# India Shelter Home Loans

## INDIA SHELTER FINANCE CORPORATION LIMITED



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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. Further, a certificate of registration dated December 31, 2002, 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 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 Chattisgarh 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" 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: 6th Floor, Plot No. 15, Sector 44, Institutional Area, Gurugram 122 002, Haryana, India, Corporate Office: 3th Floor, Upper 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 [ullet] 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 ₹[ullet] PER 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 ₹[ullet] PER EQUITY SHARES OF FACE VALUE OF ₹5 EACH BY OUR COMPANY AGGREGATING UP TO ₹ \$0.000 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE BY CATALYST TRUSTEESHIP LIMITED (AS TRUSTEE OF MICP TRUST) OF UP TO [ullet] EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING UP TO ₹ 0.200 MILLION, BY CATALYST TRUSTEESHIP LIMITED (AS TRUSTEE OF MADISON INDIA OPPORTUNITIES TRUST FUND) OF UP TO [ullet] EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING UP TO ₹ 5.44.300 MILLION, BY MID STARROCK OF UP TO [ullet] EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING UP TO ₹ 5.44.300 MILLION, BY MID STARROCK OF UP TO [ullet] EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING UP TO ₹ 1.425.000 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 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**

- 1. 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.
- 2. 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.
- 3. 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.

	•									
						As of				
D (1 1 (1)		September 30, 2023		September 30, 2022	N	March 31, 2023	ı	March 31, 2022	N	March 31, 2021
Particulars <sup>(1)</sup>			(in ₹ million, except percentage)							
	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

- (1)Loan accounts are classified as salaried and self-employed at the time of sanction of loans.
- 4. 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%.
- 5. 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:

	Asset liability framework as of September 30, 2023					
Years	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			

- 6. 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.
- 7. 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.
- 8. 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.

10. 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

11. 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

12. 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

- 13. 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.
- 14. 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

- 15. We have, in the last 12 months, issued Equity Shares at a price that could be lower than the Offer Price.
- 16. 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

17. Weighted Average Return on Net Worth for Fiscals 2023, 2022 & 2021 is 12.6%.

- 18. 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.
- 20. 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.

21. 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	

22. 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
Total	72	20

#### **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 Financial 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; 6. diversified financing profile with a demonstrated track record of reducing
- financing costs; and experienced management team supported by qualified and experienced
- For further details in relation to the above qualitative factors, see "Our Business Our

Strengths" on page 235, of the RHP.

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
Weighted Average	15.51	15.27	
Six months ended September 30, 2023*	12.13	12.00	
Six months ended Sentember 30, 2022*	7.09	7.02	

As at and for the Financial Year ended

March 31

\*Not annualized.

Quantitative factors

2. Price/earning ("P/E") ratio in relation to the Price Band of ₹469 to ₹493 per

Equity Snare.		
Particulars	Floor Price	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

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 annualized		

#### 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	Total revenue from	for the Fin	per share ancial Year 3 (₹)	Net asset value per the owners		P/E ratio	P/B ratio	Return on net worth
	share)	operations (in ₹ million)	Basic	Diluted	equity share (₹)	the company (in ₹ million)	Tallo	Tallo	(%)
India Shelter Finance Corporation Limited#	5	5,845.30	17.75	17.47	141.38	12,405.28	[•] <sup>^</sup>	[●]^	13.4
Listed peers*									
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

- Financial information of our Company has been derived from the Restated Consolidated Financial Information
- To be included in respect of our Company in the Prospectus. \* Sources for listed peers information included above.

Key Performance Indicators/ KPIs

#### Key performance indicators ("KPIs")

\*Not annualised.

The table below sets forth the details of KPIs that our Company considers as having a bearing for 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 taker 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 ember 23, 2023 issued by R. R. & Associates, Chartered Accountants, who hold a valid certificate issued by the Peer Review Board of the 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

