Desai Haribhakti & Co. Chartered Accountants Constantia 7th Floor B Wing 11, Dr U N Brahmachari Street, Kolkata - 700 017, West Bengal, India.	SRB & Associates Chartered Accountants A-3/7, Gillanders Gouse 8, N.S. Road, Kolkata - 700 001 West Bengal, India.

Dated: 7th January 2019

To,

The Board of Directors,	**The Board of Directors,**
GRUH Finance Limited "GRUH", Netaji Marg Nr. Mithakali Six Roads, Ellisbridge Ahmedabad - 380 006 Gujarat, India.	Bandhan Bank Limited DN – 32, Sector V Salt Lake Kolkata - 700 091 West Bengal, India.

Sub: Recommendation of fair equity share exchange ratio for the purpose of the proposed merger of GRUH Finance Limited into Bandhan Bank Limited

Dear Madams / Sirs,

We refer to the engagement/appointment letters whereby,

- GRUH Finance Limited (hereinafter referred to as "GFL") has appointed Desai Haribhakti & Co., Chartered Accountants (hereinafter referred to as "DHC") vide engagement letter effective from 27th December 2018; and
- Bandhan Bank Limited (hereinafter referred to as "BBL") has appointed SRB & Associates, Chartered Accountants (hereinafter referred to as "SRB") vide engagement letter effective from 20th December 2018.

for recommendation of the fair equity share exchange ratio (hereinafter referred to as "Fair Equity Share Exchange Ratio") for the proposed merger of GFL into BBL (hereinafter jointly referred to as the "Companies") on a going concern basis with effect from the proposed Appointed Date of 1st January 2019 or such other date as approved by the Companies and other relevant authorities.

The Fair Equity Share Exchange Ratio for this report ("Report") refers to the number of equity shares of BBL of face value of INR 10/- each, which would be issued to equity shareholders of GFL in lieu of their equity shareholding in GFL pursuant to the proposed merger.

DHC and SRB are hereinafter referred to as "Valuers" or "we" or "us" and individually referred to as "Valuer" in this joint Report.

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1. SCOPE AND PURPOSE OF THIS REPORT

1.1. GFL, incorporated on 21st July 1986, is engaged in the business of providing home loans and is registered with the National Housing Bank as a housing finance institution. Currently, GFL is a subsidiary of Housing Development Finance Corporation Limited ("HDFC"). The equity shares of the GFL are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). HDFC owns 57.86% of paid-up outstanding equity shares and balance is held by public shareholders as of 30th September 2018. GFL had reported total income and profit after tax of INR 16,871.9 million and INR 3,626.8 million respectively for the year ended 31st March 2018.

1.2. BBL, incorporated on 23rd December 2014, is in the business of providing banking services and is licensed as banking company under the provisions of Banking Regulation Act, 1949. The equity shares of the BBL are listed on BSE and NSE. The promoter and the promoter group of BBL owns 82.28% of paid-up outstanding equity shares and balance is held by institutional and public shareholders as of 30th September 2018. BBL had reported total income and profit after tax of INR 55,084.8 million and INR 13,455.5 million respectively for the year ended 31st March 2018.

1.3. We understand that the managements of GFL and BBL ("Management/s") are contemplating to consolidate their operations on a going concern basis with effect from proposed Appointed Date of 1st January 2019 pursuant to a scheme of amalgamation (the "Scheme") under the provisions of Sections 230-232 of the Companies Act, 2013 and other applicable securities and capital market laws and rules issued thereunder to the extent applicable (the "Proposed Merger").

1.4. In consideration thereof, equity shares of BBL will be issued to the equity shareholders of GFL, once the Scheme becomes effective. The number of equity shares of BBL of face value of INR 10/- each to be issued for the equity shares of GFL in the event of the Proposed Merger is referred to as the "Fair Equity Share Exchange Ratio".

1.5. For the aforesaid purpose, GFL and BBL have appointed DHC and SRB respectively to submit a joint report on the Fair Equity Share Exchange Ratio for the consideration of the Board of Directors (the "Boards") of the respective Companies as required under the provisions of Sections 230-232 of the Companies Act, 2013 and other applicable securities and capital market laws and rules issued thereunder.

