

ICFL/LS/00174/2021-22



10 November 2021

**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.:** Outcome of Board Meeting and disclosures under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”)

Dear Sir/ Madam,

We wish to inform you that the Board of Directors of the Company at its Meeting held today i.e. Wednesday, 10 November 2021, *inter-alia*, considered and approved the Unaudited Financial Results (Standalone and Consolidated) for the quarter and half year ended 30 September 2021 prepared pursuant to Regulation 33 of the Listing Regulations.

Accordingly, please find enclosed herewith the following:

- Unaudited Standalone Financial Results for the quarter and half year ended 30 September 2021 along with the Limited Review Report thereon at **Annexure I** and Unaudited Consolidated Financial Results for the quarter and half year ended 30 September 2021 along with the Limited Review Report thereon at **Annexure II**;
- Disclosures pursuant to Regulation 52(4) of the Listing Regulations for the quarter and half year ended 30 September 2021 at **Annexure III**;
- Disclosures of related party transactions on a consolidated basis pursuant to Regulation 23(9) of the Listing Regulations, prepared in accordance with the applicable accounting standards, for the half year ended 30 September 2021 at **Annexure IV**;
- Press Release to be issued by the Company in connection with the Unaudited Financial Results (Standalone and Consolidated) for the quarter and half year ended 30 September 2021 at **Annexure V**;
- Investor Presentation on Unaudited Financial Results (Standalone and Consolidated) for the quarter and half year ended 30 September 2021 at **Annexure VI**.

Further in terms of Regulation 54(3) of the Listing Regulations, we wish to inform that as on 30 September 2021, the Company had outstanding non-convertible debentures of INR 2035.9 crore for which required asset cover under respective offer document(s) has been maintained.

Please note that in terms of the Company’s Code of Conduct for Prohibition of Insider Trading and Internal Procedures, the trading window for dealing in the securities of the Company will open on Monday, 15 November 2021.

The Board Meeting commenced at 3.45 p.m. (IST) and concluded at 5.45 p.m. (IST).

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**

Vandana Bhati  
SVP – Compliance & Secretarial  
(Membership No. F8937)



Encl: a/a

**IndoStar Capital Finance Limited**

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CIN : 35100MH2009PLC268160

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2021

(INR in Lakhs)

Sr. No.	Particulars	Quarter ended			Half Year ended		Year ended
		30 September 2021	30 June 2021	30 September 2020	30 September 2021	30 September 2020	31 March 2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	<b>Income</b>						
	(a) Revenue from operations						
	Interest income	21,622	22,256	29,320	43,878	59,720	110,560
	Fees and commission income	1,013	1,276	1,184	2,289	2,078	3,143
	Net gain on fair value changes	664	978	1,234	1,642	1,785	4,803
	Net gain on derecognition of financial instruments measured at amortised cost category	2,204	-	-	2,204	-	274
	<b>Total revenue from operations</b>	<b>25,503</b>	<b>24,510</b>	<b>31,738</b>	<b>50,013</b>	<b>63,583</b>	<b>118,780</b>
	(b) Other income	21	50	519	71	519	547
	<b>Total Income (a+b)</b>	<b>25,524</b>	<b>24,560</b>	<b>32,257</b>	<b>50,084</b>	<b>64,102</b>	<b>119,327</b>
2	<b>Expenses</b>						
	(a) Finance costs	13,170	13,447	18,230	26,617	36,384	69,225
	(b) Net loss on derecognition of financial instruments measured at amortised cost category	(2)	2	-	-	-	-
	(c) Impairment on financial instruments	(369)	8,108	772	7,739	3,211	45,241
	(d) Employee benefits expenses	4,713	4,410	3,562	9,123	7,832	15,563
	(e) Depreciation and amortisation expense	831	766	845	1,597	1,582	3,149
	(f) Other expenses	2,855	3,371	4,833	6,226	6,470	11,860
	<b>Total expenses (a+b+c+d+e+f)</b>	<b>21,198</b>	<b>30,104</b>	<b>28,242</b>	<b>51,302</b>	<b>55,479</b>	<b>145,038</b>
3	<b>Profit / (loss) before tax (1-2)</b>	<b>4,326</b>	<b>(5,544)</b>	<b>4,015</b>	<b>(1,218)</b>	<b>8,623</b>	<b>(25,711)</b>
4	<b>Tax expenses</b>						
	Current tax	-	-	-	-	-	457
	Tax credit of earlier years	-	-	-	-	-	(2,021)
	Deferred tax	1,089	(1,395)	1,235	(306)	1,522	(1,564)
	<b>Total tax expenses</b>	<b>1,089</b>	<b>(1,395)</b>	<b>1,235</b>	<b>(306)</b>	<b>1,522</b>	<b>(1,564)</b>
5	<b>Profit / (loss) after tax (3-4)</b>	<b>3,237</b>	<b>(4,149)</b>	<b>2,780</b>	<b>(912)</b>	<b>7,101</b>	<b>(24,147)</b>
6	<b>Other comprehensive income (OCI)</b>						
	(a) Items that will not be reclassified to profit or loss						
	- Remeasurements of the defined benefit plans	(16)	15	(8)	(1)	(24)	8
	- Income tax relating to items that will not be reclassified to profit or loss	4	(4)	2	-	6	(2)
	<b>Subtotal (a)</b>	<b>(12)</b>	<b>11</b>	<b>(6)</b>	<b>(1)</b>	<b>(18)</b>	<b>6</b>
	(b) Items that will be reclassified to profit or loss						
	- Debt instruments through other comprehensive income	103	-	-	103	-	(7)
	- Income tax relating to items that will be reclassified to profit or loss	(26)	-	-	(26)	-	2
	<b>Subtotal (b)</b>	<b>77</b>	<b>-</b>	<b>-</b>	<b>77</b>	<b>-</b>	<b>(5)</b>
	<b>Total other comprehensive income (a+b)</b>	<b>65</b>	<b>11</b>	<b>(6)</b>	<b>76</b>	<b>(18)</b>	<b>1</b>
7	<b>Total comprehensive Income (5+6)</b>	<b>3,302</b>	<b>(4,138)</b>	<b>2,774</b>	<b>(836)</b>	<b>7,083</b>	<b>(24,146)</b>
8	<b>Paid up equity share capital (Face value of Rs. 10)</b>	<b>12,401</b>	<b>12,379</b>	<b>12,319</b>	<b>12,401</b>	<b>12,319</b>	<b>12,373</b>
9	<b>Preference share capital (Face value of Rs. 10)</b>	<b>1,207</b>	<b>1,207</b>	<b>1,207</b>	<b>1,207</b>	<b>1,207</b>	<b>1,207</b>
10	<b>Other equity</b>						<b>354,317</b>
11	<b>Earnings per share (* not annualised)</b>						
	Basic (INR)	*1.82	*(4.14)	*2.09	*(2.31)	*6.24	(23.14)
	Diluted (INR)	*1.82	*(4.14)	*1.86	*(2.31)	*5.81	(23.14)

Notes

1 Statement of Assets and Liabilities:

(INR in Lakhs)

Particulars	As at	
	30 September 2021	31 March 2021
	Unaudited	Audited
<b>I. ASSETS</b>		
<b>Financial assets</b>		
Cash and cash equivalents	33,175	26,862
Bank balances other than cash and cash equivalents	28,176	23,836
Loans	640,959	669,246
Investments	162,852	178,849
Other financial assets	7,748	11,694
<b>Non-financial assets</b>		
Current tax assets (net)	13,659	11,825
Deferred tax assets (net)	14,800	14,519
Property, plant and equipment	6,275	5,921
Assets held for sale	1,609	1,609
Goodwill	30,019	30,019
Intangible assets	556	348
Other non-financial assets	4,193	4,002
<b>TOTAL ASSETS</b>	<b>944,021</b>	<b>978,730</b>
<b>II. LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
<b>Financial liabilities</b>		
Trade payables		
(i) total outstanding to micro enterprises and small enterprises	2	8
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	139	420
Debt securities	215,676	201,276
Borrowings (other than debt securities)	328,052	374,791
Other financial liabilities	34,413	33,032
<b>Non-financial liabilities</b>		
Current tax liabilities (net)	-	-
Provisions	625	698
Other non-financial liabilities	323	608
<b>Equity</b>		
Equity share capital	12,401	12,373
Preference share capital	1,207	1,207
Other equity	351,183	354,317
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>944,021</b>	<b>978,730</b>



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2 Statement of Cash Flows:

Particulars	(INR in Lakhs)	
	For the half year ended 30 September 2021	For the half year ended 30 September 2020
	Unaudited	Unaudited
<b>Cash Flow from Operating Activities</b>		
Profit/(loss) before tax	(1,218)	8,623
<b>Adjustments for :</b>		
Interest income on financial assets	(43,878)	(59,720)
Finance costs	26,617	36,384
Depreciation and amortisation expense	1,597	1,582
Impairment on financial instruments	7,739	(1,698)
Provision for gratuity and compensated absences	104	(7)
Loss on sale of property plant and equipment	-	560
Employee share based payment expense	965	44
Gain on sale/revaluation of investments	(1,642)	(1,785)
Gain on derecognition of financial instruments measured at amortised cost category	(2,204)	-
	(11,920)	(16,017)
Interest income realised on financial assets	45,603	62,680
Finance costs paid	(33,998)	(32,892)
<b>Operating profit before working capital changes</b>	(315)	13,771
<b>Adjustments:</b>		
(Increase)/Decrease in loans and advances	(34,353)	59,130
(Increase)/Decrease in other financial assets	5,478	20,402
(Increase)/Decrease in other non-financial assets	(190)	717
Increase/(Decrease) in trade payable	(288)	(587)
Increase/(Decrease) in other financial liabilities	1,853	(5,839)
Increase/(Decrease) in provisions	-	(116)
Increase/(Decrease) in other non-financial liabilities	(285)	(242)
	(26,100)	87,236
Taxes (paid) / refund	(1,834)	3,053
<b>Net cash (used in)/generated operating activities (A)</b>	(29,934)	90,289
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(725)	(135)
Sale of property, plant and equipment	-	456
Purchase of intangible assets	(344)	(16)
Purchase of Assets Held for Sale	-	1,451
Proceeds/(Investment) in bank deposits of maturity greater than 3 months (net)	(4,340)	13,031
(Acquisition)/redemption of investments measured at FVPL (net)	53,648	(147,925)
(Acquisition)/redemption of investments measured at FVOCI (net)	(1,279)	-
(Acquisition)/redemption of investments measured at amortised cost (net)	18,566	-
<b>Net cash (used in)/generated from investing activities (B)</b>	65,526	(133,138)
<b>Cash Flow from Financing Activities</b>		
Proceeds from issue of equity shares (including securities premium and net off share issue expenses)	639	120,900
Proceeds from bank borrowings	50,000	34,441
Repayments towards bank borrowings	(97,333)	(102,419)
Proceeds from issuance of Non-Convertible Debentures	69,590	38,641
Repayments towards Non-Convertible Debentures	(44,080)	-
Proceeds from/(repayments towards) Commercial Papers (net)	(2,963)	11,824
Payment of lease liabilities	(1,243)	(771)
Dividend paid to Compulsorily Convertible Preference Shares	(3,889)	-
<b>Net cash (used in)/generated from financing activities (C)</b>	(29,279)	102,616
<b>Net increase/(decrease) in cash and cash equivalents (A) + (B) + (C)</b>	6,313	59,767
<b>Cash and Cash Equivalents at the beginning of reporting period</b>	26,862	14,704
<b>Cash and Cash Equivalents at the end of reporting period</b>	33,175	74,471

- IndoStar Capital Finance Limited ("ICFL" or "the Company") during the quarter and half year ended 30 September 2021 has allotted 2,15,600 and 2,80,000 equity shares of INR 10 each fully paid respectively, on exercise of stock options by eligible employees, in accordance with the Company's Employee Stock Option Schemes.
- The Company has provided segmental information in the consolidated results as per Ind AS 108 - Operating Segments.
- The Secured Listed Non-Convertible Debentures of the Company as on 30 September 2021 are secured by first pari-passu charge on a freehold land owned by the Company and/or standard receivables and / or cash / cash equivalent and / or such other asset as mentioned in the respective offer documents. The total asset cover required for listed non convertible debentures has been maintained as per the terms and conditions stated in the respective offer documents.
- Estimation of uncertainty relating to COVID-19 global health pandemic:  
In assessing the recoverability of loans, receivables, goodwill and investments, the Company has considered internal and external sources of information, economic forecasts and industry reports upto the date of approval of these financial results. The Company has developed estimates and applied management overlays for the purpose of determination of the provision for impairment of financial assets. The full extent of impact of the pandemic on the Company's operations and financial performance (including impact on carrying value of Goodwill and impairment allowances for financial assets) will depend on future developments including governmental and regulatory measures and the Company's responses thereto, which are highly uncertain at this time.
- The unaudited standalone financial results of the Company for the quarter and half year ended 30 September 2021 have been reviewed by the Audit Committee and subsequently approved at the meeting of the Board of Directors held on 10 November 2021. The unaudited standalone financial results have been subjected to limited review by the Statutory Auditor of the Company.
- Disclosure on Resolution Framework - 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses in terms of RBI circular RBI/2021-22/31 DOR.STR.REC.II/21.04.048/2021-22 dated May 05, 2021 ("Resolution Framework- 2.0"):  
a) Format B: For the half year ended 30 September 2021

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year (B)	Of (A) amount written off during the half-year (C)	Of (A) amount paid by the borrowers during the half-year (D)	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of this half-year* (E)
Personal Loans	-	-	-	-	-
Corporate persons	-	-	-	-	-
Of which MSMEs	-	-	-	-	-
Others*	-	-	-	-	27,851

\* Others include vehicle loans and small business loans  
 \* represents the closing balance of loan accounts as on 30 September 2021



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b) Format X: For the quarter ended 30 September 2021

Description	Individual Borrowers		Small businesses
	Personal Loans	Business Loans	
(A) Number of requests received for invoking resolution process under Part A	-	-	24,055
(B) Number of accounts where resolution plan has been implemented under this window	-	-	4,076
(C) Exposure to accounts mentioned at (B) before implementation of the plan	-	-	28,953
(D) Of (C), aggregate amount of debt that was converted into other securities	-	-	-
(E) Additional funding sanctioned, if any, including between invocation of the plan and implementation	-	-	-
(F) Increase in provisions on account of the implementation of the resolution plan	-	-	2,152

- 9 The Board of Directors of the Company at their meeting held on 17 June 2021 declared and approved payment of dividend due on 1,20,68,966 Compulsorily Convertible Preference Shares of face value Rs. 10 each allotted on 27 May 2020 (CCPS), at rate of 10% p.a. calculated on the issue price (Rs. 290 per CCPS) amounting to Rs. 3,889 lakhs (dividend - Rs. 3,500 lakhs and withholding tax - Rs. 389 lakhs) for the period from 27 May 2020 to 26 May 2021, pursuant to terms approved by the Shareholders of the Company and fixed the Record Date for the purpose of determining entitlement of CCPS holders for payment of said dividend as Thursday, 17 June 2021.
- 10 Figures for the previous periods / year have been regrouped, restated and / or reclassified wherever considered necessary to make them comparable to the current periods / year presentation.

