



# INDIA SHELTER FINANCE CORPORATION LIMITED



(Please scan this QR Code to view the RHP)

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 red herring prospectus of our Company dated December 7, 2023 filed with the Registrar of Companies, Delhi and Haryana at New Delhi ("RHP" or "Red Herring 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

INITIAL PUBLIC OFFERING OF UP TO [●] 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 ₹ [●] PER EQUITY SHARE OF FACE VALUE OF ₹5 EACH INCLUDING A SECURITIES PREMIUM OF ₹ [●] PER EQUITY SHARE (THE "OFFER PRICE") AGGREGATING UP TO ₹ 12,000 MILLION (THE "OFFER"). THE OFFER COMPRISES OF A FRESH ISSUE OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹5 EACH BY OUR COMPANY AGGREGATING UP TO ₹ 8,000 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE BY CATALYST TRUSTEESHIP LIMITED (AS TRUSTEE OF MICP TRUST) OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING UP TO ₹ 0.20 MILLION, BY CATALYST TRUSTEESHIP LIMITED (AS TRUSTEE OF MADISON INDIA OPPORTUNITIES TRUST FUND) OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING UP TO ₹ 1712.90 MILLION, BY MADISON INDIA OPPORTUNITIES IV OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING UP TO ₹ 544.30 MILLION, BY MIO STARROCK OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING UP TO ₹ 317.60 MILLION AND BY NEXUS VENTURES III, LTD. OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING UP TO ₹ 1,425.00 MILLION (COLLECTIVELY, THE "INVESTOR SELLING SHAREHOLDERS" OR THE "SELLING SHAREHOLDERS") ("THE OFFER FOR SALE").

### 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 MICP Trust)	Investor Selling Shareholder	Up to [●] Equity Shares of face value of ₹5 each aggregating up to ₹ 0.20 million	236.37
Catalyst Trusteeship Limited (as trustee of Madison India Opportunities Trust Fund)	Investor Selling Shareholder	Up to [●] Equity Shares of face value of ₹5 each aggregating up to ₹ 1,712.90 million	126.46
Madison India Opportunities IV	Investor Selling Shareholder	Up to [●] Equity Shares of face value of ₹5 each aggregating up to ₹ 544.30 million	173.90
MIO Starrock	Investor Selling Shareholder	Up to [●] Equity Shares of face value of ₹5 each aggregating up to ₹ 317.60 million	237.21
Nexus Ventures III, Ltd.	Investor Selling Shareholder	Up to [●] Equity Shares of face value of ₹5 each aggregating up to ₹ 1,425.00 million	52.41

\*As certified by B. B. & Associates, Chartered Accountants, by way of their certificate dated December 7, 2023.

We are a retail focused affordable housing finance company. Our target segment is the self-employed customer with a focus on first time home loan takers in the low and middle income group in Tier II and Tier III cities in India.

The Offer is being made pursuant to Regulation 6(1) of the SEBI ICDR Regulations.

QIB Portion: Not more than 50% of the Offer | Non-Institutional Portion: Not less than 15% of the Offer | Retail Portion: Not less than 35% of the Offer.

PRICE BAND: ₹469 TO ₹493 PER EQUITY SHARE OF FACE VALUE OF ₹5 EACH.

THE FLOOR PRICE IS 93.80 TIMES THE FACE VALUE OF THE EQUITY SHARES AND THE CAP PRICE IS 98.60 TIMES THE FACE VALUE OF THE EQUITY SHARES.

THE PRICE TO EARNING RATIO BASED ON DILUTED EPS FOR FISCAL 2023 AT THE FLOOR PRICE IS 26.85 TIMES AND AT THE CAP PRICE IS 28.22 TIMES.

BIDS CAN BE MADE FOR A MINIMUM OF 30 EQUITY SHARES AND IN MULTIPLES OF 30 EQUITY SHARES THEREAFTER.

IN MAKING AN INVESTMENT DECISION, POTENTIAL INVESTORS MUST ONLY RELY ON THE INFORMATION INCLUDED IN THE RED HERRING PROSPECTUS AND THE TERMS OF THE OFFER, INCLUDING THE RISKS INVOLVED AND NOT RELY ON ANY OTHER EXTERNAL SOURCES OF INFORMATION ABOUT THE OFFER AVAILABLE IN ANY MANNER.

In accordance with the recommendation of the Independent Directors of our Company, pursuant to their resolution dated December 7, 2023, the above provided price band is justified based on quantitative factors/ KPIs disclosed in the "Basis for Offer Price" section of the RHP vis-à-vis the weighted average cost of acquisition of primary and secondary transaction(s) disclosed in the "Basis for Offer Price" section on page 143 of the RHP and provided below in the advertisement.

