



November 14, 2023

To
The BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai-400001
Scrip Code: 540203

The National Stock Exchange India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra(E), Mumbai-400051
NSE Symbol: SFL

Subject: Report of the Monitoring Agency with respect to utilization of proceeds of the Preferential Issue for the quarter ended September 30, 2023

Dear Sir/Madam,

Pursuant to Regulation 173A of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018 and Regulation 32(6) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Please find enclosed herewith the Monitoring Agency Report with respect to utilization of proceeds of the preferential Issue for the quarter ended on September 30, 2023, issued by Monitoring Agency i.e. CARE Ratings Limited.

Kindly place the same on your record.

Thanking you,

Yours truly,

For Sheela Foam Limited

Md. Iquebal Ahmad
Company Secretary & Compliance Officer

SHEELA FOAM LTD.

#14, Sleepwell Tower , Sector 135, Noida- 201301

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Regd. Office: 604 Ashadeep, 9 Hailey Road, New Delhi-110001, India • Ph: Int-91(0)-11-23316875-76

Toll Free: 1800 103 6664 • www.sleepwellproducts.com • www.sheelafoam.com

CIN-L74899DL1971PLC005679

CARE/NRO/RL/2023-24/2169

**Mr. Davinder Kumar Ahuja,
Group Finance Controller
Sheela Foam Limited,
Sleepwell Tower
#14 Sector 135, Noida,
Uttar Pradesh - 201301 (India).**

November 14, 2023

Dear Sir,

**Monitoring Agency Report for the quarter ended September 30, 2023 - in relation to the
Qualified Institution Placement of Sheela Foam Limited ("the Company")**

We write in our capacity of Monitoring Agency for the Preferential Issue for the amount aggregating to Rs.1199.99 crore of the Company and refer to our duties cast under 173(A) 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 September 30, 2023 as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated September 20, 2023.

Request you to kindly take the same on records.

Thanking you,
Yours faithfully,

Akhil Kumar

Akhil Kumar
Associate Director
Akhil.Kumar@careedge.in

CARE Ratings Limited

*Plot no. C-001 A/2 Sector 16B, Berger Tower.
Noida, Gautam Budh Nagar (UP) - 201301,
Gautam Budh Nagar (UP) - 201301*

CIN-L67190MH1993PLC071691

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Road, Off Eastern Express Highway, Sion
(East), Mumbai - 400 022
Phone: +91-22-6754 3456 • www.careedge.in*

Report of the Monitoring Agency (MA)

Name of the issuer: Sheela Foam Limited

For quarter ended: September 30, 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.

Akhil Kumar

Signature:

Name of the Authorized Signatory: Akhil Kumar

Designation of Authorized person/Signing Authority: Associate Director

1) Issuer Details:

Name of the issuer : Sheela Foam Limited
 Name of the promoters : Mr. Tushaar Gautam, Mr. Rahul Gautam and Rangoli Resorts Pvt Ltd
 Industry/sector to which it belongs : Foam Based Home products

2) Issue Details

Issue Period : 365 days from date of passing of special resolution of shareholders of company which is September 01,2023
 Type of issue : Qualified Institution placement of equity shares
 Type of specified securities : Equity shares
 IPO Grading, if any : Not applicable
 Issue size (in ` crore) : Rs.1199.99 crore (Note 1)*

* The offer comprises of 1,11,31,725 number of equity shares of face value of Rs 5 at an issue price of Rs.1078 per equity share as determined on the relevant date in accordance with the provisions of Chapter V of the SEBI ICDR Regulations aggregating to Rs.11,99,99,99,550 for cash consideration by way of allotment to Specified investors/Identified investors.

Note 1:

Particulars	Remarks
Total equity shares issued	1,11,31,725
Equity issue price (Rs. per share)	1078.00
Total proceeds received from equity shares issued (in Rs. Crore)	1199.99#
Net proceeds available for utilization (in Rs. Crore)	1179.78*

*Out of this, Rs 1170.05 Crs is unutilized and invested in liquid mutual funds and Rs 9.72 Crs is maintained in Yes bank Monitoring Agency Account.

#Out of this Rs 20.21 Crs is maintained with Yes Bank Escrow account for marking issue related expenses in near term.



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*, Bank statement	Nil for the quarter under review	Nil
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	No material deviation	Chartered Accountant certificate*, Bank statement	Not applicable	Nil
Whether the means of finance for the disclosed objects of the issue have changed?	Not applicable	Not applicable	Not applicable	Nil
Is there any major deviation observed over the earlier monitoring agency reports?	Not applicable	Not applicable	Not applicable	Nil
Whether all Government/statutory approvals related to the object(s) have been obtained?	Not applicable	Not applicable	Not applicable	Nil
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Not applicable	Not applicable	Not applicable	Nil
Are there any favorable/unfavorable events affecting the viability of these object(s)?	No	No	Not Applicable	Nil
Is there any other relevant information that may materially affect the decision making of the investors?	No	No	Not Applicable	Nil

* Chartered Accountant certificate from KK Mehra & Co. dated Nov 09, 2023

#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.



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	Part-funding the proposed acquisition of equity shares of Kurfon Enterprise Limited	Chartered Accountant certificate*, Bank statements, Board Resolution copy, Placement document	950.00	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
2	General Corporate Purpose	Chartered Accountant certificate*, Bank statements, Board Resolution copy, Placement document	229.78	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
3	Issue related expenses	Chartered Accountant certificate*, Bank statements, Board Resolution copy, Placement document	20.21	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Total			1199.99					

* Chartered Accountant certificate from KK Mehra & Co. dated Nov 09, 2023

Note: The comments of the Board of Directors are awaited pending the Board meeting.



