

Non Judicial



# Indian-Non Judicial Stamp Haryana Government



Date : 05/12/2023

Certificate No. G0E2023L373



Stamp Duty Paid : ₹ 700  
(Rs. Only)

GRN No. 110144239



Penalty : ₹ 0

(Rs. Zero Only)

## Seller / First Party Detail

Name: India Shelter finance Corporation limited

H.No/Floor : Na

Sector/Ward : Na

LandMark : Na

City/Village : Gurugram

District : Gurugram

State : Haryana

Phone: 85\*\*\*\*\*28



## Buyer / Second Party Detail

Name : Crisil Ratings Limited

H.No/Floor : Na

Sector/Ward : Na

LandMark : Na

City/Village: Gurugram

District : Gurugram

State : Haryana

Phone : 85\*\*\*\*\*28

Purpose : MONITORING AGENCY AGREEMENT

**This Stamp Paper forms an integral part of the Monitoring Agency Agreement dated December 7, 2023 executed between India Shelter Financial Corporation Limited and CARE Ratings Limited.**

The authenticity of this document can be verified by scanning this QrCode Through smart phone or on the website <https://egrashry.nic.in>

**THIS MONITORING AGENCY AGREEMENT (THE “AGREEMENT”)** is entered into this December 7, 2023 at Gurugram by and among:

**India Shelter Finance Corporation Limited**, a company a company incorporated under the provisions of the Companies Act, 1956, and having its registered office at 6th Floor, Plot No. 15, Sector 44, Institutional Area, Gurugram 122 002, Haryana, (herein after referred to as the "**Issuer**" or the "**Company**", which expression shall unless repugnant to the context or meaning thereof mean and include its successors and permitted assigns) of the **FIRST PART**;

**AND**

**CARE Ratings Limited**, a company duly incorporated under the Companies Act, 1956, and having its registered office at Godrej Coliseum, 4th Floor, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai- 400022 in the capacity of monitoring agency appointed in terms of SEBI ICDR Regulations (*as defined herein below*) ("**CARE**" or "**Monitoring Agency**", which expression shall, unless it is repugnant to the context or meaning thereof, be deemed to mean and include its successors and assigns) of the **SECOND PART**.

The Company and the Monitoring Agency are hereinafter individually referred to as a "**Party**" and collectively as "**Parties**".

**WHEREAS:**

- A. The Company and the Selling Shareholders propose to undertake an initial public offering of equity shares of face value ₹ 5 each of the Company (the "**Equity Shares**"), comprising a fresh issue of Equity Shares by the Company aggregating up to ₹ 8,000 million (the "**Fresh Issue**") and an offer for sale by the Selling Shareholders aggregating up to ₹ 4,000 million ("**Offer for Sale**" and together with the Fresh Issue, the "**Offer**"), in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "**SEBI ICDR Regulations**"), the Companies Act, 2013, as amended, including any rules, regulations, clarifications and modifications thereto, each as amended (the "**Companies Act**"), and other Applicable Laws (as defined herein) at such price as may be determined through the book building process under the SEBI ICDR Regulations (the "**Offer Price**"). The Offer will be made (i) in the United States only to persons reasonably believed to be "qualified institutional buyers" as defined in Rule 144A ("**Rule 144A**") under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**") under Section 4(a) of the U.S. Securities Act; (ii) within India, to Indian institutional, non-institutional and retail investors in accordance with the ICDR Regulations in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act, as amended ("**Regulation S**"); and (iii) outside the United States and India, in "offshore transactions" as defined in and in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.
- B. The Board of Directors ("**Board**") have, *vide* a resolution passed at its meeting held on July 12, 2023, authorized the Offer. The Shareholders have authorized

the Fresh Issue pursuant to a special resolution dated July 18, 2023.

- C. The Company has appointed ICICI Securities Limited, Citigroup Global Markets India Private Limited, Kotak Mahindra Capital Company Limited and Ambit Private Limited to manage the Offer (the “**Lead Managers**”).
- D. The Company has filed a draft red herring prospectus dated August 4, 2022 (“**Draft Red Herring Prospectus**”) with the Securities and Exchange Board of India (“**SEBI**”), the National Stock Exchange of India Limited (“**NSE**”) and the BSE Limited (“**BSE**” and together with the NSE, the “**Stock Exchanges**”) on August 5, 2023, for review and comments in accordance with the SEBI ICDR Regulations. After incorporating the comments and observations of the SEBI and the Stock Exchanges, the Company proposes to file the red herring prospectus (“**Red Herring Prospectus**”) with the Registrar of Companies, Delhi and Haryana at New Delhi, Delhi (“**RoC**”), the SEBI and the Stock Exchanges in accordance with the Companies Act and the SEBI ICDR Regulations. The Company has also received in-principle listing approvals from the BSE and NSE pursuant to letters, each dated October 3, 2023.
- E. In terms of Regulation 41 of the SEBI ICDR Regulations, the Company is required to appoint a credit rating agency as the monitoring agency, which shall monitor the use of the Net Proceeds (*as defined hereinafter*) of the Offer in accordance with the terms of the Objects of the Offer (*as defined hereinafter*) Red Herring Prospectus and Prospectus. Accordingly, the Company has appointed CARE to act as the “**Monitoring Agency**” for monitoring the use of the Net Proceeds in accordance with this Agreement and in accordance with the Applicable Laws.
- F. This Agreement is executed and delivered to define the obligations of the Company to deposit the amount raised through the Fresh Issue in the Public Offer Monitoring Account(s) (*as defined hereinafter*) and the role of the Monitoring Agency to monitor the Net Proceeds deposited in the Public Offer Monitoring Account(s) as per the schedule of utilization of Net Proceeds mentioned in the Red Herring Prospectus and Prospectus (the “**Utilization Schedule**”).

