



ICFL/LS/00196/2019-20

31 January 2020

BSE Limited

Listing Department, 1st Floor,
PJ 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

Dear Sirs,

Sub: Outcome of Board Meeting held on 31 January 2020 under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”)

Further to our letter no. ICFL/LS/00195/2019-20 dated 28 January 2020 and in accordance with Regulation 30 read with Schedule III of the SEBI Listing Regulations, we wish to inform you that the board of directors (“Board”) of IndoStar Capital Finance Limited (“Company”), at its Meeting held on Friday, 31 January 2020, *inter alia* approved the following matters:

1. Increase of authorised share capital of the Company and consequent alteration of Capital Clause V(a) of Memorandum of Association of the Company

Subject to approval of the shareholders, the Board has approved the increase of authorised share capital of the Company from INR 110,00,00,000 divided into 11,00,00,000 equity shares of INR 10 each to INR 1,65,00,00,000 divided into 15,25,00,000 equity shares of INR 10 each and 1,25,00,000 preference shares of INR 10 each and consequent alteration in Clause V(a) of the Memorandum of Association of the Company relating to share capital of the Company.

2. Issue and allotment of following securities to BCP V Multiple Holdings Pte. Ltd. (“Proposed Allottee”), on a preferential basis (“Preferential Allotment”)

Subject to approval of the shareholders of the Company and such other regulatory/governmental approvals as may be required, the Board has approved to create, offer, issue and allot on preferential basis, the following securities to the Proposed Allottee for cash consideration aggregating to approximately INR 1,225 Crore (Indian Rupees One Thousand Two Hundred and Twenty Five Crore) in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and other applicable laws:

- i. 3,01,72,414 (Three Crore One Lakh Seventy Two Thousand Four Hundred and Fourteen) equity shares having face value of INR 10 (Indian Rupees Ten) each, at a price of INR 290 (Indian Rupees Two Hundred and Ninety) per equity share, aggregating to approximately INR 875 Crore (Indian Rupees Eight Hundred and Seventy Five Crore) (“Equity Shares”); and

IndoStar Capital Finance Limited

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CIN : L65100MH2009PLC268160



- ii. 1,20,68,966 (One Crore Twenty Lakh Sixty Eight Thousand Nine Hundred and Sixty Six) compulsorily convertible preference shares having face value of INR 10 (Indian Rupees Ten) each (“**Preference Shares**”), at a price of INR 290 (Indian Rupees Two Hundred and Ninety) per Preference Share, aggregating to approximately INR 350 Crore (Indian Rupees Three Hundred and Fifty Crore), wherein each Preference Share will carry a dividend of 10% (ten percent) per annum (calculated on issue price) net of any taxes and can be converted to 1 (One) Equity Share per Preference Share within 18 months from the date of issuance.

The details regarding the issuance of securities as required pursuant to SEBI Circular CIR/CFD/CMD/4/2015 dated 09 September 2015, are as in Annexure I to this letter.

In connection with the Preferential Allotment, the Board has also approved and the parties have executed a share subscription agreement (“**SSA**”) and shareholders’ agreement (“**SHA**”) among the Company, Proposed Allottee and Indostar Capital. This has also triggered an obligation on the Proposed Allottee to make an open offer to the shareholders of the Company in terms of Regulations 3(1) and 4 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (“**Open Offer**”).

The details regarding the SSA and SHA as required pursuant to SEBI Circular CIR/CFD/CMD/4/2015 dated 09 September 2015, are as in Annexure II to this letter.

3. Approval of issue of notice for extraordinary general meeting

The Board also approved the convening of an extraordinary general meeting of the shareholders of the Company on Sunday, 1 March 2020 along with the draft notice convening the meeting to be issued to the shareholders for seeking their approval *inter alia* for:

- a. increase of authorised share capital of the Company and consequent alteration of Capital Clause V(a) of Memorandum of Association of the Company; and
- b. the Preferential Allotment.