(ii) Progress in 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 raised 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	Part-funding the proposed acquisition of equity shares of Kurlon Enterprise Limited	Chartered Accountant certificate*, Bank statements, Board Resolution copy, Placement document	950,00	1199,99	0,00	0,00	0,00	Nil for the quarter under review	Nil	Nil	
2	General Corporate Purpose	Chartered Accountant certificate*, Bank statements, Board Resolution copy, Placement document	229,78		0,00	0,00		Nil for the quarter under review	Nil	Nil	
3	Issue related expenses	Chartered Accountant certificate*, Bank statements, Board Resolution copy, Placement document	20,21		0,00	0,00		Nil for the quarter under review	Nil	Nil	
Total			1199,99	1199,99	0,00	0,00	0,00	1199,99			

*Chartered Accountant certificates from KK Mehra & Co. dated Nov 09, 2023



(iii) Deployment of un-utilized proceeds:

Sr. No.	Name of the Mutual Fund/ Bank account	Type of account	Amount in Rs. crore	Source of information / certifications considered by Monitoring Agency for preparation of report
1	AXIS LIQUID FUND - DIRECT GROWTH	Monitoring Agency Account	150.00	Chartered Accountant certificate*, Bank statements
2	KMMF K LIQUID-DIRECT-GROWTH	Monitoring Agency Account	50.00	Chartered Accountant certificate*, Bank statements
3	HDFC LIQUID FUND	Monitoring Agency Account	100.00	Chartered Accountant certificate*, Bank statements
4	BARODA BNP PARIBAS LIQUID FUND - DIRECT GROTH	Monitoring Agency Account	150.00	Chartered Accountant certificate*, Bank statements
5	NIPPON INDIA LIQUID FUND- DIRECT GROWTH	Monitoring Agency Account	100.00	Chartered Accountant certificate*, Bank statements
6	TRUST MF LIQUID FUND - DIRECT GROWTH	Monitoring Agency Account	20.00	Chartered Accountant certificate*, Bank statements
7	DSP LIQUIDITY FUND DIRECT GROWTH	Monitoring Agency Account	100.00	Chartered Accountant certificate*, Bank statements
8	MIRAE ASSET CASH MANAGEMENT FUND DIRECT GROWTH	Monitoring Agency Account	150.00	Chartered Accountant certificate*, Bank statements
9	ADITYA BIRLA SUN LIFE LIQUID FUND	Monitoring Agency Account	100.00	Chartered Accountant certificate*, Bank statements
10	ICICI PRUDENTIAL LIQUID - DIRECT PLAN- GROWTH	Monitoring Agency Account	150.00	Chartered Accountant certificate*, Bank statements
11	INVESCO INDIA LIQUID FUND DIRECT GROWTH	Monitoring Agency Account	100.00	Chartered Accountant certificate*, Bank statements
Total			1170.05#	

*Chartered Accountant certificates from KK Mehra & Co. dated Nov 09, 2023

#Further, Rs 9.72 Crs is maintained in Yes bank Monitoring Agency Account and Rs 20.21 Crs is maintained with Yes Bank Escrow account for marking issue related expenses in near term.

Sr. No.	Type of instrument and name of the entity invested in	Amount invested (Rs. Crore)	Maturity date	Earning	Return on Investment (%)	Market Value as at the end of quarter*	Remarks
1	AXIS LIQUID FUND - DIRECT GROWTH	150.00	17-10-2023	0.07	6.57%	150.07	Nil
2	KMMF K LIQUID-DIRECT-GROWTH	50.00	17-10-2023	0.02	6.52%	50.02	Nil
3	HDFC LIQUID FUND	100.00	17-10-2023	0.05	6.51%	100.05	Nil
4	BARODA BNP PARIBAS LIQUID FUND - DIRECT GROTH	150.00	17-10-2023	0.07	6.49%	150.07	Nil
5	NIPPON INDIA LIQUID FUND- DIRECT GROWTH	100.00	17-10-2023	0.04	6.58%	100.04	Nil



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6	TRUST MF LIQUID FUND - DIRECT GROWTH	20.00	17-10-2023	0.00	6.47%	20.00	Nil
7	DSP LIQUIDITY FUND DIRECT GROWTH	100.00	17-10-2023	0.04	6.51%	100.04	Nil
8	MIRAE ASSET CASH MANAGEMENT FUND DIRECT GROWTH	150.00	17-10-2023	0.07	6.54%	150.07	Nil
9	ADITYA BIRLA SUN LIFE LIQUID FUND	100.00	16-10-2023	0.05	6.56%	100.005	Nil
10	ICICI PRUDENTIAL LIQUID - DIRECT PLAN- GROWTH	150.00	17-10-2023	0.07	6.47%	150.07	Nil
11	INVESCO INDIA LIQUID FUND DIRECT GROWTH	100.00	17-10-2023	0.04	6.51%	100.04	Nil

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

5) 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	Nil	0.00	Chartered Accountant certificate*, Bank statements, Board Resolution copy, Placement document		Nil
	Total				

*Chartered Accountant certificates from KK Mehra & Co. dated Nov 09, 2023

