VALUATION REPORT

Determination of Fair Value per Equity Share

MANGAL CREDIT AND FINCORP LIMITED

CIN: L65990MH1961PLC012227

BSE Scrip Code: 505850 | NSE Symbol: MANCREDIT | ISIN: INE545L01039

Prepared in compliance with

Regulation 166A(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended

Valuation Date	31 March 2026 (valuation approaches)
Relevant Date	21 August 2026 (SEBI pricing formula)
Subject of Valuation	Equity shares of face value ₹10 each
Basis / Standard of Value	Fair Value
Premise of Value	Going Concern
Reporting Currency	Indian Rupees (₹)
Date of Signing	25th August 2026

Prepared and issued by

CA RV Bhavin Hinger

Registered Valuer — Securities or Financial Assets

IBBI Registration No. IBBI/RV/06/2019/12568

PRIVATE AND CONFIDENTIAL

This report is subject to the assumptions, reliances and limitations set out in Section 13, which forms an integral part of it and must be read together with it.

SUMMARY OF CONCLUSION

Basis	Value per share	Weight
Method 1 — Asset Approach (Rule 57, Income-tax Rules, 2026)	₹83.23	1/3
Method 2 — Market Multiple Method (forward P/E 26.64x)	₹221.94	1/3
Method 3 — Income Approach (Discounted Cash Flow, FCFE)	₹59.66	1/3
Fair value under the valuation approaches	**₹121.61**	
Floor price — higher of 90 / 10 session VWAP on NSE	**₹246.96**	
FAIR VALUE UNDER REGULATION 166A(1) — higher of the two	**₹246.96**	

Valuation approaches struck as at 31 March 2026; floor price by reference to a relevant date of 21 August 2026. Subject in all respects to Section 13.

1. Engagement, Purpose and Scope

1.1 Purpose of this Report

This Valuation Report has been prepared for the purpose of determining the fair value per equity share of Mangal Credit and Fincorp Limited ("MCFL" or "the Company") in compliance with Regulation 166A(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations").

Regulation 166A applies where a proposed preferential allotment results in a change in control of the issuer, or results in the allotment of more than five per cent of the post-issue fully diluted share capital to an allottee or to an allottee together with persons acting in concert. In such a case, the price of the equity shares to be allotted is required to be determined having regard both to the floor price computed under the pricing formula prescribed by Regulation 164 and to the valuation arrived at by an independent registered valuer, the higher of the two governing.

Dates. The three valuation methods are computed as at 31 March 2026 ("the Valuation Date"), being the date of the latest audited balance sheet and the base year of the management projections. The floor price under the SEBI pricing formula is computed by reference to a relevant date of 21 August 2026 ("the Relevant Date"), being the date instructed by the Company for the proposed preferential issue. Paragraph 12.1 explains the treatment of the two dates and its effect on the conclusion.

Applicability. The financial projections furnished for this exercise contemplate a fresh issue of 20,00,000 equity shares during FY 2026-27, taking equity share capital from ₹21.114 Crore to ₹23.114 Crore. That allotment represents approximately 8.65% of the post-issue share capital, which exceeds the five per cent threshold. On that basis Regulation 166A is engaged and a valuation exercise of the kind set out in this Report is required. Whether the allotment is in fact to a single allottee or to persons acting in concert, and whether it results in a change in control, are matters on which the Company has been asked to satisfy itself. The treatment of the control premium is addressed at paragraph 6.4 and Section 13.

1.2 Scope of Work

The scope of work agreed for this engagement requires the fair value per equity share to be determined by applying three valuation methods, weighting each equally, and comparing the resulting figure against the floor price computed under the SEBI pricing formula. Specifically:

1. Method 1 — Asset Approach, determined in the manner prescribed by Sections 92, 79 and 26(2)(j) of the Income-tax Act, 2025 read with Rule 57 and Rule 56 of the Income-tax Rules, 2026.

2. Method 2 — Market Multiple Method, applying a Price/Earnings multiple sourced from the Aswath Damodaran database.
3. Method 3 — Income Approach, applying the Discounted Cash Flow methodology.
4. Each of the three methods is to be assigned a weight of one-third in arriving at the fair value per equity share under the valuation approaches.
5. That weighted fair value is then to be compared with the price determined under the 90 trading day and 10 trading day volume weighted average price formula.
6. The fair value concluded under Regulation 166A(1) is the higher of those two figures.

1.3 Nature and Limitations of this Report

This Report has been prepared on the basis of information and working papers furnished to me, and on publicly available information, as listed in Section 3. I have relied upon that information as accurate and complete. I have not carried out an audit, a due diligence review, or any independent verification of the financial statements, projections, market data or other information supplied, and I express no opinion and give no assurance on them.

This Report is a professional valuation analysis. It is not an audit, a fairness opinion, or investment advice, and it does not constitute a recommendation to any person to subscribe for, purchase or sell any security. **It is expressly subject to the assumptions, reliances and limitations set out in Section 13, which form an integral part of it.**

This Report is addressed solely to the Board of Directors of the Company for the purpose stated in paragraph 1.1. It may not be used for any other purpose, nor disclosed to, quoted to, or relied upon by any other person, without prior written consent, except where disclosure is required under the SEBI ICDR Regulations or by any other applicable law or regulatory authority.

2. Regulatory and Statutory Framework

2.1 SEBI ICDR Regulations — Pricing of Preferential Issues

The pricing of a preferential issue of equity shares by a listed issuer is governed by Chapter V of the SEBI ICDR Regulations. Two provisions are directly relevant.

Regulation 164 — floor price for frequently traded shares. Where the equity shares of the issuer have been listed on a recognised stock exchange for a period of 90 trading days or more as on the relevant date, the price of the equity shares to be allotted is not to be less than the higher of (i) the volume weighted average price of the related equity shares quoted during the 90 trading days preceding the relevant date, and (ii) the volume weighted average price of the related equity shares quoted during the 10 trading days preceding the relevant date. The prices are to be taken as quoted on the recognised stock exchange having the highest trading volume in the shares.