As at and for the six months

ended September 30,

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

	2023	2022	2023	2022	2021
Oper	ations (Scale)				
Number of states	15	15	15	15	15
Number of branches	203	167	183	130	11:
Number of employees	2,997	2,456	2,709	2,200	1,57
AUM (in ₹ million)	51,806.89	36,148.74	43,594.31	30,732.93	21,985.2
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	8,948.7
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	1.0
	ions (AUM Split)				
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%
Operat	ions (Efficiency)				
Branch Productivity (AUM / Branch) (in ₹ million)	255.21	216.46	238.22	236.41	191.1
AUM / Employee (in ₹ million)	17.29	14.72	16.09	13.97	13.9
	Capital				
Net Worth (in ₹ million)	13,749.66	11,420.09	12,405.28	10,761.27	9,372.6
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.
Average Cost of Borrowing	8.9%	8.3%	8.3%	8.3%	8.7%
	rofitability				
Net Income (Total Income – Finance Cost) (in ₹ million)	2,594.81	1,773.44	3,975.54	3,123.86	2,182.2
Profit after tax (in ₹ million)	1,073.54	620.21	1,553.42	1,284.47	873.8
Re	turn Ratios				
Average Yield on Advances (%)	14.9%	15.0%	14.9%	15.3%	14.89
Spread on Advances (%)	6.0%	6.7%	6.6%	7.0%	6.19
Net Income to Average Total Assets (%)	11.5%	10.2%	10.6%	11.0%	10.29
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%	4.19
Profit After Tax to Average Net Worth (ROE) (%)	8.2%*	5.6%*	13.4%	12.8%	9.8%
As	set Quality				
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%	29.69
Credit cost to Average Total Assets (%)	0.4%	0.5%	0.4%	0.4%	0.9%
	Others				
Basic earnings per equity share/ EPS (in ₹)	12.13*	7.09*	17.75	14.80	10.1
Diluted earnings per equity share/ EPS (in ₹)	12.00*	7.02*	17.47	14.63	9.9
Cı	edit Rating				
	ICRA A+ Sta-	ICRA A+ Sta-	ICRA A+ Sta-	ICRA A Sta-	ICRA A Sta-
Credit Rating	ble; CARE	ble; CARE	ble; CARE	ble; CARE A	ble; CARE A
	A+ Positive	A+ Stable	A+ Stable	Positive	Stable

The KPIs of our Company included in this section have also been disclosed, along with other key financial and operating metrics, in "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 232 and 397, respectively of the RHP.

Our Company shall continue to disclose the KPIs included in this section on a periodic basis, at least once in a year (or for any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares, on the Stock Exchanges or for such other duration as may be required under the SEBI ICDR Regulations.

A list of our KPIs along with a brief explanation of the relevance of the KPIs to our business operations have been defined consistently and precisely in "Definitions and Abbreviations – Conventional and General Terms and Abbreviations" on page 11 of the RHP.

#### Description of the historic use of the key performance indicators/KPIs by us to analyze, track or monitor our operational and/or financial performance

In evaluating our business, we consider and use certain KPIs, as stated above, as a supplemental measure to review and assess our financial performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Consolidated Financial Information. We use these KPIs to evaluate our financial performance. Some of these KPIs are not defined under Ind AS and are not presented in accordance with Ind AS. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS. Investors are encouraged to review the Ind AS financial measures and to not rely on any single financial or operational metric to evaluate our business

Comparison of financial key performance indicators/ KPIs of our Company and our listed peers

