will trade following consummation of the Proposed Scheme and we express no opinion or recommendation as to how the shareholders/ creditors of either Company should vote at any shareholders'/ creditors' meeting(s) to be held in connection with the Proposed Scheme. Our Report and the opinion/ valuation analysis contained herein is not and nor should it be construed as advice relating to investing in, purchasing,

selling, or otherwise dealing in securities or as providing management services or carrying out management functions. It may be noted that this analysis does not represent a fairness opinion.

While our work has involved an analysis of financial information and accounting records, our engagement does not include an audit in accordance with generally accepted auditing standards of the Client's existing business records. Accordingly, we express no audit opinion or any other form of assurance on this information.

The Clients and its Management/representatives represented to us that the information they supplied was complete, accurate and true and correct to the best of their knowledge. We have relied upon the representations of the Clients, their Managements and other third parties, if any, concerning the financial data, operational data and other information, except as specifically stated to the contrary in the Report. We shall not be liable for any loss, damages, cost or expenses arising from fraudulent acts, misrepresentations, or willful default on part of the Companies, their directors, employee or agents.

Management has represented that the business activities of HCIN, STPL, TVS Housing Finance and TVS Credit have been carried out in the normal and ordinary course between 30 June 2026 and the Report date and that no material adverse change has occurred in their respective operations and financial position between 30 June 2026 and the Report date.

Any person/ party intending to provide finance/ invest in the shares/ businesses of the companies/ their holding companies/ subsidiaries/ joint ventures/ associates/ investee/ group companies, if any, shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. If any person/ party (other than the Client) chooses to place reliance upon any matters included in the Report, they shall do so at their own risk and without recourse to us. It is understood that this analysis does not represent a fairness opinion.

This Report is subject to the limitations detailed in our engagement letter. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made.

Information used by the Valuer in preparing this Report has been obtained from a variety of sources as indicated within the Report. We have based our analysis on the financial and other data provided by the Management, discussions with the Management and, supplemented by limited industry analysis (based on information available publicly) and financial analysis. We have also used available market data, from our respective subscribed databases and public domain, where appropriate, for which we are not responsible in terms of content and accuracy. However, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and/or reproduced in its proper form and context.

The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not recorded in the audited/unaudited balance sheet of the Companies. No investigation of the Companies' claims to title of assets has been made for the purpose of this Report and the Companies claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. We have not carried out any physical verification of the assets and liabilities of the Companies and take no responsibility for the identification of such assets and liabilities.

This Report does not look into the business/ commercial reasons behind Proposed Scheme nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the Proposed Scheme as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

We must emphasize that the projections have been prepared by the Managements of the respective Companies and provided to us for the purpose of our analysis The fact that we have considered the projections in this exercise should not be construed or taken as our being associated with or a party to such projections. Realizations of free cash flow forecast used in the analysis will be dependent on the continuing validity of assumptions on which they are based. Our analysis, therefore, will not, and cannot be directed to provide any assurance about the achievability of the projected financial information. Since the projections relate to future, actual results are likely to be different from the projected results because

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events and circumstances do not occur as expected, and the differences may be material. We express no opinion as to how closely the actual results will correspond to those projected/ forecast as the achievement of the forecast results is dependent on actions, plans and assumptions of the Management.

An analysis of this nature is necessarily based on the prevailing stock market, financial, economic, industry and other conditions in general and the information made available to us as of, date hereof. Events occurring after the date hereof may affect this Report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Report.

By its very nature, the determination of Share Entitlement Ratio cannot be regarded as an exact science and the conclusions arrived at in many cases will of necessity be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single Share Entitlement Ratio. While we consider our Share Entitlement Ratio to be both reasonable and defensible based on the information available to us, others may have a different opinion as to the Share Entitlement Ratio.

We are independent of the Companies and have no current or expected interest in the Companies or its assets. The fee for the engagement is not contingent upon the results reported.

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, accounting / tax due diligence, consulting or tax related services that may otherwise be provided by us.

Any discrepancies in any table/ annexure between the total and the sums of the amounts listed are due to rounding off.
Our analysis and result are governed by concept of materiality.

