



(Please scan this QR Code to view the Prospectus)

Our Company was incorporated under the name "Satyaprakash Housing Finance India Limited" on October 26, 1998, as a public limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated October 26, 1998, issued by the Registrar of Companies, Madhya Pradesh at Gwalior. A certificate for commencement of business dated November 18, 1998, was granted to "Satyaprakash Housing Finance India Limited" by the Registrar of Companies, Madhya Pradesh at Gwalior. Further, a certificate of registration dated December 31, 2002, was granted to "Satyaprakash Housing Finance India Limited" by the National Housing Bank ("NHB") bearing registration number 02.0034.02 to carry on the business of a housing finance institution without accepting public deposits. Pursuant to the change of the name of our Company from "Satyaprakash Housing Finance India Limited" to "India Shelter Finance Corporation Limited", as approved by our Shareholders pursuant to a special resolution dated May 13, 2010, our Company was issued a fresh certificate of incorporation dated July 8, 2010, by the Registrar of Companies, Madhya Pradesh and Chhattisgarh at Gwalior. A certificate of registration dated September 14, 2010 was granted to our Company by the NHB bearing the registration number 09.0087.10 to carry on the business of a housing finance institution without accepting public deposits. For details of changes in our name and Registered Office, see "History and Certain Corporate Matters – Brief history of our Company" and "History and Certain Corporate Matters – Changes in the registered office of our Company" on page 273 of the prospectus of our Company dated December 16, 2023 filed with the Registrar of Companies, Delhi and Haryana at New Delhi ("Prospectus").

Corporate Identity Number: U65922HR1998PLC042782

Registered Office: 6<sup>th</sup> Floor, Plot No. 15, Sector 44, Institutional Area, Gurugram 122 002, Haryana, India

Corporate Office: 3<sup>rd</sup> Floor, Upper Ground Floor and Lower Ground Floor, Plot No. 15, Institutional Area, Sector 44, Gurugram 122 002, Haryana, India. Contact Person: Mukti Chaplot, Company Secretary and Chief Compliance Officer; Tel.: +91 124 413 1800; E-mail: compliance@indiashelter.in; Website: www.indiashelter.in

**PROMOTERS OF OUR COMPANY: ANIL MEHTA, WESTBRIDGE CROSSOVER FUND, LLC AND ARAVALI INVESTMENT HOLDINGS**

Our Company has filed the Prospectus with the Registrar of Companies, Delhi and Haryana at New Delhi ("RoC") and the Equity Shares are proposed to be listed on the Main Board of the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") and the trading will commence on December 20, 2023.

**DETAILS OF THE SELLING SHAREHOLDERS, OFFER FOR SALE AND WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE**

Name of the Selling Shareholder	Type	Number of Equity Shares Offered/ Amount (₹ in million)	Weighted Average Cost of Acquisition per Equity Share (in ₹)*
Catalyst Trusteeship Limited (as trustee of MIPC Trust)	Investor Selling Shareholder	405 Equity Shares of face value of ₹5 each aggregating to ₹ 0.20 million	236.37
Catalyst Trusteeship Limited (as trustee of Madison India Opportunities Trust Fund)	Investor Selling Shareholder	3,474,442 Equity Shares of face value of ₹5 each aggregating to ₹ 1,712.90 million	126.46
Madison India Opportunities IV	Investor Selling Shareholder	1,104,056 Equity Shares of face value of ₹5 each aggregating to ₹ 544.30 million	173.90
MIO Starrock	Investor Selling Shareholder	644,219 Equity Shares of face value of ₹5 each aggregating to ₹ 317.60 million	237.21
Nexus Ventures III, Ltd.	Investor Selling Shareholder	2,890,466 Equity Shares of face value of ₹5 each aggregating to ₹ 1,425.00 million	52.41

\*As certified by B. B. & Associates, Chartered Accountants, by way of their certificate dated December 16, 2023.

**BASIS OF ALLOTMENT**

INITIAL PUBLIC OFFERING OF 24,340,768 EQUITY SHARES OF FACE VALUE OF ₹5 EACH ("EQUITY SHARES") OF INDIA SHELTER FINANCE CORPORATION LIMITED (OUR "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ 493.00 PER EQUITY SHARE OF FACE VALUE OF ₹5 EACH INCLUDING A SECURITIES PREMIUM OF ₹ 488.00 PER EQUITY SHARE (THE "OFFER PRICE") AGGREGATING TO ₹ 12,000 MILLION (THE "OFFER"). THE OFFER COMPRISES OF A FRESH ISSUE OF 16,227,180 EQUITY SHARES OF FACE VALUE OF ₹5 EACH BY OUR COMPANY AGGREGATING TO ₹ 8,000 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE BY CATALYST TRUSTEESHIP LIMITED (AS TRUSTEE OF MIPC TRUST) OF 405 EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING TO ₹ 0.20 MILLION, BY CATALYST TRUSTEESHIP LIMITED (AS TRUSTEE OF MADISON INDIA OPPORTUNITIES TRUST FUND) OF 3,474,442 EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING TO ₹ 1,712.90 MILLION, BY MADISON INDIA OPPORTUNITIES IV OF 1,104,056 EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING TO ₹ 544.30 MILLION, BY MIO STARROCK OF 644,219 EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING TO ₹ 317.60 MILLION AND BY NEXUS VENTURES III, LTD. OF 2,890,466 EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING TO ₹ 1,425.00 MILLION (COLLECTIVELY, THE "INVESTOR SELLING SHAREHOLDERS" OR THE "SELLING SHAREHOLDERS") ("THE OFFER FOR SALE"). THE OFFER CONSTITUTES 22.74% OF THE POST-OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