1.6. The scope of our services is to conduct a relative valuation (not an absolute valuation) of the equity shares of the Companies, without considering the effect of proposed merger and recommending a Fair Equity Share Exchange Ratio for the Proposed Merger.

1.7. This Report will be placed before the Boards / Audit Committees of the respective Companies, as applicable, as per the relevant SEBI circulars, and, to the extent mandatorily required under applicable laws of India. This Report may be required to be produced before the judicial, regulatory or government authorities, stock exchanges, shareholders in connection with the Proposed Merger under applicable laws.

1.8. The Valuers have been appointed severally and not jointly and have worked independently in their analysis. Both the Valuers have received information and clarification from their respective Companies. The Valuers have independently arrived at different values per share of the Companies. However, to arrive at the consensus on the Fair Equity Share Exchange Ratio for the Proposed Merger, appropriate minor adjustments / rounding off has been done in the values arrived at by the Valuers.

1.9. We have considered financial information up to 30th September 2018 and the current market parameters in our analysis and made adjustments for additional facts made known to us till the date of our Report

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which will have a bearing on the valuation analysis to the extent considered appropriate. Further, the Managements have informed us that all material information impacting the Companies have been disclosed to us.

1.10. The Managements have informed us that:

a) There would not be any capital variation in the Companies till the Proposed Merger becomes effective without the approval of the shareholders other than on account of existing Employee Stock Options ("ESOPs") Scheme which would not be material;

b) Neither Companies would declare any dividend which are either materially different than those declared in the past few years or having materially different yields.

c) There are no unusual / abnormal events in both the Companies since the last result declaration date till the Report date materially impacting their operating/ financial performance.

We have relied on the above while arriving at the Fair Equity Share Exchange Ratio for the Proposed Merger.

1.11. This Report is our deliverable in respect of our recommendation of the Fair Equity Share Exchange Ratio for the Proposed Merger.

1.12. Our opinion is based on prevailing market, economic and other conditions as at the date of this Report. These conditions can change over relatively short periods of time. Any subsequent changes in these conditions could have an impact upon our opinion. We do not undertake to update this Report for events or circumstances arising after the date of this Report.

1.13. This Report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

2. SOURCES OF INFORMATION

2.1. In connection with this exercise, we have used the following information about the Companies as received from the Managements in either oral or in written form and/or gathered from public domain:

a. Salient features of the Proposed Merger;

b. Annual Reports for the year ended 31st March 2018 of GFL and BBL and for the earlier periods;

c. Unaudited financial statements of GFL and BBL for 6 months period ended 30th September 2018;

d. List of outstanding ESOPs for various plans with respective exercise price for the Companies as of 30th September 2018;

e. Other relevant information

2.2. Information provided by leading database sources, market research reports and other published data;

2.3. It may be noted that no future business plans for the Companies have been provided to us.

2.4. During the discussions with the Managements, we have also obtained information and explaination considered necessary and relevant for our exercise.

2.5. We have prepared this Report from information provided by and from discussions with the Managements.

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2.6. We have not verified the accuracy, reliability and competence of the information provided and the procedures that we used to perform the work did not constitute an audit or review made under any generally accepted accounting standard.

2.7. The Companies have been provided with the opportunity to review the draft Report (excluding the recommended Fair Equity Share Exchange Ratio) for this engagement to make sure that factual inaccuracies and omissions are avoided in our final Report.

3. PROCEDURES ADOPTED FOR THE PURPOSE OF THE VALUATION

We have performed the valuation analysis, to the extent applicable, in accordance with Indian Valuation Standards, 2018 issued by the Institute of Chartered Accountants of India ("IVS"). In connection with this analysis, we have adopted the following procedures to carry out the valuation analysis:

3.1. Requested and received financial and qualitative information relating to the Companies

3.2. Obtained and analyzed data available in public domain, as considered relevant by us

3.3. Discussed with the management and representatives of the respective Companies on understanding of the business and fundamental factors affecting the Companies.