This Report is subject to the laws of India.

DISCLOSURE OF VALUERS' INTEREST OR CONFLICT, IF ANY AND OTHER AFFIRMATIVE STATEMENTS

We do not have any financial interest in the Clients, nor do we have any conflict of interest in carrying out this valuation.

Further, the information provided by the Management have been appropriately reviewed in carrying out the valuation.

BACKGROUND OF COMPANIES

Home Credit India Finance Private Limited

The issued and subscribed equity share capital of HCIN as at Report Date, is ~INR 1,833.45 crores consisting of 1,83,34,55,670* equity shares of face value of INR 10/- each. The shareholding pattern is as follows:

Shareholding Pattern as on Report Date	No. of Shares	% Share Holding
TVS Holdings Limited, the Holding company	1,36,49,54,075	74.4%
PI Opportunities Fund-II	18,17,25,063	9.9%
STPL Trading and Services Private Limited	13,75,19,767	7.5%
Auravia Capital Holdings Pte Limited	13,09,75,770	7.1%
Others	1,82,80,995	0.9%
Grand Total	**1,83,34,55,670**	**100.00%**

Source: Management

*We understand that HCIN has no outstanding employee stock options (ESOPs) and Share Warrants

STPL Trading and Services Private Limited

The current issued and subscribed equity share capital of STPL as at the Report Date is INR 188.95 Crores consisting of 18,89,47,551 equity shares of face value of INR 10 each. The shareholding pattern is as follows:

Shareholding Pattern as on as on Report Date	No of Shares	% Share Holding
Equity Shares		
GWC	15,26,61,177	80.80%
Harulika Ventures LLP	1,39,65,442	7.39%
Others	2,23,20,932	11.81%
Grand Total	**18,89,47,551#**	**100.00%**

Source: Management

*We understand that STPL has no outstanding employee stock options (ESOPs) and Share Warrants.
Out of 18,89,47,551 Shares, 1,88,46,153 Shares is in progress and allotment is yet to be completed as on Report Date.

TVS Housing Finance Private Limited

The current issued and subscribed equity share capital of TVS Housing Finance as at 30 June 2026 is INR 12,00,00,000 consisting of 1,20,00,000* equity shares of face value of INR 10/- The shareholding pattern of TVS Housing Finance is as follows:

Shareholding Pattern as at 30 June 2026	No of Shares	% Share Holding
TVS Credit Services Limited	1,19,99,999	100.00%
Others	1	0.00%
Grand Total	**1,20,00,000**	**100.00%**

*We understand that TVS Housing Finance has no outstanding employee stock options (ESOPs) and Share Warrants.

TVS Credit Services Limited

The issued and subscribed equity share capital of TVS Credit as at the Report Date is INR 239.67 Crores consisting of 23,96,67,485 equity shares of face value of INR 10/-each and Compulsorily Convertible Preference Shares is INR 18.38 Crores consisting of 1,83,84,684 CCPS of INR 10/- each. The shareholding pattern is as follows:

Shareholding Pattern as on Report Date	No of Shares	% Share Holding
Equity Shares		
TVS Motor Company Limited	21,65,67,621	90.36%
PI Opportunities Fund I Scheme II	1,26,38,567	5.27%
Others	1,04,61,297	4.37%
Grand Total	**23,96,67,485**	**100.00%**
0.001% Compulsorily Convertible Preference shares:		
TVS Motor Company Limited	31,69,773	17.24%
PI Opportunities Fund I Scheme II	1,52,14,911	82.76%
Grand Total	**1,83,84,684**	**100.00%**

Source: Management

*We understand that TVS Credit has outstanding shares and Employee Stock Options as at Report Date. The exercise of these ESOPs may result in an increase in the issued and subscribed equity share capital of TVS Credit. Accordingly, the fully diluted number of shares would be 25,83,06,354 which we have considered in our computation appropriately.

APPROACH - BASIS OF TRANSACTION

The Proposed Scheme of Arrangement under the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules and regulations framed thereunder, which contemplate the amalgamation of STPL with HCIN and the amalgamation of HCIN with TVS Credit.

Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for the Proposed Scheme and our reasonable judgment, in an independent and bona fide manner.

APPROACH TO VALUATION FOR PROPOSED MERGER

It is universally recognized that valuation is not an exact science and that estimating values necessarily involves selecting a method or approach that is suitable for the purpose.

For the purpose of arriving at valuation of the Valuation Subjects, we have considered the valuation base as 'Fair Value'. Our valuation, and this Report, is based on the premise of 'going concern value'. Any change in the valuation base, or the premise could have significant impact on our valuation exercise, and therefore, this Report.

It may be noted that the Institute of Chartered Accountants of India (ICAI) on June 10, 2018, has issued the ICAI Valuation Standards ("IVS") effective for all the valuation reports issued on or after July 1, 2018. IVS are mandatory for a valuation done under the Companies Act, 2013, and recommendatory for valuation carried out under other statutes/ requirements. We have given due cognizance to the same in carrying out the valuation exercise.

IVS 301 on Business Valuations deals with valuation of a business or business ownership interest (i.e., it includes valuation of equity shares).

IVS 301 specifies that generally, the following three approaches are used for valuation of business/business ownership interest:

1. Market approach
2. Income approach
3. Cost approach

The ratio is determined based on the fair values of the Companies and the market price as applicable under the SEBI Regulations.

Each of the above approaches are discussed in the following paragraphs.

1. Market Approach

Market approach is a valuation approach that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities. The common methodologies under the Market Approach are as under.

a) Market Price Method:

This method involves determining the market price of an entity based on its traded price on the stock exchange over a reasonable period of time.

Equity shares of HCIN, STPL and TVS Credit are not listed on any stock exchange. Accordingly, this method cannot be used to determine its value.

b) Comparable Companies Multiple Method ("CCM")

This method involves valuing an asset based on market multiples of comparable companies in similar sphere of operations as HCIN, STPL, and TVS Credit. Considering the nature of business of the Companies, we have considered PB Multiple to derive the value of HCIN and TVS Credit.

Value based on PB Multiple Method for

The steps undertaken for arriving at the fair value as at the Valuation Date under the PB Multiple Method are described below:

- For the purpose of this approach, we have considered the net book value/net worth of the Companies as on March 31, 2027 as provided to us, which is reduced by adjusting Net NPAs not provided in the books of accounts and Deferred Tax Assets.



- We have calculated net book value of Comparable Companies as on March 31, 2026, on the same lines as the method adopted for the Companies. (Refer Annexure 1 for the Comparable Companies considered). The market capitalization of Comparable Companies is computed taking 3 months' WAP till August 03, 2026. This is divided by the net-worth (after adjusting for the non-performing assets) of the Comparable Companies, to derive their P/B multiples.

- The applicable P/B multiples for TVS Credit and HCIN is computed by considering the correlation between the forward Return on Net-worth and AUM growth of Comparables Companies with their P/B multiples as compared to TVS Credit and HCIN.

- We understand from the Management of HCIN that the specifics of the investment announced is still at discussion stage with respect to the funding mix etc. and is contingent to regulatory approvals. Hence, we have not reduced the operating net worth of HCIN for amount that could be infused into the acquisition. To the extent of such investment the net worth of HCIN would change as on March 31, 2027.

- The forward AUM and ROE of TVS Credit and HCIN have been considered basis the Management's projections. The adjusted P/B multiples as calculated above are applied to the projected net worth the Companies as at March 31, 2027, to arrive at their respective business value. As specified in the scheme, the value computed basis the projected net worth of the companies will be assessed on the effective date basis the actual net worth of the companies as on March 31, 2027.

- To the Business Value computed for TVS Credit we have added the value of its investments in TVS Housing Finance, Harita Two Wheeler Mall Pvt Ltd, Harita ARC. Since these companies do not have any operations, we have considered their values at their Net book basis cost approach. Additionally, added the value of the investment in Alternative instrument fund of Eight Innovate fund II and Compulsory Convertible Debentures of Hyper Grocers Private Limited.