For and on behalf of the Board of Directors of  
 IndoStar Capital Finance Limited

*R. Sridhar*

R. Sridhar  
 Executive Vice-Chairman & CEO  
 DIN: 00136697



Place: Mumbai  
 Date: 10 November 2021

**INDEPENDENT AUDITOR’S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE  
FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF  
INDOSTAR CAPITAL FINANCE LIMITED**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **INDOSTAR CAPITAL FINANCE LIMITED** (“the Company”), for the quarter and half year ended September 30, 2021 (“the Statement”), being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company’s Management and approved by the Company’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 “Interim Financial Reporting” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 ‘Review of Interim Financial Information Performed by the Independent Auditor of the Entity’, issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company’s personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**Deloitte  
Haskins & Sells LLP**

5. We draw attention to Note 6 to the Statement in which the Company describes the continuing uncertainties arising from COVID 19 pandemic. Our conclusion is not modified in respect of this matter.

**For DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



Neville M. Daruwalla  
(Partner)  
(Membership No. 118784)  
(UDIN: 21118784AAAAID6874)

Place: Mumbai  
Date: November 10, 2021

## INDOSTAR CAPITAL FINANCE LIMITED

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Tel: +91 22 43157000 Fax: +91 22 43157010

CIN: L65100MH2009PLC268160 Website: www.indostarcapital.com E: investor.relations@indostarcapital.com

## STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2021

(INR in Lakhs)

Sr. No.	Particulars	Quarter ended			Half Year ended		Year ended
		30 September 2021	30 June 2021	30 September 2020	30 September 2021	30 September 2020	31 March 2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	<b>Income</b>						
	(a) Revenue from operations						
	Interest income	24,471	24,159	30,699	48,630	62,778	117,388
	Fees and commission income	1,062	1,317	1,218	2,379	2,116	3,266
	Net gain on fair value changes	698	1,000	1,265	1,698	1,831	4,895
	Net gain on derecognition of financial instruments measured at amortised cost category	2,204	-	-	2,204	-	2,430
	<b>Total revenue from operations</b>	<b>28,435</b>	<b>26,476</b>	<b>33,182</b>	<b>54,911</b>	<b>66,725</b>	<b>127,979</b>
	(b) Other income	21	50	574	71	575	737
	<b>Total income (a+b)</b>	<b>28,456</b>	<b>26,526</b>	<b>33,956</b>	<b>54,982</b>	<b>67,300</b>	<b>128,716</b>
2	<b>Expenses</b>						
	(a) Finance costs	13,699	13,868	18,605	27,567	37,041	70,861
	(b) Net loss on derecognition of financial instruments measured at amortised cost category	443	14	-	457	-	-
	(c) Impairment on financial instruments	(283)	8,230	778	7,947	3,236	46,198
	(d) Employee benefits expenses	5,331	4,903	4,080	10,234	8,878	17,371
	(e) Depreciation and amortisation expense	866	797	897	1,663	1,688	3,350
	(f) Other expenses	3,094	3,639	5,055	6,733	6,863	12,825
	<b>Total expenses (a+b+c+d+e)</b>	<b>23,150</b>	<b>31,451</b>	<b>29,415</b>	<b>54,601</b>	<b>57,706</b>	<b>150,605</b>
3	<b>Profit / (loss) before tax (1-2)</b>	<b>5,306</b>	<b>(4,925)</b>	<b>4,541</b>	<b>381</b>	<b>9,594</b>	<b>(21,889)</b>
4	<b>Tax expenses</b>						
	Current tax	429	234	3	663	-	380
	Tax of earlier years	-	-	-	-	-	457
	Deferred tax	933	(1,477)	1,378	(544)	1,713	(1,316)
	<b>Total tax expenses</b>	<b>1,362</b>	<b>(1,243)</b>	<b>1,381</b>	<b>119</b>	<b>1,713</b>	<b>(479)</b>
5	<b>Profit / (loss) after tax (3-4)</b>	<b>3,944</b>	<b>(3,682)</b>	<b>3,160</b>	<b>262</b>	<b>7,881</b>	<b>(21,410)</b>
6	<b>Other comprehensive income, net of tax</b>						
	(a) Items that will not be reclassified to profit or loss						
	- Remeasurements of the defined benefit plans	(20)	16	(9)	(4)	(25)	11
	- Income tax relating to items that will not be reclassified to profit or loss	5	(4)	4	1	6	(2)
	<b>Subtotal (a)</b>	<b>(15)</b>	<b>12</b>	<b>(5)</b>	<b>(3)</b>	<b>(19)</b>	<b>9</b>
	(b) Items that will be reclassified to profit or loss						
	- Debt instruments through other comprehensive income	103	-	-	103	-	(7)
	- Income tax relating to items that will be reclassified to profit or loss	(26)	-	-	(26)	-	2
	<b>Subtotal (b)</b>	<b>77</b>	<b>-</b>	<b>-</b>	<b>77</b>	<b>-</b>	<b>(5)</b>
	<b>Total other comprehensive income (a+b)</b>	<b>62</b>	<b>12</b>	<b>(5)</b>	<b>74</b>	<b>(19)</b>	<b>4</b>
7	<b>Total comprehensive income (5+6)</b>	<b>4,006</b>	<b>(3,670)</b>	<b>3,155</b>	<b>336</b>	<b>7,862</b>	<b>(21,406)</b>
8	<b>Paid up equity share capital (Face value of Rs. 10)</b>	<b>12,401</b>	<b>12,379</b>	<b>12,319</b>	<b>12,401</b>	<b>12,319</b>	<b>12,373</b>
9	<b>Preference share capital (Face value of Rs. 10)</b>	<b>1,207</b>	<b>1,207</b>	<b>1,207</b>	<b>1,207</b>	<b>1,207</b>	<b>1,207</b>
10	<b>Other equity</b>						<b>356,245</b>
11	<b>Earnings per share (* not annualised)</b>						
	Basic (INR)	*2.39	*(3.76)	*2.40	*(1.36)	*6.93	(20.83)
	Diluted (INR)	*2.39	*(3.76)	*2.13	*(1.36)	*6.45	(20.83)

## Notes

## 1 Statement of Assets and Liabilities:

(INR in Lakhs)

Particulars	As at	
	30 September 2021	31 March 2021
	Unaudited	Audited
<b>I. ASSETS</b>		
<b>Financial assets</b>		
Cash and cash equivalents	33,907	27,918
Bank balances other than cash and cash equivalents	28,442	24,097
Receivables		
Trade receivables	-	-
Loans	716,703	713,934
Investments	120,724	159,136
Other financial assets	9,671	14,377
<b>Non-financial assets</b>		
Current tax assets (net)	13,889	12,054
Deferred tax assets (net)	14,812	14,293
Property, plant and equipment	6,482	6,093
Assets Held for sale	1,722	2,087
Goodwill	30,019	30,019
Intangible assets	703	452
Other non-financial assets	4,411	3,698
<b>TOTAL ASSETS</b>	<b>981,485</b>	<b>1,008,158</b>
<b>II. LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
<b>Financial liabilities</b>		
Trade payables	2	8
(i) total outstanding to micro enterprises and small enterprises	156	386
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	215,676	201,276
Debt securities	357,615	399,483
Borrowings (other than debt securities)	38,906	35,722
Other financial liabilities		
Non-financial liabilities		
Current tax liabilities (net)	267	-
Provisions	704	758
Other non-financial liabilities	367	700
<b>Equity</b>		
Equity share capital	12,401	12,373
Preference share capital	1,207	1,207
Other equity	354,184	356,245
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>981,485</b>	<b>1,008,158</b>



2 Statement of Cash Flows:

Particulars	(INR in Lakhs)	
	For the half year ended 30 September 2021 Unaudited	For the half year ended 30 September 2020 Unaudited
<b>Cash Flow from Operating Activities</b>		
Profit before tax	381	9,594
Adjustments for:		
Interest income on financial assets	(48,630)	(62,778)
Finance costs	27,567	37,041
Depreciation and amortisation expense	1,663	1,688
Provisions for expected credit loss	7,947	(1,673)
Provision for gratuity, compensated absences and employee advances	122	(2)
Loss on sale of fixed assets	-	560
Employee share based payment expense	979	127
Net gain on fair value changes	(1,698)	(1,831)
Gain on derecognition of financial instruments measured at amortised cost category	(2,204)	-
Interest income realised on financial assets	(13,873)	(17,274)
Finance costs paid	49,773	65,715
	(34,580)	(33,166)
<b>Operating profit before working capital changes</b>	<b>1,320</b>	<b>15,075</b>
Adjustments:		
(Increase)/Decrease in loans and advances	(40,147)	48,291
(Increase)/Decrease in other financial assets	6,617	20,236
(Increase)/Decrease in other non-financial assets	(713)	226
Increase/(Decrease) in trade payable	(237)	(642)
Increase/(Decrease) in other financial liabilities	3,760	(6,164)
Increase/(Decrease) in provisions	-	(125)
Increase/(Decrease) in other non-financial liabilities	(332)	(278)
Cash (used in)/generated from operating activities	(29,732)	76,619
Taxes (paid) / refund	(2,232)	2,785
<b>Net cash (used in)/generated from operating activities (A)</b>	<b>(31,964)</b>	<b>79,384</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(738)	(135)
Sale of property, plant and equipment	-	456
Purchase of Assets Held for Sale	-	1,451
Purchase of intangible assets	(422)	(64)
Proceeds/(Investment) in bank deposits of maturity greater than 3 months (net)	(4,345)	12,776
(Acquisition)/redemption of investments measured at FVOCI (net)	(1,279)	-
(Acquisition)/redemption of investments measured at FVTPL (net)	51,119	(152,099)
(Acquisition)/redemption of investments measured at amortised cost (net)	18,566	-
<b>Net cash (used in)/generated from investing activities (B)</b>	<b>62,901</b>	<b>(137,015)</b>
<b>Cash Flow from Financing Activities</b>		
Proceeds from issue of equity shares (including securities premium and net off of share issue expenses)	540	120,900
Proceeds from borrowings	60,600	44,601
Repayments towards bank borrowings	(103,345)	(103,428)
Proceeds from issuance of Non-Convertible Debentures	69,590	38,641
Repayments towards Non-Convertible Debentures	(44,080)	-
Proceeds from/(repayments towards) Commercial Papers (net)	(2,963)	16,706
Payment of lease liabilities	(1,401)	(785)
Dividend paid to Compulsorily Convertible Preference Shares	(3,889)	-
<b>Net cash (used in)/generated from financing activities (C)</b>	<b>(24,948)</b>	<b>116,635</b>
<b>Net Increase/(decrease) in cash and cash equivalents (A) + (B) + (C)</b>	<b>5,989</b>	<b>58,404</b>
Cash and Cash Equivalents at the beginning of the period	27,918	16,835
<b>Cash and Cash Equivalents at the end of the period</b>	<b>33,907</b>	<b>75,239</b>

3 The Group reports quarterly financial results on consolidated basis, pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular dated 5 July 2016. The unaudited standalone financial results are available on the website of the Company at www.indostarcapital.com and on the websites of the BSE Ltd. at www.bseindia.com and the National Stock Exchange of India Ltd. at www.nseindia.com.

The key information of the unaudited standalone financial results of the Company are given below:

Particulars	(INR in Lakhs)					
	Quarter ended			Half Year ended		Year ended
	30 September 2021 Unaudited	30 June 2021 Unaudited	30 September 21/20 Unaudited	30 September 2021 Unaudited	30 September 2020 Unaudited	31 March 2021 Audited
Revenue from operations (including other income)	25,524	24,560	32,257	50,084	64,102	119,327
Profit / (loss) before tax	4,326	(5,544)	4,015	(1,218)	8,623	(25,711)
Profit / (loss) after tax	3,237	(4,149)	2,780	(912)	7,101	(24,147)
<b>Total comprehensive income</b>	<b>3,302</b>	<b>(4,138)</b>	<b>2,774</b>	<b>(836)</b>	<b>7,083</b>	<b>(24,146)</b>

4 IndoStar Capital Finance Limited ("ICFL" or "the Company") during the quarter and half year ended 30 September 2021 has allotted 2,15,600 and 2,80,000 equity shares of INR 10 each fully paid respectively, on exercise of stock options by eligible employees, in accordance with the Company's Employee Stock Option Schemes.

5 The Secured Listed Non-Convertible Debentures of the Company as on 30 September 2021 are secured by first pari-passu charge on a freehold land owned by the Company and/or standard receivables and / or cash / cash equivalent and / or such other asset as mentioned in the respective offer documents. The total asset cover required for listed non-convertible debentures has been maintained as per the terms and conditions stated in the respective offer documents.

6 Estimation of uncertainty relating to COVID-19 global health pandemic:  
 In assessing the recoverability of loans, receivables, goodwill and investments, the Group has considered internal and external sources of information, economic forecasts and industry reports upto the date of approval of these financial results. The Group has developed estimates and applied management overlays for the purpose of determination of the provision for impairment of financial assets. The full extent of impact of the pandemic on the Group's operations and financial performance (including impact on carrying value of Goodwill and impairment allowances for financial asset) will depend on future developments including governmental and regulatory measures and the Group's responses thereto, which are highly uncertain at this time.