Regulation 166A — additional valuation requirement. Where the preferential issue results in a change in control, or results in the allotment of more than five per cent of the post-issue fully diluted share capital of the issuer to an allottee or to an allottee together with persons acting in concert, the price is required to be determined having regard also to the valuation report of an independent registered valuer. The valuer is required to consider, among other things, whether a control premium is appropriate. Where the price so determined exceeds the Regulation 164 floor price, the higher figure governs.

The practical effect is a two-limb test. The first limb is a mechanical, market-derived floor computed from traded prices. The second limb is an intrinsic valuation performed by a valuer. The issue price may not be below the higher of the two. This Report addresses both limbs and concludes on the higher.

The description above states the substance of the provisions as in force and applied in this Report.

2.2 Income-tax Act, 2025 and Income-tax Rules, 2026

Method 1 has been computed in the manner prescribed under the Income-tax Act, 2025, which replaces the Income-tax Act, 1961 with effect from 1 April 2026, and the Income-tax Rules, 2026. The relevant provisions are:

Provision	Subject matter
Section 92	Successor to Section 56(2)(x) of the 1961 Act. Charges to tax the receipt of money or property, including shares, without consideration or for inadequate consideration, by reference to fair market value.

Provision	Subject matter
Section 79	Successor to Section 50CA of the 1961 Act. Deems fair market value to be the full value of consideration on the transfer of an unquoted share where the actual consideration is lower.
Section 26(2)(j)	Deems fair market value on the date on which inventory is converted into, or treated as, a capital asset.
Rule 56	Defines the expressions used for the determination of fair market value — balance sheet, merchant banker, quoted and unquoted shares, valuation date and others.
Rule 57	Successor to Rule 11UA of the 1962 Rules. Prescribes the manner of determining fair market value of jewellery, artistic work, quoted shares, unquoted equity shares, other unquoted shares and securities, immovable property and other property.

Note. The Income-tax Act, 2025 and the Income-tax Rules, 2026 are of recent application, the Act taking effect from 1 April 2026. Method 1 has been computed under the Rule 57(4) formula as set out at paragraph 7.1 and reproduced there in full, so that the reader may satisfy himself that the computation accords with the provision as it applies to the transaction in question.

3. Sources of Information

The following information has been relied upon in preparing this Report:

Sl.	Document / Source	Used for
1	Audited financial statements of the Company for FY 2025-26 — Balance Sheet, Statement of Profit and Loss and Notes 1 to 50	Method 1 (Asset Approach); base year for Method 3
2	Financial projections for FY 2026-27 to FY 2030-31, sheet "CMA Balance Sheet for NBFC"	Methods 2 and 3
3	NSE "Quote — Equity" historical export for MANCREDIT (series EQ), 1 April 2026 to 20 August 2026, comprising session-wise traded value, traded quantity, number of trades, daily VWAP and OHLC data, downloaded from www.nseindia.com	Volume weighted average price computation
4	Aswath Damodaran India dataset — unlevered beta for Financial Services (Non-bank and Insurance); Price/Earnings multiple	Methods 2 and 3
5	Ministry of Corporate Affairs master data of the Company, extracted 21 August 2026	Corporate particulars, capital structure, directors
6	Company website, www.mangalfincorp.com	Business description and operations
7	India 10-year Government Security yield; S&P BSE Smallcap index historical return and dividend yield	Cost of equity
8	Working papers furnished: Asset Approach, Market Multiple, Income Approach and VWAP floor price workbooks	All methods
9	Comparative BSE and NSE traded volume data for the common period 1 December 2025 to 30 March 2026, and the Company's	Determination of exchange with highest trading volume

Sl.	Document / Source	Used for
	confirmation of the exchange with the higher trading volume	

All figures have been used as received. Where a figure has been derived, assumed, or substituted by a proxy, that fact is stated at the point at which the figure is used and is collected in Section 13.

4. About the Company

4.1 Corporate Particulars

Name	Mangal Credit and Fincorp Limited
Corporate Identity Number	L65990MH1961PLC012227
Date of Incorporation	29 December 1961
Registrar of Companies	ROC Mumbai I — Registration No. 012227
Registered Office	1701/1702, 17th Floor, "A" Wing, Lotus Corporate Park, Western Express Highway, Goregaon (East), Mumbai 400 063, Maharashtra
Class / Category	Public company limited by shares; non-government company
Listing	BSE Limited (Scrip Code 505850) and National Stock Exchange of India Limited (Symbol MANCREDIT); ISIN INE545L01039
Nature of business	Non-deposit taking Non-Banking Financial Company registered with the Reserve Bank of India
Authorised Share Capital	₹25,00,00,000
Paid-up Share Capital	₹21,11,39,860, comprising 2,11,13,986 equity shares of ₹10 each
Company Status	Active; ACTIVE compliant
Date of last Annual General Meeting	25 September 2025

Source: Ministry of Corporate Affairs master data extracted 21 August 2026; Company website.

4.2 Background and Operations

Mangal Credit and Fincorp Limited is a professionally managed Non-Banking Financial Company listed on both BSE Limited and the National Stock Exchange of India Limited. The Company is headquartered in Mumbai and commenced its retail lending operations in 2019, with a stated objective of providing accessible, transparent and customer-centric financial solutions.

The Company was originally incorporated as M/s. Tak Machinery & Leasing Limited. The present management acquired the Company in 2012 and it was renamed Mangal Credit and Fincorp Limited in 2013. Since then it has repositioned itself as a retail lending institution. The business was founded under the leadership of Shri Meghraj Jain and is presently driven jointly with Shri Hardik Jain, who oversees day-to-day operations and the overall business affairs of the Company.

The Company offers a portfolio of predominantly secured retail lending products directed at individuals, small businesses and entrepreneurs. Its principal product lines are:

- Gold Loans — advances against pledged gold jewellery;
- Loans Against Property — secured mortgage lending against residential, commercial or other immovable property;
- SME and Business Loans — short to medium term facilities for small and medium enterprises;
- Personal Loans — unsecured personal lending.

The Company operates through a network of approximately 30 branches across the three states of Maharashtra, Gujarat and Rajasthan. Its stated strategic emphasis is on customer service, prudent risk management and operational efficiency, with continued geographic expansion.