**NOW, THEREFORE, in consideration of the foregoing and the mutual promises, covenants, and agreements set forth in this Agreement, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged by the Parties, the Parties hereby agree as follows:**

## **1. Definitions and Interpretation**

### **1.1 Definitions:**

“**Applicable Laws**” shall mean any applicable law, bye-law, rule, regulation, guideline, circular, order, notification, regulatory policy (including any requirement under, or notice of, any regulatory body), listing agreements with the Stock Exchanges (*as defined herein*), guidance, rule, order, judgment or decree of any court or any arbitral or other authority, or directive, delegated or

subordinate legislation in any applicable jurisdiction, within or outside India, which may apply to the Offer or the Parties, including any jurisdiction in which the Company and other Company Entities operate and any applicable foreign investment or securities laws in any such relevant jurisdictions, at common law or otherwise, including the Securities and Exchange Board of India Act, 1992, as amended, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities Contracts (Regulation) Rules, 1957, as amended, the Companies Act, 2013, the U.S. Securities Act (including the rules and regulations promulgated thereunder), the SEBI ICDR Regulations, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“**SEBI Listing Regulations**”), the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, the FEMA and the guidelines, instructions, rules, communications, circulars and regulations issued by the Government of India (“**GoI**”), the Registrar of Companies, Securities and Exchange Board of India (“**SEBI**”), the National Housing Bank (“**NHB**”), the Reserve Bank of India (“**RBI**”), the Stock Exchanges or by any Governmental Authority or any other governmental, statutory or regulatory authority or any court or tribunal including policies and administrative and departmental regulations and guidelines of Governmental Authorities, and similar agreements, rules, regulations, orders and directions, each, as amended, from time to time, in force in other jurisdictions where there is any invitation, offer or sale of the Equity Shares in the Offer.

“**Business Day(s)**” shall mean all days other than Saturday or Sunday or a public holiday on which commercial banks in Mumbai and Gurugram are open for business.

“**Equity Shares**” shall mean equity shares of the Company of ₹ 5 each.

“**Monitoring Report**” or “**Report**” shall mean the report(s) issued by the Monitoring Agency (monitoring the use of Net Proceeds) that the Net Proceeds have been utilized for the purpose as mentioned in the Utilization Schedule. The Report shall be submitted to the Company in the format prescribed under Schedule XI of the SEBI ICDR Regulations, and is reproduced in **Schedule-I**.

“**Gross Proceeds**” shall mean the gross proceeds of the Fresh Issue that will be available to the Company.

“**Offer Documents**” shall mean collectively, as the context requires, the Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, the Preliminary Offering Memorandum, the Offering Memorandum, the Bid cum Application Form including the abridged prospectus, any Supplemental Offer Material and any amendments, supplements, notices, addenda, corrections or corrigenda to such offering documents;

“**Objects of the Offer**” or “**Objects**” shall mean the objects of the Offer as set out in the Red Herring Prospectus.

“**Net Proceeds**” for the purposes of this Agreement, shall mean proceeds of the

Fresh Issue less the Company's share of the Offer related expenses.

**"Public Offer Monitoring Account"** shall have the meaning given to such term in Clause 3.3 of this Agreement.

**"Stock Exchanges"** shall collectively mean the BSE Limited and the National Stock Exchange of India Limited.

**"Utilization Schedule"** shall have the meaning given to such term in Recital G of this Agreement.

Terms not defined under this Clause or in this Agreement shall have the meaning ascribed to them in the Red Herring Prospectus/ Prospectus, unless the context specifies otherwise.

1.2 In this Agreement, unless the context otherwise requires:

- (a) Words denoting the singular number shall include the plural and *vice versa*;
- (b) Words denoting a person shall include an individual, corporation, company, partnership, trust or other entity;
- (c) Heading and bold type face are only for convenience and shall be ignored for the purposes of interpretation;
- (d) References to the word "include" or "including" shall be construed without limitation;
- (e) References to this Agreement or to any other agreement, deed or other instrument shall be construed as a reference to such agreement, deed, or other instrument as the same may from time to time be amended, varied, supplemented or noted or any replacement or novation thereof;
- (f) References to any Party to this Agreement or any other agreement or deed or other instrument shall include its successors or permitted assigns;
- (g) References to an article, clause, section, paragraph, schedule or annexure is, unless indicated to the contrary, a reference to an article, clause, section, paragraph, schedule or annexure of this Agreement; and
- (h) Unless otherwise defined, reference to the word 'days' shall mean calendar days.

## **2. USE OF NET PROCEEDS**

The Company proposes to raise finance by way of the Fresh Issue for the purposes set out in the "Objects of the Offer" section of the Red Herring Prospectus/ Prospectus and reproduced below:

- a. to meet future capital requirements towards onward lending; and

- b. general corporate purposes

(Collectively, referred to herein as the “**Objects**”).

However, provided that the above shall be read in conjunction with and shall be superseded by the details mentioned in the Red Herring Prospectus/ Prospectus.

### **3. The Public Offer Monitoring Account**

- 3.1 The Company hereby appoints CARE as the monitoring agency for the purposes of monitoring the use of the Net Proceeds by the Company in accordance with the Objects of the Offer and the SEBI ICDR Regulations.
- 3.2 CARE agrees to act as the Monitoring Agency in accordance with the terms and conditions of this Agreement and subject to the SEBI ICDR Regulations and other Applicable Laws.
- 3.3 The appointment of CARE as the Monitoring Agency with respect to monitoring of the Net Proceeds shall be without any prejudice to any existing or future arrangement between the Company and CARE, whether in the capacity of a monitoring agency or not, and all such arrangements between the Company and CARE shall be mutually exclusive of one another and on arm’s length basis, as permissible under the Applicable Laws.
- 3.4 Establishment of Public Offer Monitoring Account

The Company shall open an account with HDFC Bank Limited wherein the Net Proceeds will be deposited (the “**Public Offer Monitoring Account**”). While such Net Proceeds deposited in the Public Offer Monitoring Account will be utilized by the Company towards Objects of the Offer, the Monitoring Agency shall be liable to monitor Net Proceeds in terms of this Agreement and Applicable Laws.