7 The unaudited consolidated financial results of the Company for the quarter and half year ended 30 September 2021 have been reviewed by the Audit Committee and subsequently approved at the meeting of the Board of Directors held on 10 November 2021. The unaudited consolidated financial results have been subjected to limited review by the Statutory Auditor of the Company.





8 Segment wise revenue, results, total assets and total liabilities in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

(INR in Lakhs)

Sr. No.	Particulars	Quarter ended			Half Year ended		Year ended
		30 September 2021	30 June 2021	30 September 2020	30 September 2021	30 September 2020	31 March 2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	<b>Gross segment revenue from continuing operations</b>						
(a)	Large corporate	7,927	5,869	9,305	13,796	19,908	34,015
(b)	SME	4,647	4,519	4,196	9,166	8,551	18,225
(c)	Commercial vehicles	11,194	11,760	14,591	22,954	29,805	55,565
(d)	Housing finance	3,371	2,992	2,809	6,363	5,438	13,407
(e)	Unallocated	1,317	1,386	2,355	2,703	3,598	7,504
	<b>Segment revenue from continuing operations</b>	<b>28,456</b>	<b>26,526</b>	<b>33,256</b>	<b>54,982</b>	<b>67,300</b>	<b>128,716</b>
	<b>Segment results</b>						
(a)	Large corporate	8,885	2,233	2,076	11,118	5,681	4,073
(b)	SME	3,678	(1,324)	1,038	2,354	2,679	2,594
(c)	Commercial vehicles	(3,786)	(1,715)	3,949	(5,501)	7,210	(15,736)
(d)	Housing finance	1,075	606	(397)	1,681	963	3,867
(e)	Unallocated	(4,546)	(4,725)	(2,125)	(9,271)	(6,939)	(16,687)
	<b>Profit/(loss) before tax</b>	<b>5,306</b>	<b>(4,925)</b>	<b>4,541</b>	<b>381</b>	<b>9,594</b>	<b>(21,889)</b>
	<b>Segment assets</b>						
(a)	Large corporate	164,653	203,162	248,347	164,653	248,847	207,024
(b)	SME	150,789	134,645	137,787	150,789	137,787	142,953
(c)	Commercial vehicles	384,866	369,221	392,590	384,866	392,590	364,226
(d)	Housing finance	102,805	95,658	84,479	102,805	84,479	88,811
(e)	Unallocated	178,372	155,554	271,428	178,372	271,428	205,144
	<b>Total assets</b>	<b>981,485</b>	<b>958,240</b>	<b>1,135,131</b>	<b>981,485</b>	<b>1,135,131</b>	<b>1,006,158</b>
	<b>Segment liabilities</b>						
(a)	Large corporate	100,189	121,300	158,322	100,189	158,322	125,571
(b)	SME	99,949	86,261	91,531	99,949	91,531	91,462
(c)	Commercial vehicles	255,783	250,578	286,311	255,783	286,311	251,980
(d)	Housing finance	55,343	73,642	65,760	55,343	65,760	67,280
(e)	Unallocated	102,429	63,547	136,263	102,429	136,263	102,040
	<b>Total liabilities</b>	<b>613,693</b>	<b>595,328</b>	<b>738,187</b>	<b>613,693</b>	<b>738,187</b>	<b>638,333</b>

9 The Board of Directors of the Company at their meeting held on 17 June 2021 declared and approved payment of dividend due on 1,20,68,966 Compulsorily Convertible Preference Shares of face value Rs. 10 each allotted on 27 May 2020 (CCPS), at rate of 10% p.a. calculated on the issue price (Rs. 290 per CCPS) amounting to Rs. 3,889 lakhs (dividend - Rs. 3,500 lakhs and withholding tax - Rs. 389 lakhs) for the period from 27 May 2020 to 26 May 2021, pursuant to terms approved by the Shareholders of the Company and fixed the Record Date for the purpose of determining entitlement of CCPS holders for payment of said dividend as Thursday, 17 June 2021.

10 Figures for the previous periods / year have been regrouped, restated and / or reclassified wherever considered necessary to make them comparable to the current periods / year presentation



Place: Mumbai  
Date: 10 November 2021

For and on behalf of the Board of Directors of  
IndoStar Capital Finance Limited

*R. L. Dalal*

R. Sridhar  
Executive Vice-Chairman & CEO  
DIN: 00136697



**INDEPENDENT AUDITOR’S REVIEW REPORT ON REVIEW OF INTERIM  
CONSOLIDATED FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF  
INDOSTAR CAPITAL FINANCE LIMITED**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **INDOSTAR CAPITAL FINANCE LIMITED** (“the Parent”) and its subsidiaries (the Parent and its subsidiaries together referred to as “the Group”), for the quarter and half year ended September 30, 2021 (“the Statement”) being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent’s Management and approved by the Parent’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 “Interim Financial Reporting” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”, issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent’s personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:
  - a. IndoStar Home Finance Private Limited
  - b. IndoStar Asset Advisory Private Limited
5. Based on our review conducted and procedures performed as stated in paragraph 3 above, and based on the consideration of the review report of the other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement

**Deloitte  
Haskins & Sells LLP**

principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. We draw attention to Note 6 to the Statement in which the Group describes the continuing uncertainties arising from COVID 19 pandemic. Our conclusion is not modified in respect of this matter.
7. We did not review the interim financial information of a subsidiary included in the consolidated unaudited financial results, whose interim financial information reflect total assets of Rs. 103,041 lakhs as at September 30, 2021, total revenues of Rs. 3,371 lakhs and Rs. 6,363 lakhs for the quarter and half year ended September 30, 2021 respectively, total net profit after tax of Rs. 801 lakhs and Rs. 1,255 lakhs for the quarter and half year ended September 30, 2021 respectively and total comprehensive income of Rs. 798 lakhs and Rs. 1,253 lakhs for the quarter and half year ended September 30, 2021 and net cash outflows of Rs. 284 lakhs for the half year ended September 30, 2021, as considered in the Statement. This interim financial information has been reviewed by other auditor whose report has been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of the other auditor and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of this matter.

**For DELOITTE HASKINS & SELLS LLP**

Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



Neville M. Daruwalla  
(Partner)  
(Membership No. 118784)  
(UDIN: 21118784AAAAIE7448)

Place: Mumbai  
Date: November 10, 2021



Disclosures in accordance with Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter and half year ended 30 September 2021

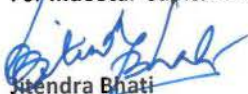
Sr. No.	Particular	Quarter ended	Half Year ended
		30 September 2021	30 September 2021
1	Debt-equity ratio <sup>1</sup>	1.50	1.50
2	Debt service coverage ratio <sup>2</sup>	Not Applicable	Not Applicable
3	Interest service coverage ratio <sup>2</sup>	Not Applicable	Not Applicable
4	Outstanding redeemable preference shares (quantity and value)	Nil	Nil
5	Capital redemption reserve (INR in lakhs)	Not Applicable	Not Applicable
	Debenture redemption reserve (INR in lakhs) <sup>3</sup>	Not Applicable	Not Applicable
6	Net worth (INR in lakhs) <sup>4</sup>	363,618	363,618
7	Net profit/(loss) after tax (INR in lakhs)	3,237	(912)
8	Earnings per equity share (not annualised):		
	(a) Basic (INR)	*1.82	*(2.31)
	(b) Diluted (INR)	*1.82	*(2.31)
9	Current ratio <sup>2</sup>	Not Applicable	Not Applicable
10	Long term debt to working capital <sup>2</sup>	Not Applicable	Not Applicable
11	Bad debts to Account receivable ratio <sup>2</sup>	Not Applicable	Not Applicable
12	Current liability ratio <sup>2</sup>	Not Applicable	Not Applicable
13	Total debts to total assets <sup>5</sup>	0.58	0.58
14	Debtors turnover <sup>2</sup>	Not Applicable	Not Applicable
15	Inventory turnover <sup>2</sup>	Not Applicable	Not Applicable
16	Operating margin <sup>2</sup>	Not Applicable	Not Applicable
17	Net profit margin <sup>6</sup>	12.68%	(1.82) %
18	Sector specific equivalent ratios:		
	(a) Gross NPA	4.7%	4.7%
	(b) Net NPA	2.2%	2.2%
	(c) Capital to risk-weighted assets ratio <sup>7</sup>	34.8%	34.8%

Note:

- Debt-equity ratio = (Debt securities + Borrowings (other than debt securities)) / Network.
- The Company is a Non-Banking Financial Company registered under the Reserve Bank of India Act, 1934 hence these ratios are generally not applicable.
- As per Rule 18(7)(b)(iii) of Companies (Share Capital and Debenture) Rules, 2014 of the Companies Act, 2013, the requirement for creating Debenture Redemption Reserve is not applicable to the Company being a listed Non-Banking Financial Company registered with the Reserve Bank of India and issuing Debentures on Private Placement basis.
- Networth is calculated as defined in section 2(57) of Companies Act, 2013.
- Total debts to total assets = (Debt securities+ Borrowings (other than debt securities)) / total assets.
- Net profit margin= Net profit after tax / total income.
- Capital to risk-weighted assets ratio is calculated as per the RBI guidelines.

Yours faithfully,

For IndoStar Capital Finance Limited

  
Anendra Bhati

SVP – Compliance & Secretarial  
(Membership No. F8937)



Date: 10 November 2021



**IndoStar Capital Finance Limited**  
(CIN: L65100MH2009PLC268160)

Related Party Disclosures for IndoStar Capital Finance Limited on Consolidated basis for the period ended 30 September 2021, prepared in accordance with Indian Accounting Standards 24 (IND AS 24).

**A. Relationships with related parties –**

**I. Ultimate Controlling Party**

Brookfield Asset Management Inc. (from 9 July 2020)

**II. Holding Company**

Indostar Capital (Mauritius) (upto 27 May 2020)

BCP V Multiple Holdings Pte. Ltd. (from 9 July 2020)

**Names of other related parties with whom the Group had transactions during the period ended 30 September 2021:**

**Key Managerial Personnel and entities in which Key Managerial Personnel has interest/significant influence**

Bobby K. Parikh - Non-Executive Independent Director & Chairman

Hemant Kaul - Non-Executive Independent Director

Naina Krishna Murthy - Non-Executive Independent Director

R. Sridhar - Executive Vice-Chairman & CEO

Dinesh Kumar Mehrotra - Non-Executive Independent Director (till 10 July 2020)

Shailesh Shirali - Whole-Time Director (till 10 July 2020)

Bobby Parikh Associates - A Firm in which Independent Director is a partner

**B) Transactions with related parties :**

Particulars	(INR in lakhs)	
	For the period ended 30 September 2021	For the period ended 30 September 2020
1) Short-term employee benefits*	141.91	270.18
2) Sitting fees to Non-Executive Independent Directors	15.75	12.40
3) Reimbursement of expenses	3.67	62.84
4) Investment in share capital (including securities premium)	-	122,574.69
5) Professional fees paid	-	5.70
6) Loan given	-	2,500.00
7) Dividend paid	3,888.89	-

\* Compensation of the Company's key managerial personnel includes salaries, non-cash benefits and contributions to post-employment defined benefit plan.

**C) The related party balances outstanding for the period ended 30 September, 2021**

Particulars	(INR in lakhs)	
	For the period ended 30 September 2021	For the period ended 30 September 2020
1) Loan outstanding	2500.00	2500.00



## IndoStar Capital Finance Limited

BSE: 541336 | NSE: INDOSTAR | Bloomberg: INDOSTAR:IN



### IndoStar reports PAT of ₹ 39 crores during Q2FY22

- Crossed ₹ 1,000 crores for the first time in Retail disbursement , up 77% over Q1FY22
- Retail AUM ~ ₹ 6,606 Crores - up from ₹ 6,193 Crores from Q1FY22
- Strong Capital Adequacy at 35%
- Opened 38 new branches leading to a total of 278 branches - Focus continues on expanding footprint
- Continued reduction in Corporate lending book – over 800+ crores collected in last 1 year. The share of retail is now 80%, up from 73% over Q2FY21

**Mumbai, Wednesday, November 10, 2021** – IndoStar Capital Finance Limited (IndoStar), one of India’s leading retail non-banking financial companies announced its Q2FY22 results today. The AUM stands at ₹ 8,117 crores, up 3% against previous quarter, despite gradual reduction in the corporate lending book, which the company plans to reduce to less than 10% of the overall AUM, by the end of FY 22.

In Q2FY22, the company touched an all time high retail disbursement of ₹ 1,107.5 crores, for a quarter and collection efficiencies remained above 100%.

#### **Ready to capitalize sizeable post pandemic market opportunity:**

The conservative approach of ring-fencing balance sheet over last few quarters has strengthened IndoStar’s Balance Sheet and places it ideally to take advantage of future growth opportunities. The company is now looking to accelerate the buildup of the retail business. The combination of opening smart branches along with the digitization initiative will help the company to enhance productivity and reduce operating expenses. The company is also expanding Geography, Products and customer segments to gain market share. The company opened 38 new branches leading to a total of 278 branches. The company has ambitious plans of building its affordable housing finance arm into a separate entity within the next 5 years.

#### **Replacement demand to be a huge booster post cyclical shift in commercial vehicles sector:**

The commercial vehicle financing business is extremely lucrative due to few players and each targeting a different demographic and ticket size. The key focus area of the company is the 5 to 12-year-old vehicle segment, which is likely to see tremendous

replacement demand post the announcement of the scrappage policy. The company aims to be one of the key players in the used vehicle financing business. It will continue to maintain a vigilant approach in this segment with a razor-sharp focus on collections.

**Stable credit rating and robust liquidity pipeline:**

The company currently has liquid assets of around 26% of its borrowings, sufficient to cover all its repayment obligations for this financial year without any incremental borrowings. With a credit rating of AA- with stable outlook, even in the current challenging times, the company has a strong pipeline and multiple avenues to raise further liabilities to finance additional growth.