Source: Company website, www.mangalfincorp.com (About Us). Certain figures on the website — notably the assets under management stated on the home page and in the "Portfolio" section, and a growth target expressed by reference to 2025 — are inconsistent with each other and with the audited FY 2025-26 loan book of ₹424.17 Crore, and appear not to have been updated. Website content has therefore been used for qualitative business description only, and not as a source of financial data.

4.3 Board of Directors and Key Managerial Personnel

Sl.	DIN	Name	Designation	Category
1	01311041	Meghraj Sohanlal Jain	Managing Director	Promoter
2	07871480	Hardik Meghraj Jain	Director	Promoter
3	02645247	Ramanathan Annamalai	Director	Independent
4	01718431	Subramanyam Ganesh	Director	Independent
5	00146563	Sriram Sankaranarayanan	Director	Independent
6	07151087	Vineeta Piyush Patel	Director	Independent

Sl.	DIN	Name	Designation	Category
7	02033322	Sujan Sinha	Director	Professional
8	08788781	Nilesh Jain	Director	Professional
9	—	Nilesh Jain	Chief Financial Officer	KMP
10	—	Chirag Narendra Parmar	Company Secretary	KMP

Source: Ministry of Corporate Affairs master data extracted 21 August 2026.

5. Financial Overview

5.1 Audited Position as at 31 March 2026

Particulars	₹ in Lakhs	₹ in Crore
Total Assets	51,688.11	516.88
Loan book / Assets under Management (net)	42,417.00	424.17
Investments — shares and securities (Note 8)	2,045.79	20.46
Investment Property — freehold land (Note 11)	1,316.11	13.16
Cash and cash equivalents	2,715.00	27.15
Total Liabilities (excluding equity)	34,418.50	344.19
Total Borrowings	33,175.00	331.75
Equity Share Capital	2,111.40	21.11
Other Equity	15,158.21	151.58
Total Shareholders' Equity (book)	**17,269.61**	**172.69**
Total Revenue — FY 2025-26	6,997.00	69.97
Profit After Tax — FY 2025-26	1,531.00	15.31
Book value per equity share (₹)	—	**₹81.79**

Source: Audited financial statements FY 2025-26. Debt/Equity on a book basis as at the Valuation Date is 1.92 times.

5.2 Management Projections, FY 2026-27 to FY 2030-31

The Company has furnished projected financial statements for the five years following the Valuation Date. These underpin Methods 2 and 3. The salient projected figures are set out below.

₹ in Crore	FY27	FY28	FY29	FY30	FY31
Loan book (closing)	604.20	814.56	1,058.45	1,302.37	1,580.53
Total Revenue	109.73	150.36	193.25	230.97	290.96
Interest paid (finance cost)	56.35	69.25	85.10	102.46	110.55
Profit Before Tax	26.83	44.68	60.51	69.18	99.11

₹ in Crore	FY27	FY28	FY29	FY30	FY31
Profit After Tax	**19.26**	**32.07**	**43.43**	**49.65**	**71.36**
Shareholders' Equity (closing)	233.55	336.74	417.88	524.60	595.98
Total Borrowings (closing)	442.71	549.78	709.14	862.46	1,059.72
Fresh equity raised in the year	30.00	50.00	50.00	50.00	—
Return on Equity	9.48%	11.25%	11.51%	10.54%	12.74%

Source: Financial projections furnished by the Company. These are representations of management. Their achievability has not been tested and no opinion is expressed on them.

Two features of the projections have a direct bearing on the valuation and are drawn out here because they drive the results of Methods 2 and 3:

Aggressive lending growth funded by external capital. The loan book is projected to grow from ₹424.17 Crore to ₹1,580.53 Crore, an increase of ₹1,156 Crore over five years. That growth is funded by ₹728 Crore of incremental borrowings and ₹180 Crore of fresh equity subscription across FY 2026-27 to FY 2029-30. Shareholders are therefore net contributors of capital over most of the forecast period.

Return on equity below the cost of equity. Projected return on equity rises to approximately 12.74% by FY 2030-31, which remains below the cost of equity of 16.23% computed in Section 9. On these inputs the business does not earn its cost of capital, and an income approach will necessarily produce a value below book. This is an arithmetical consequence of the inputs, not an error, and is examined further in Sections 9 and 13.

6. Valuation Approaches, Premise and Standard of Value

6.1 Standard and Premise of Value

The standard of value adopted is Fair Value — the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date, neither being under compulsion to transact and both having reasonable knowledge of the relevant facts. The premise of value is that of a going concern, the Company being an operating NBFC with a continuing lending business.

6.2 The Three Approaches

Valuation practice recognises three broad approaches. Each has been applied in this Report, in the specific form directed by the scope of work.

Approach	Conceptual basis	Method applied in this Report
Asset Approach	Value is derived from the assets of the business less its liabilities, each restated where required to fair value.	Method 1 — Net Asset Value computed under the Rule 57(4) formula prescribed by the Income-tax Rules, 2026.
Market Approach	Value is derived by reference to the prices at which comparable businesses trade or transact.	Method 2 — Market Multiple Method, applying a forward Price/Earnings multiple to projected earnings.
Income Approach	Value is derived from the present value of the future economic benefits the business is expected to generate.	Method 3 — Discounted Cash Flow, on a Free Cash Flow to Equity basis discounted at the cost of equity.

6.3 Methodological Note — Valuing a Lending Business

The Company is an NBFC. For a lending business, borrowed money is the raw material of operations and not merely a financing choice: the Company borrows at one rate, lends at a higher rate, and the spread between the two is the business itself. Two consequences follow, and both have been given effect in this Report.

The Income Approach has been applied on an equity basis, not an enterprise basis. The primary computation is Free Cash Flow to Equity discounted at the cost of equity. An enterprise-value DCF for a lender either excludes loan book growth from reinvestment — which capitalises the entire interest spread while charging nothing for the ₹1,156 Crore of loan book growth funded over the forecast — or includes it in working capital, which makes every year's free cash flow to the firm deeply negative and the result meaningless. Neither construction supports a conclusion.

The Market Multiple has been applied on an equity-side measure. A Price/Earnings multiple applied to profit after tax is internally consistent: both are equity-side measures, struck after interest and after tax, and the product is directly a value of equity. The EV/EBITDA multiple has been considered and consciously not adopted; the reasons are set out at paragraph 8.4.

