FAIR VALUATION REPORT

Report on Fair Value of Equity Shares

for the purpose of Preferential Allotment of Equity Shares

under Regulation 164 and 166A of the SEBI (ICDR) Regulations, 2018

Prepared for

GSB FINANCE LIMITED

201, 2nd Floor, Eco Space I.T. Park Building,
Village Mogra, Old Nagardas Road, Andheri(E) Mumbai,
Nagardas Road, Mumbai, Maharashtra, India, 400069

Valuation Date: 10th July ,2026

Report Date: 11th July ,2026

Strictly Private & Confidential

CA Lokesh Bothra
Registered Valuer – Securities or Financial Assets
Membership No.: 308769 | IBBI Reg. No.: IBBI/RV/06/2020/13393

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LOKESH BOTHRA * IBBI REGISTERED VALUER *

Lokesh Bothra

FCA, CS, FAFD Registered valuer (IBBI) (SFA)
Membership No. : 308769

IBBI Registration No. : IBBI/RV/06/2020/13393
ICAI RVO No. : ICAI/RVO/06/RV-P00093/2020-2021

11th July 2026

To,

The Board of Directors,

GSB FINANCE LIMITED
201, 2nd Floor, Eco Space I.T. Park Building,
Village Mogra, Old Nagardas Road, Andheri(E) Mumbai,
Nagardas Road, Mumbai, Maharashtra, India, 400069

Dear Sir,

Subject: Report on Fair Value of Equity Shares for the purpose of Preferential Allotment of Equity Shares in terms of Regulation 164 and 166A of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018

I have performed a valuation engagement in respect of GSB FINANCE LIMITED (referred to hereinafter as "the Company"), as on 10/07/2026 ("Valuation Date"), for the purpose of raising funds. This valuation has been performed on a fair value basis solely for the purpose of preferential allotment of Equity Shares in terms of Regulation 164 and 166A of the SEBI (ICDR) Regulations, 2018, as amended from time to time.

The resulting estimate of value should not be used for any purpose, or by any party, other than the one identified above. I have estimated the fair value per equity share of the Company to be INR 25.13 /- per share.

In consideration of all the relevant factors and circumstances as discussed and referred to in this Report, in our opinion, in terms of the SEBI ICDR Regulations, the floor price per equity share of face value of Rs. 10/- each fully paid up of the Company is Rs. 35.23 per equity share for preferential allotment in accordance with SEBI ICDR Regulations on a Fair Value basis as at the Relevant Date of July 10, 2026.

This conclusion is subject to the Statement of Assumptions and Limiting Conditions set out later in this report. A detailed working of the valuation is also set out later in this report. I have no obligation to update this report, or my conclusion of value, for information that comes to my attention after the date of this report.

LOKESH BOTHRA * IBBI REGISTERED VALUER

Unit No. : 815A, Diamond Heritage,
16, Stand Road, 8th Floor, Kolkata 700 001.
Mobile : 9831505571, 9681462152.
E-mail : lokesh.bothra@rdaga.com

A. Background information of the Company

GSB Finance Limited is a Non-Banking Financial Company (NBFC) incorporated on 11th December 2001 under the provisions of the Companies Act, 1956 bearing CIN no. L99999MH2001PLC134193. The equity shares of the Company are listed on the Main Board of BSE Limited (Scrip Code: 511543). The Company is also registered with RBI vide Certificate dated 05th February 2004.

The Registered Office of the Company is situated in Mumbai, Maharashtra, while its Corporate Office is located in Raipur, Chhattisgarh. The Company has appointed MUFG Intime India Pvt. Ltd. as its Registrar and Transfer Agent (RTA). The Company's ISIN is INE777C01011.

Company is engaged in investment and financial activities, with its principal business comprising of providing loans and acquisition, holding, management, and sale of equity investments.

Company's investment activities are supported by market research, analytical processes, and prudent risk management practices to facilitate informed investment decisions. The Company operates in compliance with the applicable provisions of the Reserve Bank of India Act, 1934, the Securities and Exchange Board of India (SEBI) regulations, the Companies Act, and other applicable laws governing NBFCs and listed entities.

The Company is committed to maintaining sound corporate governance, regulatory compliance, and prudent financial management while carrying on its investment and financial services business.