**Retail AUM increases to 80%; focus on Used CV and affordable Home finance**

In line with its retailisation strategy, the share of retail is now 80% up from 73% last year. The company is at an inflection point and has strengthened its senior leadership in key positions with an eye on the tremendous post pandemic opportunity available in the asset financing segment.

*Speaking on the results, R Sridhar, Executive Vice-Chairman & CEO, IndoStar, "The pandemic is slowly but surely retreating, and the worst is certainly behind us, in the lending space. We have utilized the last 18 months to build capacities that will ensure we capture a sizeable chunk of the tremendous business opportunity confronting the retail lending market with respect to commercial vehicles financing, affordable housing and SME finance. We have leveraged technology across every level of business, with digitization initiatives to enhance productivity and reduce operating expenses. With 5 new CXO level hires, we have laid out the roadmap to expand our business across the country. Our endeavor will remain to ensure we cater to the needs of India's underserved communities.*

**Key Financials:**

Particulars (₹ Crores)	Q2FY22	Q1FY22	QoQ	Q2FY21	YoY
Net Revenue from operations	144.8	126.6	14%	153.8	(6%)
Pre-Provision Operating Profit	50.2	33.1	52%	78.2	(36%)

Provisions and accelerated write-offs	(2.8)	82.3	n.a.	32.8	n.a
Profit After Tax	39.4	(36.8)	n.a.	31.6	25%

### Consolidated financial update for the quarter ended September 2021

- **Net Revenue from Operations at ₹ 144.8 Crs**
- **Gross and Net NPAs at 4.7% and 2.3% respectively**

### 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 organization which is engaged in providing used and new 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).

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# INDOSTAR CAPITAL FINANCE LIMITED

Q2FY22 Results Update

10 November 2021

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**Note : The figures for the previous period have been adjusted, wherever considered necessary to conform with the financial reporting requirements.**

## Discussion Summary

- ❖ **Quarterly Results**
- ❖ Business Update
- ❖ Strategy
- ❖ Shareholding Structure

- **PAT for Q2FY22 ₹ 394 million and H1FY22 ₹ 26 million**
- **Crossed ₹ 10,000 million Retail disbursement for the first time.**
  - **Retail disbursement for Q2FY22 ₹ 11,075 million vs ₹ 2,045 million for Q2FY21 and 6,271 million for Q1FY22**
- **Collections continue to be stable**
- **Continued reduction in Corporate lending book - Retailisation of the business remains on track**
  - **Over ₹ 8000+ million collected in last 1 year**
- **Retail Franchise ~ 80% of AUM (v/s 73% in Sep-20)**
- **Strong ALM and Robust fund mobilisation pipeline**
- **Capital Adequacy at 35%**
- **Opened 38 new branches in Q2 (60 branches during H1) leading to a total of 278 branches - Focus on expanding footprint**

# Strong Liquidity & ALM

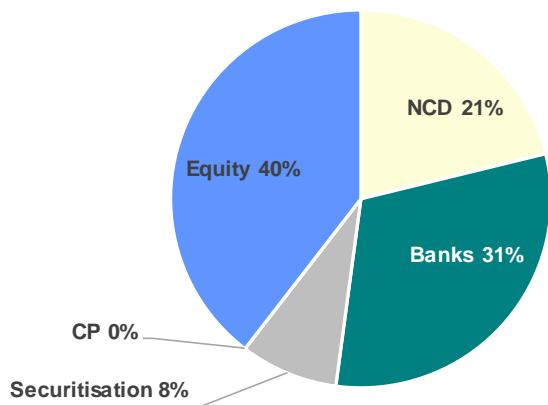
Particulars	Oct-21	Nov-21	Dec-21	Q4 FY22	Q1 FY23	Q2 FY23
Opening cash & equivalents*	15,149	14,916	13,399	11,113	7,986	4,356
Loan repayment inflows [Principal]	766	937	1,071	2,698	2,776	3,470
<b>Total inflow</b>	<b>15,915</b>	<b>15,853</b>	<b>14,470</b>	<b>13,810</b>	<b>10,763</b>	<b>7,826</b>
Liability repayment [Principal]						
Commercial paper	-	-	-	-	-	1,000
NCDs	400	2,000	750	2,900	3,950	2,250
Term loans & Others	600	454	2,607	2,924	2,457	3,492
<b>Total outflow</b>	<b>1,000</b>	<b>2,454</b>	<b>3,357</b>	<b>5,824</b>	<b>6,407</b>	<b>6,742</b>
<b>Closing cash and equivalents</b>	<b>14,916</b>	<b>13,399</b>	<b>11,113</b>	<b>7,986</b>	<b>4,356</b>	<b>1,084</b>

## \* Opening Cash & Equivalents

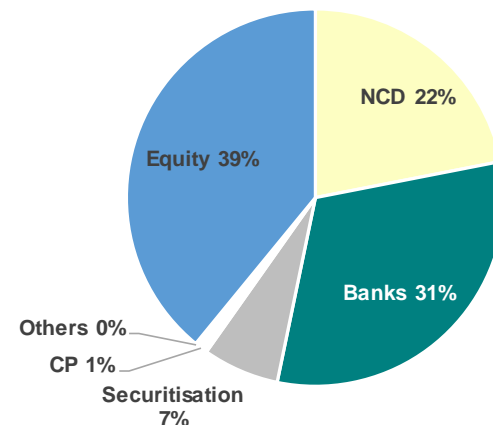
Particulars	₹ mn
Cash and Bank Balance	3,140
Liquid Debt Mutual Funds	7,822
Term Deposits with Banks	286
Investment in G-Sec	1,411
Undrawn funding Lines	2,490
<b>Total</b>	<b>15,149</b>

# Diversified Funding Profile

### Funding Mix - Jun 2021



### Funding Mix - Sep 2021



### Incremental Funding Mobilized

₹ mn	Q3 FY21	Q4 FY21	Q1 FY22	Q2 FY22
Banks	4,250	1,500	2,060	4,000
Markets	1,500	-	4,709	3,250
Assignments	919	774	-	-
Others (ICD)	38	-	13	1
<b>Total</b>	<b>6,707</b>	<b>2,274</b>	<b>6,782</b>	<b>7,251</b>

\* Revolving Facilities are not considered

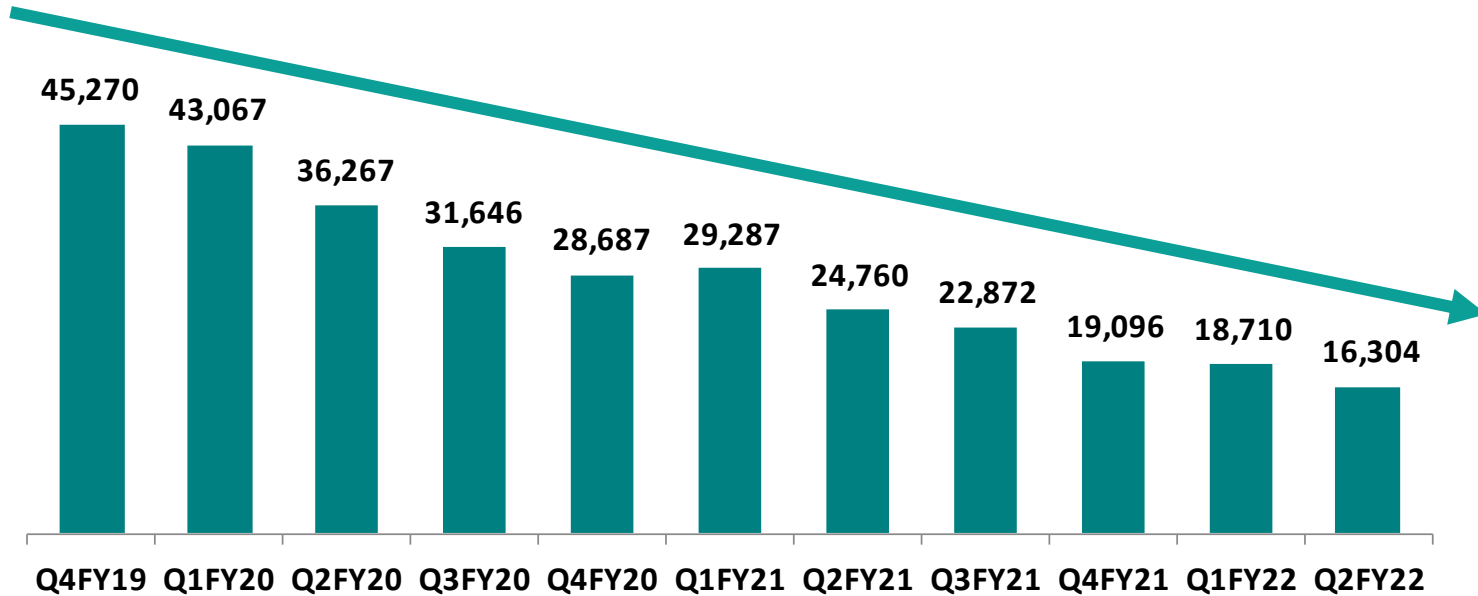
### Strong Credit Ratings

Borrowing Type	Rating Firm	Ratings
Term Loans	CRISIL/ CARE*	AA (-)
Redeemable NCDs	CRISIL/ CARE*	AA (-)
CPs	CRISIL / CARE* / ICRA	A1 (+)

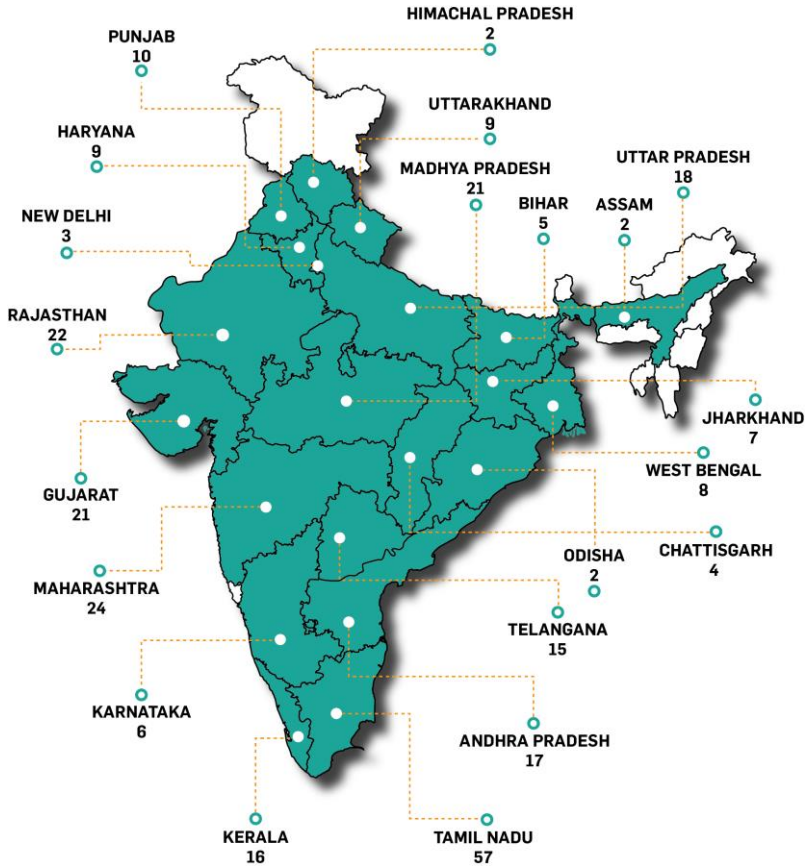
\* CARE Ratings not applicable for HFC

# Steady reduction in the Corporate book

Corporate Lending AUM (₹ mn)

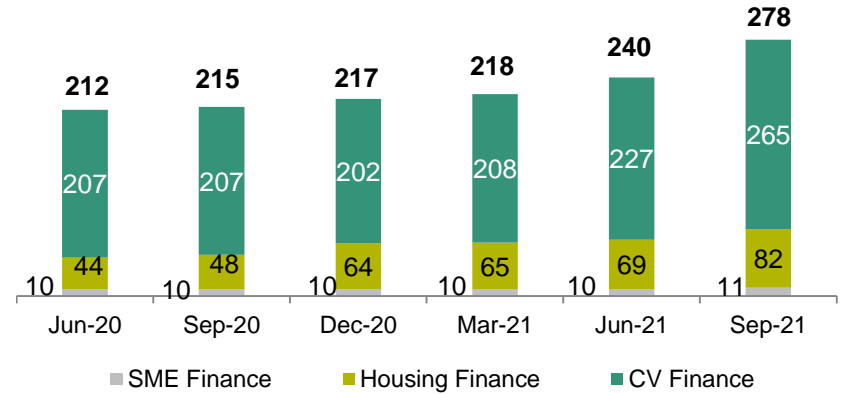


# Expanding Reach

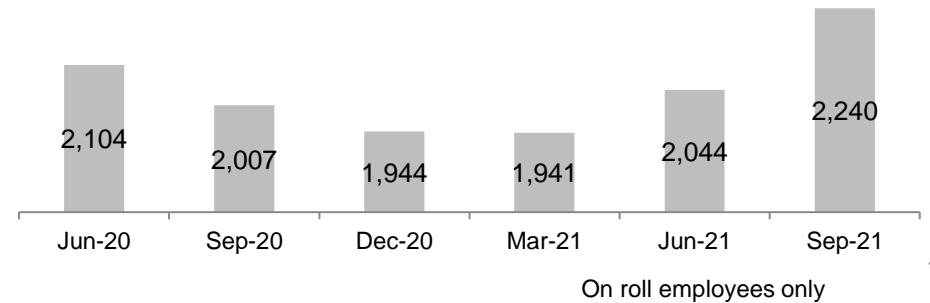


## 278 branches across 19 states

\* Some branches have multiple operating segments



## Employee Base







## Execution of Retailisation Theme

- Strong Retail Franchise ~ 80% of AUM (v/s 73% in Sep-20)
- ICICI partnership AUM ~ ₹ 4,135 mn



## Strong Capitalisation & Liquidity

- Comfortable liquidity; ~26% of Borrowings
- CRAR 35%
- Debt : Equity ratio of 1.6x



## Financials

- Net Revenue from Operations ₹ 1,448 mn
- Cost Income ratio 58.7%\*
- Pre-provision Operating Profit ₹ 502 mn