- To the business value computed for HCIN, we have added the net worth of STPL after giving effect to cancellation of shares held in HCIN.

- Based on Management's estimate, none of the contingent liabilities are likely to crystallise as at the Valuation Date. We have therefore, not made any adjustment on this account.

- The Business Value arrived at above was divided by the number of fully paid, issued and subscribed equity shares of:

    - Merged HCIN after including the new shares issued to the shareholders of STPL and considering cancellation of shares of HCIN held by STPL.
    - Latest diluted share capital of TVS Credit,

  to arrive at the value per share of merged HCIN and TVS Credit as at the Valuation Date.

c) Comparable Transaction Multiple Method ("CTM")

HCIN: This method involves valuing an asset based on transaction of comparable companies as related to earnings, assets etc. We note that there have been several rounds of infusion in HCIN over the past two years. These were pursuant to change in Management which was followed by capital infusion of funds and subsequent deployments over a period. As a result of this the ROE of HCIN has been below the market average. However, we observe that there is a steady improvement in the same over a period of time. Considering this performance inefficiency and our approach of relating the multiple to the ROE and AUM growth we have not considered it appropriate to use the transaction multiples for HCIN for determining its value as on Valuation Date by which time it is expected to reflect better performance parameters.

TVS Credit: We understand from the Management that the transaction in the shares of TVS Credit which took place recently was agreed sometime back. Hence, we have not considered the price of that transaction for determining the fair value of the Company.

STPL : For the Company the value of the shares determined based on cost approach is considered as a better indicator of fair value.

Hence, we have not relied on CTM for the purpose of determining the fair value of STPL, TVS Credit and HCIN.

2. **Income Approach**

Income approach is a valuation approach that converts maintainable future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted, or capitalised) amount. An approach based on earnings is relevant in case of companies generating a steady stream of income. In case of lending businesses, all loans, advances and cash are operating assets. Therefore, effectively, only amount of cash not deployed in operations will flow into the value under DCF Method. This, in our view, would not be reflective of the intrinsic value of the operations of the business. Therefore, we have not used the DCF Method to determine the value of HCIN and TVS Credit.

3. **Cost Approach:**

It is a valuation approach that reflects the amount that would be required currently to replace the service capacity of an asset (often referred to as current replacement cost). IVS 301 on Business Valuations and IVS 103 on Valuation Approaches and Methods specify that common methodologies for Cost Approach are Replacement Cost Method and Reproduction Cost Method.
These methods involve determining the value of the asset based on the cost that will have to be incurred to recreate/replicate the asset with substantially the same utility as that of the asset under valuation.
We have used this method to value STPL which holds investments in HCIN. We have considered the investment at the fair value computed as on the Valuation Date.
Similarly, for the subsidiaries of TVS Credit we have adopted cost approach, as they do not have any operations.

However, for valuing TVS Credit and HCIN, we find Cost Approach to be not appropriate as their values would flow from the quality of their operations and profitability. If assets of that quality were to be acquired, then its value would be determined by following the commonly adopted market parameters used for valuing such businesses, which in turn would draw us back to the approach of valuation based on multiples applied to the assets and profits, which is computed under CCM Approach.

Fair Valuation:

1. Based on the approach listed above we have derived forward 2027 AUM CAGR and ROE expectation-based multiples for HCIN and TVSCL. The same are as follows:

Company	AUM CAGR adjusted P/B multiple	ROE adjusted P/B multiple	Average P/B multiple
TVS Credit	3.22	3.33	3.28
HCIN	2.72	2.21	2.46

2 The Value of STPL is computed basis the underlying value of Investments held by it in HCIN.

3 The indicative fair equity share entitlement ratio as arrived at by us for the Proposed Merger of STPL into HCIN is given below:

Valuation Approach	STPL(A)		HCIN(B)	
	Value per Share (INR)	Weight	Value per Share (INR)	Weight
Cost Approach	31.13	100%	NA*	NA
Income Approach - DCF Method (i)	NA	NA	NA	NA
Market Approach		NA		100%
Market Price Method (ii)	NA#	NA	NA#	NA
Comparable Companies Multiples method (iii)		NA	39.96	100%
Relative Value per Share [Weighted Average of (i),(ii) and (iii)] (a)	**31.13**		**39.96**	
Fair Share Entitlement Ratio (A:B)		**0.7790**		

4. The indicative fair equity share entitlement ratio as arrived at by us for the Proposed Merger of HCIN into TVS Credit is given below:

Valuation Approach	Merged HCIN(B1)		TVS Credit(C)	
	Value per Share (INR)	Weight	Value per Share (INR)	Weight
Cost Approach	NA*	NA	NA*	NA
Income Approach - DCF Method (i)	NA	NA	NA	NA
Market Approach		100%		100%
Market Price Method (ii)	NA#	NA	NA#	NA
Comparable Companies Multiples method (iii)	39.96	100%	723.53	100%
Relative Value per Share [Weighted Average of (i),(ii) and (iii)] (a)	**39.96**		**723.53**	
Fair Share Entitlement Ratio (B1:C) (Rounded)		**0.0552**		

NA = Not Applied / Not Applicable

* Cost Approach based on the net asset value would not capture the future outlook and the growth prospects of the Companies. Therefore, we have not used cost approach to determine the value.

Equity shares of HCIN, STPL and TVS Credit are not listed on any stock exchange in India. Accordingly this method cannot be used to determine their value.

BANSI S. MEHTA VALUERS LLP * REGISTERED VALUER *

5. **As provided in the Scheme the indicative fair equity share entitlement ratio as given above will be reassessed based on the actual position of net worth as on March 31, 2027.**

BASIS OF SHARE ENTITLEMENT RATIO

The Share Entitlement Ratio has been arrived at on the basis of fair value of equity shares of HCIN, STPL and TVS Credit on a relative basis, on the various approaches/ methods explained herein after considering various qualitative factors relevant to the Companies, business dynamics and growth potential of the businesses of the Companies, information base and the underlying assumptions and limitations.

While we have provided our recommendation of the Share Entitlement Ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion as to the Share Entitlement Ratio. The final responsibility for the determination of the Share Entitlement Ratio at which the Proposed Scheme shall take place will be with the Board of Directors of the respective Companies who should take into account other factors such as their own assessment of the proposed Scheme and input of other advisors.

In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, we recommend the Share Entitlement Ratio for the amalgamation of STPL into HCIN as under:

155.79 equity shares of HCIN of INR 10/- (Ten) each fully paid up for every 200 equity shares of STPL of INR 10/- (Ten) each fully paid up

In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, we recommend the indicative Share Entitlement Ratio for the amalgamation of HCIN into TVS Credit as under:

9.94 equity shares of TVS Credit of INR 10/- (Ten) each fully paid up for every 180 equity shares of HCIN of INR 10/- (Ten) each fully paid up

For the amalgamation of TVS Housing Finance into TVS Credit, no shares will be issued to TVS Housing Finance, as it is a Wholly Owned Subsidiary of TVS Credit.

Respectfully submitted,

BANSI S. MEHTA VALUERS LLP
Registered Valuer
Registration Number: IBBI/RV – E /06/2022/172

BANSI S. MEHTA VALUERS LLP * REGISTERED VALUER *

Drushti R. Desai
Partner
IBBI Registration No.: IBBI/RV/06/2019/10666
Place: Mumbai
Date: August 05, 2026
UDIN: 26102062EHEAZN1480

Annexure 1:

1. **Comparable companies for TVS Credit**

Name of Company
Cholamandalam Investment And Finance Company Limited
Mahindra & Mahindra Financial Services Ltd.
Shriram Finance Limited
Sundaram Finance Limited
L&T Finance Limited
HDB Financial Services Limited

2. **Comparable companies for HCIN**

Name of Company
HDB Financial Services Limited
Paisalo Digital Limited
SBI Cards & Payments Services Limited
Poonawalla Fincorp Limited
Onemi Technology Solutions Limited