The details of the Board of Directors and KMP as on the date of this report are as under:

Sr. No.	DIN/PAN	Name of director and Key Managerial Personnal	Designation
1	*****0131K	AKSHAT SHARMA	Company Secretary
2	03377355	KSHITIJ AGRAWAL	Director
3	08797386	HARI CHAND MITTAL	Director
4	11367022	SWETA PAREEK	Director
5	*****1996F	VIVEK KUMAR SINGHAL	CFO
6	01962224	VIVEK KUMAR SINGHAL	Managing Director

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Equity Shareholding Pattern as on the date of this report is as under:

Sr. No.	Name of Shares Holder	Category	No. of Shares Holding	% of Holding
1	VIVEK KUMAR SINGHAL	Promoter	15,70,355	26.17%
2	KSHITIJ AGRAWAL	Promoter	3,92,000	6.53%
3	Stock Mandi (Partnership Firm)	Promoter	9,00,820	15.01%
4	Nivesh Mandi Private Limited (Body Corporate)	Promoter	4,52,000	7.53%
5	Public		26,84,825	44.75%
6	**Total**		**60,00,000**	**100%**

B. Purpose of the Valuation and Appointing Authority

I have been informed by the management that the Company is in the process of fund raising via preferential allotment of Equity Shares. Thus, a valuation report for the same is required under the Companies Act, 2013 read with the rules made thereunder, and Regulation 164 read with Regulation 166A of the SEBI (ICDR) Regulations, 2018.

The Board of GSB Finance Limited has appointed CA Lokesh Bothra, IBBI Registered Valuer – Securities or Financial Assets ("Valuer", "I" or "me"), to provide a valuation report for the fair value of Equity Shares of the Company for the purpose referred to above.

LOKESH BOTHRA ★ IBBI REGISTERED VALUER ★

C. Disclosure of Valuer's Interest or Conflict

I hereby confirm and explicitly declare that I am an Independent Registered Valuer and do not have any interest, direct or indirect, in the underlying securities being valued.

D. Date of Appointment, Valuation Date and Date of the Valuation Report

Date of appointment	8th July, 2026
Valuation date	10th July, 2026
Date of valuation report	11th July, 2026

E. Inspections and/or Investigations Undertaken

I have not carried out any physical inspection or independent verification of the information provided. I have relied on the publicly available information and other financial and non-financial information made available to me, as well as the representations made to me in the course of this engagement.

F. Nature and Sources of Information Used or Relied Upon

In the course of my valuation analysis, I have relied on various financial and non-financial information obtained from the Company and from public, financial and industry sources. I have relied on the presumption that all information provided by the Company has been duly approved by the concerned authority to which it pertains. My conclusion of value is dependent on such information being complete and accurate in all material respects. The principal sources of information used in the course of my valuation include, inter alia:

Company-specific information

1. Brief history, present activities and business profile, etc.
2. Memorandum of Association and Articles of Association
3. Discussions with management and other information provided
4. Historical financial information provided by the Company
5. List of directors of the Company as at the Valuation Date

Publicly available information

Publicly available information and secondary information, including information from websites such as www.bseindia.com , www.moneycontrol.com. I have not independently verified the accuracy or timeliness of this information; I have relied upon the information referred to above without seeking independent confirmation of its reliability, accuracy or completeness beyond what is reasonably necessary and prudent in the circumstances. I have not performed any audit or verification of the information relied upon. Accordingly, I accept no responsibility for any errors in the information on which the valuation conclusions are based.

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G. Procedures Adopted in Carrying Out the Valuation and Valuation Standards Followed

My analysis of the value of the Company is based on the ICAI Valuation Standards, and the prescriptions laid down in the Companies (Registered Valuers and Valuation) Rules, 2017, as well as the requirements of the SEBI (ICDR) Regulations, 2018. Some of the key procedures followed in carrying out the valuation engagement are:

1. Understanding the nature and purpose of the transaction.
2. Selection of the valuation approach and the corresponding valuation methodology, considered from among the Asset Approach, Income Approach and Market Approach.
3. Performing the valuation engagement and arriving at the valuation conclusion.

H. Valuation Methodology and Valuation

This valuation report is prepared on a fair value basis. Fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the valuation date.

Amongst the valuation methodologies identified in the valuation standards, I have considered the "Net Asset Value" method under the Asset Approach, the "Profit Earning Capacity Value (PECV)" method under the Income Approach, and the "Share Market Price" method under the Market Approach, as the most appropriate methodologies for the purpose of valuing the Company.

1. Asset Approach – Net Asset Value (NAV) Method

The asset-based valuation technique is based on the value of the underlying net assets of the business, on either a book value, realisable value or replacement cost basis. This approach is mainly used where the asset base dominates earnings capability, or where the main strength of the business is its asset backing rather than its capacity or potential to earn profits.