**ANCHOR INVESTOR OFFER PRICE:**

₹ 493 PER EQUITY SHARE OF FACE VALUE OF ₹ 5 EACH

**OFFER PRICE:**

₹ 493 PER EQUITY SHARE OF FACE VALUE OF ₹ 5 EACH

**THE OFFER PRICE IS**

98.60 TIMES OF THE FACE VALUE OF THE EQUITY SHARES

**RISKS TO INVESTORS**

**Business Risks**

- As on September 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, the total outstanding borrowing of our Company was ₹32,724.77 million, ₹29,734.28 million, ₹20,593.95 million and ₹14,807.18 million, respectively. Our business and results of operations depend on our ability to raise both, debt and equity from various external sources on suitable terms and in a timely manner, along with the costs associated therewith and any disruption in our sources of financing could have an adverse effect on our business, results of operations and financial condition.
- As of September 30, 2023 and September 30, 2022, and March 31, 2023, March 31, 2022 and March 31, 2021, our stage 3 assets (gross) representing the gross carrying amount to loans which are non-performing assets aggregated to ₹439.27 million and ₹880.96 million, and ₹418.96 million, ₹570.39 million and ₹391.67 million, respectively, constituting 1.00% and 2.79%, and 1.13%, 2.12% and 1.92% of the gross carrying amount as of the last day of the relevant period, respectively. The credit quality of our loan book may deteriorate, and if we are unable to implement effective monitoring and collection methods, our results of operation may be adversely affected.
- We focus on first-time home loan takers in Tier II and Tier III cities in India, and serve low and middle income self-employed customers who are often considered high risk due to their increased exposure to fluctuations in cash flows on account of adverse economic conditions. The risk of non-payment or default by our customers may adversely affect our business, results of operations and financial condition. The table below sets forth the break-up of our AUM from our customers based on their employment status.

Particulars <sup>(1)</sup>	As of									
	September 30, 2023		September 30, 2022		March 31, 2023		March 31, 2022		March 31, 2021	
	Amount	% contribution to AUM	Amount	% contribution to AUM	Amount	% contribution to AUM	Amount	% contribution to AUM	Amount	% contribution to AUM
Salaried	15,224.69	29.4	11,278.77	31.2	13,231.43	30.4	9,949.88	32.4	7,872.96	35.8
Self employed	36,582.20	70.6	24,869.97	68.8	30,362.88	69.6	20,783.05	67.6	14,112.31	64.2
Total	51,806.89	100.0	36,148.74	100.0	43,594.31	100.0	30,732.93	100.0	21,985.27	100.0

<sup>(1)</sup>Loan accounts are classified as salaried and self-employed at the time of sanction of loans.

- Our inability to recover the full value of collateral or amounts outstanding under defaulted loans in a timely manner, or at all, could adversely affect our business, results of operations and financial condition. As of September 30, 2023, our loan to value ratio on our gross assets under management on an outstanding basis was 50.9%.

- We may face asset-liability mismatches and any such instances in the future may lead to a liquidity risk and have an adverse effect on our business and results of operations. The contractual maturity periods of our assets and liabilities categorized on the basis of the number of years in which they mature is set forth below:

Years	Asset liability framework as of September 30, 2023		
	Liabilities	Assets	Gap
	(in ₹ million)		
Up to 1 year	8,434.20	9,943.27	1,509.07
1 to 3 years	12,841.97	13,336.51	494.53
3 to 5 years	9,228.56	9,627.78	399.22
5 to 7 years	1,790.74	6,843.98	5,053.24
7 to 10 years	981.24	6,044.13	5,062.89
Over 10 years	407.28	1,258.29	851.01

