

May 08, 2024

To, BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 Scrip Code: 544044	To, National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 NSE Symbol: INDIASHLTR
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Dear Sir/Madam,

Sub: Monitoring Agency Report for the quarter ended March 31, 2024

Pursuant to Regulation 32(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and Regulation 41 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, we are enclosing herewith the Monitoring Agency Report dated May 08, 2024 issued by CARE Ratings Limited (Monitoring Agency), for the quarter ended March 31, 2024 in respect of the utilization of proceeds of the Initial Public Offer of the Company.

The above report will be made available on the website of the Company at <https://www.indiashelter.in/investor-relations>

This is for your information and records.

Thanking You,

Yours sincerely,

For India Shelter Finance Corporation Limited

Mukti Chaplot

Company Secretary and Chief Compliance Officer

Mem. No. 38326

India Shelter Finance Corporation Limited

Registered office – 6th Floor, Plot No 15, Institutional Area, Sector 44, Gurgaon, Haryana-122002

CIN: L65922HR1998PLC042782, Phone No +91-124-4131807

E-mail: customer.care@indiashelter.in, Website: www.indiashelter.in

Monitoring Agency Report

CareEdge

Ratings • Advisory • Research • Risk Solutions

No. CARE/NRO/GEN/2024-25/1004

The Board of Directors

India Shelter Finance Corporation Limited

Plot 15, Level 6, Institutional Area,
Sector - 44, Near Huda metro station
Gurgaon
Haryana 122002

May 8, 2024

Dear Sir,

Monitoring Agency Report for the quarter ended March 31, 2024 - in relation to the IPO of India Shelter Finance Corporation Limited ("the Company")

We write in our capacity of Monitoring Agency for the Initial Public Offer for the amount aggregating to Rs. 800.00 crore of the Company and refer to our duties cast under 82 of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations.

In this connection, we are enclosing the Monitoring Agency Report for the quarter ended March 31, 2024 as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated December 07, 2023.

Request you to kindly take the same on records.

Thanking you,

Yours faithfully,



Sudam Shingade

Associate Director

sudam.shingade@careedge.in

CARE Ratings Limited

Plot no. C-001 A/2 Sector 16B, Berger Tower,
Noida, Gautam Budh Nagar (UP) - 201301
Phone: +91-120-4452 000

CIN-L67190MH1993PLC071691

Corporate Office :4th Floor, Godrej Coliseum,
Somaiya Hospital Road, Off Eastern Express
Highway, Sion (E), Mumbai - 400 022
Phone: +91-22-6754 3456 • www.careedge.in

Report of the Monitoring Agency

Name of the issuer: India Shelter Finance Corporation Limited

For quarter ended: March 31, 2024

Name of the Monitoring Agency: CARE Ratings Limited

(a) Deviation from the objects: nil

(b) Range of Deviation: not applicable

Declaration:

We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013.

The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit related analyses. We confirm that there is no conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer, or while undertaking credit rating or other commercial transactions with the entity.

We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "Comments of the Board of Directors", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.



Signature: Name and designation of the Authorized Signatory: Sudam Shingade

Designation of Authorized person/Signing Authority: Associate Director

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1) Issuer Details:

Name of the issuer	: India Shelter Finance Corporation Limited
Name of the promoter	: Mr. Anil Mehta, Westbridge Crossover Fund, LLC and Aravali Investment Holdings
Industry/sector to which it belongs	: NBFC-HFC

2) Issue Details

Issue Period	: December 13, 2023 to December 15, 2023
Type of issue (public/rights)	: Initial Public Offer
Type of specified securities	: Equity shares
IPO Grading, if any	: Not Applicable
Issue size (in ` crore)	: Rs. 800.00 crore (Note 1)

Note 1:

Particulars	Remarks
Total shares issued and subscribed as part of IPO	1,62,27,180
Total subscriptions towards IPO (in Rs.)	800.00
Details of expenses incurred related to IPO* (in Rs.)	49.08
Net Proceeds of IPO (Rs.)	750.92

* as per CA certificate from MRKS and Associates dated April 25, 2024, the amount mentioned as expenses was earmarked for cost of issue and is not the actual cost. As at March 31, 2024 the company was awaiting invoices from various parties involved and the final amount was yet to be arrived at.