		rporation Limited Finance India Limited Company Ind					st Finance ndia Limited	
Key Performance Indicators (KPIs)	Six months ended September 30, 2023	Six months ended September 30, 2022	Six months ended September 30, 2023	Six months ended September 30, 2022	ended	Six months ended September 30, 2022	Six months ended September 30, 2023	Six months ended September 30, 2022
	•	Operations	(Scale)	•	•		•	•
Number of States	15	15	13	13	5	5	13	13
Number of branches	203	167	350	321	250	213	120	101
Number of employees	2,997	2,456	NA	NA	2,584	2,359	NA	951
AUM (in ₹ million)	51,806.89	36,148.74	1,53,195.00	1,25,437.00	76,037.00	59,320.00	83,654.00	62,754.00
AUM Growth (%)	43.3%	43.6%	22.1%	23.6%	28.2%	32.3%	33.3%	35.9%
Disbursements (in ₹ million)	12,203.17	8,618.94	23,267.00	22,404.00	13,910.00	11,290.00	18,543.00	13,634.00
Disbursements Growth (%)	41.6%	83.2%	3.9%	64.2%	23.2%	69.0%	36.0%	66.3%
Average Ticket Size on Disbursements (in ₹ million)	1.03	1.07	0.93	0.88	0.80	0.80	1.07	1.09
		Operations (A	UM Split)					
Product Wise AUM (in terms of Amount) - Home Loan (%)	57.6%	54.8%	69.7%	70.9%	59.0%	58.0%	87.0%	89.0%
Product Wise AUM (in terms of Amount) – Loan Against Property (%)	42.4%	45.2%	30.3%	29.1%	NA	NA	12.0%	10.0%
AUM by Customer Occupation - Self Employed (%)	70.6%	68.8%	59.9%	60.2%	72.0%	72.0%	31.0%	29.0%
AUM by Customer Occupation – Salaried (%)	29.4%	31.2%	40.1%	39.8%	28.0%	28.0%	69.0%	71.0%
Average LTV (%)	50.9%	50.3%	NA	NA	NA	NA	NA	N/
		Operations (E	fficiency)					
Branch Productivity (AUM / Branch) (in ₹ million)	255.21	216.46	437.70	390.77	304.15	278.50	697.12	621.33
AUM / Employee (in ₹ million)	17.29	14.72	NA	NA	29.00	25.15	67.35	65.99
,		Capit	al					Į.
Net Worth (in ₹ million)	13,749.66	11,420.09	35,136.21	30,288.42	35,399.46	31,748.00	19,467.32	16,856.19
Capital Adequacy Ratio (%)	48.7%	49.2%	48.2%	50.4%	71.0%	80.3%	45.5%	50.7%
Leverage (Average Total Assets to Average Net Worth)	3.5	3.1	4.2	3.9	2.2	2.1	3.9	3.4
Average Cost of Borrowing	8.9%	8.3%	7.4%	6.6%	8.9%	7.5%	8.3%	6.9%
		Profitab	oility					
Net Income (Total Income – Finance Cost) (in ₹ million)	2,594.81	1,773.44	5,777.36	4,742.73	4,789.65	4,043.72	3,144.80	2,273.78
Profit After Tax (in ₹ million)	1,073.54	620.21	2,314.9	1,956.93	2,902.76	2,421.48	1,434.30	1,055.2
		Return R	atios					
Average Yield on Advances	14.9%	15.0%	14.0%	13.7%	NA	18.0%	13.9%	13.1%
Spread on Advances	6.0%	6.7%	6.6%	7.1%	NA	10.5%	5.6%	6.2%
Net Income to Average Total Assets	11.5%	10.2%	8.1%	8.3%	12.7%	12.8%	8.5%	8.2%
Operating Expenses to Average Total Assets	4.9%	5.0%	3.8%	3.8%	2.6%	2.4%	3.0%	3.0%
Profit After Tax to Average Total Assets (ROA)	4.7%	3.6%	3.3%	3.4%	7.7%	7.7%	3.9%	3.8%
Profit After Tax to Average Net Worth (ROE)(1)	8.2%*	5.6%*	13.7%	13.4%	16.9%	15.9%	15.2%	13.0%
		Asset Qu	iality					
DPD 30+	3.15%	3.97%	NA	NA	5.99%	6.50%	2.90%	3.30%
Stage 3 Assets (%)	1.00%	2.79%	1.04%	1.10%	1.19%	1.47%	1.74%	1.93%
Stage 3 Assets (Net) to Net Carrying Amount (%)	0.72%	2.16%	0.76%	0.84%	0.91%	1.12%	1.22%	1.43%
Provision Coverage Ratio (%)	28.7%	23.6%	27.5%	23.8%	25.0%	25.0%	30.3%	26.4%
Credit cost to Average Total Assets (%)	0.4%	0.5%	0.2%	0.0%	0.2%	0.6%	0.4%	0.3%
		Other	rs					
Basic earnings per equity share (in ₹)	12.13*	7.09*	29.27	24.78	5.82	4.87	16.28	12.04
Diluted earnings per equity share (in ₹)	12.00*	7.02*	29.25	24.71	5.80	4.85	15.78	11.62
		Credit R	ating					
Credit Ratings	ICRA A+ Stable; CARE A+	ICRA A+ Stable; CARE A+	CARE AA Stable	ICRA AA Stable CARE AA	CARE AA- Stable	ICRA AA-Stable; CARE AA-	ICRA AA-Stable; CARE AA-	ICRA AA-Stable CARE AA-