## 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 pertaining 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 ₹)*	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

\*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 72 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	1	0
Kotak Mahindra Capital Company Limited	15	3
Ambit Private Limited	3	0
Common issues handled by the BRLMs	27	9
<b>Total</b>	<b>72</b>	<b>20</b>

## BID/OFFER PERIOD

**ANCHOR INVESTOR BIDDING DATE:  
TUESDAY, DECEMBER 12, 2023\***

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

**BID/OFFER CLOSES ON:  
FRIDAY, DECEMBER 15, 2023#**

\*Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations.

#UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.

## BASIS FOR OFFER PRICE

The Price Band will be determined by our Company in consultation with the BRLMs. The Offer Price will also be determined by our Company in consultation with the BRLMs, on the basis of the Book Building Process and the quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹5 each and the Offer Price is 93.80 times the face value at the lower end of the Price Band and 98.60 times the face value at the higher end of the Price Band. The financial information included herein is derived from our Restated Consolidated Financial Information. Investors should refer to "Risk Factors", "Our Business", "Restated Consolidated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 29, 232 and 397, respectively, of the RHP to have an informed view before making an investment decision.

### Qualitative factors

Some of the qualitative factors which form the basis for computing the Offer Price are set forth below:

- one of the fastest growing assets under management among housing finance companies in India, high yields, and granular, retail focused portfolio – Our Company has the second highest asset under management ("AUM") and Disbursement Growth between Financial Years 2019 and 2023 amongst industry peers and has the second highest yield on advances as of August Year 2023. For more details, see "Industry Overview - Peer Benchmarking" on page 222 of the RHP;
- extensive and diversified Phygital distribution network with significant presence in Tier II and Tier III cities - Our "phygital" model of business, is a blend of physical presence across 15 states through 203 branches and digital interface, which enables our Company in accessing a wider customer base. This model includes our "feet-on-street" approach for physical onboarding of customers through a network of more than 1,500 relationship managers as of September 30, 2023, along with digitization of customer onboarding across loan origination and banking processes. For more details, see "Our Business – Our Strengths - Extensive and Diversified Phygital Distribution Network with Significant

- Presence in Tier II and Tier III cities;" on page 237 of the RHP.
- in-house origination model to ensure efficient and seamless operations across various key functions;
- technology and analytics-driven company with scalable operating model;
- robust underwriting, collection and risk management systems;
- diversified financing profile with a demonstrated track record of reducing financing costs; and
- experienced management team supported by qualified and experienced personnel.

For further details in relation to the above qualitative factors, see "Our Business - Our Strengths" on page 235, of the RHP.

### Quantitative factors

Some of the information presented in this chapter is derived from the Restated Consolidated Financial Information. See "Restated Consolidated Financial Information" beginning on page 332 of the RHP. Some of the quantitative factors which may form the basis for computing the Offer Price are set forth below:

- Basic and diluted earnings per share ("EPS")

Financial Year ended	Basic earnings per share/ EPS (₹)	Diluted earnings per share/ EPS (₹)	Weight
March 31, 2023	17.75	17.47	3
March 31, 2022	14.80	14.63	2
March 31, 2021	10.19	9.93	1
<b>Weighted Average</b>	<b>15.51</b>	<b>15.27</b>	
Six months ended September 30, 2023*	12.13	12.00	
Six months ended September 30, 2022*	7.09	7.02	

\*Not annualised.

- Price/earning ("P/E") ratio in relation to the Price Band of ₹469 to ₹493 per Equity Share:

Particulars	P/E ratio at Floor Price (number of times)	P/E ratio at Cap Price (number of times)
Based on basic earnings per share/ EPS as per the Restated Consolidated Financial Information for the financial year ended March 31, 2023	26.42	27.77
Based on diluted earnings per share/ EPS as per the Restated Consolidated Financial Information for the financial year ended March 31, 2023	26.85	28.22

- Industry price/earning ("P/E") ratio

Based on the peer group information (excluding our Company) given below in this section, details of the highest, lowest and industry average P/E ratio are set forth below:

Particulars	P/E ratio
Highest	37.7x
Lowest	27.4x
Average	31.7x

- Industry price/book ("P/B") ratio

Based on the peer group information (excluding our Company) given below in this section, details of the highest, lowest and industry average P/B ratio are set

forth below:

Particulars	P/B ratio
Highest	4.6x
Lowest	3.6x
Average	4.2x

- Average return on net worth

Financial Year ended	Return on net worth (%)	Weight
March 31, 2023	13.4	3
March 31, 2022	12.8	2
March 31, 2021	9.8	1
Weighted average	12.6	
Six months ended September 30, 2023*	8.2	
Six months ended September 30, 2022*	5.6	

\* Not annualised.