3.4. Undertook industry analysis:

a. Research publicly available market data including economic factors and industry trends that may impact the valuation.

b. Analysis of key trends and valuation multiples of comparable companies/comparable transactions, if any, using proprietary databases subscribed by us.

3.5. Analysis of other publicly available information.

3.6. Selection of valuation approach and valuation methodology/(ies), in accordance with IVS, as considered appropriate and relevant by us.

3.7. Determination of relative values of the equity shares of the Companies.

3.8. Further, at the request of respective Managements, we have had discussions with fairness opinion providers appointed by respective Companies on the valuation approach adopted and assumptions made.

4. SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

4.1. Valuation analysis and results are specific to the purpose of valuation and is not intended to represent value at any time other than valuation date of 4th January, 2019 ("Valuation Date") mentioned in the Report and as per agreed terms of our engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.

4.2. This Report, its contents and the results are specific to (i) the purpose of valuation agreed as per the terms of our engagements; (ii) the Valuation Date and (iii) are based on the financial information of the Companies till 30th September 2018. The Managements has represented that the business activities of GFL and BBL have been carried out in normal and ordinary course between 30th September 2018 and

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the Valuation Date and that no material changes have occurred in their respective operations and financial position between 30th September 2018 and the Valuation Date.

4.3. A valuation or determination of share exchange ratio of this nature involves consideration of various factors including those impacted by prevailing stock market trends in general and industry trends in particular. This Report is issued on the understanding that the Managements have drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies and any other matter, which may have an impact on our opinion, on the Fair Equity Share Exchange Ratio for the Proposed Merger as on the Valuation Date.

4.4. We have no responsibility to update the Report for any events and circumstances occurring after the date of the Report. Our valuation analysis was completed on a date subsequent to the Valuation Date and accordingly we have taken into account such valuation parameters and over such period, as we considered appropriate and relevant, up to a date close to Valuation Date.

4.5. This Report is intended only for the sole use and information of the respective Boards of the Companies and only in connection with the Proposed Merger including for the purpose of obtaining regulatory approvals, as required under applicable laws of India.

4.6. This Report and the information contained herein are absolutely confidential and is prepared on for the stated purposes in this report. This Report should not be copied, disclosed, circulated, quoted or referred to either in whole or in part, in correspondence or in discussion with any other person except to whom it is issued without our written consent. The Companies are required to submit this Report to regulatory or judicial authorities, government authorities, stock exchanges, courts, shareholders, their professional advisors including merchant bankers providing the fairness opinion on the Fair Equity Share Exchange Ratio in connection with the Proposed Merger to the extent mandatorily required under applicable laws of India. We hereby consent to such disclosure of this Report, on the basis that we owe responsibility only to the Boards of the respective Companies that have engaged us, under the terms of our engagement, and no other person; and that, to the fullest extent permitted by law, we accept no responsibility or liability to the shareholders of the Companies or any other party, in connection with this Report. The results of our valuation analysis and our Report cannot be used or relied by the Companies for any other purpose or by any other party for any purpose whatsoever.

4.7. We are not responsible to any other person / party for any decision of such person / party based on this report. Any person / party intending to provide finance / invest in the shares / business of the Companies / their holding companies / subsidiaries / associates / investee companies / other 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 Companies) chooses to place reliance upon any matters included in the Report, they shall do so at their own risk and without recourse to the Valuers.

4.8. For the purpose of opining on the relative valuation of the Companies and the Fair Equity Share Exchange Ratio, we have used financial and other information provided to us by the Managements and the information that was publicly available, sourced from subscribed databases and formed substantial basis for this Report which we believe to be reliable and conclusions are dependent on such information being complete and accurate in all material aspects. While information obtained from public domain or external sources have not been verified for authenticity, accuracy or completeness, we have obtained information as far as possible, from sources generally considered to be reliable. We assume no responsibility for such information. Our scope of work refrains us to accept responsibility for the accuracy and completeness of the financial and other information provided to us by the Managements. Our conclusion on value assumes

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that the assets and liabilities of the Companies, reflected in their respective latest balance sheets remain intact as of the Report date.

