



ICFL/LS/0149/2022-23

14 February 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.:** 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, kindly find enclosed Press Release to be issued by the Company in connection with the Unaudited Financial Results (Standalone and Consolidated) for the quarter and nine months ended 31 December 2022 and other matters 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**

**Jitendra Bhati**

SVP – Compliance & Secretarial  
(Membership No. F8937)

Encl: a/a

**IndoStar Capital Finance Limited**

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[contact@indostarcapital.com](mailto:contact@indostarcapital.com) [www.indostarcapital.com](http://www.indostarcapital.com) CIN: L65100MH2009PLC268160

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

## IndoStar Capital Finance Limited

### 9M FY23 Performance:

- Net Revenue from Operations of ₹ 463 crore; growth of 6% vs. 9M FY22
- PAT of ₹ 149 crore; growth of 770% vs. 9M FY22

### Q3 FY23 Highlights:

- AUM at ₹ 7,669 crore down 3% from ₹ 7,908 crore in Q2 FY23
- Disbursements ₹522 crore up 56% from ₹334 crore in Q2 FY23
- Incremental funding of ₹ 683 crore raised during Q3 FY23
- Continued Profitability - Q3 FY23 PAT at ₹ 36.7 crore
- Debt/Equity 1.8X times
- Gross Collections of ₹ 937 crore during the quarter up 8% vs. Q2 FY23
- Gross Collection efficiency of 137%
- Gross Stage 3 assets are at 7.9% for Q3 FY23
- Net Stage 3 assets are at 3.6% for Q3 FY23
- Retail AUM ~ ₹ 6,143 crore; ~ 84% of AUM
- Strong Capital Adequacy at 33.0%, on a standalone basis
- Karthikeyan Srinivasan appointed as CEO, on Feb 14, 2023
- Vinod Panicker appointed as CFO in December 2022

**Mumbai, February 14, 2023:** The board of IndoStar Capital Finance Limited (IndoStar), a systematically important non-deposit taking NBFC, announced the reviewed financial results for the quarter ended December 31, 2022, earlier today. The company reported a net profit of ₹ 36.7 crore for Q3 FY23 at a consolidated level. IndoStar reported robust collections of ₹ 937 crore during the quarter up 8% vs. Q2 FY23, resulting in a gross collection efficiency of 137%. IndoStar's AUM stands at ₹ 7,669 crore and Capital Adequacy at 33.0% on a standalone basis. The company's Debt/Equity ratio stands at 1.8 times, which continues to be amongst the lowest in the industry.

### Focus of Raising Liquidity:

The company has made progress in its endeavor to improve liquidity, by raising incremental funding of ~ ₹ 683 crore in Q3 FY23. IndoStar maintains a healthy liquidity position, with cash and cash equivalents on 31 December 2022 at ₹ 956 crore up 15% from ₹ 834 crore, in Q2 FY'23.

### Process and Control Improvements:

Since September 2022, the Company has undertaken significant corrective measures to strengthen entity level controls. It has also reviewed and carried out changes to policies, upgraded technology systems across the spectrum of loan origination, credit appraisal, disbursal, loan management and collection processes. The Board of Directors and the Audit Committee have also done a periodic review of redressal measures and process improvements taken to address the issues identified as part of the loan portfolio review concluded on August 5, 2022.

### New Leadership:

Mr. Karthikeyan Srinivasan, who was the Chief Risk Officer of IndoStar has been appointed as the new Chief Executive Officer of the Company on Feb 14, 2023, after Mr. Deep Jaggi decided to step down. We thank Mr. Deep Jaggi for his assistance and support. He will continue to assist IndoStar for a period of three months to enable a smooth transition.

Mr. Srinivasan joined the company as Chief Risk Officer on 12 May 2022, and has been responsible for reviewing policies, assessing the impairment of assets and driving changes to processes to reduce risks to the company's assets going forward.

He has over 25 years of experience in the areas of Retail Sales, Client Servicing, Credit / Portfolio Management and People Management in the banking and financial services sector and has handled a wide range of financial products including Commercial Vehicle Loans, Construction Equipment Loan, Tractor Loans and Two-wheeler Loans. Mr. Karthikeyan has worked with various financial institutions like ICICI Bank Ltd, Kotak Mahindra Finance Limited, Cholamandalam Investment and Finance Company Ltd.

Mr. Vinod Panicker joined the company as CFO, on 26 December 2022. He is a CA with over 35 years of experience in finance & accounts, legal and strategy across NBFC, Media & Entertainment, FMCG and services sectors.

### IndoStar Home Finance Private Limited ("IHFPPL")

IHFPL delivered a PAT of ₹ 5.25 crore for Q3 FY23. The AUM in IHFPL stands at ₹ 1,526 crore, up 25% from ₹ 1,221 crore in Q3 FY22. IHFPL continues to deliver on its core strategy of giving affordable housing loans in semi-rural and rural markets, while keeping its Gross NPA at 1.65%

On Feb 13, 2023, the board promoted Shreejit Menon, who has helmed the home finance company since its inception, to CEO of the wholly owned subsidiary. The changes are part of the Board's endeavor to make IHFPL increasingly self-reliant as an independent business operation.

The Board of Directors has provided an in-principle approval to the Business Review Committee, to engage in discussions with prospective investors and to simultaneously explore relevant options for value unlocking and delivering long-term growth of the housing finance/ mortgage-backed business through possible corporate actions (such as sale, demergers, spin-offs, etc.). Discussions are ongoing with prospective investors who have shown interest in IHFPL.

### Key Performance Highlights:

Particulars (₹ crore)	Q3 FY23	Q3 FY22	Y-o-Y	Q2 FY23	Q-o-Q	9M FY23	9M FY22	Y-o-Y
Net Revenue from Operations	147	164	(10%)	149	(1%)	463	435	6%
Operating Expenses	122	102	20%	113	8%	337	290	17%
Pre-Provision Operating profit	25	62	(59%)	36	(30%)	126	145	(14%)
PAT	37	15	-	52	(29%)	149	17	-
CAR (%) Standalone	33.0%	35.1%	-	34.1%	-	-	-	-
Leverage (D/E)	1.8	1.6	-	1.8	-	-	-	-

## 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 commercial vehicle financing, loans to SME borrowers 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:

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