Positive

\*Not annualised

Stable

Stable

Stable

Stable

Stable

W D C	India Shelt	er Finance C	orporation	Aavas	Financiers L	imited	Aptus Value Housing Finance India Limited			Home First	Finance Con Limited	npany India
Key Performance Indicators (KPIs)	Financial Year 2023	Financial Year 2022	Financial Year 2021	Financial Year 2023	Financial Year 2022	Financial Year 2021	Financial Year 2023	Financial Year 2022	Financial Year 2021	Financial Year 2023	Financial Year 2022	Financial Year 2021
Number of States	15	15	15	Operations 13	(Scale)	11	5	5	4	13	13	1:
Number of States Number of branches	183	130	115	346	314	280	231	208	190	111	80	7:
Number of employees	2,709	2,200	1,576	6,034	5,222	5,679	2,405	2,271	1,910	993	851	68
AUM (in ₹ million)	43,594.31	30,732.93		1,41,667.00		94,542.90	67,380.00	51,800.00	40,680.00	71,980.00	53,800.00	41,410.7
AUM Growth (%)	41.8%	39.8%	44.7%	24.8%	20.1%	21.3%	30.1%	27.3%	27.8%	33.8%	29.9%	14.59
Disbursements (in ₹ million)	19,643.77	12,952.61	8,948.76	50,245.00	36,022.40	26,568.50	23,940.00	16,410.00	12,980.00	30,129.00	20,310.00	10,970.0
Disbursements Growth (%)	51.7%	44.7%	62.3%	39.5%	35.6%	-9.3%	45.9%	26.4%	1.4%	48.3%	85.1%	-32.29
Average Ticket Size on Disbursements (in ₹ million)	1.05	1.06	1.09	0.89	0.86	0.85	1.00	NA	NA	1.10	1.05	1.0
Product Wise AUM (in terms of Amount) – Home Loan (%)	56.5%	54.1%	57.0%	Operations (A	72.1%	73.5%	58.0%	56.0%	NA	88.0%	91.0%	92.09
Product Wise AUM (in terms of Amount) – Loan Against Property (%)	43.5%	45.9%	43.0%	30.1%	27.9%	26.5%	NA	NA	NA	11.0%	7.0%	6.09
AUM by Customer Occupation - Self Employed (%)	69.6%	67.6%	64.2%	60.1%	60.0%	60.4%	71.0%	72.0%	72.0%	30.0%	27.0%	25.0%
AUM by Customer Occupation – Salaried (%)	30.4%	32.4%	35.8%	39.9%	40.0%	39.6%	29.0%	28.0%	28.0%	69.5%	72.0%	74.0%
Average LTV (%)	50.7%	49.4%	48.3%	NA	NA	NA	NA	NA	NA	56.0%	57.2%	59.09
			1	Operations (E	· · · · · ·	1				ı		
Branch Productivity (AUM / Branch) (in ₹ million)	238.22	236.41	191.18	409.44	361.47	337.65	291.69	249.04	214.11	648.47	672.50	575.1
AUM / Employee (in ₹ million)	16.09	13.97	13.95	23.48	21.74	16.65	28.02	22.81	21.30	72.49	63.22	60.2
Net Worth (in ₹ million)	12,405.28	10,761.27	9,372.69	32,696.60	28.064.30	24,008.10	33,393.31	29,161.63	19,794.52	18.173.39	15.736.85	13,805.4
Capital Adequacy Ratio (%)	52.7%	55.9%	71.5%	47.0%	51.9%	54.4%	77.4%	85.6%	73.6%	49.4%	58.6%	56.29
Leverage (Average Total Assets to Average Net Worth)	3.2	2.8	2.4	4.0	3.8	3.7	2.1	2.1	2.2	3.5	3.3	3.
Average Cost of Borrowing	8.3%	8.3%	8.7%	6.6%	6.6%	7.8%	8.5%	8.0%	9.1%	7.3%	6.6%	7.89
7 Welding Cost of Borrowing	0.070	0.070	0.170	Profital		7.070	0.070	0.070	3.170	1.070	0.070	7.0
Net Income (Total Income – Finance Cost) (in ₹ million)	3,975.54	3,123.86	2,182.25	10.234.67	8,313.38	6,494.57	8,538.64	6,323.15	4,523.95	4,923.42	3,808.86	2,725.7
Profit After Tax (in ₹ million)	1,553.42	1,284.47	873.89	4,296.44	3,551.81	2,889.19	5,030.15	3,701.40	2,669.45	2,282.92	1,860.98	1,001.4
				Return R								
Average Yield on Advances	14.9%	15.3%	14.8%	12.6%	12.8%	13.1%	17.7%	17.2%	17.2%	13.3%	12.5%	12.89
Spread on Advances	6.6%	7.0%	6.1%	6.0%	6.2%	5.3%	9.2%	9.3%	8.1%	5.9%	5.9%	5.09
Net Income to Average Total Assets	10.6%	11.0%	10.2%	8.4%	8.3%	7.8%	13.3%	12.4%	10.9%	8.3%	7.9%	6.89
Operating Expenses to Average Total Assets	4.8%	4.7%	4.0%	3.8%	3.6%	3.1%	2.6%	2.3%	2.5%	3.0%	2.7%	2.79
Profit After Tax to Average Total Assets (ROA)	4.1%	4.5%	4.1%	3.5%	3.6%	3.5%	7.8%	7.3%	6.5%	3.9%	3.9%	2.59
Profit After Tax to Average Net Worth (ROE)	13.4%	12.8%	9.8%	14.1%	13.6%	12.8%	16.1%	15.1%	14.5%	13.5%	12.6%	8.7'
				Asset Q	· ·							
DPD 30+	2.41%	3.96%	3.98%	NA	NA	NA	5.90%	9.91%	9.38%	2.70%	3.70%	4.10%
Stage 3 Assets (%)	1.13%	2.12%	1.92%	0.92%	0.99%	0.98%	1.15%	1.21%	0.69%	1.61%	2.33%	1.849
Stage 3 Assets (Net) to Net Carrying Amount (%)	0.85%	1.60%	1.37%	0.68%	0.77%	0.71%	0.87%	0.91%	0.50%	1.07%	1.77%	1.209
Provision Coverage Ratio (%)	26.0%	25.5%	29.6%	26.9%	23.1%	27.2%	25.6%	25.3%	27.5%	34.0%	24.9%	36.09
Credit cost to Average Total Assets (%)	0.4%	0.4%	0.9%	0.1%	0.2%	0.4%	0.5%	0.7%	0.1%	0.4%	0.5%	0.89
Designations are equity at ( 32)	47.75	44.00	40.40	Othe		20.00	40.44	7.50	- F-C	00.04	04.00	40.0
Basic earnings per equity share (in ₹)	17.75	14.80	10.19	54.38	45.10	36.86	10.11	7.58	5.56	26.01	21.26	12.3
Diluted earnings per equity share (in ₹)	17.47	14.63	9.93	54.26 Credit R	44.81 ating	36.54	10.08	7.53	5.55	25.20	20.54	12.1
	ICRAA+	ICRAA	ICRAA	ICRAAA	ICRA AA-	ICRA AA-	ICRA	ICRA	ICRAA+	ICRA	ICRA A+	ICRA A+
Credit Ratings	Stable;	Stable;	Stable;	Stable;	Positive;	Stable;	AA-Stable;	AA-Stable;	Stable;	AA-Stable;	Positive;	Stable;
Orean rainys	CARE A+	CARE A	CARE A	CARE AA	CARE AA-	CARE AA-	CARE AA-	CARE A+	CARE A+	CARE AA-	CARE A+	CARE A-

