

February 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 December 31, 2023

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 February 08, 2024 issued by CARE Ratings Limited (Monitoring Agency), for the quarter ended December 31, 2023 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
Address: 6th Floor, Plot No 15, Institutional Area,
Sector 44, Gurgaon, Haryana-122002

India Shelter Finance Corporation Limited

Registered office – 6th Floor, Plot No 15, Institutional Area, Sector 44, Gurgaon, Haryana-122002
CIN: U65922HR1998PLC042782, Phone No +91-124-4131807
E-mail: customer.care@indiashelter.in, Website: www.indiashelter.in

Monitoring Agency Report



Ratings • Advisory • Research • Risk Solutions

No. CARE/NRO/GEN/2023-24/1026

Shri Sudhin Bhagwandas Choksey
Chairman
India Shelter Finance Corporation Limited
Plot 15, Level 6, Institutional Area,
Sector - 44, Near Huda metro station
Gurgaon
Haryana 122002

February 08, 2024

Dear Sir,

Monitoring Agency Report for the quarter ended December 31, 2023 - in relation to Initial Public Offer 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 ₹ 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 December 31, 2023 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,

Neha Kadiyan

Associate Director

Neha.kadiyan@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,
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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: December 31, 2023

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: Neha Kadiyan

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 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 proceeds received from fresh issue (in Rs. Crore)	800.00
Details of expenses incurred related to IPO* (in Rs. Crore)	49.08
Net proceeds available for utilisation (in Rs. Crore)	750.92

* as per CA certificate from JPAAG & Associates dated February 2, 2024 the amount mentioned as expenses was earmarked for cost of issue and is not the actual cost. As at 31st December 2023 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 the Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	Yes	Chartered Accountant certificate*, Bank statement	Yes [^]	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?	Not applicable	Not applicable	Not applicable	Not applicable
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	Not applicable	Not applicable	Not applicable	Not applicable

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assistance/collaboration are in 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

* Chartered Accountant certificate from JPAAG & Associates dated February 2, 2024

^ Of ₹135.92 crore transferred from monitoring account to disbursement account, ₹ 77.16 crore was disbursed to customers.

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	Nil	Nil		
2	General corporate purposes	Chartered Accountant certificate*, Bank statements, Offer Document	110.92	Not applicable	Nil	Nil		
Total			750.92**					

* Chartered Accountant certificate from JPAAG & Associates dated February 2, 2024

** Amount is net of expenses (₹ 49.08 crore as per the CA Certificate from JPAAG & Associates dated February 2, 2024)

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(ii) Progress in the objects –

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			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	77.16	From the monitoring account, ₹135.92 crore was transferred to the disbursement account. Of ₹135.92 crore, ₹ 77.16 crore was disbursed to customers. The disbursement account has a balance of ₹ 58.76 crore as on December 31, 2023. In the disbursement account, there have been some extra credits, other than credits from monitoring account, although, these have been debited either on same day or next day.	Not applicable	Not applicable
2	General corporate purposes	Chartered Accountant certificate*, Bank statements, Offer Document	110.92		87.16	87.16	Nil	Not applicable	Not applicable
Total			750.92	-	164.32	164.32			

* Chartered Accountant certificate from JPAAG & Associates dated February 2, 2024

(iii) Deployment of unutilised IPO proceeds:

Note: The detail of remaining unutilised balance as on December 31, 2023 is as follows:

Particulars	Amount in ₹ Cr	Remark	Source of information
Fixed Deposits	527.84	Details as per below table	CA Certificate, Bank statement and FD certificates

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Particulars	Amount in ₹ Cr	Remark	Source of information
Closing Balance of Disbursement account	58.75	Amount transferred from Monitoring account to Disbursement account is of ₹ 135.92 crore. of that, ₹ 77.16 crore was disbursed to customers.	CA Certificate, Bank statement
Closing Balance Monitoring account	0.36	Interest earned on Fixed Deposits maturity.	CA Certificate, Bank statement

Detail of Fixed deposits as on December 31, 2023

Sr. No.	Name of Bank from which FD is purchased	Amount Invested (₹ crore)	Maturity Date	Earnings (as at quarter ending) (₹ crore)	Return on Investment (%)	Market Value as at the end of quarter
1	Indian Bank	70.00	January 04,2024	0.14	6.80%	70
2	Yes Bank	10.00	January 05,2024	0.01	6.70%	10
3	Yes Bank	10.00	January 02, 2024	0.02	6.55%	10
4	Yes Bank	10.00	January 03,2024	0.02	6.55%	10
5	Yes Bank	10.00	January 06,2024	0.01	6.70%	10
6	Yes Bank	10.00	January 08,2024	0.01	6.70%	10
7	Yes Bank	10.00	January 09,2024	0.01	6.70%	10
8	Indian Bank	20.00	January 11,2024	0.01	6.80%	20
9	Indian Bank	60.00	January 12,2024	0.12	6.80%	60
10	Indian Bank	27.84	January 15,2024	0.02	7.05%	28
11	Indian Bank	60.00	January 20,2024	0.12	6.80%	60
12	Canara Bank	60.00	February 05,2024	0.13	7.37%	60
13	Ujjivan Bank	10.00	February 05,2024	0.02	7.25%	10
14	Ujjivan Bank	10.00	February 06,2024	0.02	7.25%	10
15	Ujjivan Bank	10.00	February 07,2024	0.02	7.25%	10
16	Ujjivan Bank	10.00	February 08,2024	0.02	7.25%	10
17	Ujjivan Bank	10.00	February 09,2024	0.02	7.25%	10
18	Canara Bank	60.00	February 09,2024	0.13	7.37%	60
19	Canara Bank	60.00	February 19,2024	0.13	7.40%	60
Total		527.84		1.00		528.84

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

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

r. No	Item Head	Amount (in Rs. crore)	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
1	Investment in T Bill**	23.34	Chartered Accountant certificate*, Bank statements, Offer Document	Nil	Nil
2	NCD Payment	60.48	Chartered Accountant certificate*, Bank statements, Offer Document	Nil	Nil
3	Term Loan Payment	3.34	Chartered Accountant certificate*, Bank statements, Offer Document	Nil	Nil
	Total	87.16			

* Chartered Accountant certificate from JPAAG & Associates dated February 2, 2024

**As per CA Certificate, 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.

^Section from the offer document related to GCP:

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”).

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