The meeting commenced at 11.30 a.m. and was adjourned at 1.00 p.m. and thereafter it was reconvened at 6 p.m. and was concluded at 8.55 p.m.

You are requested to kindly take the above on record.

Thanking you,

Yours faithfully,

For IndoStar Capital Finance Limited



Jitendra Bhati
SVP – Compliance & Secretarial

Encl.: As above



ANNEXURE I

Sr. No.	Details	Disclosure																										
1.	Type of securities proposed to be issued	(i) Equity Shares and (ii) Compulsorily Convertible Preference Shares																										
2.	Type of issuance	Preferential Allotment																										
3.	Total number of securities proposed to be issued or the total amount for which the securities will be issued	<p>(i) 3,01,72,414 (Three Crore One Lakh Seventy Two Thousand Four Hundred and Fourteen) Equity Shares of the Company having a face value of INR 10 (Indian Rupees Ten) each, at a price of INR 290 (Indian Rupees Two Hundred and Ninety) per Equity Share;</p> <p>(ii) 1,20,68,966 (One Crore Twenty Lakh Sixty Eight Thousand Nine Hundred and Sixty Six) Compulsorily Convertible Preference Shares having a face value of INR 10 (Indian Rupees Ten) each, each can be converted to 1 (One) Equity Share per Preference Share, at a price of INR 290 (Indian Rupees Two Hundred and Ninety) per Preference Share, within 18 months from the date of issuance.</p> <p>The total subscription amount aggregates to approximately INR 1,225 Crore (Indian Rupees One Thousand Two Hundred and Twenty Five Crore).</p>																										
4.	Details furnished in case of preferential issue:																											
	(i) Name of the Investor	BCP V Multiple Holdings Pte Ltd																										
	(ii) Post allotment of securities outcome of the subscription, issue price/allotted price (in case of convertibles), number of investors	<p>Outcome of the allotment:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="3" style="background-color: #cccccc;">Particulars</th> <th colspan="2" style="background-color: #cccccc;">Pre-Preferential Allotment</th> <th colspan="4" style="background-color: #cccccc;">Post Preferential Allotment</th> </tr> <tr> <th colspan="2" style="background-color: #cccccc;">As on December 31, 2019</th> <th colspan="2" style="background-color: #cccccc;">Post Allotment of Equity Shares¹</th> <th colspan="2" style="background-color: #cccccc;">Post Conversion of Preference Shares into Equity Shares²</th> </tr> <tr> <th style="background-color: #cccccc;">No.</th> <th style="background-color: #cccccc;">%</th> <th style="background-color: #cccccc;">No.</th> <th style="background-color: #cccccc;">%</th> <th style="background-color: #cccccc;">No.</th> <th style="background-color: #cccccc;">%</th> </tr> </thead> <tbody> <tr> <td>Equity Shares</td> <td style="text-align: center;">0</td> <td style="text-align: center;">NA</td> <td style="text-align: center;">3,01,72,414</td> <td style="text-align: center;">24.64</td> <td style="text-align: center;">4,22,41,380</td> <td style="text-align: center;">31.40</td> </tr> </tbody> </table> <p>Notes:</p> <ol style="list-style-type: none"> Excluding impact of secondary purchases from Indostar Capital, CCPS, ESOPs and mandatory Open Offer. Excluding impact of secondary purchases from Indostar 	Particulars	Pre-Preferential Allotment		Post Preferential Allotment				As on December 31, 2019		Post Allotment of Equity Shares ¹		Post Conversion of Preference Shares into Equity Shares ²		No.	%	No.	%	No.	%	Equity Shares	0	NA	3,01,72,414	24.64	4,22,41,380	31.40
Particulars	Pre-Preferential Allotment			Post Preferential Allotment																								
	As on December 31, 2019			Post Allotment of Equity Shares ¹		Post Conversion of Preference Shares into Equity Shares ²																						
	No.	%	No.	%	No.	%																						
Equity Shares	0	NA	3,01,72,414	24.64	4,22,41,380	31.40																						

