

Date: December 7, 2023

To,

The Board of Directors
India Shelter Finance Corporation Limited
6th Floor, Plot No. 15
Sector 44, Institutional Area, Gurgaon
Haryana – 122 002, India

ICICI Securities Limited
ICICI Venture House
Appasaheb Marathe Marg, Prabhadevi
Mumbai 400 025
Maharashtra, India

Citigroup Global Markets India Private Limited
1202, 12th Floor
First International Financial Center
G-Block, C54 & 55, Bandra Kurla Complex
Bandra (East), Mumbai 400098
Maharashtra, India

Kotak Mahindra Capital Company Limited
1st Floor, 27 BKC, Plot No. 27
G Block, Bandra Kurla Complex
Bandra (East), Mumbai 400 051
Maharashtra, India

Ambit Private Limited
Ambit House
449, Senapati Bapat Marg
Lower Parel, Mumbai 400 013
Maharashtra, India

(ICICI Securities Limited, Citigroup Global Markets India Private Limited, Kotak Mahindra Capital Company Limited, Ambit Private Limited and any other book running lead managers which may be appointed in relation to the Offer are collectively referred to as the “**Book Running Lead Managers**” or the “**BRLMs**”)

Re: Proposed initial public offering of equity shares of face value of ₹ 5 each (“Equity Shares”) by India Shelter Finance Corporation Limited (the “Company”) and such offering (the “Offer”)

Dear Sirs/Madams,

We, B.B. & Associates, Chartered Accountants, have been informed that the Company proposes to file the red herring prospectus (“**RHP**”) and the prospectus (“**Prospectus**”) with the Registrar of Companies, Delhi and Haryana at New Delhi (“**Registrar of Companies**” or “**RoC**”) and thereafter file with the Securities and Exchange Board of India (“**SEBI**”), BSE Limited and National Stock Exchange of India Limited (collectively, the “**Stock Exchanges**”), in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**ICDR Regulations**”).

In relation to the Company and its subsidiary, we are an independent firm of chartered accountants, appointed by the Company in terms of our engagement letter dated June 13, 2023 in relation to the Offer. We have examined: (a) relevant documents in relation to the allotments made to the Promoters and the share transfers made to and by the Promoters of the Company including the share transfer registers, share transfer forms, minutes of the meetings

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of board, committees of the board and shareholders, register of members, forms filed with the relevant registrar of companies in connection with the allotments made; (b) the demat statements of the Promoters; and (c) the books of accounts and records maintained by the Company and contributions made by the Promoters towards their respective share in the capital built-up of the Company.

According to the above and the information provided, and explanations given to us by the Company, we confirm and certify that the Equity Shares, as per the **Annexure A**, are eligible to be included as part of promoters' contribution, as defined under Regulation 14 of the ICDR Regulations and are not ineligible as per Regulation 15 of the ICDR Regulations ("**Promoters' Contribution**").

We further confirm that the Equity Shares are eligible to be considered as the Promoters' Contribution as such Equity Shares:

- (i) have not been acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalisation of intangible assets and have not been issued against Equity Shares, which are otherwise ineligible for promoters' contribution;
- (ii) are not resulting from a bonus issue during the preceding three years by utilisation of revaluation reserves or unrealised profits of the Company or from bonus issue against Equity Shares which are otherwise ineligible for promoters' contribution; and
- (iii) are not subject to any pledge or any other encumbrance; and
- (iv) are not acquired during the preceding year at a price lower than the Offer Price.

We also confirm and certify that the Promoters' Contribution has been computed on the basis of the post-Offer expanded capital assuming exercise of all vested employee stock options (i.e 408,358 options) outstanding as on the date of this certificate.

We confirm that the Promoter Contribution has been brought in, to the extent of not less than the specified minimum number of Equity Shares and from persons defined as promoters as per the ICDR Regulations and Companies Act, 2013. All Equity Shares which are to be locked-in as Promoter Contribution, for eighteen months from the date of allotment in the Offer, are eligible for computation of Promoter Contribution in accordance with the ICDR Regulations.

The term "Promoter" used in this certificate shall have the meaning ascribed to such term in the ICDR Regulations and the Companies Act, 2013, as amended.