# Q2FY22 & H1FY22: Consolidated Profit & Loss Statement

Particulars (₹ mn)	Q2 FY22	Q1 FY22	QoQ %	Q2 FY21	YoY %	H1 FY22	H1 FY21	YoY %
Revenue from operations	2,800	2,653	6%	3,392	(17%)	5,453	6,726	(19%)
Interest expenses	(1,352)	(1,387)	(2%)	(1,854)	(27%)	(2,739)	(3,692)	(26%)
<b>Net revenue from operations</b>	<b>1,448</b>	<b>1,266</b>	<b>14%</b>	<b>1,538</b>	<b>(6%)</b>	<b>2,714</b>	<b>3,034</b>	<b>(11%)</b>
People costs	533	490	9%	405	32%	1,023	888	15%
Operating expenses	412	445	(7%)	351	18%	857	614	40%
<b>Pre-provision operating profit</b>	<b>502</b>	<b>331</b>	<b>52%</b>	<b>782</b>	<b>(36%)</b>	<b>833</b>	<b>1,533</b>	<b>(46%)</b>
Credit costs	(28)	823	n.a.	328	n.a.	795	574	39%
<b>Profit before tax</b>	<b>531</b>	<b>(493)</b>	<b>n.a.</b>	<b>454</b>	<b>17%</b>	<b>38</b>	<b>959</b>	<b>(96%)</b>
Tax	136	(124)	n.a.	138	(1%)	12	171	(93%)
<b>Profit after tax</b>	<b>394</b>	<b>(368)</b>	<b>n.a.</b>	<b>316</b>	<b>25%</b>	<b>26</b>	<b>788</b>	<b>(97%)</b>

Key Metrics	Q2 FY22	Q1 FY22	Q2 FY21	H1 FY22	H1 FY21
Yield on loans	13.2%	13.4%	14.0%	13.3%	14.0%
Cost of borrowings	9.5%	9.4%	10.2%	9.5%	10.3%
Spread	2.0%	1.4%	2.0%	1.6%	2.5%
NIM	6.0%	5.1%	5.6%	5.5%	5.8%
Cost to income*	58.7%	58.2%	39.9%	58.5%	41.5%

\* Excluding one-off costs

# Consolidated Balance Sheet

Particulars (₹ mn)	Sep-21	Jun-21	QoQ %	Sep-20	YoY %
Equity	36,779	36,291	1%	39,695	(7%)
Borrowings	57,329	55,573	3%	71,427	(20%)
Other liabilities	4,040	3,960	2%	2,391	69%
<b>Total liabilities</b>	<b>98,149</b>	<b>95,824</b>	<b>2%</b>	<b>1,13,513</b>	<b>(14%)</b>
Loan assets	71,670	67,827	6%	78,000	(8%)
Treasury assets	18,307	19,446	(6%)	27,712	(34%)
Fixed assets & goodwill	3,720	3,691	1%	3,910	(5%)
Other assets	4,450	4,860	(8%)	3,891	14%
<b>Total assets</b>	<b>98,149</b>	<b>95,824</b>	<b>2%</b>	<b>1,13,513</b>	<b>(14%)</b>

Key Ratios	Sep-21	Jun-21	Sep-20
ROAA*	1.6%	(1.5%)	1.1%
Leverage	2.7x	2.7x	2.8x
ROAE*	4.3%	(4.0%)	3.2%

\*Annualized

# Q2 FY22: Business Segment Performance

Particulars (₹ mn)	CV Finance	SME Finance	Housing Finance	Corporate Lending	Consolidated <sup>^</sup>
Revenue from operations	1,120	465	288	793	2,800
Interest expenses	(443)	(220)	(150)	(268)	(1,352)
<b>Net interest income</b>	<b>677</b>	<b>245</b>	<b>138</b>	<b>525</b>	<b>1,448</b>
People costs	245	46	62	(11)	533
Operating expenses	208	13	27	41	412
<b>Pre-provision operating profit</b>	<b>224</b>	<b>186</b>	<b>49</b>	<b>495</b>	<b>502</b>
Credit costs	576	(195)	(1)	(409)	(28)
<b>Profit before tax</b>	<b>(352)</b>	<b>381</b>	<b>50</b>	<b>904</b>	<b>531</b>

Particulars (₹ mn)	CV Finance	SME Finance	Housing Finance	Corporate Lending	Consolidated <sup>^</sup>
<b>Total assets</b>	<b>35,241</b>	<b>15,064</b>	<b>10,280</b>	<b>16,465</b>	<b>98,149</b>

<sup>^</sup> Consolidated includes common corporate costs which are unallocated between segments

# H1 FY22: Business Segment Performance

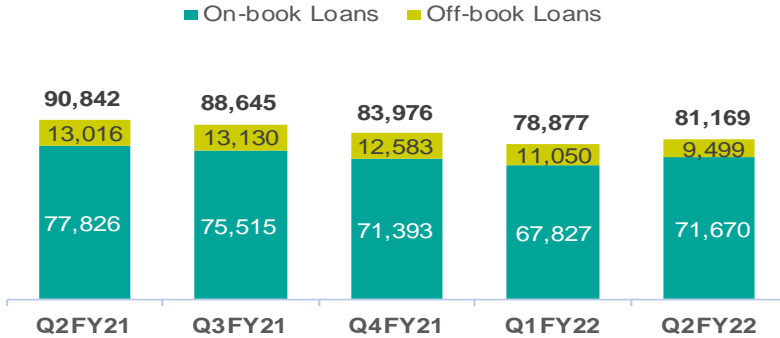
Particulars (₹ mn)	CV Finance	SME Finance	Housing Finance	Corporate Lending	Consolidated <sup>^</sup>
Revenue from operations	2,299	917	584	1,380	5,453
Interest expenses	(847)	(439)	(289)	(567)	(2,739)
<b>Net interest income</b>	<b>1,452</b>	<b>478</b>	<b>295</b>	<b>813</b>	<b>2,714</b>
People costs	426	84	111	29	1,023
Operating expenses	485	25	57	61	857
<b>Pre-provision operating profit</b>	<b>541</b>	<b>368</b>	<b>127</b>	<b>723</b>	<b>833</b>
Credit costs	1,062	122	13	(402)	795
<b>Profit before tax</b>	<b>(521)</b>	<b>247</b>	<b>114</b>	<b>1,125</b>	<b>38</b>

Particulars (₹ mn)	CV Finance	SME Finance	Housing Finance	Corporate Lending	Consolidated <sup>^</sup>
<b>Total assets</b>	<b>35,241</b>	<b>15,064</b>	<b>10,280</b>	<b>16,465</b>	<b>98,149</b>

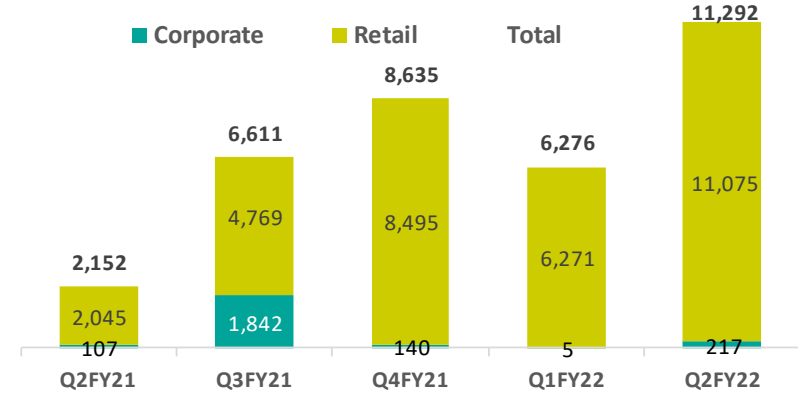
<sup>^</sup> Consolidated includes common corporate costs which are unallocated between segments

# Q2 FY22: Quarterly Performance Trend (1/2)

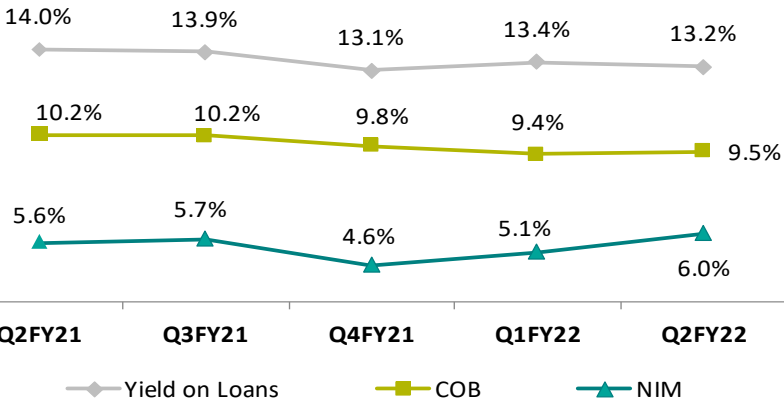
### AUM (₹ mn)



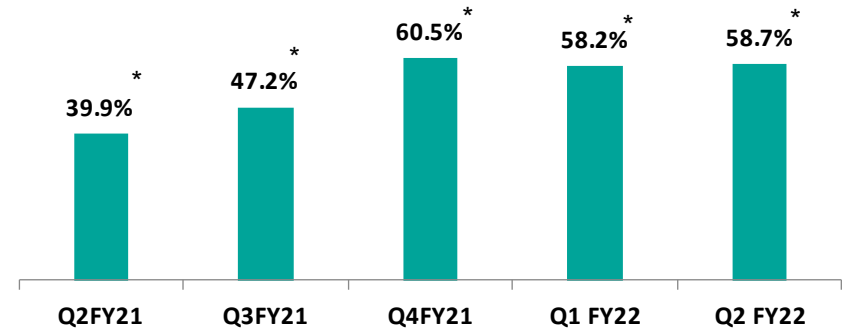
### Loan Disbursements (₹ mn)



### Margin Analysis (%)



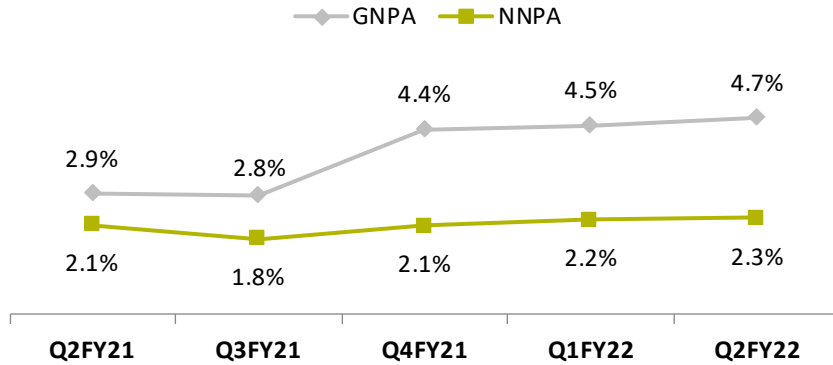
### Cost to Income Ratio (%)



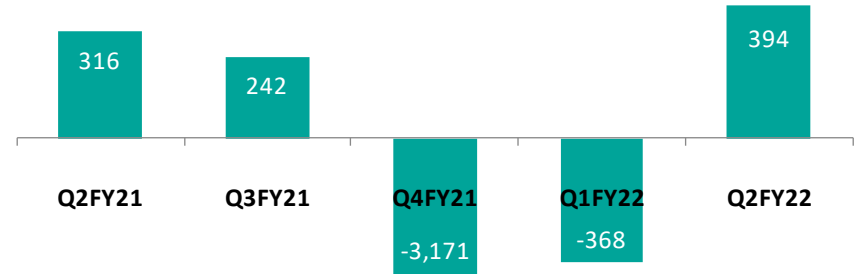
\* Excluding one-offs costs

# Q2 FY22: Quarterly Performance Trend (2/2)

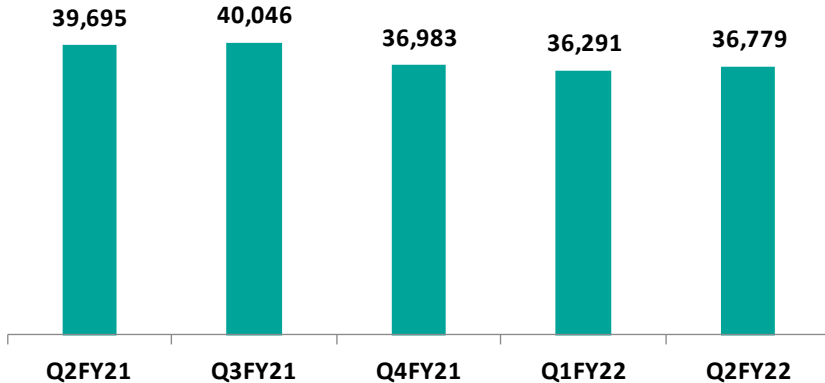
NPA (%)



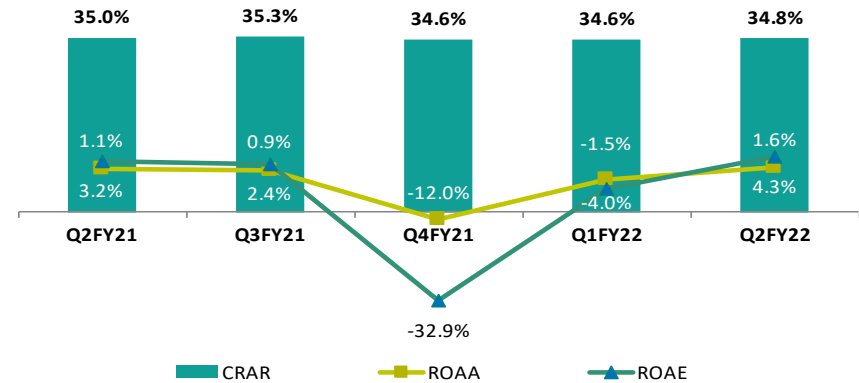
PAT (₹ mn)



Net worth (₹ mn)



Return Ratios^ & Capital Adequacy (%)