- 3.5 Deposits into and withdrawals from the Public Offer Monitoring Account

The Company shall submit the following information / documents to the Monitoring Agency:

- (a) A certificate to be issued by the statutory auditor or an independent chartered accountant, banks, management /directors of the Issuer and any other authorised personnel, consultants or experts, as the case may be, tentatively within ten (10) calendar days, after the end of each quarter:
- (b) Subject to Applicable Laws, the declaration to be issued by any of the following person amongst:
  - (i) Chief Financial Officer or the Company Secretary and Compliance

Officer; or

- (ii) Authorized officer of the Company, who is authorized by the Board or a duly authorized committee of directors, (collectively referred to as the “**Authorised Signatories**”) detailing the utilization of the Net Proceeds in accordance with the Objects of the Offer to be provided. In the event, the Company is not in a position to obtain the signatures from one or both of the Authorised Signatories, then the Monitoring Agency may, in its sole discretion, allow the Company to obtain the signature from any other authorized signatory as authorized by the Board/duly authorised committee of the Company.

### 3.6 Determination and Notice of Amounts of Deposits and Withdrawals

- (a) In determining any amounts that had been withdrawn, paid, allocated or deposited pursuant to this Agreement, the Monitoring Agency shall be entitled to rely on all the quarterly budgets / requisitions/information/certificate of payment of the Company as shared by the Company and certificate of the auditor shared by the Company.

### 3.7 Interim Use of Net Proceeds

- (a) Pending utilization of the Net Proceeds for the purposes described in the Red Herring Prospectus/ Prospectus, the Company shall have the flexibility to deploy the Net Proceeds in accordance with the Applicable Laws, and the Red Herring Prospectus/ Prospectus.
- (b) The Company shall disclose the utilization of the Net Proceeds under a separate head in Company’s balance sheet along with details, for all such amounts that have not been utilized or in any other manner as may be required under the SEBI Listing Regulations, the SEBI ICDR Regulations and the Applicable Laws.

### 3.8 Additional Information/Documentation

The Monitoring Agency may request for additional documents and information from the Company, which it reasonably considers necessary for the purposes of undertaking its obligations under this Agreement or as required under Applicable Laws.

## **4. Appointment of Monitoring Agency**

4.1 CARE, in its capacity as the Monitoring Agency, shall fulfil such duties and obligations as may be prescribed under the SEBI ICDR Regulations and the Applicable Laws, including the following:

- (a) CARE shall deliver the Monitoring Report (containing details of utilization in accordance with the Objects of the Offer set out under the Offer Documents and deviations, if any), and such other documents, agreements,

instruments and certificates as are prescribed under the SEBI ICDR Regulations which are to be prepared, executed and/or delivered by a monitoring agency to the Company post receipt of all necessary information from the Company and the auditor after each quarter, in the prescribed format in Schedule XI of the SEBI ICDR Regulations to the Company, and more particularly described in Schedule I of this Agreement (which shall stand amended and modified, without any further act, if there is any amendment to Schedule XI or other relevant provisions of the SEBI ICDR Regulations) until the utilization of 100% of the Net Proceeds or termination of this Agreement in accordance with Clause 10 of this Agreement;

- (b) For the sake of duly fulfilling the obligations under this Agreement, CARE shall have the right to inspect all relevant and necessary records, registers and accounts of the Company as may be necessary for the purposes of carrying out its duties effectively, provided that the Company is given at least three (3) Business Days prior notice in writing.
- (c) CARE will rely on the declarations/information/ documents/statements provided by the management of the Issuer and the auditors/consultants appointed by the Issuer. The Monitoring Agency shall not be required to verify the authenticity of such declarations/information/ documents/statements provided by the management and the auditors/consultants appointed by the Company. In case the Monitoring Agency is not reasonably satisfied with the responses or the representations of the Company, it reserves the right to issue a qualified report in instances where it deems fit and shall highlight its concerns along with the reasons. The Monitoring Agency also reserves the right to highlight any such concerns to SEBI, as per the Applicable Laws.
- (d) CARE shall take such action and do such other acts, deeds or things as may be required under the provisions of the SEBI ICDR Regulations to discharge its responsibilities as the monitoring agency. This includes seeking clarifications on the information/ documents/ statements shared by the Company, seeking additional documents/ certifications/ bank statements/ independent legal opinions, etc. to help it effectively discharge its responsibilities as a monitoring agency;
- (e) CARE shall review of the information / documents / statements (including the bank statements) received from the Company with regard to the use of the Net Proceeds including the status of activities proposed to be funded out of the Net Proceeds as stated in the Offer Documents.
- (f) CARE shall be issuing the Report till 100% of the Net Proceeds are utilized as per the SEBI ICDR Regulations.
- (g) CARE shall take due care to produce Monitoring Reports that are free of errors and shall disclose to the extent possible the source of information in the Report.
- (h) CARE shall deploy personnel who are well-equipped to carry out the activity



under this Agreement.

- (i) CARE will share a draft Report with the Company and give reasonable time (tentatively 3 Business Days) to the Company to respond with additional information or clarifications on the draft, before finalising the Report which shall be shared with the Audit Committee of the Board.
- (j) All activities of CARE as a credit rating agency, including Monitoring Agency activity under this Agreement, shall be subject to policies framed by CARE (including amendment/updates from time to time) under SEBI directives including but not limited to confidentiality policy, guidelines for dealing with conflict of interest for investment/ trading by credit rating agencies.

4.2 The Monitoring Agency agrees to comply with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended with respect to the Company.

#### 4.3 Payment of Monitoring Agency Fees

<b>Particulars</b>	<b>Initial Fees</b>	<b>2<sup>nd</sup> Quarter</b>	<b>3<sup>rd</sup> Quarter</b>
Monitoring Agency Fees	Rs. 6.00 Lacs plus GST	No Fee	No Fee

The fee has to be paid in advance.