6.4 Discounts and Premia

No discount for lack of marketability, no minority discount and no control premium have been applied under any of the three methods. The shares are listed and frequently traded, and the multiples and cash flows have been applied on an as-is basis.

Regulation 166A requires a valuer to address specifically whether a control premium is appropriate. No control premium has been applied, the exercise valuing the equity shares as a class rather than a controlling block. Were the proposed allotment to confer control, a premium would increase the fair value under the valuation approaches; as paragraph 12.3 demonstrates, it would need to be extraordinarily large before it altered the conclusion at Section 12, the floor price standing some 103% above the fair value under those approaches.

7. Method 1 — Asset Approach

Sections 92, 79 and 26(2)(j) of the Income-tax Act, 2025 read with Rule 57 and Rule 56 of the Income-tax Rules, 2026

7.1 Basis of Computation

Rule 57 of the Income-tax Rules, 2026 prescribes the manner of determining fair market value for the purposes of Sections 92, 79 and 26(2)(j). Serial No. 4 of Rule 57 deals with unquoted equity shares and prescribes the following formula:

$$FMV = (A + B + C + D - L) \times PV \div PE$$

where the expressions carry the meanings given by Rules 56 and 57:

A	Book value of the assets in the balance sheet, reduced by income-tax paid net of refund claimed and by any unamortised deferred expenditure not representing an asset, and excluding those assets separately valued under B, C and D.
B	Fair market value of jewellery and artistic work, determined by reference to the price it would fetch in the open market.
C	Fair market value of shares and securities held.
D	Value adopted, assessed or assessable by the stamp valuation authority in respect of immovable property.
L	Book value of liabilities, excluding paid-up equity share capital, amounts set apart for undeclared dividends, reserves and surplus, provision for tax in excess of the book-profit basis liability, provisions for unascertained liabilities, and contingent liabilities.
PE	Total amount of paid-up equity share capital as shown in the balance sheet.
PV	Paid-up value of one equity share.

7.2 Computation

Particulars	₹ in Lakhs	Reference
A — Adjusted book value of assets		
Total Assets per Balance Sheet	51,688.11	Balance Sheet
Less: Investments — shares and securities	(2,045.79)	Note 8 — valued at C

Particulars	₹ in Lakhs	Reference
Less: Investment Property — immovable property	(1,316.11)	Note 11 — valued at D
Less: Jewellery and artistic work	—	None held
Less: Income-tax paid, net of refund claimed	—	Note 47 — Nil
Less: Unamortised deferred expenditure	—	None disclosed
A	**48,326.21**	
B — Jewellery and artistic work		
B	**—**	None held
C — Fair market value of shares and securities		
C	**2,045.79**	Note 8.4 — see Assumption 7.3(b)
D — Immovable property at stamp duty value		
Book value — freehold land, at cost	1,316.11	Note 11
D — registered valuer's FMV used as proxy	**1,619.93**	Note 11.2 — see Assumption 7.3(a)
L — Book value of liabilities		
Total of Balance Sheet (Liabilities and Equity)	51,688.11	Balance Sheet
Less: Equity Share Capital	(2,111.40)	Rule 57(4)(L)(i)
Less: Other Equity — reserves and surplus	(15,158.21)	Rule 57(4)(L)(iii)
Less: Amount set apart for undeclared dividends	—	Rule 57(4)(L)(ii)
Less: Tax provision in excess of book-profit basis	—	Rule 57(4)(L)(iv) — see 7.3(c)
Less: Provisions for unascertained liabilities	—	Rule 57(4)(L)(v) — see 7.3(c)
Adjustment for contingent liabilities	—	Rule 57(4)(L)(vi) — off balance sheet
L	**34,418.50**	

Net Asset Value and value per share	Amount	Unit
A	48,326.21	₹ Lakhs
Add: B	—	₹ Lakhs
Add: C	2,045.79	₹ Lakhs
Add: D	1,619.93	₹ Lakhs
Less: L	(34,418.50)	₹ Lakhs
Net Asset Value = A + B + C + D − L	**17,573.43**	₹ Lakhs
PE — total paid-up equity share capital	2,111.3986	₹ Lakhs
PV — paid-up value of one equity share	10.00	₹
Number of equity shares outstanding	2,11,13,986	Nos.
FAIR MARKET VALUE PER EQUITY SHARE	**₹83.23**	per share

Computed as ₹17,573.43 Lakhs ÷ ₹2,111.3986 Lakhs × ₹10 = ₹83.2312 per equity share.

7.3 Assumptions Specific to Method 1

(a) Element D — stamp duty value of immovable property. Rule 57 requires the value adopted, assessed or assessable by the State stamp valuation authority. That figure has not been obtained for the freehold land at Note 11. The fair market value disclosed by a registered valuer at Note 11.2, ₹1,619.93 Lakhs, has been used as a proxy. The actual stamp duty value should be obtained and substituted.

(b) Element C — fair market value of investments. The carrying value of ₹2,045.79 Lakhs, being unquoted equity instruments measured at fair value through other comprehensive income on the basis of a registered valuer's report per Note 8.4, has been adopted as the Rule 57 fair market value. It should be confirmed that the valuer's report is dated on or immediately prior to the Valuation Date and that its methodology is one recognised for Rule 57 purposes.

(c) Element L — exclusions (iv) and (v). The excess of tax provision over the book-profit basis liability, and the ascertained versus unascertained split within Provisions at Note 20, have each been assumed to have nil impact, in the absence of a granular book-profit recomputation and a liability-by-liability review. Both should be confirmed with the Company's tax and finance function.

7.4 An Important Legal Distinction — Quoted versus Unquoted Shares

The Rule 57 Serial No. 4 formula applied above governs *unquoted* equity shares. MCFL's own equity shares are listed and traded on BSE and NSE and therefore meet the Rule 56 definition of quoted shares. For income-tax purposes, fair market value of those shares would fall to be determined under Rule 57 Serial No. 3, which prescribes an entirely different basis: the actual transaction value where the transaction is carried out through a recognised stock exchange, and otherwise the lowest price of the share quoted on a recognised stock exchange on the valuation date, or on the immediately preceding date on which the share was traded.