- Net asset value per Equity Share

Net asset value per Equity Share	(in ₹)
As on March 31, 2023	141.38
As on September 30, 2023	152.70
After the completion of the Offer	
- At the Floor Price	201.61
- At the Cap Price	203.17
At Offer Price	[●]

\*Offer Price will be determined on conclusion of the Book Building Process.

- Comparison with listed industry peers

Companies operating in the affordable housing finance segment with AUM greater than ₹30,000 million and average ticket size of loans less than ₹1.5 million have been identified as our peer group companies in accordance with the SEBI ICDR Regulations. Set forth below is a comparison of our accounting ratios with our peer group companies listed in India:

Name of the company	Face value (₹ per share)	Total revenue from operations (in ₹ million)	Earnings per share for the Financial Year 2023 (₹)		Net asset value per equity share (₹)	Net worth attributable to the owners of the company (in ₹ million)	P/E ratio	P/B ratio	Return on net worth (%)
			Basic	Diluted					
India Shelter Finance Corporation Limited <sup>d</sup>	5	5,845.30	17.75	17.47	141.38	12,405.28	[●] <sup>a</sup>	[●] <sup>a</sup>	13.4
Listed peers <sup>c</sup>									
Aptus Value Housing Finance India Limited	2	10,933.57	10.11	10.08	67.05	33,393.31	29.9x	4.5x	16.1
Aavas Financiers Limited	10	16,087.64	54.38	54.26	413.58	32,696.60	27.4x	3.6x	14.1
Home First Finance Company India Limited	2	7,909.85	26.01	25.20	206.48	18,173.39	37.7x	4.6x	13.5

<sup>a</sup>Financial information of our Company has been derived from the Restated Consolidated Financial Information.

<sup>b</sup>To be included in respect of our Company in the Prospectus.

<sup>c</sup>Sources for listed peers information included above:

- Key performance indicators ("KPIs")

The table below sets forth the details of KPIs that our Company considers as having a bearing on arriving at the basis for Offer Price. The KPIs set forth below, have been approved and verified by the Audit Committee pursuant to its resolution dated December 7, 2023. Further, the Audit Committee has on December 7, 2023 taken on record that other than the KPIs set out below, our Company has not disclosed any other KPIs during the three years preceding the Red Herring Prospectus with its investors. The KPIs disclosed below have been used historically by our Company or are relevant to understand and analyze the business performance, which in result, help it in analyzing the growth of various verticals in comparison to our Company's listed peers. Additionally, the KPIs have been certified by way of certificate dated November 23, 2023 issued by B. B. & Associates, Chartered Accountants, who hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India. The certificate dated November 23, 2023 issued by B. B. & Associates, Chartered Accountants, has been included in "Material Contracts and Documents for Inspection – Material Documents" on page 515 of the RHP.

The Bidders can refer to the below-mentioned KPIs, being a combination of financial and operational metrics, to make an assessment of our Company's performances and make an informed decision.

Details of our key performance indicators as at/ for the six months ended September 30, 2023, September 30, 2022 and Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021 is set out below:

Key Performance Indicators/ KPIs	As at and for the six months ended September 30,		As at and for the Financial Year ended March 31		
	2023	2022	2023	2022	2021
<b>Operations (Scale)</b>					
Number of states	15	15	15	15	15
Number of branches	203	167	183	130	115
Number of employees	2,997	2,456	2,709	2,200	1,576
AUM (in ₹ million)	51,806.89	36,148.74	43,594.31	30,732.93	21,985.27
AUM Growth (%)	43.3%	43.6%	41.8%	39.8%	44.7%
Disbursements (in ₹ million)	12,203.17	8,618.94	19,643.77	12,952.61	8,948.76
Disbursements Growth (%)	41.6%	83.2%	51.7%	44.7%	62.3%
Average Ticket Size on Disbursements (in ₹ million)	1.03	1.07	1.05	1.06	1.09
<b>Operations (AUM Split)</b>					
Product Wise AUM (in terms of Amount) – Home Loan (%)	57.6%	54.8%	56.5%	54.1%	57.0%
Product Wise AUM (in terms of Amount) – Loan against property (%)	42.4%	45.2%	43.5%	45.9%	43.0%
AUM by Customer Occupation – Self Employed (%)	70.6%	68.8%	69.6%	67.6%	64.2%
AUM by Customer Occupation – Salaried (%)	29.4%	31.2%	30.4%	32.4%	35.8%
Average LTV (%)	50.9%	50.3%	50.7%	49.4%	48.3%
<b>Operations (Efficiency)</b>					
Branch Productivity (AUM / Branch) (in ₹ million)	255.21	216.46	238.22	236.41	191.18
AUM / Employee (in ₹ million)	17.29	14.72	16.09	13.97	13.95
<b>Capital</b>					
Net Worth (in ₹ million)	13,749.66	11,420.09	12,405.28	10,761.27	9,372.69
Capital Adequacy Ratio (%)	48.7%	49.2%	52.7%	55.9%	71.5%
Leverage (Average Total Assets to Average Net Worth)	3.5	3.1	3.2	2.8	2.4
Average Cost of Borrowing	8.9%	8.3%	8.3%	8.3%	8.7%
<b>Profitability</b>					
Net Income (Total Income – Finance Cost) (in ₹ million)	2,594.81	1,773.44	3,975.54	3,123.86	2,182.25
Profit after tax (in ₹ million)	1,073.54	620.21	1,553.42	1,284.47	873.89
<b>Return Ratios</b>					
Average Yield on Advances (%)	14.9%	15.0%	14.9%	15.3%	14.8%
Spread on Advances (%)	6.0%	6.7%	6.6%	7.0%	6.1%
Net Income to Average Total Assets (%)	11.5%	10.2%	10.6%	11.0%	10.2%
Operating Expenses to Average Total Assets (%)	4.9%	5.0%	4.8%	4.7%	4.0%
Profit After Tax to Average Total Assets (ROA) (%)	4.7%	3.6%	4.1%	4.5%	4.1%
Profit After Tax to Average Net Worth (ROE)(1) (%)	8.2%*	5.6%*	13.4%	12.8%	9.8%
<b>Asset Quality</b>					
DPD 30+	3.15%	3.97%	2.41%	3.96%	3.98%
Stage 3 Assets (%)	1.00%	2.79%	1.13%	2.12%	1.92%
Stage 3 Assets (Net) to Net Carrying Amount (%)	0.72%	2.16%	0.85%	1.60%	1.37%
Provision Coverage Ratio (%)	28.7%	23.6%	26.0%	25.5%	29.6%
Credit cost to Average Total Assets (%)	0.4%	0.5%	0.4%	0.4%	0.9%
<b>Others</b>					
Basic earnings per equity share/ EPS (in ₹)	12.13*	7.09*	17.75	14.80	10.19
Diluted earnings per equity share/ EPS (in ₹)	12.00*	7.02*	17.47	14.63	9.93
<b>Credit Rating</b>					
Credit Rating	ICRA A+ Stable; CARE A+ Positive	ICRA A+ Stable; CARE A+ Stable	ICRA A+ Stable; CARE A+ Stable	ICRA A Stable; CARE A Positive	ICRA A Stable

\*Not annualised.

\*Not annualised.

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**Availability of the RHP:** Investors are advised to refer to the RHP and the "Risk Factors" beginning on page 29 of the RHP, before applying in the Offer. A copy of the RHP shall be available on website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in) and is available on the websites of the BRLMs, i.e. ICICI Securities Limited at [www.icicisecurities.com](http://www.icicisecurities.com), Citigroup Global Markets India Private Limited at [www.online.citibank.co.in/rhtml/citigroupglobalscreen1.htm](http://www.online.citibank.co.in/rhtml/citigroupglobalscreen1.htm), Kotak Mahindra Capital Company Limited at <https://investmentbank.kotak.com> and Ambit Private Limited at [www.ambit.co](http://www.ambit.co) respectively and on the websites of BSE and NSE at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively.