^ Annualized

Gross NPA (₹ mn)	Q2FY21	Q3FY21	Q4FY21	Q1FY22	Q2FY22
CV finance	578	805	2,900	2,613	2,775
SME finance	180	261	382	456	533
Housing finance	69	138	159	261	303
Corporate lending	1,546	1,076	-	-	-
<b>Total</b>	<b>2,372</b>	<b>2,280</b>	<b>3,441</b>	<b>3,329</b>	<b>3,611</b>

Net NPA (₹ mn)	Q2FY21	Q3FY21	Q4FY21	Q1FY22	Q2FY22
CV finance	462	634	1,216	1,148	1,207
SME finance	142	206	244	285	286
Housing finance	56	112	120	198	228
Corporate lending	1,082	470	-	-	-
<b>Total</b>	<b>1,741</b>	<b>1,422</b>	<b>1,580</b>	<b>1,631</b>	<b>1,721</b>

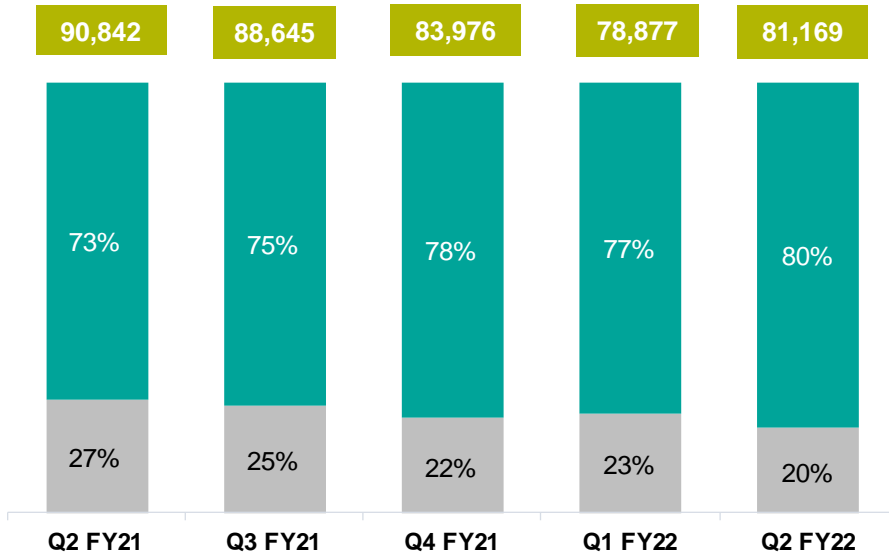


## Discussion Summary

- ❖ Quarterly Results
- ❖ Business Update
- ❖ Strategy
- ❖ Shareholding Structure

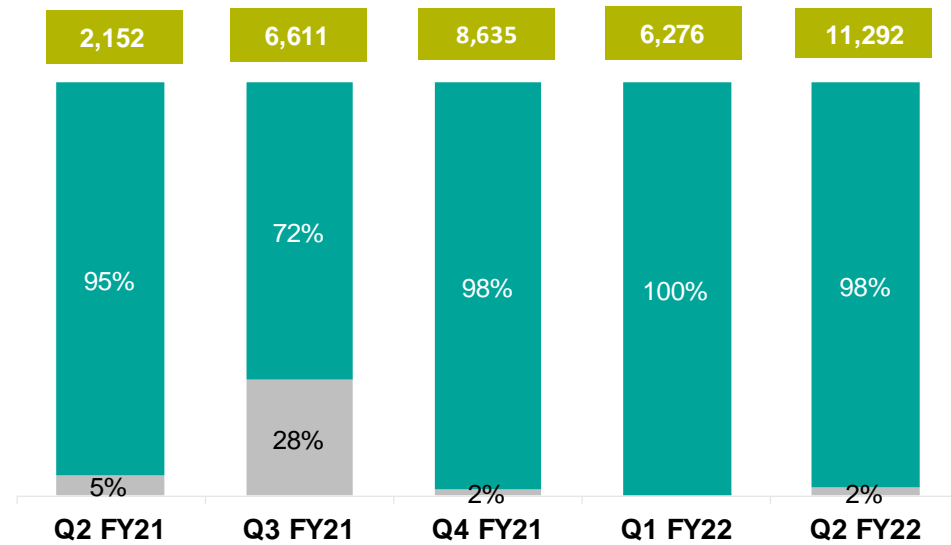
# Retailisation Strategy on track

### AUM: CL vs Retail (%)



■ Total AUM (₹ Mn) ■ CL ■ Retail (CV Finance, SME, HFC)

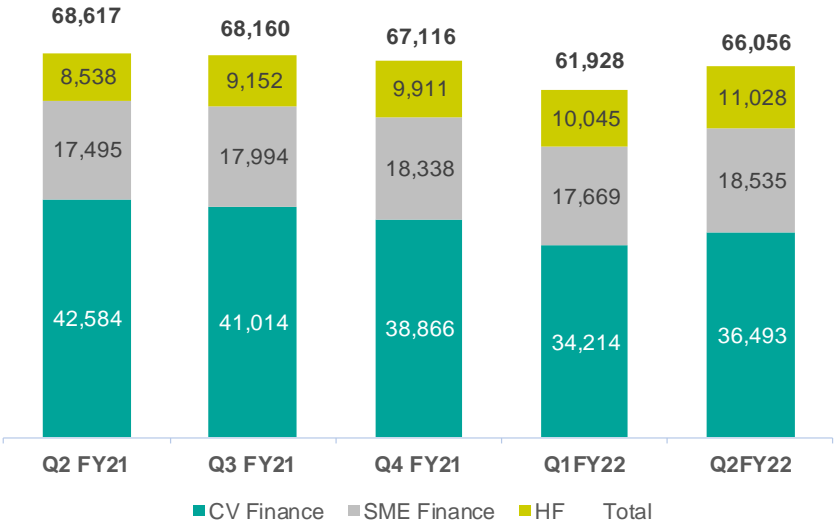
### Disbursements: CL vs Retail (%)



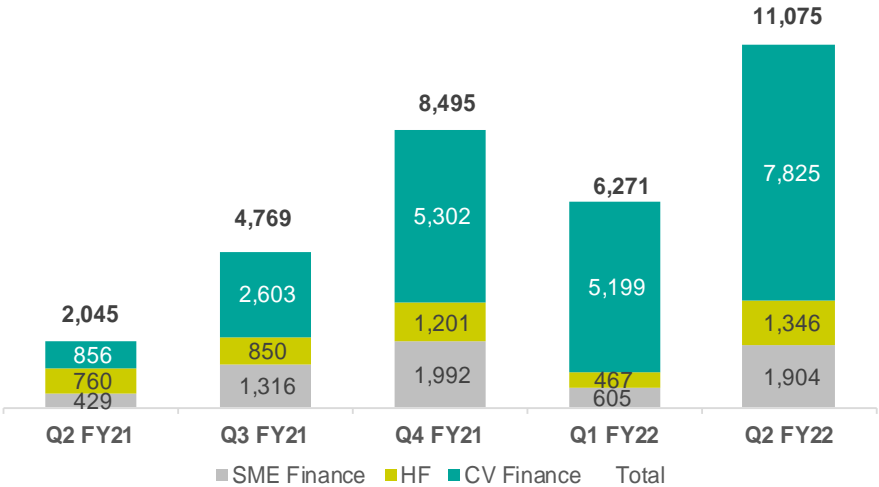
■ Total Disbursements (₹ Mn) ■ CL ■ Retail (CV Finance, SME, HFC)

# Retail Business Volume

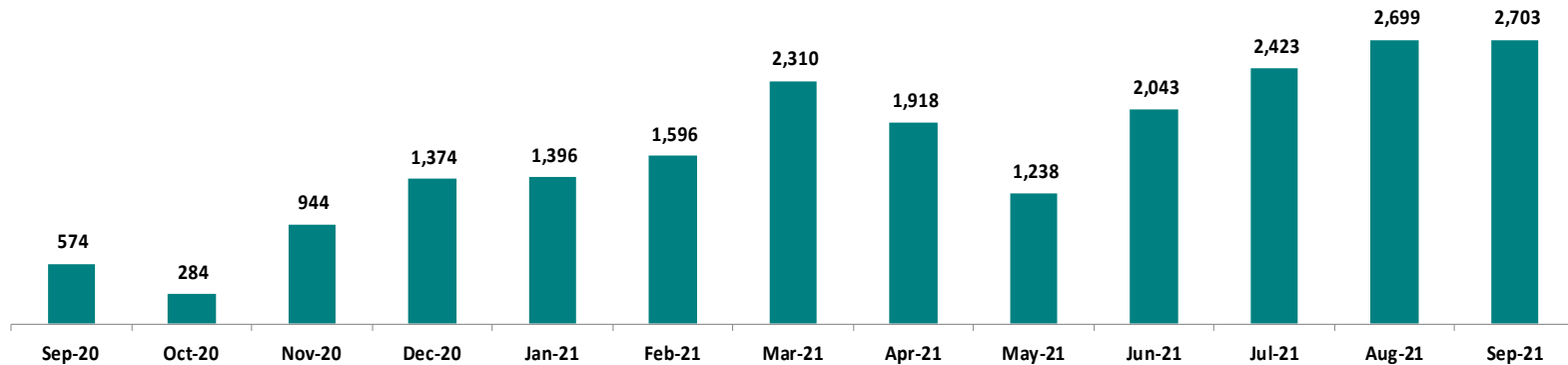
Retail AUM (₹ mn)



Retail Disbursements (₹ mn)



CV Finance – Monthly Disbursement Trend (₹ mn)



✓ CV Finance AUM ₹ 36,493 mn

✓ AUM of ICICI Bank tie-up ₹ 4,135 mn

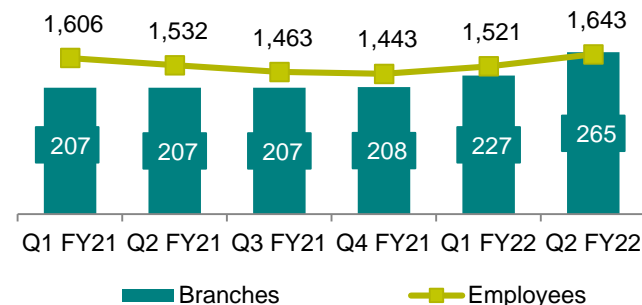
✓ Stronger demand from Consumption-driven sectors and E-commerce focused logistic companies along with replacement demand will aid growth

Particulars (₹ mn)	Q2 FY21	Q3 FY21	Q4 FY21	Q1 FY22	Q2 FY22
Revenue from operations	1,459	1,287	1,292	1,178	1,120
Interest expenses	(642)	(526)	(490)	(404)	(443)
<b>Net interest income</b>	<b>817</b>	<b>761</b>	<b>802</b>	<b>775</b>	<b>677</b>
People costs	182	184	243	181	245
Operating expenses	157	154	169	276	208
<b>Pre-provision operating profit</b>	<b>478</b>	<b>423</b>	<b>390</b>	<b>317</b>	<b>224</b>
Credit costs	87	134	2,965	486	576
<b>Profit before tax</b>	<b>391</b>	<b>289</b>	<b>(2,575)</b>	<b>(168)</b>	<b>(352)</b>
<b>Loan assets</b>	<b>34,384</b>	<b>33,393</b>	<b>32,069</b>	<b>28,657</b>	<b>32,046</b>

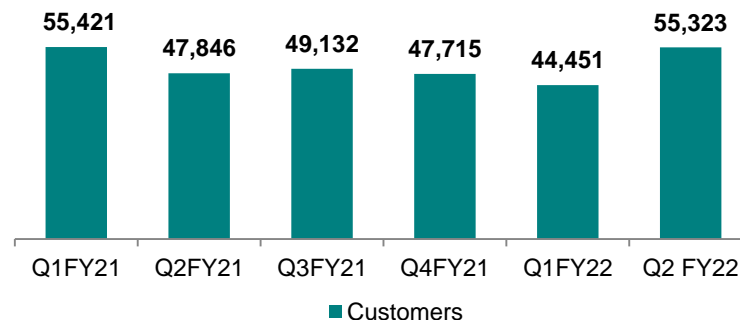
## Q2 FY21 Q3 FY21 Q4 FY21 Q1 FY22 Q2 FY22

Revenue from operations*	15.7%	15.1%	15.1%	16.0%	14.1%
<b>Net interest income*</b>	<b>8.8%</b>	<b>8.9%</b>	<b>9.4%</b>	<b>10.5%</b>	<b>8.5%</b>
Operating expenses*	3.6%	4.0%	4.8%	6.2%	5.7%
Cost / Income	41.4%	44.4%	51.4%	59.0%	67.0%
<b>Pre-provision operating profit*</b>	<b>5.2%</b>	<b>5.0%</b>	<b>4.6%</b>	<b>4.3%</b>	<b>2.8%</b>
Credit costs	0.9%	1.6%	34.8%	6.6%	7.2%
<b>GNPA</b>	<b>1.6%</b>	<b>2.3%</b>	<b>8.1%</b>	<b>8.2%</b>	<b>7.9%</b>
<b>NNPA</b>	<b>1.3%</b>	<b>1.8%</b>	<b>3.5%</b>	<b>3.8%</b>	<b>3.6%</b>
<b>ROAA ^</b>	<b>3.0%</b>	<b>2.5%</b>	<b>(27.5%)</b>	<b>(1.7%)</b>	<b>(3.3%)</b>
Leverage	2.9x	3.0x	3.0x	2.9x	2.8x
<b>ROAE ^</b>	<b>8.7%</b>	<b>7.6%</b>	<b>(82.4%)</b>	<b>(4.8%)</b>	<b>(9.0%)</b>