The Company shall make the payment and other incidental expenses, if any, within the agreed timelines, as stated aforesaid.

### **5. Monitoring the Use of Net Proceeds**

- 5.1 The Company recognizes that compliance by the Monitoring Agency with the terms of the SEBI ICDR Regulations, SEBI Listing Regulations and any other requirements stipulated by SEBI or the Stock Exchanges is dependent upon it furnishing to the Monitoring Agency, the requisite information/documents as and when required by the Monitoring Agency.
- 5.2 The Company shall provide all the required information, as per agreed timelines between the Company and the Monitoring Agency.
- 5.3 The Company shall inform the Monitoring Agency as to the use of the Net Proceeds and shall be obliged to furnish such documents, papers and information as may be required for enabling the Monitoring Agency to effectively monitor the utilization of the Net Proceeds.
- 5.4 For Monitoring Agency to perform its role effectively, the Company will fulfil its obligations including but not limited to sharing of the required information on a timely basis and timely payment of fee. In the absence of this, the Monitoring Agency may qualify its report duly capturing any non-cooperation from the

Company, in terms of sharing the requisite information or non-payment of the fee and may also inform SEBI and the Stock Exchange/s where the Equity Shares are listed, of any non-cooperation by the Company.

- 5.5 The Company shall ensure that the Net Proceeds are utilized only for the purposes as mentioned in the Objects of the Offer and shall, at its cost, as and when called upon by the Monitoring Agency, take such steps as may be reasonably necessary to prove the same.
- 5.6 The Monitoring Agency shall have the right to inspect the records, registers and accounts of the Company as may be necessary for the purposes of carrying out its duties in accordance with monitoring of the Net Proceeds, provided that the Monitoring Agency has given at least three (3) Business Days prior notice in writing to the Company in this regard.
- 5.7 In addition to the above, the Company shall provide all necessary assistance and infrastructure that may be required by the Monitoring Agency in connection with the performance of its duties pursuant to this Agreement.
- 5.8 The Company shall ensure that all relevant and necessary details as sought by the Monitoring Agency for preparation of the Report, is to be provided to the Monitoring Agency within seven (7) Business Days from the end of each quarter.
- 5.9 In accordance with the SEBI ICDR Regulations and applicable provisions of the SEBI Listing Regulations, the Company shall furnish to the Stock Exchanges, on a quarterly basis, a statement on deviations, if any, in the utilization of the Net Proceeds.
- 5.10 The Company shall, upon receipt of comments from the Board, Audit Committee or management of the Company, incorporate the same in the format as indicated in Schedule XI to the SEBI ICDR Regulations.
- 5.11 The Company shall ensure that within forty-five (45) calendar days from the end of each quarter or such other time as may be prescribed under the SEBI ICDR Regulations, the Report of the Monitoring Agency is publicly disseminated by uploading it on its website as well as submitting to the Stock Exchanges.

## **6. Representations, Warranties and Covenants**

- 6.1 As of the date of this Agreement, the Company represents and warrants to the Monitoring Agency that (which representations shall continue to be true and correct on each day during the currency of this Agreement):
  - (a) This Agreement constitutes a valid, legal and binding obligation on the Company and is enforceable against the Company in accordance with the terms hereof;
  - (b) The execution, delivery and performance of this Agreement and any other document related hereto by it has been duly authorised and does not and will not contravene any provisions of, or constitute a default under (a) any

law, regulation, judgement, decree or order of any governmental authority, (b) its organisational documents, or (c) any other agreement or instrument or undertaking to which it is a party or which is binding on it or any of its assets; and

(c) It has the requisite power to open and maintain the Public Offer Monitoring Account and has taken all necessary corporate and other actions required to authorize the opening and maintenance thereof upon the terms referred to herein and the execution of all such documents as are necessary for the purpose thereof.

6.2 The Company shall at any times and from time to time upon the reasonable written request of the Monitoring Agency promptly and duly deliver or permit the delivery of any and all such further details, information, instruments and documents as the Monitoring Agency may consider necessary for the purpose of monitoring the Net Proceeds.

6.3 As of the date of this Agreement, the Monitoring Agency represents and warrants to the Company that (which representations shall continue to be true and correct on each day during the currency of this Agreement:

(a) This Agreement constitutes a valid, legal and binding obligations on it and is enforceable against it in accordance with the terms hereof);

(b) The execution, delivery and performance of this Agreement and any other document related hereto by it has been duly authorised and does not and will not contravene any provisions of or constitute a default under (a) any law, regulation, judgement, decree or order of any governmental authority, (b) its organisational documents, or (c) any other agreement or instrument or undertaking to which it is a party or which is binding on it or any of its assets;

(c) It shall perform its duties with the highest standards of integrity and fairness and shall act in an ethical manner in all its dealings with the Company;

(d) It shall act with due diligence, care and skill while discharging the work assigned to it in relation to the Net Proceeds and performing its functions under this Agreement;

(e) It will not take up any activities which are likely to be in conflict with its own interests, interests of the Company, the Offer, its activities as the Monitoring Agency or contrary to the directions issued by SEBI or under any other Applicable Laws;

(f) It shall carry out its duties/responsibilities and complete all the formalities including corporate action within the specified time limits as required under Applicable Laws, including with respect to relevant statutes, guidelines issued by SEBI, stock exchange regulations, etc.; and

(g) It has due authority and valid registration as required under Applicable Laws to act as the monitoring agency for the Offer and it is not prohibited from acting as a monitoring agency by any judicial, regulatory or administrative body.

## **7. Directions of Stock Exchanges / SEBI / statutory authorities**

Subject to Applicable Laws, in the event any instructions are received from any of the Stock Exchanges or SEBI or any other statutory authorities to the effect that the Public Offer Monitoring Account shall be frozen or that the Company shall not be allowed to make any payments to any of the specified parties, then the Monitoring Agency shall be bound by such instructions and the Company acknowledges the same and shall also abide by such instructions. However, the Monitoring Agency undertakes to immediately intimate the Company in writing, within 7 Business Day of such instruction/restriction unless such intimation is prohibited by Applicable Laws or order of the court.