The book value of equity per share, based on the latest audited Balance Sheet as on 31.03.2026 and after considering the fresh shares proposed to be allotted, is arrived at as under:

Particulars	Amount (INR)
ASSETS	
Non-Current Assets	
Property Plant Equipment	1,84,142.23
Investment (Taken at Fair Value)	32,50,225.06
Loan & Advances	11,56,83,027.00
Other Non-Current Assets	66,49,434.14
CURRENT ASSETS	
Trade Receivable	1,24,93,904.55
Deposits	3,36,300

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Particulars	Amount (INR)
Cash & Cash Equivalent	35,53,529.78
A. TOTAL ASSETS	14,21,50,562.76
LIABILITIES	
FINANCIAL LIABILITY	
Trade Payable	11,396.00
Other Payable	48,000.00
Other Financial Liabilities	8,04,259.00
Non Financial Liabilities	5,94,834.00
B. TOTAL LIABILITIES	14,58,489.00
C. NET WORTH (A-B)	14,06,92,073.76
D. NO. OF EQUITY SHARES	60,00,000
E. VALUE PER SHARE (C/D)	**23.45**

For the purpose of calculation of fair value via the Asset Approach, I have considered the value derived above, i.e. INR 23.45/- per share.

2. Income Approach – Profit Earning Capacity Value (PECV) Method

This method of valuation presumes continuity of business and uses past and projected earnings to arrive at an estimate of future maintainable profits. For the purpose of PECV, the commonly accepted approach is to capitalise average earnings – past and projected – at an appropriate capitalisation rate to arrive at a fair value per share. Provision for taxation at the current statutory rate is normally considered, since the estimate of PECV lies in the assessment of the future maintainable profits of the business. The valuation working under the PECV method is as under:

Particulars	FY [23-24]	FY [24-25]	FY [25-26]	Weighted Average
EPS (In INR)	0.21	1.19	(0.51)	0.30
Average industry P/E for the sector (Source: BSE, Screener)				56.30
Fair Value per Equity Share (in INR)				**16.70**

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The Average Industry P/E considered above is based on the trading P/E multiples of listed peer NBFCs, extracted from BSE India and Screener.in as on 09th July 2026, summarised below:

Sr. No.	Company Name	CMP (INR)	P/E Ratio
1	Bajaj Finance	1003.80	32.54
2	Shriram Finance	1032.60	24.23
3	Cholamandalam Inv. & Fin.	1791.90	29.19
4	Tata Capital	355.85	30.98
5	Muthoot Finance	3055.25	11.58
6	L&T Finance Ltd	321.05	26.79
7	HDB Financial Services	734.90	23.94
8	Dhansafal Finserve Ltd	2.37	73.42
9	Rajputana Investment and Finance Ltd.	33.00	253.85
9	**GSB Finance Ltd (Subject Company)**	**39.57**	**N.A.***

*P/E of the subject company is not meaningful, as the Company reported a net loss in FY 2025-26. Source: BSE India and Screener.in as on 09th July 2026.

For the purpose of calculation of fair value via the Income Approach, I have considered the value of INR 16.70/- per share.

3. Market Approach – Share Market Price Method

Under the Share Market Price method, a Valuer considers the traded price observed over a reasonable period while valuing assets that are traded in an active market. The valuation standards prescribe use of the average price of the asset over a reasonable period, using a weighted average or volume weighted average, to reduce the impact of volatility or any one-time event. As a listed company, the pricing of the Company for the purpose of preferential allotment of Equity Shares is governed by the Pricing Regulations under the SEBI (ICDR) Regulations, 2018.

As per the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, the Company is considered to be frequently traded if the traded turnover on the recognized stock exchange during the 240 trading days preceding the relevant date is more than 10% of the total number of shares. The analysis of the trading data is as under:

Particulars	
Total No of Trading Days	240
Total No of share as on 09.07.26	60,00,000
No. of share traded in 240 trading days	11,19,304
	18.66%
Status	The shares are Frequently Traded on BSE Limited

The equity shares of GSB FINANCE LIMITED are listed on BSE Limited. Yes, the shares have been listed for 90 trading days or more as on the relevant date, and accordingly Regulation 164(1) of the SEBI (ICDR) Regulations, 2018 (pricing of frequently traded shares) is applied.

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Sr. No.	Particulars	Total No. of Traded Shares	Total Traded Value (INR)	VWAP (INR)
A	90 Trading Days VWAP of the related equity shares for the applicable trading-day period preceding preceding the valuation date, as per Reg. 164	2,36,616	83,34,887.00	35.23
B	10 Trading Days VWAP of the related equity shares for the applicable trading-day period preceding the valuation date, as per Reg. 164	1,03,649	35,22,288.00	33.98

For the purpose of calculation of fair value via the Market Approach, I have considered the higher of the above, i.e. INR 35.23/- per share.