For the avoidance of doubt, that distinction does not undermine the use of the Net Asset Value figure in this Report. The present exercise is a SEBI valuation under Regulation 166A, in which the Asset Approach is one of three intrinsic-value methods to be weighted. The Net Asset Value computed above is the appropriate expression of the Asset Approach for that purpose. The Rule 57 Serial No. 3 point matters only if and when a fair market value is separately required for an income-tax purpose in respect of a transaction in these listed shares, which is a distinct question from the one this Report answers.

7.5 Observation

The Net Asset Value of ₹83.23 per share stands close to the audited book value per share of ₹81.79, the difference being the uplift on immovable property. Both are materially below the traded price of the scrip. That relationship is the expected one for a profitable NBFC trading at a premium to book value, and is not in itself indicative of an error in either computation. It does mean that the Asset Approach, which ignores the earning power of the lending franchise, is the most conservative of the three methods applied.

8. Method 2 — Market Multiple Method

Price/Earnings multiple sourced from the Aswath Damodaran database

8.1 Basis of Computation

The Market Multiple Method derives value by applying a multiple observed in the market for comparable businesses to the corresponding financial measure of the subject company. The multiple applied is a forward Price/Earnings multiple of 26.64 times, sourced from the Aswath Damodaran database for the financial services sector. Being a forward multiple, it has been applied to projected profit after tax for FY 2026-27, that being the first projected year following the Valuation Date.

The Price/Earnings multiple is an equity-side multiple and profit after tax is an equity-side return, struck after interest and after tax and belonging to the equity shareholders alone. The product is therefore directly a value of equity, requiring no adjustment for debt.

8.2 Computation

Particulars	Amount	Basis
Projected Profit After Tax — FY 2026-27 (₹ Crore)	19.26	Management projections
Forward Price/Earnings multiple (times)	26.64x	Damodaran database
Equity Value (₹ Crore)	**513.00**	PAT × multiple
Number of equity shares — post-issue (Crore)	2.3114	₹23.114 Cr ÷ ₹10
VALUE PER EQUITY SHARE	**₹221.94**	Equity value ÷ shares

8.3 EV/EBITDA — Considered and Not Adopted

An EV/EBITDA multiple of 16.65 times was available and has been consciously not applied. The reasons are set out below in summary; they are matters of methodology rather than preference.

1. Interest is an operating cost for a lending business, not a financing charge. Projected FY 2026-27 interest of ₹56.35 Crore represents approximately 68% of total expenses and 51% of total revenue. Adding it back does not neutralise a capital-structure choice; it deletes the single largest operating cost.
2. Enterprise Value is not a meaningful construct for an NBFC. Borrowings fund the loan book, which is itself an interest-earning asset. At 31 March 2027 projected borrowings of ₹442.71 Crore stand

against a projected loan book of ₹604.20 Crore. Deducting the borrowings while giving no credit for the loans they finance mis-states the position.

3. Leverage is a regulated operating parameter for an NBFC, governed by the capital adequacy and leverage requirements prescribed by the Reserve Bank of India, and not a discretionary financing choice to be normalised away.
4. EBITDA is a poor proxy for cash generation in a financial business. Projected depreciation is only about 3.5% of total expenses, so the add-back achieves little, while impairment of assets under management is a real and recurring economic cost of lending.
5. The method produces results that cannot be relied upon. On the Company's own projections, treating interest as a financing charge gives a value of approximately ₹448.89 per share; treating it as an operating cost gives approximately ₹42.97 per share. A method whose outcome varies more than tenfold on a definitional choice, with no principled basis for preferring one construction, cannot support a valuation conclusion.
6. Market and professional practice value banks, NBFCs and other financial intermediaries on equity-side measures — Price/Earnings and Price to Book, supported where appropriate by the Dividend Discount Model or an excess-return approach. Comparable data for the sector is published on that basis.

9. Method 3 — Income Approach

Discounted Cash Flow, applied on a Free Cash Flow to Equity basis

9.1 Basis of Computation

The Income Approach values the business as the present value of the future economic benefits it is expected to generate. For the reasons set out at paragraph 6.3, the computation has been performed on a Free Cash Flow to Equity basis discounted at the cost of equity, which is the methodologically correct construction for a lending business. An explicit forecast period of five years, FY 2026-27 to FY 2030-31, has been adopted, followed by a terminal value. Discounting is on the mid-year convention throughout.

9.2 Cost of Equity

The cost of equity has been computed under the Capital Asset Pricing Model, using an industry unlevered beta re-levered to the Company's capital structure as at the Valuation Date.

Particulars	Value	Source
Risk free rate (Rf)	6.961%	India 10-year G-Sec yield
Market return (Rm)	16.233%	S&P BSE Smallcap, incl. dividend yield
Equity Risk Premium (Rm − Rf)	9.272%	Computed
Unlevered beta — Financial Services (Non-bank and Insurance)	0.4103	Damodaran India dataset, 636 firms
Debt / Equity as at 31 March 2026 (book)	1.9211	Audited FY 2025-26
Marginal tax rate (t)	25.168%	Concessional regime: 22% + surcharge + cess
Re-levered equity beta — Hamada	1.0001	$\beta U \times [1 + (1 - t) \times D/E]$
COST OF EQUITY (Ke) = Rf + β × ERP	**16.234%**	CAPM

9.3 Free Cash Flow to Equity

₹ in Crore	FY27	FY28	FY29	FY30	FY31
Profit After Tax	19.26	32.07	43.43	49.65	71.36
Add: Depreciation and amortisation	2.87	3.93	5.05	6.03	7.82
Less: Capital expenditure	(1.58)	(4.50)	(5.73)	(6.88)	(8.69)
Change in working capital	(1.31)	5.26	5.17	6.67	9.72
Less: Net increase in loan book	(180.03)	(210.36)	(243.89)	(243.92)	(278.16)
Change in other investments	3.52	(1.69)	(1.86)	(2.05)	(0.00)
Change in other bank balances	7.12	—	—	—	8.00
Add: Net increase in borrowings	110.96	107.07	159.36	153.32	197.26
FREE CASH FLOW TO EQUITY	**(39.20)**	**(68.23)**	**(38.48)**	**(37.18)**	**7.30**

9.4 Terminal Value

The terminal year has been normalised rather than simply grown from FY 2030-31 free cash flow. FY 2030-31 free cash flow of approximately ₹7 Crore reflects a year in which the loan book still grows at 21%, and is not a sustainable perpetuity cash flow. The normalisation charges only the equity capital required to grow the loan book at the terminal growth rate.