4.9. In accordance with the terms of our respective engagement letters and in accordance with the customary approach adopted in valuation exercises, we have not audited, reviewed, certified, carried out a due diligence, or otherwise investigated the historical and projected financial information, if any, provided to us regarding the Companies / their holding / subsidiary / associates / joint ventures / investee companies, if any. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the historical financials / financial statements and projections. The assignment did not involve us to conduct the financial, legal, regulatory, tax, accounting, actuarial or technical feasibility study. We have not done any independent technical valuation or appraisal or due diligence of the assets or liabilities of the Companies. Also, with respect to explanations and information sought from the Managements, we have been given to understand by the Managements that they have not omitted any relevant and material factors about the Companies and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt.

4.10. Our conclusion is based on the assumptions and information given to us by/on behalf of the Companies. The respective Managements of the Companies have indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis/results. Accordingly, we assume no responsibility for any errors in the information furnished by the Managements and their impact on the report.

4.11. It should be noted that we have examined the Fair Equity Share Exchange Ratio for the Proposed Merger and not examined any other matter including economic rationale for the Proposed Merger per se or accounting, legal or tax matters involved in the Proposed Merger.

4.12. Whilst all reasonable care has been taken to ensure that the factual statements in the Report are accurate, neither us, nor any of our partners, officers or employees shall in any way be liable or responsible either directly or indirectly for the contents stated herein. Accordingly, we make no representation or warranty, express or implied, in respect of the completeness, authenticity or accuracy of such factual statements. We expressly disclaim any and all liabilities, which may arise based upon the information used in this report.

4.13. 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 sheets of the Companies / their holding / subsidiary / associates / joint ventures / investee companies, if any.

4.14. Our Report is not nor should it be construed as our opining or certifying the compliance of the Proposed Merger with the provisions of any law / standards including companies, foreign exchange regulatory, securities market, accounting and taxation (including transfer pricing) laws / standards or as regards any legal, accounting or taxation implications or issues arising from such Proposed Merger.

4.15. Our Report is not nor should it be construed as our recommendation on the Proposed Merger or anything consequential thereto / resulting therefrom. Our scope of work is limited to expression of our view on the relative value and the Fair Equity Share Exchange Ratio. This Report does not address the relative merits of the Proposed Merger as compared with any other alternatives or whether or not such alternatives could

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be achieved or are available. Any decision by the Companies / their shareholders / creditors regarding whether or not to proceed with the Proposed Merger shall rest solely with them. We express no opinion or recommendation as to how the shareholders / creditors of the Companies should vote at any shareholders' / creditors' meeting(s) to be held in connection with the Proposed Merger. This Report does not in any manner address, opine on or recommend the prices at which the securities of the Companies could or should transact at following the announcement / consummation of the Proposed Merger. Our report and the opinion / valuation analysis contained herein is not 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 is understood that this analysis does not represent a fairness opinion.

4.16. We express no opinion on the achievability of the forecasts, if any, relating to the Companies given to us by the Managements.

4.17. We have not conducted or provided an analysis or prepared a model for any individual assets / liabilities and have wholly relied on information provided to us by the Managements in that regard.

4.18. The fee for our valuation analysis and the Report is not contingent upon the results reported.

4.19. This Report is subject to the laws of India.

4.20. Any discrepancies in any table / annexure between the total and the sums of the amounts listed are due to rounding-off.

5. SHARECAPITAL DETAILS OF THE COMPANIES

5.1. GRUH Finance Limited

Based on the share capital of GFL as at 30th September 2018, and the outstanding options (including unexercised options) as at that date, we have considered the diluted equity share capital of GFL was ~ INR 1,472.9 million consisting of 73,64,57,560 equity shares of face value of INR 2/- each fully paid up.

5.2. Bandhan Bank Limited

Based on the share capital of BBL as at 30th September 2018, and the outstanding options (including unexercised options) at that date, we have considered the diluted equity share capital of BBL was ~ INR 11,950.2 million consisting of 1,19,50,25,669 equity shares of face value of INR 10/- each fully paid up.

6. APPROACH – BASIS OF AMALGAMATION

6.1. The Scheme contemplates the Proposed Merger under Sections 230-232 of the Companies Act, 2013 and rules issued thereunder to the extent applicable.