We hereby confirm that while providing this certificate we have complied with the Code of Ethics and the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the Institute of Chartered Accountants of India.

We confirm that the information in this certificate is complete, true, fair, correct, accurate and there is no untrue statement or omission which would render the contents of this certificate misleading in its form or context.

This certificate is issued for the purpose of the Offer, and can be used, in full or part, for inclusion in the red herring prospectus, prospectus and any other material issued in connection with the Offer (together, the "**Offer Documents**") which may be filed by the Company with SEBI, Stock Exchanges, RoC and / or any other regulatory or statutory authority.

We hereby consent to our name and the aforementioned details being included in the Offer Documents and/or consent to the submission of this certificate as may be necessary, to the SEBI, Registrar of Companies, Stock Exchanges and/or any other regulatory/statutory authority as may be required and/or for the records to be maintained by the BRLMs in connection with the Offer and in accordance with applicable law.

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This certificate and annexures may be relied on by the Company, the BRLMs, their affiliates and the legal counsel to each of the Company and the BRLMs appointed in relation to the Offer and to assist the BRLMs in conducting and documenting their investigation of the affairs of the Company in connection with the Offer. We hereby consent to this certificate being disclosed by the BRLMs, if required: (i) by reason of any law, regulation, order or request of a court or by any governmental or competent regulatory authority, or (ii) in seeking to establish a defence in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation.

We undertake to immediately communicate in writing any changes to the above information/confirmations, as and when: (i) made available to us; or (ii) we become aware of any such changes, to the BRLMs and the Company until the Equity Shares allotted in the Offer commence trading on the Stock Exchanges. In the absence of any such communication from us, the Company, the BRLMs and the legal advisors appointed with respect to Offer can assume that there is no change to the information/confirmations forming part of this certificate and accordingly, such information should be considered to be true and correct.

All capitalized terms used but not defined herein shall have the meaning assigned to them in the Offer Documents.

Yours Sincerely,

For B.B. & Associates

Chartered Accountants

ICAI Firm Registration No: 023670N

Balwan Bansal

Partner

Membership No. 511341

UDIN: 23511341BGVSB7172

CC:

Legal Counsel to the Book Running Lead Managers

Cyril Amarchand Mangaldas

3rd Floor, Prestige Falcon Towers

19, Brunton Road

Off M.G. Road, Bengaluru 560 025

Karnataka, India

Legal Counsel to the Company

Shardul Amarchand Mangaldas & Co

Amarchand Towers

216, Okhla Industrial Estate Phase III

New Delhi 110 020

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Annexure A

Date of allotment/ Transfer	No. of Equity Shares allotted/ transferred	Face value per equity shares (₹)	Issue/ acquisition/ transfer price per equity share (₹)	Nature of Consideration	Nature of transaction	% of the pre-Offer Equity Share capital (on a fully diluted basis)*	% of the post-Offer Equity Share capital (on a fully diluted basis)#
Anil Mehta							
September 02, 2009	50,832	10	24.20	Cash	Transfer of 4,848 equity shares from Akhil Grover, 24,584 equity shares from Kamal Grover HUF and 21,400 equity shares from Naresh Grover ⁽¹⁾	0.1%	
November 05, 2009	340,000	10	10.00	Cash	Further issue of equity shares ⁽¹⁾	0.7%	
February 22, 2010	36,987	10	10.00	Cash	Further issue of equity shares ⁽²⁾	0.1%	
May 14, 2010	125,000	10	10.00	Cash	Further issue of equity shares	0.3%	
July 20, 2010	11,268	10	26.00	Cash	Transfer of 11,268 equity shares from Karan Gupta	Negligible	
July 20, 2010	56,280	10	12.87	Cash	Transfer of 56,280 equity shares from Saurabh Narain	0.1%	
November 1, 2017	(24,871)	10	347.79	Cash	Transfer of 24,871 equity shares to Madison India Opportunities IV	(0.1%)	
November 2, 2017	(132,515)	10	347.79	Cash	Transfer of 132,515 equity shares to Aravali Investment Holdings	(0.3%)	
November 9, 2017	(106,609)	10	347.79	Cash	Transfer of 106,609 equity shares to Nexus Opportunity Fund II, Ltd.	(0.2%)	
November 30, 2017	(61,005)	10	347.79	Cash	Transfer of 61,005 equity shares to Sequoia Capital India Growth Investments I	(0.1%)	
January 08, 2019	185,000	10	11.54	Cash	Exercise of stock option pursuant to ESOP 2011	0.4%	
January 08, 2019	97,500	10	13.27	Cash	Exercise of stock option pursuant to ESOP 2012	0.2%	
February 1, 2019	300,000	10	30.00	Cash	Issue of sweat equity shares	0.7%	