3) Details of the arrangement made to ensure the monitoring of issue proceeds:

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	Yes	Chartered Accountant certificate* and Bank statement	All the proceeds from IPO has been utilized appropriately for the objectives mentioned in the offer document.	Yes
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Not applicable	Not applicable	Not applicable	Not applicable
Whether the means of finance for the disclosed objects of the issue have changed?	Not applicable	Not applicable	No	No
Is there any major deviation observed over the earlier monitoring agency reports?	No	Not applicable	No, there are no deviations observed from last monitoring agency report	No
Whether all Government/statutory approvals related to the object(s) have been obtained?	Not applicable	Not applicable	Not applicable	Not applicable
Whether all arrangements pertaining to technical assistance/collaboration are in	Not applicable	Not applicable	Not applicable	Not applicable

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operation?				
Are there any favorable/unfavorable events affecting the viability of these object(s)?	Not applicable	Not applicable	No	No
Is there any other relevant information that may materially affect the decision making of the investors?	No	Not applicable	No	No

#Where material deviation may be defined to mean:

a) Deviation in the objects or purposes for which the funds have been raised

b) Deviation in the amount of funds actually utilized by more than 10% of the amount projected in the offer documents.

*CA certificate from MRKS and Associates dated April 25, 2024

4) Details of objects to be monitored:

(i) Cost of objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Original cost (as per the Offer Document) in Rs. Crore	Revised Cost in Rs. Crore	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of - firm arrangements made
1	To meet future capital requirements towards onward lending	Chartered Accountant certificate*, Bank statements, Offer Document	640.00	Not applicable	NA	Nil		
2	General corporate purposes	Chartered Accountant certificate*, Bank statements, Offer Document	110.92	Not applicable	NA	Nil		
Total			750.92**					

*CA certificate from MRKS and Associates dated April 25, 2024

** Amount is net of expenses (₹ 49.08 crore as per the CA Certificate from MRKS and Associates dated April 25, 2024)

(ii) Progress in the objects –

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Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in Rs. Crore	Amount utilised in Rs. Crore			Unutilised amount in Rs. crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter in Rs. Crore			Reasons for idle funds	Proposed course of action
1	To meet future capital requirements towards onward lending	Chartered Accountant certificate*, Bank statements, Offer Document	640.00	77.16	509.30**	645.21	0.00	The funds received from issue proceeds were utilized towards disbursements, as per the objects of the issue.	Not applicable	Not applicable
2	General corporate purposes	Chartered Accountant certificate*, Bank statements, Offer Document	110.92	87.16	23.75	110.92	0.00	The funds received from issue proceeds were utilized towards term loan repayment	Not applicable	Not applicable
Total			750.92	164.32	533.05	756.14	0.00			

*CA certificate from MRKS and Associates dated April 25, 2024

**As per CA certificate from MRKS and Associates dated April 25, 2024, utilised amount in quarter ended December 31, 2023 includes the IPO proceeds amounted to Rs. 640.00 crores and the interest earned net of TDS amounted to Rs. 5.21 crores.

(iii) Deployment of unutilized public issue proceeds: No amount is unutilized as on March 31, 2024

(iv) Delay in implementation of the object(s) – Not Applicable

1) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document:

Sr. No	Item Head [^]	Amount in Rs. Crore	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of Monitoring Agency	Comments of the Board of Directors
1	Investment in T Bill**	23.34 (Q3FY24)	Chartered Accountant certificate*, Bank statements, Offer Document	Nil	Nil
2	NCD Payment	60.48 (Q3FY24)	Chartered Accountant certificate*, Bank statements, Offer Document		
3	Term Loan Payment	3.34 (Q3FY24) + 23.75 (Q4FY24)	Chartered Accountant certificate*, Bank statements, Offer Document		
Total		110.92			

[^] Section from the offer document related to GCP:

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2. General corporate purposes

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ 1,109.16 million towards general corporate purposes, subject to such utilization not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations, including but not limited to meeting expenses incurred in ordinary course of business such as strategic initiatives including advancement of information technology, meeting future branch and business expansion, repayment of indebtedness from time to time, meeting ongoing working capital requirements and meeting general corporate exigencies and contingencies and any other business requirements, and any other purpose as maybe approved by the Board or a duly appointed committee from time to time, subject to compliance with necessary provisions of the Companies Act, 2013 (“Companies Act”).

***As per CA certificate from MRKS and Associates dated April 25, 2024, investment in T-Bills has been done to meet the requirements of RBI guidelines to maintain required liquidity ratios. Since this is statutory requirement of the company to maintain certain liquidity ratios, therefore these types of investments are considered in ordinary course of business and hence included in General Corporate Purposes of the company.*

**CA certificate from MRKS and Associates dated April 25, 2024*

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