6.2. Arriving at the Fair Equity Share Exchange Ratio for the purposes of a merger such as the Proposed Merger, in accordance with the IVS would require determining the relative values of each company involved and of their shares. These values are to be determined independently but on a relative basis, and without considering the effect of the merger.

6.3. The three main valuation approaches are the asset approach, market approach and income approach. There are several commonly used and accepted methods including those set out in the IVS, within the market approach, income approach and asset approach, for determining the relative fair value of equity

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shares, which can be considered in the present case, to the extent relevant and applicable, to arrive at the Fair Equity Share Exchange Ratio for the purpose of the Proposed Merger, such as:

a. Asset Approach including
   - Net Asset Value (NAV) Method

b. Market Approach including
   - Market Price Method
   - Comparable Companies Multiple (CCM) Method

c. Income Approach including
   - Discounted Cash Flow (DCF) Method
   - Earning Capitalization Value (ECV) Method

6.4. It should be understood that the valuation of any company or its assets is inherently subjective and is subject to uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the companies. In addition, this valuation will fluctuate with changes in prevailing market conditions, the conditions and prospects, financial and otherwise, of the companies / businesses, and other factors which generally influence the valuation of companies and their assets.

6.5. The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of method of valuation has been arrived at using usual and conventional methods adopted for transactions of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

6.6. **Asset Approach:** The asset based valuation technique is based on the value of underlying net assets of business either on a book value basis or realizable value basis or replacement cost basis

a. **Net Asset Value Method:** The asset based valuation technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This valuation approach may be used in cases where the assets base dominates the earnings capability. A scheme of arrangement would normally be proceeded with, on the assumption that the companies would merge as going concerns and an actual realization of the operating assets is not contemplated. The operating assets have therefore been considered at their book values.

6.7. **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, such as a business.

a. **Market Price Method:** Under this method, the market price of an equity share of the company as quoted on a recognized stock exchange is normally considered as the fair value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded. The market value generally reflects the investors' perception about the true worth of the company, subject to the element of speculative support that may be inbuilt in the market price. But there could be situations where the value of the share as quoted on the stock market would not be regarded as a proper index of the fair value of the share, especially where the market values are fluctuating in a volatile capital market. Further, in the case of a merger, where there is a question of evaluating the

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shares of one company against those of another, the volume of transactions and the number of shares available for trading on the stock exchange over a reasonable period would have to be of a comparable standard.

b. **Comparable Companies Multiple (CCM) Method :** Under this method, one attempts to measure the value of the shares / business of company by applying the derived market multiple based on market quotations of comparable public / listed companies, in an active market, possessing attributes similar to the business of such company - to the relevant financial parameter of the company / business (based on past and / or projected working results) after making adjustments to the derived multiples on account of dissimilarities with the comparable companies and the strengths, weaknesses and other factors peculiar to the company being valued. These valuations are based on the principle that such market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

6.8. **Income Approach:** Income approach is a valuation approach that converts maintainable or future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted or capitalised) amount. The value measurement is determined on the basis of the value indicated by current market expectations about those future amounts.

a. **Discounted Cash Flow (DCF) Method:**

Under the DCF method the projected free cash flows to the firm are discounted at the weighted average cost of capital. The sum of the discounted value of such free cash flows is the value of the firm.

Such DCF analysis involves determining the following:

Estimating future free cash flows:

Free cash flows are the cash flows expected to be generated by the company that are available to the providers of the company's capital – both debt and equity.

Appropriate discount rate to be applied to cash flows i.e. the cost of capital:

This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighted by their relative contribution to the total capital of the company. The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

b. **Earnings Capitalization Value (ECV) Method:** This method involves determination of the maintainable earnings level of the company from its operations, based on past and / or projected working results. These earnings are then capitalized at a rate, which in the opinion of the valuer combines an adequate expectation of reward from the enterprise risk, to arrive at the value of the company.

Out of the above methods, we have used approaches / methods as considered appropriate by us. The values arrived at under such approaches / methods has been tabled in the section 7 of this Report.