#### Comparison of KPIs based on additions or dispositions to our business

Our Company has not undertaken a material acquisition or disposition of assets / business for the periods that are covered by the KPIs and accordingly, no comparison of KPIs over time based on additions or dispositions to the business, have been provided.

- 9. Weighted average cost of acquisition, Floor Price and Cap Price
- A. Price per share of the Company based on primary/new issue of Equity Shares or convertible securities (excluding Equity Shares issued under employee stock option plan and issuance of bonus Equity Shares) during the 18 months preceding the date of the Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid up share capital of our Company (calculated based on the pre-Offer capital before such transactions and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days

There has been no issuance of Equity Shares or convertible securities during the 18 months preceding the date of the Red Herring Prospectus (excluding Equity Shares issued pursuant to exercise of employee stock options or any bonus issuances), where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days

B. Price per share of the Company based on secondary sale/acquisition of Equity Shares or convertible securities, where any of the Promoters, members of the Promoter Group, the Selling Shareholders or Shareholders having the right to nominate director(s) to the Board of our Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of the Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of our Company (calculated based on the pre-Offer capital before such transactions and excluding employee stock options granted but not vested) in a single transaction or multiple transactions combined together over a span of rolling 30 days

There have been no secondary sale/transfers or acquisition of any Equity Shares or convertible securities, where the Promoters, members of the Promoter Group, the Selling Shareholders or Shareholders having the right to nominate Directors to the Board of our Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of the Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

Since there are no transactions to report under 9A and 9B above, the following are the details based on the last five primary and secondary transactions (secondary transactions where Promoter, members of the Promoter Group, Selling Shareholders or Shareholders having the right to nominate director(s) to the Board of our Company, are a party to the transaction), not older than the three years preceding the date of the Red Herring Prospectus, irrespective of the size of transactions:

Date of Allotment/ transfer#	Name of Allotee/ transferor/ transferee	Number of Equity Shares transacted*	Face value per Equity Share (in ₹)	Price per Equity Share*	Nature of consideration	Nature of transaction
		Primary issuar	ices			
November 19, 2022	Anil Mehta	270,000	5	218.50	Cash	Private Placement
July 18, 2023^^	Anil Mehta	710,000	5	41.60*	Cash	Private Placement
	S	econdary transa	actions			
October 25, 2021	Aravali Investment Holding	7,238,672	5	307.23	Cash	Transfer
November 29, 2021	MIO Starrock	683,200	5	280.58	Cash	Transfer
November 29, 2021	Catalyst Trusteeship Limited, acting as trustee for MICP Trust	16,800	5	280.58	Cash	Transfer
November 24, 2022	MIO Starrock	1,026,834	5	280.58	Cash	Transfer
November 24, 2022	Catalyst Trusteeship Limited, acting as trustee for MICP Trust	23,166	5	280.58	Cash	Transfer

