



ICFL/LS/0109/2022-23

09 November 2022

BSE Limited

Listing Department, 1st Floor,
P J Towers, Dalal Street, Fort,
Mumbai - 400 001.

National Stock Exchange of India Limited

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

Scrip Code: 541336

Symbol: INDOSTAR

Sub.: Submission of newspaper clippings of Unaudited Consolidated Financial Results for the quarter and half year ended 30 September 2022.

Ref: Regulation 47 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**")

Dear Sir/ Madam,

Please find enclosed newspaper clippings of the Unaudited Consolidated Financial Results of the Company for the quarter and half year ended 30 September 2022, published in the Free Press Journal (English Daily) and Navshakti (Marathi Daily) on 09 November 2022, in accordance with Regulation 47 of Listing Regulations.

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

Registered Office : One World Center, 20th Floor, Tower 2A, Jupiter Mills Compound, Senapati Bapat Marg, Mumbai - 400013, India
T +91 22 4315 7000 | F +91 022 4315 7010 | contact@indostarcapital.com | www.indostarcapital.com
CIN : L65100MH2009PLC268160

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Regd. Office: One World Center, Tower 2A, 20th Floor, Jupiter Mills Compound, S B Marg, Mumbai - 400013, India
Tel: +91 22 43157000 Fax: +91 22 43157010 CIN: L65100MH2009PLC268160
Website: www.indostarcapital.com E-mail: investor.relations@indostarcapital.com

EXTRACT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2022

(INR in Lakhs)

Sr. No.	Particulars	Quarter ended		Half Year ended		Year ended
		30 September 2022	30 September 2021	30 September 2022	30 September 2021	31 March 2022
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenue from operations (including other income)	29,451	28,013	60,872	54,525	117,429
2	Profit/(loss) before tax	5,629	5,306	12,272	381	(89,636)
3	Profit/(loss) after tax	5,160	3,944	11,253	262	(73,651)
4	Total comprehensive Income (Comprising profit/(loss) after tax for the period and other comprehensive income after tax)	5,199	4,006	11,325	336	(73,598)
5	Paid up equity share capital (Face value of INR 10/- each)	13,608	12,401	13,608	12,401	13,608
6	Earnings per share (* not annualised)					
	Basic (INR)	*3.77	*2.39	*8.27	*(1.36)	(59.51)
	Diluted (INR)	*3.77	*2.39	*8.27	*(1.36)	(59.51)

a. The above is an extract of detailed format of unaudited consolidated financial results for the quarter and half year ended 30 September 2022, prepared pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular dated 5 July 2016. The full format of the unaudited standalone financial results and unaudited consolidated 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:

(INR in Lakhs)

Sr. No.	Particulars	Quarter ended		Half Year ended		Year ended
		30 September 2022	30 September 2021	30 September 2022	30 September 2021	31 March 2022
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenue from operations (including other income)	23,735	25,526	49,599	50,084	105,355
2	Profit / (loss) before tax	3,817	4,326	8,309	(1,218)	(94,085)
3	Profit / (loss) after tax	3,817	3,237	8,309	(912)	(76,919)
4	Total comprehensive Income	3,854	3,302	8,377	(836)	(76,872)

- b. Pursuant to certain observations and control deficiencies identified during the course of the statutory audit of the annual financial statements of the Company for the year ended 31 March 2022, the Audit Committee of the Company had approved the appointment of an independent external agency for conducting a review of the policies, procedures and practices of the Company relating to the sanctioning, disbursement and collection of the commercial vehicle (CV) loan portfolio and small and medium enterprises (SME) loans along with assessing the adequacy of the expected credit loss allowance ("Loan Portfolio Review"). The above review included: (a) Review existence of the borrowers of the CV and SME loans; (b) Assess the quality and risks pertaining to the loan portfolio for CV and SME loans; (c) Review of: (i) loan files for the period January 2022 to March 2022, (ii) operational risk management framework and (iii) internal control framework for the CV and SME loans; and upon completion of (a), (b) and (c), the Audit Committee has also additionally initiated a review for undertaking root cause analysis of deviations to policies and gaps in the internal financial controls and systems (including of control gap/control override and individuals involved) and has appointed an external law firm along with an external agency in this regard ("Conduct Review"). The Conduct Review was expected to be completed by September 2022, however the same is currently ongoing and is now expected to be completed by December 2022. Upon receipt of findings of the aforementioned Conduct Review, the Company shall take appropriate redressal and accountability measures.
- c. During the period ended 30 September, 2022 and till the adoption of these financial results, the Company has raised incremental financing of Rs. 139,500 lakhs from Banks and Financial Institutions on the basis of strong global banking relationships of the promoters of the Company and Rs. 87,698 lakhs through securitisation. As at 30 September 2022, the Company is in compliance with the required capital adequacy ratios and has cash and cash equivalents aggregating Rs. 32,545 lakhs, liquid investments aggregating Rs. 44,520 lakhs and has pool of loan assets eligible for securitisation. As at the date of adoption of these financial results, none of the lenders have recalled their borrowings. Further, the Company has continued to service all its contractual debt obligations on time, in the same manner, as it has previously serviced. Pursuant to infusion of long-term financing and available liquidity / facilities with the Company, the Management has concluded that the previously reported material uncertainty on the Company's ability to continue as a going concern no longer exists. Accordingly, the Management considers it appropriate to prepare these financial results on a going concern basis.
- d. The Group has concluded that it is impracticable to determine the prior period – specific effects, if any, of the impairment allowance, loan assets written off and changes in fair value of financial guarantee contracts recorded during the financial year ended 31 March 2022 in respect of loan assets, investment in security receipts and impairment thereon because significant judgements have been applied in determining the staging of the loan assets and the related impairment allowance for events and conditions which existed as on 31 March 2022 and the Group believes it is not practicable to apply the same judgement without hindsight for the prior period(s).
- e. The unaudited consolidated financial results of IndoStar Capital Finance Limited ("the Company") and its subsidiaries (together referred to as "the Group") for the quarter and half year ended 30 September 2022 have been reviewed by the Audit Committee and subsequently approved at the meeting of the Board of Directors held on 8 November 2022. The unaudited consolidated financial results have been subjected to limited review by the Statutory Auditor of the Company.

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

Place : Mumbai
Date : 8 November 2022

Deep Jaggi
Chief Executive Officer
DIN: 09412860

IndoStar Capital Finance Limited

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

Place : Mumbai
Date : 8 November 2022

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