7. BASIS OF FAIR EQUITY SHARE EXCHANGE RATIO

7.1. The fair basis of the Proposed Merger would have to be determined after taking into consideration all the factors, approaches and methods considered appropriate by the respective Valuer. Though different

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values have been arrived at under each of the above approaches / methods, for the purposes of recommending the Fair Equity Share Exchange Ratio it is necessary to arrive at a single value for the shares of the Companies involved in a merger such as the Proposed Merger. It is however important to note that in doing so, we are not attempting to arrive at the absolute values of the shares of the Companies but at their relative values to facilitate the determination of a Fair Equity Share Exchange Ratio. For this purpose, it is necessary to give appropriate weights to the values arrived at under each approach / method.

7.2. In the ultimate analysis, valuation will have to be arrived at by the exercise of judicious discretion by the valuer and judgments taking into account all the relevant factors. There will always be several factors, e.g. quality of the management, present and prospective competition, yield on comparable securities and market sentiment, etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a share. This concept is also recognized in judicial decisions. There is, therefore, no indisputable single exchange ratio. While we have provided our recommendation of the Fair Equity Share Exchange 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 Fair Equity Share Exchange Ratio of the equity shares of GFL and BBL. The final responsibility for the determination of the exchange ratio at which the Proposed Merger shall take place will be with the Boards of the Companies who should take into account other factors such as their own assessment of the Proposed Merger and input of other advisors.

7.3. The Fair Equity Share Exchange Ratio has been arrived at on the basis of a relative equity valuation of GFL and BBL based on the various approaches / methods explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potentials of the businesses of these Companies, having regard to information base, key underlying assumptions and limitations.

7.4. We have independently applied methods discussed above, as considered appropriate, and arrived at their assessment of the value per equity share of GFL and BBL. To arrive at the consensus on the Fair Equity Share Exchange Ratio for the Proposed Merger, suitable minor adjustments / rounding off has been done in the values arrived at by the Valuers.

In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined herein above, we recommend the following Fair Equity Share Exchange Ratio for the Proposed Merger whose computation is as under:

The Computation of Fair Equity Share Exchange Ratio as derived by DHC, is given below:

Valuation Approach	GRUH Finance Limited		Bandhan Bank Limited	
	Value per Share (INR)	Weight	Value per Share (INR)	Weight
Asset Approach	23.60	0%	85.75	0%
Income Approach	NA	NA	NA	NA
Market Approach – Market Price Method	308.51	50%	554.30	50%
Market Approach – Comparable Companies Multiple Method	334.38	50%	577.54	50%
Relative Value per Share	**321.45**		**565.92**	
Exchange Ratio (rounded off)	**0.568**			

*N/A = Not Applicable

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The Computation of Fair Equity Share Exchange Ratio as derived by SRB, is given below:

Valuation Approach	GRUH Finance Limited		Bandhan Bank Limited	
	Value per Share (INR)	Weight	Value per Share (INR)	Weight
Asset Approach	23.60	0%	85.75	0%
Income Approach	NA	NA	NA	NA
Market Approach – Market Price Method	308.51	50%	554.30	50%
Market Approach – Comparable Companies Multiple Method	335.40	50%	578.61	50%
Relative Value per Share	**321.95**		**566.46**	
Exchange Ratio (rounded off)	**0.568**			

*N/A = Not Applicable

Ratio:

In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined herein above, we recommend the following Fair Equity Share Exchange Ratio for the Proposed Merger:

568 [Five hundred and Sixty Eight] equity shares of Bandhan Bank Limited of INR 10/- each fully paid up for every 1,000 [Thousand] equity shares of GRUH Finance Limited of INR 2/- each fully paid up.

Respectfully Submitted,

Desai Haribhakti & Co.	SRB & Associates.
Chartered Accountants	Chartered Accountants
ICAI Firm Registration Number: 323806E	ICAI Firm Registration Number: 310009E
Arvind Godhawala	**Biswanath Paul**
Partner	*Partner*
Membership No: 106621	Membership No: 068186
Date: 7th January 2019	Date: 7th January 2019
Place: Mumbai, India	Place: Mumbai, India