**Availability of the Abridged Prospectus:** A copy of the abridged prospectus is available on the website of the Company, the BRLMs and the Registrar to the offer at [www.indiashelter.in](http://www.indiashelter.in), [www.icicisecurities.com](http://www.icicisecurities.com), [www.online.citibank.co.in/rhtml/citigroupglobalscreen1.htm](http://www.online.citibank.co.in/rhtml/citigroupglobalscreen1.htm), <https://investmentbank.kotak.com>, [www.ambit.co](http://www.ambit.co) and [www.kfintech.com](http://www.kfintech.com)

**Availability of Bid-cum-Application Forms:** Bid-cum-Application Forms can be

obtained from the Registered Office of the Company **INDIA SHELTER FINANCE CORPORATION LIMITED**, Tel: +91 124 413 1800 the BRLMs: **ICICI Securities Limited, Tel.:** + 91 22 6807 7100, **Citigroup Global Markets India Private Limited, Tel.:** +91 22 6175 9999, **Kotak Mahindra Capital Company Limited, Tel.:** +91 22 4336 0000, **Ambit Private Limited, Tel.:** + 91 22 6623 3030 and at the select locations of the Sub-syndicate Members (as given below), SCSBs, Registered Brokers, RTAs and CDPs participating in the Offer. ASBA Forms will also be available on the websites of BSE and NSE and the Designated Branches of SCSBs, the list of which is available at websites of the Stock Exchanges and SEBI.

**Sub-syndicate members:** Almondz Global Securities Ltd., Anand Rathi Share & Stock Brokers Ltd., Axis Capital Limited, Bonanza Portfolio Limited, Centrum Borking Limited, Centrum Wealth Management Ltd., Choice Equity Broking Private Limited, Dalal & Broacha Stock Broking Private Limited, DB (International) Stock Brokers Ltd., Eureka Stock & Share Broking Services Ltd., Finwizard Technology private Limited, HDFC Securities Limited, IIFL Securities Limited, J M Financial Services Ltd.,

Jobanputra Fiscal Services Private Limited, KJMC Capital Market Services Limited, LKP Securities Limited, Inventure Growth & Securities Ltd., Motilal Oswal Securities Limited, Nuvama Wealth and Investment Limited (Edelweiss Broking Limited), Prabhudas Liladhar Pvt Ltd., Pravin Ratilal Share & Stock Brokers Limited, RKSV Securities India Pvt. Ltd. RR Equity Brokers Private Limited, SBICAP Securities Limited, Sharekhan Ltd., SMC Global Securities Ltd., Systematix Shares and Stocks (India) Limited, Trade Bulls Securities (P) Ltd., Way2wealth brokers Pvt Ltd., Yes Securities (India) Ltd.

**Syndicate members:** Kotak Securities Limited and Ambit Capital Private Limited

**Bankers to the Offer/Escrow Collection Bank and Refund Bank/Public Offer Account Bank:** Kotak Mahindra Bank Limited, HDFC Bank Limited and Axis Bank Limited.

**Sponsor Banks:** Kotak Mahindra Bank Limited, HDFC Bank Limited and Axis Bank Limited

**UPI:** UPI Bidders can also bid through UPI Mechanism.

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP.

For **INDIA SHELTER FINANCE CORPORATION LIMITED**  
On behalf of the Board of Directors

Sd/-

**Place:** Delhi  
**Date:** December 7, 2023

**Mukti Chaplot**  
Company Secretary and Chief Compliance Officer

**INDIA SHELTER FINANCE CORPORATION LIMITED**, is proposing, subject to applicable statutory and regulatory requirements and receipt of requisite approvals, market conditions and other considerations, to undertake an initial public offer of its Equity Shares and has filed the RHP with the RoC, SEBI and the Stock Exchanges. The RHP shall be available on the website of the Company at [www.indiashelter.in](http://www.indiashelter.in), the website of the SEBI at [www.sebi.gov.in](http://www.sebi.gov.in), the websites of the Stock Exchanges, i.e., the BSE Limited and the National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively, and websites of the BRLMs, i.e., ICICI Securities Limited, Citigroup Global Markets India Private Limited, Kotak Mahindra Capital Company Limited and Ambit Private Limited at [www.icicisecurities.com](http://www.icicisecurities.com), [www.online.citibank.co.in/rhtml/citigroupglobalscreen1.htm](http://www.online.citibank.co.in/rhtml/citigroupglobalscreen1.htm), <https://investmentbank.kotak.com> and [www.ambit.co](http://www.ambit.co), respectively. Any potential investor should note that investment in equity shares involves a high degree of risk and for details relating to such risk, please see the section entitled "**Risk Factors**" of the RHP on page 29. Potential investors should not rely on the DRHP for making any investment decision instead investors shall rely on RHP filed with the RoC.

The Equity Shares offered in the Offer have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, and applicable state securities laws in the United States. Accordingly, the Equity Shares are being offered and sold (i) within the United States solely to persons who are reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act) under Section 4(a) of the Securities Act, or (ii) outside the United States in "offshore transactions" as defined in and in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. There will be no public offering of Equity Shares in the United States.