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

- # Excludes Equity Shares issued pursuant to exercise of employee stock options pursuant to the ESOP Schemes \*After considering the impact of split of equity shares of ₹10 each to Equity Shares of ₹5 each pursuant to a resolution of our Board passed in their meeting held on July 12, 2023 and a resolution of our Shareholders passed in their extraordinary general meeting held on July 18, 2023.
- ^^ Date of Shareholders' resolution approving issuance of Equity Shares. Further, pursuant to sub-division of equity share capital on July 18, 2023, from face value of ₹10 each to ₹5 each, the Board resolution for allotment was passed on July
- D. Floor Price and Cap Price being [•] times the weighted average cost of acquisition based on primary issuances/ secondary transactions

Type of transactions	Weighted average cost of acquisition (in ₹)	Cap Price (₹ 493)*	Floor Price (₹ 469)*
Weighted average cost of acquisition for last 18 months based on primary/ new issue of shares (equity/ convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of the Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-Offer capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days	Not applicable		
Weighted average cost of acquisition for last 18 months based on secondary sale/acquisition of shares equity/convertible securities), where promoter/promoter group entities or selling shareholders or shareholder(s) having the right to nominate director(s) or selling shareholder in the Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of the Red Herring Prospectus, where either acquisition or sale is equal to or more than five per cent of the fully diluted paid-up share capital of the Company (calculated based on the pre-Offer capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days	Not app	licable	

Since there are no transactions to report under 9A and 9B above, the following are the details based on the last five primary and secondary transactions (secondary transactions where Promoter, members of the Promoter Group, Selling Shareholders or Shareholders having the right to nominate Director(s) to the Board of our Company, are a party to the transaction), during the three years preceding the date of the Red Herring Prospectus, irrespective of the size of transactions, is as below

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					
Note: As certified by R. R. & Associates Chartered Accountants by way of their certificate dated December 7, 2023								

10. The Offer Price is [●] times of the face value of the Equity Shares

The Offer Price of ₹ [•] has been determined by our Company in consultation with the BRLMs, on the basis of the demand from investors for the Equity Shares through the Book Building Process. Our Company, in consultation with the BRLMs, are justified of the Offer Price in view of the above qualitative and quantitative parameters. Investors should read the above-mentioned information along with "Risk Factors", "Our Business", "Management Discussion and Analysis of Financial Condition and Revenue from Operations" and "Restated Consolidated Financial Information" beginning on pages 29, 232, 397 and 332, respectively, of the RHP to have a more informed view.

The trading price of the Equity Shares could decline due to the factors mentioned in the section "Risk Factors" beginning on page 29 of the RHP and any other factors that may arise in the future and you may lose all or part of your investments.

#### THE EQUITY SHARES OF OUR COMPANY WILL GET LISTED ON MAIN BOARD PLATFORM OF BSE AND NSE.

### **ASBA**

#### Simple, Safe, Smart way of Application!!!

'Applications Supported by Blocked Amount ("ASBA") is a better way of applying to offers by simply blocking the fund in the bank account. For further details, check section on ASBA. Mandatory in public issues. No cheque will be accepted.



UPI-Now available in ASBA for all individual investors applying in public issues where the application amount is up to ₹500,000, applying through Registered Brokers, Syndicate, CDPs & RTAs. Retail Individual Bidders and Non-Institutional Bidders also have the option to submit the application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account. Investors are required to ensure that the bank account used for bidding is linked to their PAN. Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and read with press release dated September 17, 2021.

ASBA has to be availed by all the investors except Anchor Investors. UPI may be availed by UPI Bidders. For details on the ASBA and UPI process, please refer to the section "Offer Procedure" on page 4/1 of the RHP. The process is also available on the website on Association of Investment Bankers of India ("AIBI") and Stock Exchanges and in the General Information Document. The Bid Cum Application Form and the Abridged Prospectus can be downloaded from the websites of BSE Limited ("BSE") and National Stock Exchanges and in the General Information Document. The Bid Cum Application Form and the Abridged Prospectus can be downloaded from the websites of India Limited ("BSE") and National Stock Exchanges and in the General Information Document. The Bid Cum Application Form and the Abridged Prospectus can be downloaded from the website of India Limited ("BSE") and National Stock Exchanges and in the General Information Document. The Bid Cum Application Form and the Abridged Prospectus can be downloaded from the websites of India Limited ("BSE") and National Stock Exchanges and in the General Information Document. The Bid Cum Application Form and the Abridged Prospectus can be downloaded from the websites of India Limited ("BSE") and National Stock Exchanges and in the General Information Document. The Bid Cum Application Form and the Abridged Prospectus can be downloaded from the websites of India Limited ("BSE") and National Stock Exchanges and in the General Information Document. The Bid Cum Application Form and the Abridged Prospectus can be downloaded from the websites of India Limited ("BSE") and National Stock Exchanges and India Limited ("BSE") and National Stock Exchanges a Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appear on the website of SEBI, as updated from time to time. Kotak Mahindra Bank Limited have been appointed as the Sponsor Banks for the Issue, in accordance with the requirements of SEBI circular dated November 1, 2018 as amended. For Issue related queries, please contact the Book Running Lead Managers ("BRLMs") on their respective email IDs as mentioned below. For UPI related queries, investors can contact NPCI at the toll free number: 18001201740 and mail Id: ipo.upi@npci.org.in.