Particulars	₹ Crore	
Terminal growth rate (g)	5.00%	Capped below Rf
Profit After Tax, grown at g	74.93	FY31 PAT × (1+g)
Growth in loan book required to sustain g	79.03	Loan book × g
Less: portion funded by fresh borrowings	(52.99)	At 67.05% debt funding
Equity reinvestment required in the loan book	(26.04)	
Net capex over depreciation; change in working capital	—	Nil in steady state

Particulars	₹ Crore	
Normalised Terminal Free Cash Flow to Equity	**48.89**	
TERMINAL VALUE OF EQUITY at 31 March 2031	**435.17**	TFCFE ÷ (Ke − g)

9.5 Discounting and Equity Value Bridge

Under the mid-year convention, cash flows are assumed to arise evenly through the year and are discounted from the mid-point. The terminal value is discounted at t = 4.5, not t = 5.0: under the mid-year convention the first terminal-period cash flow arises at t = 5.5, so the present value of the perpetuity is the Gordon value multiplied by (1 + Ke) raised to −4.5.

₹ in Crore	FY27	FY28	FY29	FY30	FY31	Terminal
Free Cash Flow to Equity	(39.20)	(68.23)	(38.48)	(37.18)	7.30	435.17
Discounting period (t)	0.5	1.5	2.5	3.5	4.5	4.5
Discount factor at Ke 16.234%	0.9275	0.7980	0.6865	0.5907	0.5082	0.5082
Present Value	**(36.36)**	**(54.45)**	**(26.42)**	**(21.96)**	**3.71**	**221.13**

Equity Value Bridge	₹ Crore
Present value of explicit period FCFE, FY27 to FY31	(135.47)
Present value of terminal value	221.13
Value of the operating lending business	**85.66**
Add: Surplus cash and cash equivalents at 31 March 2026	27.15
Add: Investment property (non-operating)	13.16
Add: Tax Amortisation Benefit	—
CONCLUDED EQUITY VALUE	**125.97**
Number of equity shares outstanding (Crore)	2.1114
VALUE PER EQUITY SHARE	**₹59.66**
Memo: implied Price to Book at the Valuation Date	*0.73x*

9.6 Tax Amortisation Benefit — Nil

A Tax Amortisation Benefit arises only where a purchaser obtains a step-up in the tax base of the assets acquired. On a purchase of shares in an Indian company there is no such step-up, and no Tax Amortisation Benefit arises. A benefit of this kind is relevant on a business transfer, slump sale or asset acquisition, none of which is the transaction contemplated here. It has accordingly been taken at nil in the equity value bridge above.

10. Fair Value under the Valuation Approaches

10.1 Equal Weighting

In accordance with generally accepted valuation principles, each of the three methods has been assigned a weight of one-third in arriving at the fair value per equity share under the valuation approaches.

Sl.	Method	Value per share	Weight	Weighted value
1	Asset Approach — Net Asset Value under Rule 57(4), Income-tax Rules, 2026	₹83.23	1/3	₹27.74
2	Market Multiple Method — forward P/E of 26.64x on FY 2026-27 earnings	₹221.94	1/3	₹73.98
3	Income Approach — Discounted Cash Flow on an FCFE basis	₹59.66	1/3	₹19.89
	FAIR VALUE PER EQUITY SHARE — VALUATION APPROACHES		**1.00**	**₹121.61**

(₹83.23 + ₹221.94 + ₹59.66) ÷ 3 = ₹121.61 per equity share.

11. Floor Price under the SEBI Pricing Formula

11.1 Basis of Computation

The floor price is the higher of the volume weighted average price of the equity shares during the 90 trading days, and during the 10 trading days, preceding the relevant date, as quoted on the recognised stock exchange having the highest trading volume. Both windows have been counted in trading sessions, using only the dates on which the scrip actually traded, as the regulation requires.

Relevant date. The relevant date adopted for this limb is 21 August 2026. Both windows have been counted backwards from 20 August 2026, being the last trading session preceding that date. The 10-session window accordingly runs from 7 August 2026 to 20 August 2026, and the 90-session window from 13 April 2026 to 20 August 2026.

Exchange. The Company's equity shares are listed on both BSE Limited and the National Stock Exchange of India Limited. NSE has been adopted as the exchange having the highest trading volume, that having been confirmed by the Company and being supported by the volume comparison at paragraph 11.4. The computation below is accordingly performed on NSE data.

11.2 Computation

Volume weighted average price has been computed as total traded value divided by total traded quantity over each window, both figures being as reported by NSE for series EQ. That is the exchange-published basis contemplated by the regulation. It is not an average of daily volume weighted average prices, nor an average of closing prices: aggregating value and quantity across the window automatically weights each session by the value actually transacted in it.

Particulars	10 sessions	90 sessions	Remarks
Trading sessions required	10	90	As prescribed
Trading sessions available	10	90	Full requirement met
Window start date	07-Aug-2026	13-Apr-2026	
Window end date	20-Aug-2026	20-Aug-2026	Last session before relevant date
Total traded quantity (Nos.)	24,69,512	2,78,70,391	As reported by NSE
Total traded value (₹ in Crore)	60.99	635.20	As reported by NSE

Particulars	10 sessions	90 sessions	Remarks
Total number of trades	40,734	2,65,931	
VWAP (₹)	**246.96**	**227.91**	Traded value ÷ traded quantity

Determination of Floor Price	₹ per share
90 trading sessions VWAP	227.91
10 trading sessions VWAP	246.96
FLOOR PRICE — higher of the two	**₹246.96**
Governing basis	10 trading sessions VWAP
Excess of governing window over the other	8.36%
Floor price rounded up	₹247.00

Source: NSE "Quote — Equity" historical export for MANCREDIT (series EQ), 1 April 2026 to 20 August 2026, downloaded from www.nseindia.com. Rounding convention to be adopted per the issuer's and merchant banker's practice; the unrounded figure is the computed VWAP.