I. Conclusion

The current valuation has been carried out based on the valuation methodologies discussed above. Various qualitative factors, business dynamics and growth potential of the business, key underlying assumptions and limitations were given due consideration. Based on the valuation exercise carried out in terms of the methodology identified above, the fair price is arrived at as the weighted average of the above approaches:

Equal weightage of 1:1:1 has been assigned to the Asset, Income and Market Approaches. This is considered appropriate in the facts and circumstances of the Company, since: (i) the Company is a listed NBFC with a balance sheet dominated by financial investments and loans & advances, making the Asset Approach a relevant indicator of underlying net worth; (ii) the Company has a history of operating profits, albeit with volatility including a loss in the latest financial year, so the Income Approach remains relevant but is not disproportionately weighted higher; and (iii) the equity shares are frequently traded on a recognised stock exchange, making the Market Approach a relevant indicator of the price at which market participants are willing to transact. In the Valuer's judgement, no single approach is disproportionately more reliable than the others in the present case, and an equal weightage therefore provides a balanced fair value that reflects net worth, earning capacity and market perception in equal measure.

Particulars	Price per Share (INR)	Weightage	Weighted Total
Asset Approach – Net Asset Value Method	23.45	1.00	23.45
Income Approach – Profit Earning Capacity Value	16.70	1.00	16.70
Market Approach – Share Market Price	35.23	1.00	35.23
Total		3.00	75.38
Fair Value per Equity Share (in INR)			**25.13**

On the basis of the foregoing, the fair value of equity shares of GSB FINANCE LIMITED is arrived at INR 25.13/- per share.

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In the light of the above and in consideration of all the relevant factors and circumstances as discussed and referred to in this Report, in our opinion, in terms of the SEBI ICDR Regulations, the floor price per equity share of face value of Rs. 10/- each fully paid up of the Company is INR 35.23 per equity share for preferential allotment in accordance with SEBI ICDR Regulations on a Fair Value basis as at the Relevant Date of July 10, 2026.

J. Restrictions on Use of the Valuation Report

This valuation report is meant for use for the limited purpose of issue of Equity Shares on a preferential basis, as on the valuation date or a date close to it. It should not be used for any other purpose or by any other person. The valuation report is based on the available financial information from the Company and publicly available sources believed to be accurate. I accept no responsibility for any errors in the information on which the valuation conclusions are based.

K. Caveats, Limitations and Disclaimers

My report is subject to the scope and limitations detailed hereinafter. 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.

1. This report has been prepared for the purpose stated herein and should not be used for any other purpose. The Company is the only authorised user of this report and is restricted to the purpose indicated in the engagement letter. The report should not be copied or reproduced without my prior written approval.
2. In the course of the valuation, I was provided with both written and verbal information. I have evaluated the information provided through broad inquiry, analysis and review, but have not carried out a due diligence or audit of the information for the purpose of this engagement. My conclusions are based on the assumptions, forecasts and other information given by/on behalf of the Company.
3. The valuation is tempered by the exercise of judicious discretion by the Valuer, taking into account relevant factors such as management capability, present and prospective competition, yield on comparable securities and market sentiment, which may not be apparent from the Balance Sheet but could strongly influence value.
4. While my work has involved analysis of financial information and accounting records, my engagement does not include an audit in accordance with generally accepted auditing standards. Accordingly, I express no audit opinion or other form of assurance on this information.
5. I do not provide assurance on the achievability of the results forecast by management, as events and circumstances do not always occur as expected; differences between actual and expected results may be material.
6. The Company and its management/representatives have warranted that the information supplied was complete, accurate and correct to the best of their knowledge. I have relied on such representations and shall not be liable for any loss, damages, cost or expenses arising from fraudulent acts, misrepresentation, or wilful default on the part of the Company, its directors, employees or agents.

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7. I have relied on data from external sources believed to be reliable, and assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others used in this analysis.
8. The user of this report should be aware of the potential for later variations in value due to factors unforeseen at the valuation date. This valuation report can only be regarded as relevant as at the valuation date.
9. I owe responsibility only to the authority/client that appointed me under the engagement letter, and will not be liable for losses, claims, damages or liabilities arising from actions, omissions or advice given by any other person.
10. The report assumes that the Company complies fully with relevant laws and regulations applicable to its operations, unless otherwise stated, and that it will be managed in a competent and responsible manner. No consideration has been given to matters of a legal nature, including legal title, compliance with local laws, litigation and contingent liabilities not reflected in the records provided to me.
11. I am independent of the Company and have no current or expected interest in the Company or its assets. The fee paid for my services has in no way influenced the results of my analysis.
12. This report should not be used for any purpose other than the one mentioned herein, and should not be copied or reproduced without my prior written approval.