In case of any revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/ Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/ Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public notice and also by indicating the change

on the websites of the BRLMs and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and Sponsor Banks, as applicable. The Offer is being made in terms of Rule 19(2)(b) of the SCRR, read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process, in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs" and such portion, the "QIB Portion"), provided that our Company in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors and the basis of such allocation will be on a discretionary basis by our Company in consultation with the BRLMs (the "Anchor Investor Portion"), of which one-third shall be reserved for the domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors ("Anchor Investor Allocation Price") in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than the Anchor Investor Portion) (the "Net QIB Portion") Further, 5% of the Net QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, subject to valid Bids being received at or above the Offer Price, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Investors ("Non-Institutional Portion") (out of which one-third of the portion available to Non-Institutional Investors will be available for allocation to Bidders with an application size of more than ₹ 200,000 and up to ₹ 1,000,000 and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 1,000,000 and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion). Further, not less than 35% of the Offer shall be available for allocation to Retail Individual Investors ("Retail Portion"), in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All Bidders (except Anchor Investors) shall mandatorily participate in the Offer only through the Application Supported by Blocked Amount ("ASBA") process and shall provide details of their respective bank account (including UPI ID for UPI Bidders using UPI Mechanism) in which the Bid Amount will be blocked by the Self Certified Syndicate Banks ("SCSBs") or the Sponsor Banks, as applicable. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. See "Offer Procedure" beginning on page 471 of the RHP.

Bidders/ Applicants should ensure that DP ID, PAN, Client ID and UPI ID are correctly filled in the Bid cum Application Form. The DP ID, PAN and Client ID provided in the Bid cum Application Form should match with the DP ID, PAN, Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/ Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active. Bidders/ Applicants should note that on the basis of the PAN, DP ID, Client ID and UPI ID (for RIBs bidding through the UPI mechanism) as provided in the Bid cum Application Form, the Bidder/Applicant may be deemed to have authorised the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving Allotment Advice or unblocking of ASBA Account or for other correspondence(s) related to the Offer. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders'/Applicants' sole risk. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification issued by Central Board of Direct Taxes notification dated February 13, 2020 and read with press releases dated June 25, 2021, September 17, 2021 and March 28, 2023 and any subsequent press releases in this regard.

CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AS REGARDS ITS OBJECTS: For information on the main objects of the Company, please see the section "History and Certain Corporate Matters" on page 273 of the RHP. The Memorandum of Association of the Company is a material document for inspection in relation to the Offer. For further details, please see the section titled "Material Contracts and Documents for Inspection" on page 515 of the RHP.

LIABILITY OF THE MEMBERS OF THE COMPANY: Limited by shares. AMOUNT OF SHARE CAPITAL OF THE COMPANY AND CAPITAL STRUCTURE: As on the date of the RHP, the authorised share capital of the Company is ₹810,000,000 divided into 162,000,000 Equity Shares of face value of ₹5 each. The issued, subscribed and paid-up share capital of the Company is ₹451,174,780 divided into 90,234,956 Equity Shares of face value of ₹5 each. For details, please see the section titled *"Capital Structure"* beginning on page 94 of the RHP

NAMES OF SIGNATORIES TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AND THE NUMBER OF EQUITY SHARES SUBSCRIBED BY THEM: The initial signatories to the Memorandum of Association are Naresh Grover, Ajay Grover, Anil Grover, Kamal Grover, Sharad Chandra Nanda, Gourav Grover and Diptee Grover who subscribed to 1,000 equity share each, bearing face value of ₹10. For details of the share capital history and capital structure of our Company, please see the section entitled "Capital Structure" beginning on page 94 of the RHP.

LISTING: The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received in-principle approvals from the BSE and the NSE for listing of the Equity Shares pursuant to their letters each dated October 3, 2023. For the purposes of the Offer, NSE shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus has been filed with the Registrar of Companies, Delhi and Haryana at New Delhi, Delhi ("RoC") and the signed copy of the Prospectus shall be filed with the RoC in accordance with Section 26(4) and Section 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date, see "Material Contracts and Documents for Inspection" beginning on page 515 of the RHP

DISCLAIMER CLAUSE OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"): SEBI only gives its observations on the offer documents and this does not constitute approval of either the Offer or the specified securities or the offer document. The investors are advised to refer to page 446 of the RHP for the full text of the disclaimer clause of SFBI

DISCLAIMER CLAUSE OF NSE (DESIGNATED STOCK EXCHANGE): It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Offer Document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Offer Document. The investors are advised to refer to page 449 of the RHP for the full text of the disclaimer clause of NSE.