## **8. Rights and duties of Monitoring Agency and Indemnity**

### **8.1 Particular rights and duties of the Monitoring Agency**

(a) The Monitoring Agency:

- (a) Shall, except to such extent as may otherwise be provided herein, refrain from exercising any right, power or discretion vested in it as agent;
- (b) Shall review the information/ documents/ statements (including bank statements) received from the Company showing use of the Net Proceeds including the status of implementation of the activities proposed to be funded out of the Net Proceeds, as stated in the final Offer Documents.
- (c) Shall take such action and do such other acts, deeds or things as may be required under the provisions of the SEBI ICDR Regulations and other Applicable Laws to discharge its responsibilities as the Monitoring Agency. This includes seeking clarifications on the information/ documents/ statements provided by the Company, seeking additional documents/ certifications/ bank statements/ independent legal opinions, etc. to help it effectively discharge its responsibilities as a monitoring agency.
- (d) Shall deliver the Monitoring Report to the Company in the format as prescribed in the SEBI ICDR Regulations, on a quarterly basis (or any other frequency as prescribed by SEBI in its SEBI ICDR Regulations from time to time).
- (e) Undertakes to perform only such duties as are specifically set forth in this Agreement and no implied covenants or obligations shall be read into this Agreement against the Monitoring Agency unless required under Applicable Laws;

- (f) Shall not be required to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if there is reasonable ground for believing that the repayment of such funds or indemnity satisfactory to it against such risk or liability is not reasonably assured to it;
- (g) May rely on any resolution, certificate, certificate of auditors approved by the Company, or any other statement, instrument, opinion, report, notice, request, direction, consent, order, appraisal or other paper or document believed by it to be genuine and to have been signed or presented to it pursuant to this Agreement by the proper party or parties;
- (h) Shall be entitled to refrain from taking any action in accordance with any intimation given under this Agreement to the extent (and during the time that) such intimation is, in the reasonable determination of the Monitoring Agency, uncertain, ambiguous, incorrect, or inconsistent with the Objects of the Offer and the Utilization Schedule, provided that the Monitoring Agency shall not later than three (3) Business Days after the receipt of any such intimation, notify the Company of such uncertainty, ambiguity, incorrectness or inconsistency, and until such time as the aforesaid uncertainty, ambiguity, incorrectness or inconsistency is resolved, the Monitoring Agency shall not be required to take action in accordance with such written intimation as aforesaid, and shall be protected by the Company from any liability in connection therewith if such uncertainty, ambiguity, incorrectness or inconsistency has not been rectified by the Company within three (3) Business Days of the intimation received from the Monitoring Agency, save and except in case of any default, bad faith, fraud or negligence on the part of the Monitoring Agency;
- (i) May execute any of the powers hereunder or perform any duties hereunder through agents or attorneys, at its own cost and the Monitoring Agency shall be responsible for any misconduct or negligence on the part of any agent or attorneys appointed by it hereunder, provided the Company has been given prior written intimation of appointment of such agents or attorneys and the Monitoring Agency has entered into arrangements / agreements with such agents or attorneys to indemnify the Monitoring Agency and the Company for all claims, losses, expenses and liabilities that the Monitoring Agency and / or Company might incur due the misconduct or negligence on the part of any such agent or attorneys;

## 8.2 Indemnity

- a) The Company shall indemnify and hold harmless the Monitoring Agency, its directors, management and employees against all direct and reasonable costs (including but not limited to attorney fees), losses and

damages incurred, including any third party claims and/or any claims for any Order / Award/ Fines/ Penalties which are made on the Monitoring Agency in respect of all or any part of the Public Offer Monitoring Account and which the Monitoring Agency may incur either as a consequence of breach of any provision of law, regulations or order of any court or regulatory, statutory, judicial and/or administrative authority by the Company or the breach or non-observance of any terms and conditions of this Agreement, including any breach of representations and warranties by the Company, unless such breach is not rectified within thirty (30) Business Days from the date of written notice thereon, provided further that the Company shall not be liable for any losses suffered by the Monitoring Agency arising out of misconduct, negligence, wilful default or failure on the part of the of the Monitoring Agency.

- b) In case of a breach of any provision of law, regulations or order of any court or regulatory, statutory, judicial and/or administrative authority having direct monetary implication on the Company or non-observance / breach of any of the terms and conditions of this Agreement and/or any representations or warranties, or any non-observance or non-performance or failure to deliver or perform the services contemplated under this Agreement by the Monitoring Agency and/or its directors, management, officers, employees or other persons acting on behalf of the Monitoring Agency, the Monitoring Agency shall, at its own cost and expense, indemnify, defend and hold the Company, its directors, management or employees free and harmless from and against any and all losses, liabilities, claims, damages, actions, costs and expenses, including attorney's fees and reasonable court costs arising out of such a breach. Notwithstanding anything mentioned herein above, the total liability of the Monitoring Agency shall not exceed the actual fees paid by the Company to the Monitoring Agency, at the time of invoking indemnity.
- c) It is hereby clarified that neither Party shall be liable to the other for any indirect, incidental, consequential, special, exemplary, damages arising out of or in connection with this Agreement even if the other Party has been advised of the possibility of such damage.
- d) This Clause 8.2 shall survive three (3) years from termination of this Agreement.

## **9. Limitation of Liability**

9.1 The Monitoring Agency shall be at liberty to accept a certificate signed by any of the authorized signatories of the Company as to any fact or matter prima facie within the knowledge of the Company as sufficient evidence thereof and other than as required by Applicable Laws, the Monitoring Agency shall not be in any way bound in any case to call for further evidence or be responsible for any loss that may be occasioned by their failing to do so.

9.2 The Monitoring Agency undertakes to perform only such duties (and the

ancillary duties in connection therewith) as are specifically set forth in this Agreement and as are required under Applicable Laws.