- We may not be able to sustain growth in the future as our business is subject to factors such as competition and customer requirements. Our lack of success in our growth strategy or the sub-optimal performance of our new branches could adversely affect our business, results of operations, financial condition and cash flows.
- Our business is affected by volatility in interest rates for both our lending and treasury operations, which could cause our net interest income to vary and consequently affect our profitability. As of September 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, our floating interest-bearing liabilities aggregated to ₹24,726.38 million, ₹23,631.40 million, ₹17,489.35 million and ₹11,848.31 million, respectively.
- We have had negative cash flows in the past and our net cash used in operating activities for the six months ended September 30, 2023 and September 30, 2022 and the Financial Years 2023, 2022 and 2021 was ₹5,636.91 million, ₹4,101.46 million, ₹8,521.82 million, ₹4,952.82 million and ₹4,208.51 million, respectively.
- As of September 30, 2023, our assigned assets aggregated to 16.4% of our receivables, and any deterioration in the performance of any pool of receivables assigned or securitized to banks and other institutions may adversely impact our business.
- We may face difficulties and incur additional expenses in operating in Tier II and Tier III cities in India where infrastructure may be limited. As of September 30, 2023, 89.8% of our AUM was generated from Tier II and Tier III cities in India.

**Concentration Risk**

- The states of Rajasthan, Maharashtra and Madhya Pradesh contributed to 62.7% and 63.4% of our assets under management for the six months ended September 30, 2023 and the Financial Year 2023, respectively. Any adverse developments in these states could have an adverse effect on our business, results of operations and financial condition.

**Financing Risk**

- Our inability to comply with the covenants under our debt financing arrangements could adversely affect our business, results of operations and financial condition. This could lead to relevant lenders declaring us to be in default under the terms of our agreements or accelerating the maturity of our obligations.

**Regulatory Risks**

- We are subject to periodic inspections by the NHB and the RBI and non-compliance with observations made during any such inspections could result in penalties and fines, and could adversely affect our reputation, business, financial condition, results of operations and cash flows.
- Significant changes by the Government, the RBI or the NHB in their policy initiatives facilitating the provision of housing and housing finance or any change in the tax incentives that the Government currently provides to Housing Finance Companies may have an adverse effect on our business, results of operations and financial condition.

**Risks related to the Offer**

- We have, in the last 12 months, issued Equity Shares at a price that could be lower than the Offer Price.
- Weighted average cost of acquisition compared to Floor Price and Cap Price:

Past Transactions	Weighted average cost of acquisition (in ₹)	Cap Price	Floor Price
Weighted average cost of acquisition of primary issuance by the Company	90.34	5.46	5.19
Weighted average cost of acquisition of secondary transactions (sale or acquisition) of Equity Shares of the Company	302.04	1.63	1.55

- Weighted Average Return on Net Worth for Fiscals 2023, 2022 & 2021 is 12.6%.
- The average cost of acquisition of Equity Shares by the Selling Shareholders ranges from 52.41 to 237.21 and will be less than the Offer Price.
- A portion of the proceeds from this Offer will not be available to us. The proceeds from the Offer for Sale will be remitted to the Selling Shareholders and our Company will not benefit from such proceeds.
- Weighted average cost of acquisition of all shares transacted during the previous year, 18 months and three years preceding the date of the RHP.

Period	Weighted average cost of acquisition (in ₹) <sup>f</sup>	Cap Price is 'x' times the weighted average cost of acquisition	Range of acquisition price: lowest price – highest price (in ₹)
One year	108.69	4.54	10.16 - 210.00
18 months	156.19	3.16	10.16 - 280.58
Three years	239.90	2.06	6.64 - 307.23

<sup>f</sup>As certified by B. B. & Associates, Chartered Accountants, by way of their certificate dated December 7, 2023.

- The Equity Shares have never been publicly traded and the Equity Shares may experience price and volume fluctuations. Further, an active trading market for the Equity Shares may not develop. The Offer Price, market capitalization to revenue from operations multiple, price to revenue from operations ratio and price to earnings ratio based on the Offer Price of our Company, may not be indicative of the market price of the Equity Shares on listing. The details of the ratios basis the FY 2023 financials is as follows:

Particulars	Number of times of Cap Price (₹493)	Number of times of Floor Price (₹469)
Market capitalisation to Revenue from operations	9.03 times	8.66 times
Price to Earning (Diluted)	28.22 times	26.85 times

- The 4 BRLMs associated with the issue have handled 73 public issues in the past three financial years, out of which 20 issues closed below the issue price on listing date:

Name of the BRLMs	Total Public Issues	Issues Closed below the issue price on listing date
ICICI Securities Limited	26	8
Citigroup Global Markets India Private Limited	2	0
Kotak Mahindra Capital Company Limited	15	3
Ambit Private Limited	3	0
Common issues handled by the BRLMs	27	9
Total	73	20

**BID/OFFER PROGRAMME**

**ANCHOR INVESTOR BIDDING DATE OPENED AND CLOSED ON: TUESDAY, DECEMBER 12, 2023**

**BID/OFFER OPENED ON: WEDNESDAY, DECEMBER 13, 2023**

**BID/OFFER CLOSED ON: FRIDAY, DECEMBER 15, 2023**

