

ICFL/LS/0102/2023-24

25 August 2023

**BSE Limited**

Listing Department, 1<sup>st</sup> Floor,  
P J Towers, Dalal Street,  
Fort, Mumbai - 400 001

**National Stock Exchange of India Limited**

Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex,  
Bandra (E), Mumbai – 400 051

**Scrip Code: 541336**

**Symbol: INDOSTAR**

**Sub.:** Submission of Press Release

**Ref.:** Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)

Dear Sir / Madam,

Pursuant to Regulation 30 of Listing Regulations, please find enclosed the Press Release to be issued by the Company in connection with the sale of Large Corporate Portfolio to Phoenix ARC Limited at **Annexure I**.

Request you to kindly take the above on record and disseminate the same on your website.

Thanking you,

Yours Faithfully,

**For IndoStar Capital Finance Limited**

**Shikha Jain**

Company Secretary & Compliance Officer  
(Membership No. A59686)

Encl: a/a

**IndoStar Capital Finance Limited**

Registered Office: Unit No. 505, 5<sup>th</sup> Floor, Wing 2/E, Corporate Avenue, Andheri - Ghatkopar Link Road, Chakala, Andheri (East), Mumbai – 400093, India. | T +91 22 4315 7000 | F +91 022 4315 7010 | [contact@indostarcapital.com](mailto:contact@indostarcapital.com) | [www.indostarcapital.com](http://www.indostarcapital.com)  
CIN: L65100MH2009PLC268160

## Annexure I

BSE: 541336 | NSE: INDOSTAR | ISIN: INE896L01010 | CIN: L65100MH2009PLC268160

### IndoStar Capital Finance Limited

**Mumbai, August 25, 2023:** The Board of IndoStar Finance Capital Limited (ICFL), a systemically important non-banking finance Company "NBFC", registered with the Reserve Bank of India, took a decisive step forward in its stated retailization strategy by selling a significant portion of its legacy corporate loan book to Phoenix ARC. The sale consists of certain accounts that were tagged in Stage 2, aggregating to dues outstanding of Rs 915 crs. The accounts have been resolved on 25<sup>th</sup> August 2023 at carrying value through an ARC sale under the Swiss Challenge method in terms of Master Directions – Reserve Bank of India (Transfer of Loan Exposures) Directions 2021, as amended.

Under the agreement, Phoenix ARC will set-up a trust that will monitor the progress of the real-estate projects and will also consider funding certain amounts towards financing the completion of these projects. This arrangement will also enable IndoStar's management team to further increase their focus on building its core retail lending business.

Post the transaction, the share of the retail lending book in the company's assets under management has increased from 85% to about 95%. Given the company's focus on used vehicle financing over the last year, the CV disbursal yields have been above 18%, incrementally increasing the yield of the overall portfolio. The focus on used commercial vehicles has also led to lower average ticket sizes of loans, which stood at Rs. 7.6 Lakhs for Q1 FY'24. The company reported a Debt-to-Equity ratio of 1.9x and a strong capital adequacy ratio (CAR) of 34.4% on a standalone basis for the quarter ending June 2023, which together with sufficient liquidity positions the company for future growth.

#### About IndoStar Capital Finance Limited

IndoStar is a non-banking finance company (NBFC) registered with the Reserve Bank of India as a systemically important non-deposit taking company. With Brookfield & Everstone as co-promoters, IndoStar is a professionally managed and institutionally owned entity engaged in providing used and new commercial vehicle financing and affordable Home Finance through its wholly owned subsidiary, IndoStar Home Finance Private Limited.



For more information, visit [www.indostarcapital.com](http://www.indostarcapital.com).

#### Safe Harbor

This document is to provide the general background information about the Company's activities as at the date of the release. The information contained herein is for general information purposes only and based on estimates and should not be considered as a recommendation that any investor should subscribe / purchase the company shares. The Company makes no representation or warranty, express or implied, as to, and does not accept any responsibility or liability with respect to, the fairness, accuracy, completeness or correctness of any information contained herein. This release may include certain forward-looking statements. These statements include descriptions regarding the intent, belief or current expectations of the Company or its directors and officers with respect to the results of operations and financial condition of the Company. These statements can be recognized by the use of words such as "expects", "plans", "will", "estimates", "projects", or other words of similar meaning. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those in such forward-looking statements as a result of various

factors and assumptions which the Company believes to be reasonable in light of its operating experience in recent years. The risks and uncertainties relating to these statements include, but not limited to, risks and uncertainties, regarding fluctuations in earnings, our ability to manage growth, competition, our ability to manage our international operations, government policies, regulations, etc. The Company does not undertake any obligation to revise or update any forward-looking statement that may be made from time to time by or on behalf of the Company including to reflect actual results, changes in assumptions or changes in factors affecting these statements. Given these risks, uncertainties and other factors, viewers of this release are cautioned not to place undue reliance on these forward-looking statements. This release may contain certain currency exchange rates and the same have been provided only for the convenience of reader.

**For further information, please connect with us:**

Company: Indostar capital Finance Limited	Investor Relations: Orient Capital
	
<p><b>Investor Relations Team</b>            CIN: L65100MH2009PLC268160            Email: <a href="mailto:investor.relations@indostarcapital.com">investor.relations@indostarcapital.com</a>            Website: <a href="http://www.indostarcapital.com">www.indostarcapital.com</a></p>	<p><b>Mr. Nikunj Jain/ Mr. Amar Yardi</b>            Email: <a href="mailto:nikunj.jain@linkintime.co.in">nikunj.jain@linkintime.co.in</a> / <a href="mailto:amar.yardi@linkintime.co.in">amar.yardi@linkintime.co.in</a>            Tel: +91 97690 60608 / +91 70451 21239</p>