Date: 11/07/2026
Place: Kolkata

LOKESH BOTHRA * REGISTERED VALUER * IBBI

Lokesh Bothra

CA Lokesh Bothra
Registered Valuer – Securities or Financial Assets
IBBI Registration No.: IBBI/RV/06/2020/13393
UDIN: **26308769LMVVYG5942**

Annexure 1

As per Regulation 164 SEBI ICDR REGULATIONS

Volume Weighted Average Price for 90 trading Days

Date	No. of Shares Traded	Total Turnover (Rs)
18-Feb-26	165	6181
19-Feb-26	1856	70403
20-Feb-26	4612	171442
23-Feb-26	720	27300
26-Feb-26	1927	67505
27-Feb-26	2916	97656
02-Mar-26	224	6775
04-Mar-26	663	21996
05-Mar-26	502	16328
06-Mar-26	1068	37368
09-Mar-26	211	7664
10-Mar-26	1318	42881
11-Mar-26	12	401
12-Mar-26	3251	110488
13-Mar-26	869	28904
16-Mar-26	183	5947
17-Mar-26	4554	145728
18-Mar-26	4612	148899
19-Mar-26	552	19145
20-Mar-26	2240	71703
23-Mar-26	87	2918
24-Mar-26	25	739
25-Mar-26	4946	159872
27-Mar-26	1019	31677
30-Mar-26	48	1584
01-Apr-26	199	6507
02-Apr-26	1166	37185
06-Apr-26	809	26124
07-Apr-26	615	20591
08-Apr-26	101	3838
09-Apr-26	457	16839
10-Apr-26	3	110
13-Apr-26	2	73
15-Apr-26	890	32730
16-Apr-26	19	683
17-Apr-26	110	3905
20-Apr-26	125	4522
21-Apr-26	332	11663
22-Apr-26	5883	223943

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23-Apr-26	3655	154575
24-Apr-26	1651	68272
27-Apr-26	277	10232
28-Apr-26	1658	60649
29-Apr-26	2905	101837
30-Apr-26	82	3099
04-May-26	253	9524
05-May-26	331	11664
06-May-26	255	8821
07-May-26	710	25662
08-May-26	1315	46840
11-May-26	1022	35449
12-May-26	127	4071
13-May-26	229	7168
14-May-26	2	69
15-May-26	695	24704
18-May-26	847	27064
21-May-26	145	4752
22-May-26	146	4786
25-May-26	402	12175
26-May-26	1049	33751
27-May-26	1208	44172
29-May-26	742	23799
01-Jun-26	569	18462
02-Jun-26	3	100
03-Jun-26	1556	49873
04-Jun-26	31416	1200646
05-Jun-26	11107	463549
08-Jun-26	1438	59772
09-Jun-26	1052	39180
10-Jun-26	5306	188968
11-Jun-26	915	31352
12-Jun-26	2055	69711
15-Jun-26	950	32125
16-Jun-26	1305	43191
17-Jun-26	786	24747
18-Jun-26	1727	56340
19-Jun-26	87	2924
22-Jun-26	2621	83310
23-Jun-26	903	29379
24-Jun-26	174	5618
25-Jun-26	3523	112001
29-Jun-26	76821	2573620
30-Jun-26	296	9840
01-Jul-26	1564	50155
02-Jul-26	3660	112908

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03-Jul-26	1102	35000
06-Jul-26	422	13281
07-Jul-26	133	4121
08-Jul-26	74	2331
09-Jul-26	16054	609031

Traded Turnover (INR)	83,34,887
No.of Shares Traded	2,36,616
Volume Weighted Average Price for 90 Trading Days	35.23

Volume Weighted Average Price for 10 trading Days

Date	No. of Shares Traded	Total Turnover (Rs)
25-Jun-26	3523	112001
29-Jun-26	76821	2573620
30-Jun-26	296	9840
01-Jul-26	1564	50155
02-Jul-26	3660	112908
03-Jul-26	1102	35000
06-Jul-26	422	13281
07-Jul-26	133	4121
08-Jul-26	74	2331
09-Jul-26	16054	609031

Traded Turnover (INR)	35,22,288
No. of Shares Traded	1,03,649
Volume Weighted Average Price for 10 Trading Days	33.98

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