- 9.3 Monitoring Agency shall have no responsibility, other than as required by Applicable Laws, to verify the authenticity of any order of a competent body, court or tribunal or any ruling of any arbitrator/s in proceedings between or concerning the other Parties and may rely, in good faith and without any liability, upon the contents thereof;
- 9.4 Other than as required by Applicable Laws or by order of a court, tribunal, the Monitoring Agency shall not be required to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if there is reasonable ground for believing that the repayment of such funds or indemnity satisfactory to it against such risk or liability is not reasonably assured to it.
- 9.5 The Monitoring Agency may, to the extent permitted by Applicable Laws, rely on any resolution, certificate, certificate of auditors approved by the Company, or any other statement, instrument, opinion, report, notice, request, direction, consent, order, appraisal or other paper or document believed by it to be genuine and to have been signed or presented to it pursuant to this Agreement by the Company or its authorized official and whose specimen signatures are contained herein or any other persons as may be authorized by the Company in writing from time to time.
- 9.6 The Monitoring Agency, to the extent permitted by Applicable Laws, shall be entitled to refrain from taking any action in accordance with any intimation given under this Agreement to the extent (and during the time that) such intimation is in the reasonable determination of the Monitoring Agency, uncertain, ambiguous, incorrect, or inconsistent with the Objects of the Offer and the Utilization Schedule, provided that the Monitoring Agency shall not later than three (3) Business Days after the receipt of any such intimation, notify the Company of such uncertainty, ambiguity, incorrectness or inconsistency, and until such time as the aforesaid uncertainty, ambiguity, incorrectness or inconsistency is resolved, the Monitoring Agency shall not be required to take action in accordance with such intimation as aforesaid, and shall be protected by the Company from any liability in connection therewith;
- 9.7 The recitals contained herein shall be taken as the statements of the Company, and the Monitoring Agency shall not be liable, to the extent permitted by Applicable Laws, for the use or any application by the Company of the Net Proceeds it receives pursuant to the Objects of the Offer and Utilization Schedule hereinafter;
- 9.8 Notwithstanding anything to the contrary contained in this Agreement, the Parties agree that, to the extent permitted by Applicable Laws, in no event shall either Party be liable for any indirect, incidental or consequential damages, or for any amounts claimed for lost business, opportunities or profits of the other Party, except in case of default, fraud, misrepresentation or negligence by such Party.

## **10. Termination**

10.1 Neither Party has right to terminate this Agreement, except for the reasons as prescribed under the Applicable Laws, till CARE submits the Report confirming 100% utilization of the Net Proceeds.

10.2 Both the Parties shall have an option to terminate this Agreement by providing thirty (30) calendar days prior written notice to other Party. The Party terminating this Agreement shall intimate SEBI and the Stock Exchanges on which the Equity Shares are listed, the reason for termination of this Agreement along with the termination notice/letter. The termination shall be effective after 30 calendar days from the date of the termination notice or due date of publication of next Monitoring Report, whichever is later.

10.3 During the termination notice period, CARE shall capture the reason for termination of this Agreement, in the Report issued to the Issuer, during such period. The Monitoring Agency will display on its website regarding information of the termination of this Agreement.

## **11. Disclaimer**

11.1 The Monitoring Report is intended for the jurisdiction of India only. This Report does not constitute an offer of services. Without limiting the generality of the foregoing, nothing in the report is to be construed as CARE providing or intending to provide any services in jurisdictions outside India, where it does not have the necessary licenses and/or registration to carry out its business activities referred to above.

11.2 Access or use of this report does not create a client relationship between CARE and the user.

11.3 CARE will not be aware that any user intends to rely on the Report or of the manner in which a user intends to use the Report. In preparing the Report, subject to Applicable Laws, CARE will not have taken into consideration the objectives or particular needs of any particular user.

11.4 The Report will be based on information received from the Company. CARE is not bound to independently validate or assess the veracity of any such information.

11.5 CARE or its associates may have other commercial transactions with the Company to which the Report pertains. CARE may rate the Company or any debt instruments / facilities issued or proposed to be issued by the Issuer that is subject matter of this Report. CARE may receive separate compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors.

11.6 Unless required under any Applicable Laws, this Report should not be reproduced or redistributed to any other person or in any form without prior written



consent from CARE.

11.7 The Monitoring Report does not constitute a commentary on the quality of the Objects of the Offer, reasonableness of costs or spending by the Company against any objects/heads or assurance on outcome of such spending.

11.8 The Monitoring Agency will not be required to either verify or comment on the appropriateness of the usage of Net Proceeds.

11.9 The Monitoring Agency, based on its due consideration, may accept a certificate signed by one of the authorised signatories of the Company as sufficient evidence.

11.10 The Monitoring Agency is neither construed to be nor acting under the capacity or nature of an 'expert' as defined under Section 2(38) of the Companies Act, 2013. The Monitoring Agency is issuing the Report solely in the capacity of a Monitoring Agency and that the same shall not be construed to be an opinion of an expert, as it relies on certificates, confirmations and representations of reliable stakeholders such as auditors, banks and others.

11.11 The Monitoring Agency's role does not comprise, nor does it have wherewithal, to ensure that funds withdrawn from the Public Offer Monitoring Account are actually applied for the purpose for which they were withdrawn. The Monitoring Agency shall rely on the certificates submitted by the auditors and information/document shared by the Company to submit its report on utilization of proceeds in relation to the objects of the Offer.

11.12 The Monitoring Agency does not have the authority to approve/ disapprove any withdrawals of monies from bank accounts as the same is outside its scope of responsibilities.

11.13 Neither the Monitoring Agency nor any of its directors, officers, agents and employees shall be deemed to be a trustee for or have any fiduciary relationship with the Company, or any other person. Where the Monitoring Agency has acted in accordance with SEBI ICDR Regulations and this Agreement with the Company, it shall be deemed to have acted as if instructed to do so by the Company.