## Branches & Employees



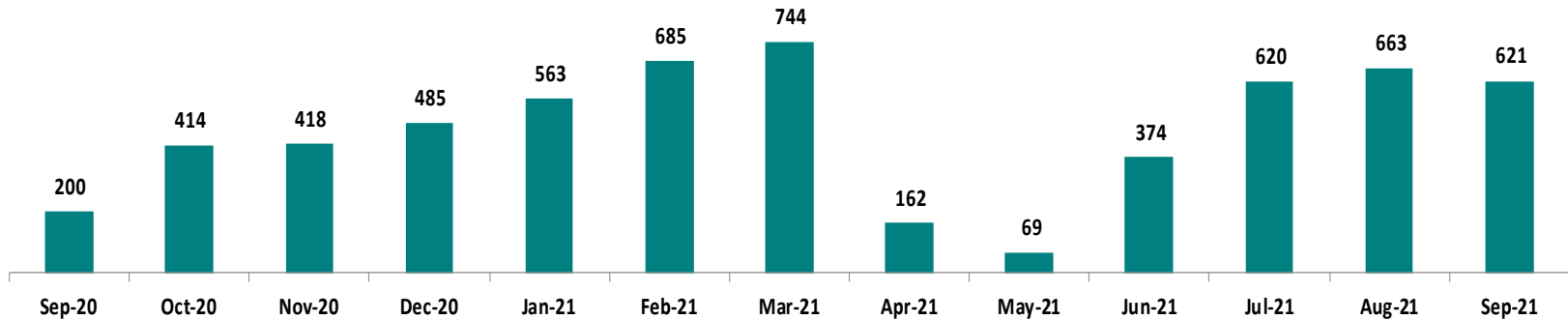
## Customer Count<sup>^</sup>



\* On daily average basis

<sup>^</sup> Annualized

SME Finance – Monthly Disbursement Trend (₹ mn)



✓ SME Finance AUM : ₹ 18,535 mn

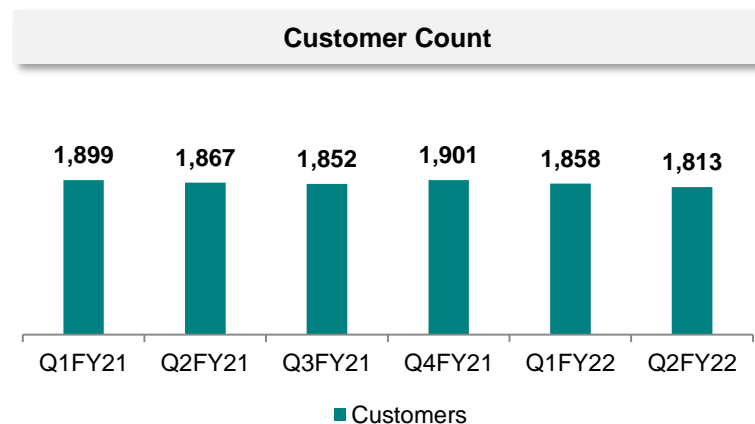
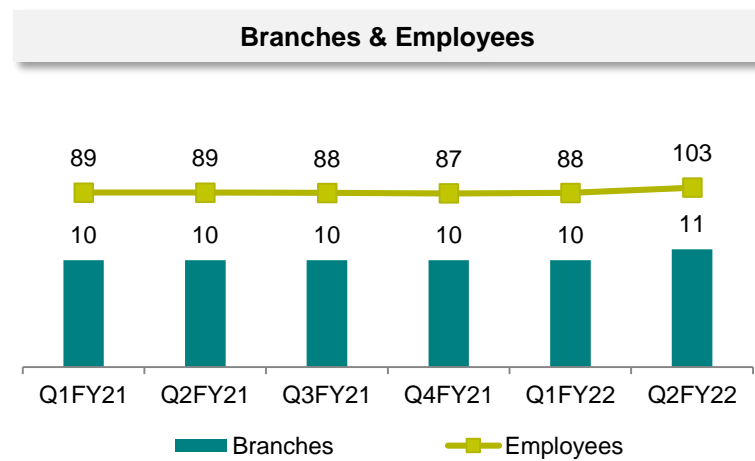
✓ Assigned Portfolio : ₹ 3,679 mn

Particulars (₹ mn)	Q2 FY21	Q3 FY21	Q4 FY21	Q1 FY22	Q2 FY22
Revenue from operations	419	432	536	452	465
Interest expenses	(232)	(242)	(227)	(219)	(220)
<b>Net interest income</b>	<b>187</b>	<b>190</b>	<b>309</b>	<b>233</b>	<b>245</b>
People costs	42	47	45	38	46
Operating expenses	16	20	37	13	13
<b>Pre-provision operating profit</b>	<b>129</b>	<b>123</b>	<b>227</b>	<b>182</b>	<b>186</b>
Credit costs	23	99	257	316	(195)
<b>Profit before tax</b>	<b>106</b>	<b>24</b>	<b>(30)</b>	<b>(134)</b>	<b>381</b>
<b>Loan assets</b>	<b>13,491</b>	<b>14,168</b>	<b>14,056</b>	<b>13,623</b>	<b>14,856</b>



# SME Finance : Key ratios (3/3)

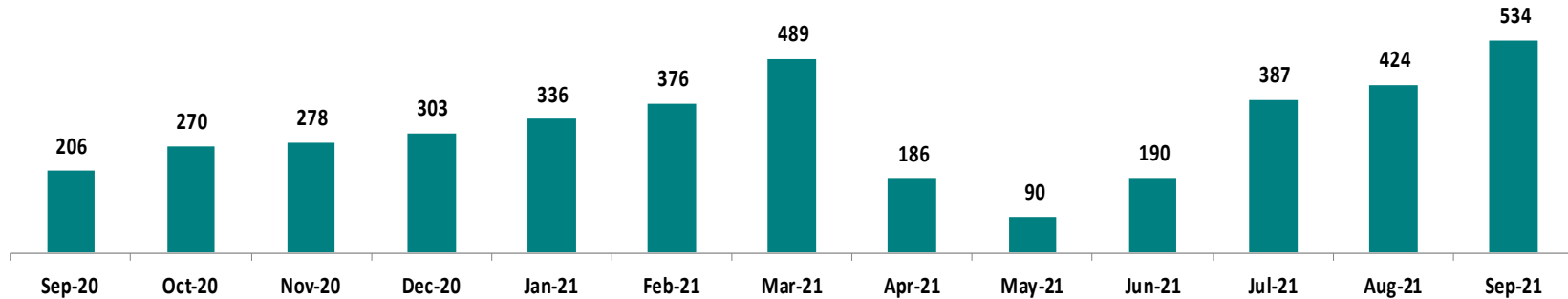
	Q2 FY21	Q3 FY21	Q4 FY21	Q1 FY22	Q2 FY22
Revenue from operations*	12.6%	12.6%	15.3%	13.0%	12.9%
<b>Net interest income*</b>	<b>5.6%</b>	<b>5.5%</b>	<b>8.8%</b>	<b>6.7%</b>	<b>6.8%</b>
Operating expenses*	1.8%	1.9%	2.3%	1.4%	1.6%
Cost / Income	31.3%	35.2%	26.6%	21.6%	24.1%
<b>Pre-provision operating profit*</b>	<b>3.9%</b>	<b>3.6%</b>	<b>6.5%</b>	<b>5.2%</b>	<b>5.2%</b>
Credit costs	0.7%	2.9%	7.3%	9.1%	(5.4%)
<b>GNPA</b>	<b>1.3%</b>	<b>1.8%</b>	<b>2.6%</b>	<b>3.1%</b>	<b>3.4%</b>
<b>NNPA</b>	<b>1.1%</b>	<b>1.5%</b>	<b>1.7%</b>	<b>2.0%</b>	<b>1.8%</b>
<b>ROAA ^</b>	<b>2.0%</b>	<b>0.9%</b>	<b>(1.6%)</b>	<b>(2.8%)</b>	<b>8.1%</b>
Leverage	2.6x	2.6x	2.6x	2.5x	2.6x
<b>ROAE ^</b>	<b>5.2%</b>	<b>2.4%</b>	<b>(4.0%)</b>	<b>(7.0%)</b>	<b>21.1%</b>



\* On daily average basis

^ Annualized

Housing Finance – Monthly Disbursement Trend (₹ mn)



✓ Housing Finance AUM : ₹ 11,028 mn

✓ Assigned Portfolio : ₹ 1,373 mn

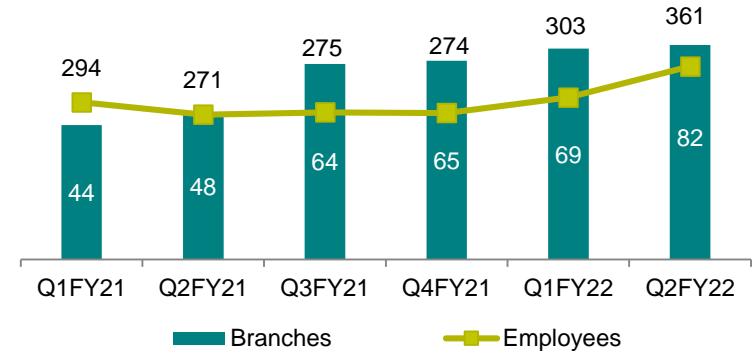
Particulars (₹ mn)	Q2 FY21	Q3 FY21	Q4 FY21	Q1 FY22	Q2 FY22
Revenue from operations	285	600	192	297	288
Interest expenses	(132)	(138)	(126)	(139)	(150)
<b>Net interest income</b>	<b>153</b>	<b>462</b>	<b>66</b>	<b>158</b>	<b>138</b>
People costs	51	53	24	49	62
Operating expenses	27	26	38	30	27
<b>Pre-provision operating profit</b>	<b>75</b>	<b>383</b>	<b>4</b>	<b>78</b>	<b>49</b>
Credit costs	4	18	73	14	(1)
<b>Profit before tax</b>	<b>71</b>	<b>365</b>	<b>(69)</b>	<b>64</b>	<b>50</b>
<b>Loan assets</b>	<b>7,725</b>	<b>7,443</b>	<b>8,382</b>	<b>8,598</b>	<b>9,655</b>

# Housing Finance : Key Ratios (3/3)

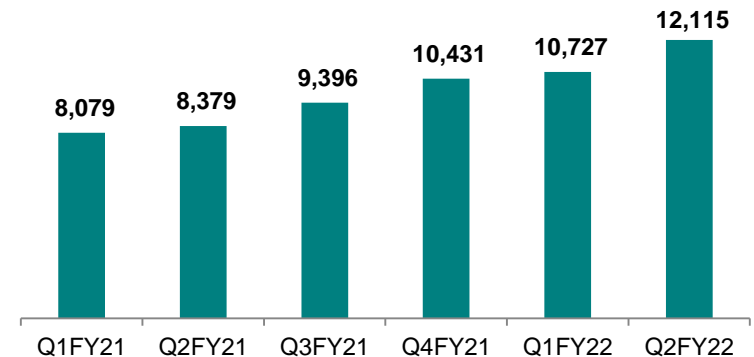
Q2 FY21 Q3 FY21 Q4 FY21 Q1 FY22 Q2 FY22

Revenue from operations*	14.7%	14.9%	9.8%	13.9%	12.8%
<b>Net interest income*</b>	<b>7.9%</b>	<b>7.9%</b>	<b>3.4%</b>	<b>7.4%</b>	<b>6.1%</b>
Operating expenses*	4.0%	4.0%	3.1%	3.7%	3.9%
Cost / Income	51.3%	50.0%	92.5%	50.5%	64.4%
<b>Pre-provision operating profit*</b>	<b>3.8%</b>	<b>4.0%</b>	<b>0.3%</b>	<b>3.7%</b>	<b>2.2%</b>
Credit costs	0.2%	0.9%	3.7%	0.7%	0.0%
<b>GNPA</b>	<b>0.9%</b>	<b>1.8%</b>	<b>1.9%</b>	<b>3.0%</b>	<b>3.1%</b>
<b>NNPA</b>	<b>0.7%</b>	<b>1.5%</b>	<b>1.4%</b>	<b>2.3%</b>	<b>2.3%</b>
<b>ROAA ^</b>	<b>2.9%</b>	<b>1.8%</b>	<b>(2.8%)</b>	<b>2.3%</b>	<b>1.0%</b>
Leverage	2.6x	2.6x	2.5x	2.3x	2.4x
<b>ROAE ^</b>	<b>7.6%</b>	<b>4.6%</b>	<b>(7.1%)</b>	<b>5.3%</b>	<b>2.3%</b>

## Branches & Employees



## Customer Count



\* On daily average basis

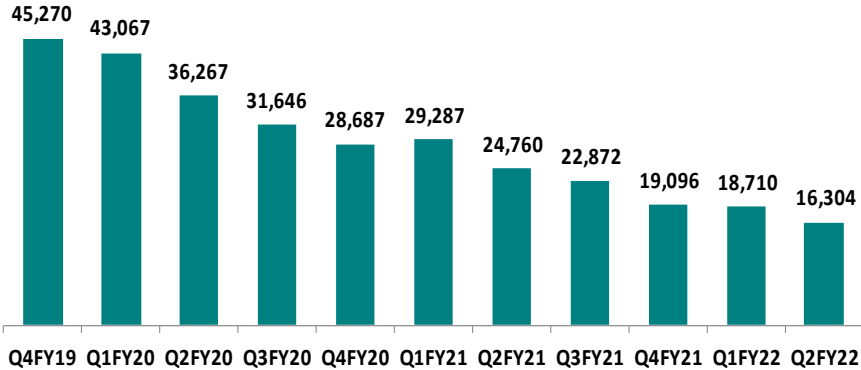
^ Annualized

# FY22 Restructuring Snapshot

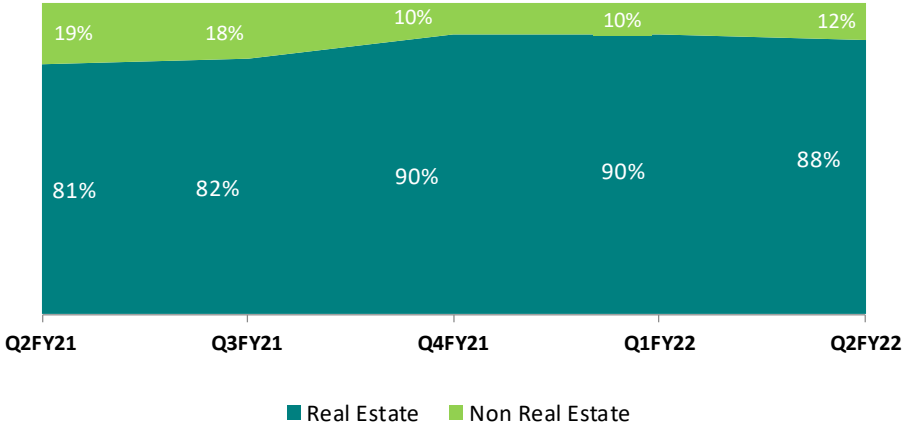
Q2FY22	Total no of Accounts	No. of Restructured accounts	Total AUM	AUM under Restructure	% of no. of Restructured accounts	% of Restructured AUM
			(INR mn)	(INR mn)		
VF	68,101	4,376	36,493	3,242	6.4%	8.9%
SME	2,637	190	18,535	2,137	7.2%	11.5%
AHF	15,902	22	11,028	17	0.1%	0.2%
<b>Total Retail</b>	<b>86,640</b>	<b>4,588</b>	<b>66,056</b>	<b>5,396</b>	<b>5.3%</b>	<b>8.2%</b>