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January 06, 2020	97,500	10	13.27	Cash	Exercise of stock option pursuant to ESOP 2012	0.2%	
January 10, 2021	120,000	10	13.27	Cash	Exercise of stock option pursuant to ESOP 2012	0.3%	
November 29, 2021	(350,000)	10	561.16	Cash	Transfer of 341,600 equity shares to MIO Starrock and 8,400 equity shares to Catalyst Trusteeship Limited (acting as trustee for MICP Trust)	(0.8%)	
January 6, 2022	75,000	10	13.27	Cash	Exercise of stock option pursuant to ESOP 2012	0.2%	
November 24, 2022	(525,000)	10	561.16	Cash	Transfer of 513,417 equity shares to MIO Starrock and 11,583 equity shares to Catalyst Trusteeship	(1.2%)	
July 18, 2023	<i>Sub-division of equity shares of face value of ₹ 10 each into Equity Shares of ₹ 5 each.</i>						
Total (A)	590,734					0.6%	
WestBridge Crossover Fund, LLC							
June 3, 2015	7,457,750	10	153.40	Cash	Right Issue	16.3%	
August 31, 2015	892,473	10	138.06	Cash	Transfer of 203,039 equity shares from Akshaya Kumar and Anju Jain Kumar, 220,483 equity shares from Chandra Prakash Sanadhya, 8,599 equity shares from Mahendrapal Singh Likhari, 203,039 equity shares from Nitin Prabhudas Shingala and Trupti Nitin Shingala, 56,155 equity shares from Sarita Nyati and Suresh Nyati, 8,015 equity shares from Suresh Nyati and 193,143 equity shares from Sanjaya Gupta and Anuradha Gupta	2.0%	
August 12, 2016	2,503,928	10	161.69	Cash	Right Issue	5.5%	
July 18, 2023	<i>Sub-division of equity shares of face value of ₹ 10 each into Equity Shares of ₹ 5 each.</i>						
Total (B)	21,708,302					23.8%	

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Aravali Investment Holding							
October 16, 2017	3,270,664	10	347.79	Cash	Preferential allotment (private placement)	7.2%	
November 2, 2017	132,515	10	347.79	Cash	Transfer of 132,515 equity shares from Anil Mehta	0.3%	
October 24, 2018	3,270,664	10	347.79	Cash	Preferential allotment (private placement)	7.2%	
March 9, 2021	3,918,230	10	561.16	Cash	Transfer of 1,568,419 equity shares from Sequoia Capital India Investments III and 2,349,811 equity shares from Sequoia Capital India Growth Investments I	8.6%	
October 25, 2021	3,619,336	10	614.46	Cash	Transfer of 1,448,776 equity shares from Sequoia Capital India Investments III and 2,170,560 equity shares from Sequoia Capital India Growth Investment I	7.9%	
July 18, 2023	Sub-division of equity shares of face value of ₹ 10 each into Equity Shares of ₹ 5 each.						
Total (C)	28,422,818					31.2%	
Total (A+B+C)	50,721,854					55.6%	

* After considering the impact of split of equity shares of ₹ 10 each to Equity Shares of ₹ 5 each pursuant to a resolution of the Company's Board passed in their meeting held on July 12, 2023 and a resolution of its Shareholders passed in their extraordinary general meeting held on July 18, 2023.

To be updated upon finalisation of the Price Band.

(1) Anjali Mehta and Anil Mehta as joint holders. On June 11, 2010 the entire shareholding held jointly by Anjali Mehta and Anil Mehta was registered under the joint holding of Anil Mehta and Anjali Mehta.

(2) Anil Mehta and Anjali Mehta as joint holders. On November 1, 2010, the entire shareholding held jointly by Anil Mehta and Anjali Mehta was dematerialized as holding of Anil Mehta.