11.14 The Monitoring Agency relies on the due diligence conducted by the statutory auditors or other experts, the users of the Monitoring Report shall not hold Monitoring Agency liable for any loss or liability arising out of their use of the Report.

11.15 The disclaimer mentioned in the Clause shall be read together with the disclaimer mentioned in the Report.

## **12. Miscellaneous**

### **12.1 Partial Invalidity and Exercise of Remedies**

If any provision hereof is invalid or unenforceable in any jurisdiction, then,

to the fullest extent permitted by law, (i) the other provisions hereof shall remain in full force and effect in such jurisdiction and shall be liberally construed in order to carry out the intentions of the Parties hereto in respect of and including any provision hereof which is invalid or unenforceable as nearly as may be possible; and (ii) the invalidity or unenforceability of any provision hereof in any jurisdiction shall not affect the validity or enforceability of such provision in any other jurisdiction.

## 12.2 Assignment

This Agreement shall be binding upon and inure to the benefit of each Party hereto and its successors and assigns. This Agreement is not intended to confer upon any person other than the Parties hereto any rights or remedies.

However, a Party to this Agreement shall not assign its rights and/ or duties under this Agreement without prior written consent of the other Party.

## 12.3 Notices

Any notice, demand, communication or other request (individually, a “**Notice**”) to be given or made under this Agreement shall be in writing in the English language. Such Notice shall be delivered by hand, airmail (postage prepaid), recognized overnight courier service, email, facsimile or registered post to the Party to which it is addressed at such Party’s address specified below or at such other address as such Party shall from time to time have designated by fifteen (15) Business Days’ prior written Notice to the Party giving such Notice, and shall be deemed to have been duly given or made when delivered as aforesaid.

For the Company:

**India Shelter Finance Corporation Limited**

6th Floor, Plot No. 15  
Sector 44, Institutional Area, Gurgaon  
Haryana – 122 002, India

For the Monitoring Agency:

**CARE Ratings Limited**

4th Floor, Godrej Coliseum,  
Somaiya Hospital Road, Off Eastern Express Highway,  
Sion (East), Mumbai-400022

## 12.4 Entire Understanding

The terms and conditions of this Agreement shall be binding on and inure to the benefit of the Parties hereto. These terms and conditions supersede and replace any and all prior contracts, understandings or arrangements, whether

oral or written, heretofore made between any of the Parties and relating to the subject matter hereof, and as of the date hereof constitute the entire understanding of the Parties with respect to the subject matter hereof.

### **13. Governing Law and Dispute Resolution**

13.1 This Agreement is governed by, and shall be construed in accordance with, the laws of the Republic of India.

13.2 (a) In the event of any grievance, difference, claim or dispute between the parties (“**Disputing Parties**”) arising out of the activities under this Agreement (the “**Dispute**”), the Disputing Parties will endeavour in the first instance to settle the dispute amicably through discussions between them.

(b) if the Dispute is not settled through amicable discussions within 30 (Thirty) days of the commencement of discussions or if the outcome of such discussions is not satisfactory, the dispute may be referred to the SCORES Portal in accordance with the SCORES guidelines issued by SEBI from time to time; and

(c) if any party is not satisfied with the outcome of (b) above, then any of the Disputing Party shall, by notice in writing to each other, refer the Dispute to an institutional arbitration in India in accordance with Clause 3(b) of the SEBI circular bearing no. SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/131 dated July 31, 2023, as amended pursuant to the SEBI circular dated August 11, 2023 bearing reference number SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/145 (“**SEBI ODR Circulars**”) and the arbitration shall be conducted in the manner specified in Clause 13.3 below.

13.3 Any reference of the Dispute to arbitration under this Agreement shall not affect the performance of terms, other than the terms related to the matter under arbitration, by the Parties under this Agreement.

13.4 Subject to and in accordance with the applicable law and SEBI ODR Circulars, the arbitration mentioned in Clause 1.1(c) above shall be conducted as follows:

- (a) All claims, disputes and differences between the Disputing Parties arising out of or in connection with this Agreement shall be referred to or submitted for arbitration in Delhi, India;
- (b) The Dispute shall be administered through an independent institutional mediation, conciliation and/or online arbitration institution in India as per the SEBI ODR Circular, and, the arbitration shall be conducted by a sole arbitrator to be appointed by mutual consent of Parties, failing which the arbitrators shall be appointed within thirty (30) days as per the Arbitration and Conciliation Act, 1996, as amended, read with the rules of the institution;

- (c) Notwithstanding the power of the arbitrators to grant interim relief, the Disputing Parties shall have the power to seek appropriate interim relief from the courts of India;
- (d) The arbitration award shall be final and binding on the Disputing Parties and the Disputing Parties agree to be bound thereby and to act accordingly;
- (e) The Parties shall bear their respective costs incurred in the arbitration unless otherwise awarded or fixed by the arbitral tribunal; and
- (f) The Disputing Parties shall co-operate in good faith to the conduct of any arbitral proceedings commenced pursuant to this Agreement.

#### **14. Amendments and Waiver**

14.1 Any amendments of any provision of this Agreement shall be in writing and signed by the parties hereto and shall have the same effect as if they were a part of these presents, unless decided otherwise.

14.2 Notwithstanding anything stated in this Agreement, the Parties to this Agreement may, from time to time, or at any time, by mutual consent (in writing) waive such terms and conditions of this Agreement, so long as the same is not in contravention of the terms of the SEBI ICDR Regulations or Applicable Laws.

#### **15. English Language**

This Agreement and all documents to be furnished or communications to be given or made under this Agreement shall be in the English language or, if in another language, shall be accompanied by a translation into English certified by a representative of the respective Party, which translation shall be the governing version thereof.