Restructure accounts include all active cases as at 30<sup>th</sup> September 2021

Corporate Lending AUM (₹ mn)



AUM Breakup: RE vs. Non-RE



✓ Continued focus on reduction in exposure

## Corporate Lending: Profit and Loss (2/3)

Particulars (₹ mn)	Q2 FY 21	Q3 FY 21	Q4 FY 21	Q1 FY22	Q2 FY22
Revenue from operations	991	834	577	587	793
Interest expenses	(488)	(414)	(350)	(298)	(268)
<b>Net interest income</b>	<b>503</b>	<b>420</b>	<b>227</b>	<b>289</b>	<b>525</b>
People costs	15	17	18	40	(11)
Operating expenses	59	9	32	20	41
<b>Pre-provision operating profit</b>	<b>429</b>	<b>394</b>	<b>177</b>	<b>228</b>	<b>495</b>
Credit costs	218	209	520	7	(409)
<b>Profit before tax</b>	<b>211</b>	<b>185</b>	<b>(343)</b>	<b>221</b>	<b>904</b>
<b>Loan assets</b>	<b>24,760</b>	<b>22,872</b>	<b>19,096</b>	<b>18,710</b>	<b>16,304</b>

# Corporate Lending : Key ratios (3/3)

	Q2 FY 21	Q3 FY 21	Q4 FY 21	Q1 FY22	Q2 FY22
Revenue from operations*	13.7%	13.5%	10.0%	12.3%	18.2%
<b>Net interest income*</b>	<b>7.0%</b>	<b>6.8%</b>	<b>3.9%</b>	<b>6.0%</b>	<b>12.1%</b>
Operating expenses*	1.0%	0.4%	0.9%	1.3%	0.7%
Cost / Income	14.7%	6.2%	21.8%	20.9%	5.7%
<b>Pre-provision operating profit</b>	<b>6.0%</b>	<b>6.4%</b>	<b>3.1%</b>	<b>4.8%</b>	<b>11.4%</b>
Credit costs	3.0%	3.4%	9.0%	0.1%	-9.4%
<b>GNPA</b>	<b>6.1%</b>	<b>4.5%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>NNPA</b>	<b>4.3%</b>	<b>2.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>ROAA<sup>^</sup></b>	<b>1.8%</b>	<b>1.8%</b>	<b>(5.1%)</b>	<b>3.5%</b>	<b>16.1%</b>
Leverage	2.6x	2.6x	2.5x	2.3x	2.3x
<b>ROAE<sup>^</sup></b>	<b>4.6%</b>	<b>4.8%</b>	<b>(12.8%)</b>	<b>8.2%</b>	<b>37.4%</b>

\* On daily average basis

<sup>^</sup> Annualized



## Discussion Summary

- ❖ Quarterly Results
- ❖ Business Update
- ❖ Strategy
- ❖ Shareholding Structure

- **To build a 100% retail company**
- **To reduce the Corporate book to less than 10% of AUM by March 22**
- **To build a profitable retail platform with growth potential to deliver excellent value to all stakeholders**
- **To build a separate collection vertical to achieve collections efficiency and sustained asset quality**
- **To open smart branches with digitisation to enhance productivity and reduce operating expenses**
- **To expand geography, products and customer segments to gain market share**

## 1. Strengthened Balance Sheet

- Brought Brookfield as partner with ₹ 12,250 million primary capital and strengthened Capital adequacy and Liquidity
- Created additional provisions to overcome Covid impact

## 2. Reduced Corporate Lending Exposure

- On track to become 100% retail company in the next 4-6 Quarters

## 3. Made Affordable Housing Finance business independent

## 4. Building a strong Digitisation capability

## 5. Strengthened Senior Management team

## 6. Building a separate collection vertical to enhance Asset Quality

**Robust equity, Comfortable liquidity and Agile operating platforms form the foundation for future growth ahead**

# Entrepreneurial Leadership Team with Strong Sponsor Backing

- ✓ Several years of experience and in-depth understanding of the specific industry and geographic regions
- ✓ Separate business & credit heads for each vertical
- ✓ Strong alignment through large ESOP program



**R. Sridhar**  
Executive VC  
& CEO

- 30+ years of experience in financial services industry
- Previously associated with various entities forming part of the Shriram group
- Previously served as the MD of Shriram Transport Finance Company



**Deep Jaggi**  
Chief Business  
Officer

- 20+ years of experience across Asset Finance and other retail businesses
- Previously worked with HDB, Cholamandalam Finance & Apollo Tyres



**Amol Joshi**  
CFO

- 20+ years of leadership experience across all areas of finance in Banks and NBFCs
- Previously worked with Citicorp, Standard Chartered Bank, Amex and L&T Financial Services



**Jaya Janardanan**  
COO

- More than 25 years of experience with banks and financial institutions
- Previously worked with Ujjivan Small Finance Bank, Aditya Birla Payment Bank, Bank Of America, JP Morgan and ICICI Bank



**Mohit Mairal**  
Chief Risk  
Officer

- 20 years of experience in Underwriting, Collections, Risk Management and Sales in banking and financial services sector
- Previously worked with ICICI Bank, HDFC Bank, GE Capital, IIFL

# Entrepreneurial Leadership Team with Strong Sponsor Backing



**B Ravi Kumar**  
**Business**  
**Head**  
**Asset**  
**Finance**

- 20+ years of experience in financial services
- Previously worked with Cholamandalam Investment & Finance Co,



**Hansraj Thakur**  
**Business**  
**Head**  
**SME**  
**Finance**

- Several years of experience in SME, commercial banking, and sales
- Previously worked at IDFC Bank, Standard Chartered Bank, ICICI Bank and Development Credit Bank



**Shreejit Menon**  
**Deputy**  
**CEO**  
**Affordable**  
**HF**

- Several years of experience with financial Institutions
- Previously worked with Religare Housing Development Finance Corporation, HSBC and Muthoot Housing Finance



**N. Ramesh**  
**Group**  
**Head**  
**Operations**

- 31 years of experience with banks & financial Institutions
- Previously worked with GE Countrywide, Cholamandalam Investment & Finance Co. Ltd., Shriram City Union Limited, Equitas Small Finance Bank.



**Siva S.**  
**National**  
**Credit**  
**Head –**  
**Vehicle**  
**Finance**

- 24 years of experience with financial Institutions
- Previously worked with Fullerton India, Citigroup, Equitas Small Finance Bank. Also worked in Ashok Leyland Limited



**Sudeep P S**  
**National**  
**Credit**  
**Head - SME**

- 20 years of experience with banks & financial Institutions
- Previously worked with Bharti, ICICI, Deutsche Post Bank, Edelweiss, Bajaj Finance



**Shripad Desai**  
**National**  
**Credit**  
**Head –**  
**Housing**  
**Finance**

- 21 years of experience with banks & financial Institutions
- Previously worked with IDBI Bank, Reliance Capital, ICICI Bank, Deutsche Bank and others



**Salil Bawa**  
**Head – IR &**  
**Marketing**

- 20 years of experience in Investor Relations, Strategy and Fund Raising
- Previously worked with Bharti, Tata Group, Edelweiss Financial Services, Manappuram

# Strong & Distinguished Board

- ✓ 14 committees composed of independent and non-independent directors and also employees<sup>1</sup>
- ✓ Distinct and delineated responsibilities to ensure good corporate governance
- ✓ Strong capital sponsorship also providing access to best industry practices and international corporate governance standards

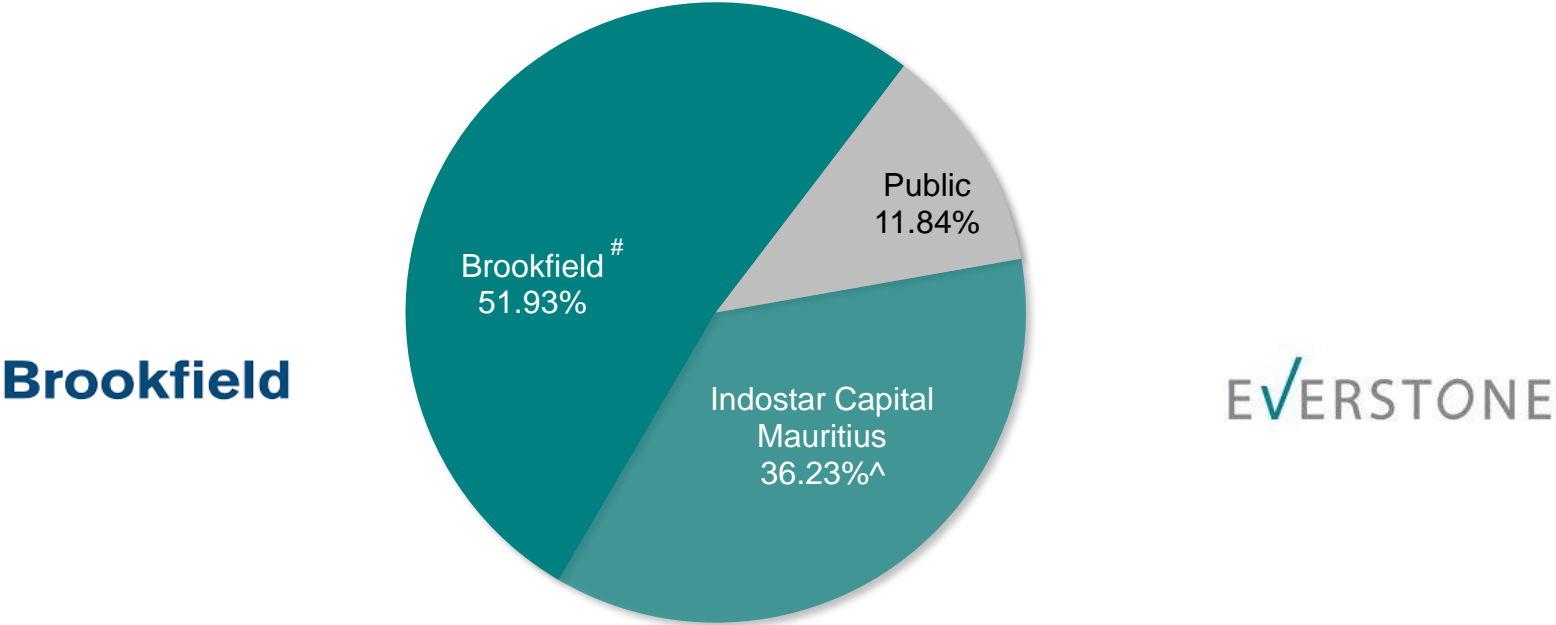
Name	Designation	Description
 <b>Bobby Parikh</b>	Chairman & Non-Executive Independent Director	<ul style="list-style-type: none"> <li>Director since 2011</li> <li>Several years of experience in finance</li> </ul>
 <b>R.Sridhar</b>	Executive Vice Chairman & CEO	<ul style="list-style-type: none"> <li>30+ years of experience in financial services industry</li> <li>Previously associated with various entities forming part of the Shriram group</li> </ul>
 <b>Dhanpal Jhaveri</b>	Non-Executive Director	<ul style="list-style-type: none"> <li>Director since 2010; Partner at Everstone Capital</li> <li>Experience in investing, corporate strategy, mergers and acquisitions and investment banking</li> <li>Previously worked with Vedanta Group, ICICI Securities, KPMG India</li> </ul>
 <b>Vibhor Talreja</b>	Non-Executive Director	<ul style="list-style-type: none"> <li>Managing Director at Everstone Capital since 2019</li> <li>Previously worked at Temasek India, JM Morgan Stanley and Tata Administrative Services</li> </ul>
 <b>Aditya Joshi</b>	Non-Executive Director	<ul style="list-style-type: none"> <li>Managing Director at Brookfield Private Equity Group and heads the private equity business for Brookfield in India</li> <li>Previously worked with Apax Partners, The Blackstone Group and JM Morgan Stanley</li> </ul>
 <b>Munish Dayal</b>	Non-Executive Director	<ul style="list-style-type: none"> <li>Managing Director at Brookfield Asset Management India and has over three decades of experience in financial services.</li> <li>Before joining Brookfield, was Senior Operating Partner at Baring Private Equity Partners India Limited</li> </ul>
 <b>Hemant Kaul</b>	Non-Executive Independent Director	<ul style="list-style-type: none"> <li>Several years of experience in the fields of banking and insurance</li> <li>Previously worked with Axis Bank and Bajaj Allianz General Insurance</li> </ul>
 <b>Naina Krishna Murthy</b>	Non-Executive Independent Director	<ul style="list-style-type: none"> <li>She has more than two decades of experience in the legal sector</li> <li>Founder of India law firm K Law</li> </ul>

1. 14 committees include Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Asset Liability Management Committee, Risk Management Committee, Credit Committee, Management Committee, Corporate Lending Committee, Retail Lending Committee, IT Strategy Committee, Grievance Redressal Committee, Banking Committee and Debenture Committee

## Discussion Summary

- ❖ Strategy
- ❖ Quarterly Results
- ❖ Business Update
- ❖ **Shareholding Structure**

Shareholding# as on 30 September 2021



# Excluding CCPS

^ including Everstone Capital Partners II LLC & ECP III FVCI Pte Ltd

ESOP is 4.3% of diluted shares capital (excluding CCPS)

Source – NSE, Company data



# For Further Queries



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