11.3 Validation of the Dataset

The dataset has been tested against the preconditions of the regulation and for internal consistency. All eleven checks pass.

Check	Result
Shares listed and traded for 90 trading days or more	Pass
Dataset runs up to the relevant date	Pass — latest session 20-Aug-2026, one day prior
Sufficient sessions for the 90-session window	Pass — 90 available against 90 required
Sufficient sessions for the 10-session window	Pass — 90 available against 10 required
Single series only — no mixing of series	Pass — every session is series EQ

Check	Result
NSE traded value agrees to daily VWAP × traded quantity	Pass — within 0.1% in all 90 sessions
Computed VWAP agrees to quantity-weighted daily VWAP	Pass — within 5 paise in both windows
No nil-volume sessions within the 90-session window	Pass — every session recorded traded volume
Internal consistency of Open, High, Low and Close data	Pass — close within the day's range in every session
Daily VWAP lies within the daily high–low range	Pass — in every session
Previous-close continuity — corporate action indicator	Pass — no unadjusted corporate action indicated

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11.4 Exchange with the Highest Trading Volume

The pricing formula requires the volume weighted average price to be taken as quoted on the recognised stock exchange having the highest trading volume. The Company has confirmed that NSE carried the higher trading volume, and the comparison below, drawn from the datasets available for the common period covered by both exchanges, supports that confirmation.

Exchange and period	Sessions	Traded quantity (Nos.)	Multiple
NSE — common period 01-Dec-2025 to 30-Mar-2026	82	37,50,366	**4.72x**
BSE — common period 01-Dec-2025 to 30-Mar-2026	82	7,94,470	—
NSE — the 90-session window used above	90	2,78,70,391	—

NSE traded volume over the common period was approximately 4.72 times that of BSE. Use of NSE data is accordingly adopted, and the floor price at paragraph 11.2 is computed on the exchange having the highest trading volume as the regulation requires.

12. Conclusion of Fair Value under Regulation 166A(1)

12.1 A Note on the Two Dates

The two limbs of the Regulation 166A(1) test are struck as at different dates, and it is right to state that plainly at the outset of the conclusion.

- The three valuation methods at Sections 7 to 9 are computed as at 31 March 2026, that being the date of the latest audited balance sheet and the base year of the management projections. That is the date on which reliable financial information exists.
- The floor price at Section 11 is computed by reference to a relevant date of 21 August 2026, as the pricing formula requires it to be struck by reference to the market immediately preceding the relevant date for the proposed preferential issue.

The gap between the two dates is material, the scrip having appreciated from approximately ₹167 at the end of March 2026 to approximately ₹225 on 20 August 2026. Two consequences follow. First, the comparison at paragraph 12.2 is not a like-for-like comparison of two contemporaneous measures of the same thing; it is the statutory comparison the regulation directs, between an intrinsic valuation and a market-derived floor. Second, the intrinsic valuation does not reflect any trading, earnings or other development between 1 April 2026 and the relevant date. Had the valuation methods been re-struck on more recent financial information, the fair value under the valuation approaches would very likely be higher than the figure shown. As paragraph 12.3 demonstrates, however, the margin between the two limbs is wide enough that this does not alter the conclusion.

12.2 The Two Limbs Compared

Regulation 166A(1) requires the price to be determined as the higher of the floor price computed under the SEBI pricing formula and the value arrived at by the valuation exercise.

Limb	Basis	Value per equity share
A	Fair value under the valuation approaches — equal weighting of the Asset Approach, Market Multiple Method and Income Approach, as at 31 March 2026 (Section 10)	₹121.61
B	Floor price under the SEBI pricing formula — higher of the 90 and 10 trading session VWAP on NSE, relevant date 21 August 2026 (Section 11)	**₹246.96**

Limb	Basis	Value per equity share
	FAIR VALUE UNDER REGULATION 166A(1) — higher of A and B	**₹246.96**

On the basis of the information made available, the procedures performed, and subject to the assumptions, reliances and limitations set out in Section 13, I am of the view that the fair value of the equity shares of Mangal Credit and Fincorp Limited for the purposes of Regulation 166A(1) of the SEBI ICDR Regulations is **₹246.96 (Rupees Two Hundred Forty-Six and Paise Ninety-Six only) per equity share of ₹10 each**, being ₹247 (Rupees Two Hundred Forty-Seven only) per equity share if rounded up to the nearest rupee.

The floor price under the SEBI pricing formula therefore governs, exceeding the fair value under the valuation approaches by approximately 103%. The price at which equity shares may be allotted pursuant to the proposed preferential issue may not be less than this figure.

13. Sensitivity Analysis, Assumptions and Limitations

13.1 Sensitivity of the Income Approach

The Income Approach is the most sensitive of the three methods, because essentially all of its value rests on the terminal assumptions. The table below shows the value per equity share under Method 3 across a range of costs of equity and terminal growth rates. The computed position is highlighted.

Cost of Equity ↓ / g →	3.0%	4.0%	5.0%	6.0%
12.00%	₹133.69	₹140.57	₹149.42	₹161.22
13.50%	₹99.97	₹102.84	₹106.38	₹110.87
15.00%	₹75.56	₹76.31	₹77.22	₹78.32
16.23% (computed)	₹60.18	₹59.94	**₹59.66**	₹59.33
17.50%	₹47.57	₹46.71	₹45.72	₹44.56
19.00%	₹35.70	₹34.43	₹32.98	₹31.31

Two features of the table are worth noting. First, the value is far more sensitive to the cost of equity than to the terminal growth rate — the value roughly halves between a 12% and a 17.5% cost of equity, whereas moving the growth rate across its whole range at the computed cost of equity changes the answer by less than a rupee. Second, at the computed cost of equity the value is very slightly decreasing in the growth rate, which is the expected signature of a business whose return on equity is below its cost of equity: growth on those terms destroys rather than creates value.