		<p>Capital, ESOPs and mandatory Open Offer.</p> <p><u>Issue Price:</u></p> <p>(i) Equity Shares at a price of INR 290 (Indian Rupees Two Hundred and Ninety) each.</p> <p>(ii) Compulsorily Convertible Preference Shares each can be converted to 1 (One) Equity Share per Preference Share, at a price of INR 290 (Indian Rupees Two Hundred and Ninety) each, within 18 months from the date of issuance.</p> <p>There is only one investor who is being issued shares by way of this Preferential Allotment.</p>
	<p>(iii) In case of convertibles - intimation on conversion of securities or on lapse of the tenure of the instrument</p>	<p>Each Preference Share is convertible into 1 (One) Equity Share and the conversion can be exercised within a period of 18 months from the date of issuance.</p>



ANNEXURE II

Sr. No.	Particulars	Details
1.	Name(s) of parties with whom the agreement is entered	(i) The Company; (ii) The Proposed Allottee; and (iii) Indostar Capital.
2.	Purpose of entering into the agreement	<p>The SSA records the terms of raising funds through Preferential Allotment to the Proposed Allottee. The SSA provides that the Company shall on a preferential basis, issue to the Proposed Allottee and the Proposed Allottee shall subscribe to Equity Shares and Preference Shares as mentioned in this letter; the total subscription amount for subscription to the Equity Shares and Preference Shares aggregates to approximately INR 1,225 Crore (Indian Rupees One Thousand Two Hundred and Twenty Five Crore) in accordance with the terms mentioned therein.</p> <p>The SHA <i>inter alia</i> records the terms and conditions governing the management of the Company and the <i>inter se</i> rights and obligations between the Proposed Allottee and Indostar Capital, in relation to the Company.</p>
3.	Shareholding, if any, in the entity with whom the agreement is executed	NIL
4.	Significant terms of the agreement (in brief) special rights like right to appoint directors, first right to share subscription in case of issuance of shares, right to restrict any change in capital structure etc.	<p>In terms of the SSA and SHA, the Proposed Allottee shall acquire control of the Company and shall also be classified as a promoter of the Company in accordance with applicable law. Indostar Capital will continue to be in control and classified as a promoter of the Company. The Proposed Allottee is seeking to acquire an aggregate of approx. 40% (Forty) percent of the paid-up share capital of the Company on a fully diluted basis, through a combination of (i) the Preferential Allotment; (ii) acquisition of shares in the Open Offer; and (iii) secondary purchases from Indostar Capital in multiple tranches in terms of a share purchase agreement dated January 31, 2020 among Indostar Capital and the Proposed Allottee.</p> <p>The SHA records the rights of the Proposed Allottee and Indostar Capital to appoint directors till they hold the specified percentage of shareholding in the Company and</p>



		the inter-se arrangement for any intended share transfer of them.
5.	Whether, the said parties are related to promoter/promoter group/group companies in any manner. If yes, nature of relationship	Indostar Capital is the promoter of the Company. The Proposed Allottee is not related to the promoter/promoter group / group companies in any manner.
6.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length"	NA
7.	In case of issuance of shares to the parties, details of issue price, class of shares issued	Issue and allotment of (i) 3,01,72,414 (Three Crore One Lakh Seventy Two Thousand Four Hundred and Fourteen) Equity Shares of the Company having a face value of INR 10 (Indian Rupees Ten) each, at a price of INR 290 (Indian Rupees Two Hundred and Ninety) per Equity Share; (ii) 1,20,68,966 (One Crore Twenty Lakh Sixty Eight Thousand Nine Hundred and Sixty Six) Compulsorily Convertible Preference Shares having a face value of INR 10 (Indian Rupees Ten) each, each can be converted to 1 (One) Equity Share per Preference Share, at a price of INR 290 (Indian Rupees Two Hundred and Ninety) per Preference Share, within 18 months from the date of issuance. The total subscription amount aggregates to approximately INR 1,225 Crore (Indian Rupees One Thousand Two Hundred and Twenty Five Crore).
8.	Any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements, etc.	NIL