DISCLAIMER CLAUSE OF BSE: It is to be distinctly understood that the permission given by BSE should not in any way be deemed or construed that the RHP has been cleared or approved by BSE nor does it certify the correctness or completeness of any of the contents of the RHP. The investors are advised to refer to page 449 of the RHP for the full text of the disclaimer clause of BSE.

DISCLAIMER CLAUSE OF NHB: The disclaimer clause of the NHB as included in the certificate of registration dated September 14, 2010 granted to our Company is set out below: The Company is having a valid Certificate of Registration dated September 14, 2010 issued by the National Housing Bank (NHB) under Section 29A of the National Housing Bank Act, 1987. However, the NHB does not accept any responsibility or guarantee about the present position as to the financial soundness of the company or for the correctness of any of the statements or representations made or opinion expressed by the company and for repayment of deposits/ discharge of liabilities by the company." GENERAL RISKS: Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares have not been recommended or approved by the SEBI, nor does SEBI quarantee the accuracy or adequacy of the contents of the Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" beginning on page 29 of the RHP.

#### *D***ICICI** Securities ICICI Securities Limited ICICI Venture House Appasaheb Marathe Marg, Prabhadevi Mumbai 400 025, Maharashtra, India Tel: + 91 22 6807 7100 E-mail: isfclipo@icicisecurities.com Website: www.icicisecurities.com Investor Grievance ID: customercare@

Contact Person: Rupesh Khant/ Sumit Singh

SEBI Registration Number: INM000011179

icicisecurities.com

#### cíti Citigroup Global Markets India Private Limited 1202, 12th Floor, First International Financial Center G-Block, C54 & 55, Bandra Kurla Complex Bandra (East), Mumbai 400 098, Maharashtra, India Tel: +91 22 6175 9999

E-mail: indiashelteripo@citi.com Website: www.online.citibank.co.in/rhtm/ citigroupglobalscreen1.htm Investor Grievance ID: investors.cgmib@citi.com Contact Person: Dylan Fernandes SEBI Registration Number: INM000010718

**kotak** Kotak Mahindra Capital Company Limited 27BKC, 1st Floor, Plot No. C - 27 "G" Block, Bandra Kurla Complex Bandra (East), Mumbai 400 051 Maharashtra, India Tel: +91 22 4336 0000

E-mail: indiashelter.ipo@kotak.com

Contact Person: Ganesh Rane

Website: https://investmentbank.kotak.com

SEBI Registration Number: INM000008704

Investor Grievance ID: kmccredressal@kotak.com

BOOK RUNNING LEAD MANAGERS

**Ambit Private Limited** Ambit House, 449, Senapati Bapat Marg Lower Parel, Mumbai 400 013 Maharashtra, India Tel: + 91 22 6623 3030 E-mail: indiashelter.ipo@ambit.co Website: www.ambit.co

Investor Grievance E-mail: customerservicemb@

Contact person: Jitendra Adwani/ Devanshi Shah

SEBI registration number: INM000010585

**AMBIT** 

REGISTRAR TO THE OFFER KFINTECH KFin Technologies Limited Selenium Tower B, Plot No.31-32 Gachibowli, Financial District Nanakramguda, Serilingampally

Contact Person: M Murali Krishna

SEBI Registration No.: INR000000221

Hyderabad 500 032, Telangana, India Tel: +91 40 6716 2222/ 1800 309 4001 E-mail: indiashelter.ipo@kfintech.com Website: www.kfintech.com Investor grievance e-mail: einward.ris@kfintech.com

COMPANY SECRETARY AND CHIEF COMPLIANCE OFFICER Mukti Chaplot 6th Floor, Plot No. 15, Sector 44, Institutional Area

Gurugram 122 002, Haryana, India

Tel: + 91 124 413 1800 E-mail: compliance@indiashelter.in

Investors may contact the Company Secretary and Chief Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances including non-receipt of letters of Allotment, noncredit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, nvestors may also write to the BRLMs.

...continued from previous page.

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 and is available on the websites of the BRLMs, i.e. ICICI Securities Limited at www.icicisecurities.com, Citigroup Global Markets India Private Limited at www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm, Kotak Mahindra Capital Company Limited at https://investmentbank.kotak.com and Ambit Private Limited at www.ambit.co respectively and on the websites of BSE and NSE at www.bseindia.com and 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, www.icicisecurities.com, www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm, https://investmentbank.kotak.com, www.ambit.co and 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: +91 122 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, IJFL 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

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 Mukti Chaplot
Date: December 7, 2023 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, the website of the SEBI at 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 and 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, www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm, https://investmentbank.kotak.com and 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 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.