#### **16. Confidentiality**

During the currency of this Agreement, the Monitoring Agency shall not make public and disclose any information received by it from the Company to any other party, without prior written consent from the Company, which shall not be unreasonably withheld. However, the Monitoring Agency may disclose information to SEBI, Stock Exchange/s where the Equity Shares are listed or to any government, judicial, regulatory authority, if required under SEBI ICDR Regulations or Applicable Laws, without prior approval of the Company, but shall intimate the Company immediately. However, this does not preclude the credit ratings activity utilizing the insights gained from the Monitoring Agency activity in general and post publication of Monitoring Report, utilizing the information received from the Company in specific, for forming credit opinions.

#### **17. Effectiveness of Agreement**

This Agreement shall be effective on and from the date first hereinabove written as the date of execution and shall be in force for a period up to such date till 100% of the Net Proceeds are utilized in accordance with Clause 3 of this Agreement and the Prospectus or till the termination as per the provisions of this Agreement.

**IN WITNESS WHEREOF**, the Parties have entered into this Monitoring Agency Agreement on the date mentioned above.

**For India Shelter Finance Corporation Limited**



**Authorized Signatory**  
Mukti Chaplot  
Company Secretary & Chief Compliance Officer

**For CARE Ratings Limited**



**Authorized Signatory**  
RAJENDER SINGH WALIA  
Director, Business Development.

## Schedule-I

### Front Page

<b>Report of the Monitoring Agency</b>
Name of the issuer:
For quarter ended:
Name of the Monitoring Agency:
(a) Deviation from the objects:
<ul style="list-style-type: none"> <li>- Utilization different from Objects stated in the offer document but in line with change of objects approved by shareholders' resolution; or</li> <li>- Utilization neither in line with Objects stated in the offer document nor approved by shareholders' resolution</li> <li>- In case there is no deviation, the same shall be stated.</li> </ul>
(b) <i>Range of Deviation*</i> :
<p><i>Indicate the range of percentage deviation from the amount of issue proceeds earmarked for the objects. For example, up to 10%, 10- 25%, 25-50%, 50-75%, 75-100%, not ascertainable etc.</i></p> <p><i>* The range of deviation may be computed by taking weighted average of financial deviation of each object in the ratio of issue proceeds allocated for it. Non-financial deviation may be indicated separately by way of notes.</i></p>
<b>Declaration:</b>
<p><i>We declare that this report is based on the format prescribed by the SEBI (ICDR) Regulations, 2018, We further declare that this report provides a true and fair view of the utilization of the issue proceeds.</i></p> <p><i>We declare that we do not have any direct/indirect interest in or relationship with the issuer/promoters/directors/management and also confirm that we do not perceive any conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer.</i></p>
Signature:
Name and designation of the Authorized Signatory:
Designation of Authorized person/Signing Authority:

### Subsequent Pages

<b>1) Issuer Details:</b>										
Name of the issuer :										
Names of the promoter : Industry/sector to which it belongs:										
<b>2) Issue Details</b>										
Issue Period										
Type of issue (public/rights) Type of specified securities : IPO Grading, if any										
Issue size (in ` crore):										
<b>3) Details of the arrangement made to ensure the monitoring of issue proceeds:</b>										
(Give item by item description for all the objects, as well as for the sub-heads (if any) given under objects, stated in the offer document separately in following format)										
<table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr style="background-color: #cccccc;"> <th style="padding: 5px;">Particulars</th> <th style="padding: 5px;">Reply</th> <th style="padding: 5px;">Source of information / certifications considered by Monitoring Agency for preparation of report</th> <th style="padding: 5px;">Comments of the Monitoring Agency</th> <th style="padding: 5px;">Comments the Board of Directors</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">Whether all utilization is as per the disclosures in the Offer Document?</td> <td style="padding: 5px;">Yes/ No</td> <td style="padding: 5px;"></td> <td style="padding: 5px;"></td> <td style="padding: 5px;"></td> </tr> </tbody> </table>	Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments the Board of Directors	Whether all utilization is as per the disclosures in the Offer Document?	Yes/ No			
Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments the Board of Directors						
Whether all utilization is as per the disclosures in the Offer Document?	Yes/ No									

Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Yes/ No			
Whether the means of finance for the disclosed objects of the issue has changed?	Yes/ No			
Is there any major deviation observed over the earlier monitoring agency reports?	Yes/ No			
Whether all Government/statutory approvals related to the object(s) have been obtained?	Yes/ No			
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Yes/ No			
Are there any favorable events improving the viability of these object(s)?	Yes/ No			
Are there any unfavorable events affecting the viability of the object(s)?	Yes/ No			
Is there any other relevant information that may materially affect the decision making of the investors?	Yes/ No			

\*Where material deviation may be defined to mean:

- (a) Deviation in the objects or purposes for which the funds have been raised  
(b) Deviation in the amount of funds actually utilized by more than 10% of the amount projected in the offer documents.

**4) Details of object(s) to be monitored:**

(i) Cost of object(s)-

(Give item by item description for all the objects, as well as for the sub-heads (if any) given under objects, stated in the offer document separately in following format)

Sr. No.	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Original cost (as per the Offer Document)	Revised Cost	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangements made

(ii) Progress in the object(s) -

(Give item by item description for all the Objects stated in the Offer Document in the following format)

Sr. No.	Item Head <sup>s</sup>	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document	Amount utilized			Total unutilized amount	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter	During the quarter	At the end of the quarter			Reasons for idle funds	Proposed course of action

<sup>s</sup>Provide following details under Item Head:

- (a) Name of the object(s):



- (b) *Brief description of the object(s):*  
(c) *Location of the object(s) (if applicable):*

(iii) Deployment of unutilised IPO proceeds:

Sr. No.	Type of instrument and name of the entity invested in	Amount invested	Maturity date	Earning	Return on Investment (%)	Market Value as at the end of quarter*

\* Where the market value is not feasible, provide NAV/NRV/Book Value of the same

(iv) Delay in implementation of the object(s)

Object(s)	Completion Date		Delay (no. of days/ months)	Comments of the Board of Directors	
	As per the Offer Document	Actual*		Reason of delay	Proposed course of action

\* In case of continuing object(s), please specify latest/revised estimate of the completion date.

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