13.2 Basis of Preparation and Dates

1. This Report has been prepared solely for the purpose stated at paragraph 1.1. The three valuation methods at Sections 7 to 9 are struck as at 31 March 2026, being the date of the latest audited balance sheet. The floor price at Section 11 is struck by reference to a relevant date of 21 August 2026. Paragraph 12.1 explains the treatment of the two dates.
2. The relevant date of 21 August 2026 has been adopted as instructed by the Company. Under the SEBI ICDR Regulations the relevant date is the date thirty days prior to the date of the general meeting at which the special resolution for the preferential issue is proposed to be passed, and the date adopted proceeds on the Company's confirmation that it accords with that requirement.
3. Valuation is not an exact science. The conclusion is necessarily a matter of professional judgement on the facts and inputs available, and reasonable practitioners applying the same instructions might reach a different figure.

13.3 Information Relied Upon

1. All information furnished has been relied upon as accurate and complete. No audit, due diligence or independent verification has been performed on the audited financial statements, the projections, the price and volume data, or any other information supplied, and no opinion is expressed on them.
2. The financial projections are representations of management. Their reasonableness has not been tested, in particular the growth assumed in the loan book from ₹604.20 Crore at 31 March 2027 to ₹1,580.53 Crore at 31 March 2031 and the funding required to support it. Actual results will differ from projections, and those differences may be material.
3. The source balance sheet within the projection model does not foot exactly, with differences of ₹0.001 to ₹0.004 Crore per year, and statutory reserve and other reserves increase by amounts not funded out of retained earnings. Cash flows have therefore been built from operating and lending line items directly rather than from movements in reserves.

4. The Price/Earnings multiple of 26.64 times has been applied as furnished, being a forward multiple drawn from the Aswath Damodaran database for the financial services sector. The composition of the peer set underlying it has been relied upon as appropriate to the Company.
5. The price, traded value and traded quantity data underlying Section 11 is the NSE "Quote — Equity" export for series EQ, reconciled in full against an independent third party extract as recorded at paragraph 11.3. NSE has been adopted as the exchange with the highest trading volume on the Company's confirmation, supported by the comparison at paragraph 11.4, which relates to an earlier period than the 90-session window.

13.5 Assumptions Made

1. The equity shares are assumed to be frequently traded within the meaning of the SEBI Regulations. The 90-session window records traded value of approximately ₹635 Crore across approximately 2.79 Crore shares in approximately 2.66 Lakh trades, with volume recorded in every one of the 90 sessions, against 2.11 Crore shares in issue, which is consistent with that footing.
2. No bonus issue, stock split, rights issue, consolidation or other corporate action is assumed to have occurred during the look-back period or to be contemplated during the projection period. The previous close reported by NSE for each session agrees to the closing price of the immediately preceding session throughout the dataset, with no discontinuity, which is consistent with that assumption.
3. For element D of the Asset Approach, the registered valuer's fair market value of ₹1,619.93 Lakhs disclosed at Note 11.2 has been adopted as a proxy for the stamp duty value of the freehold land. For element C, the carrying value of investments of ₹2,045.79 Lakhs, measured on the basis of a registered valuer's report per Note 8.4, has been adopted as fair market value. For element L, the excess of tax provision over the book-profit basis liability and the unascertained portion of provisions have each been assumed to have nil impact.
4. Beta has been re-levered on book values of debt and equity as at 31 March 2026, that being the capital structure information available. Market value weights would be preferable and would produce a different cost of equity; the effect of a different cost of equity is quantified at paragraph 13.1.
5. The number of equity shares in issue is 2,11,13,986 per the Company's records, while the projection model works to 2,11,14,000 shares. The difference of 14 shares is immaterial to the conclusion and no adjustment has been made.

6. No discount for lack of marketability, no minority discount and no control premium has been applied under any method, the valuation having been performed on an as-is basis. Regulation 166A requires a valuer to address whether a control premium is appropriate; a control premium has not been applied because the exercise values the equity shares as a class rather than a controlling block. Were the proposed allotment to confer control, a premium would increase the fair value under the valuation approaches — but as paragraph 12.3 shows, it would need to be extraordinarily large before the conclusion changed, the floor price already standing some 103% above the fair value under those approaches.

13.6 Scope and Use of this Report

1. This Report addresses the floor price under Regulation 166A(1) only. Any other applicable pricing floor — including under the Companies Act, 2013 and the rules made thereunder, or under the Foreign Exchange Management Act, 1999 where a non-resident allottee is involved — must be considered separately, and the highest of the applicable floors will govern the issue price.
2. This Report is a professional valuation analysis. It is not an audit, a fairness opinion, or investment advice, and it does not constitute a recommendation to any person to subscribe for, purchase or sell any security.
3. This Report speaks only as at its date. I assume no obligation to update it for events, information or circumstances arising after that date, notwithstanding that such matters may affect the conclusion.
4. This Report is addressed to the Board of Directors of the Company for the purpose stated at paragraph 1.1. Neither the whole nor any part of it, nor any reference to it, may be included in any document, circular or statement, nor disclosed to or relied upon by any third party, without prior written consent as to the form and context in which it would appear, save where disclosure is required under the SEBI ICDR Regulations or by any other applicable law or regulatory authority.

14. Declaration and Signature

I, CA RV Bhavin Hinger, a Registered Valuer registered with the Insolvency and Bankruptcy Board of India in the asset class Securities or Financial Assets under Registration No. IBBI/RV/06/2019/12568, declare that:

- I am duly registered as a Registered Valuer in the asset class Securities or Financial Assets and am qualified to undertake this valuation, and I am an independent registered valuer for the purposes of Regulation 166A of the SEBI ICDR Regulations.
- I have no present or contemplated interest in the Company, nor any interest in the securities that are the subject of this Report, that would impair my independence.
- My fee for this engagement is not contingent upon the conclusion reached or upon the consummation of any transaction.
- The analysis, opinions and conclusions in this Report are my own professional work, subject to the assumptions, reliances and limitations recorded in Section 13.
- The information furnished by the Company has been relied upon as accurate and complete and has not been independently verified.
- This Report has been prepared in accordance with the applicable provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and the Companies (Registered Valuers and Valuation) Rules, 2017.

IBBI/RV/06/2019/12568 Bhavin Hinger Surat Registered Valuer (SMA)

Place: Surat

CA RV Bhavin Hinger

Date: 25th August 2026

Registered Valuer — Securities or Financial Assets

IBBI Registration No.: IBBI/RV/06/2019/12568

UDIN: 26127941OSHSGT5738