



ICFL/LS/0216/2023-24

24 January 2024

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.: 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 2023 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

Shikha Jain

Company Secretary & Compliance Officer
(Membership No. A59686)

Encl: a/a

IndoStar Capital Finance Limited

Registered Office: Silver Utopia, Third Floor, Unit No 301-A, Opposite P & G Plaza, Cardinal Gracious Road, Chakala, Andheri (E), Mumbai - 400099, India. | T +91 22 4315 7000 | contact@indostarcapital.com | www.indostarcapital.com

CIN: L65100MH2009PLC268160

IndoStar Capital Finance Limited

Q3 FY24 Highlights (Consolidated):

- AUM at ₹ 8,037 crore, up 4% from ₹ 7,726 crore in Q2 FY24
- Focus Retail AUM (CV + HFC) ~ ₹ 6,897 crore; up 10% from ~ ₹ 6,277 crore in Q2 FY24
- Disbursements of ₹ 1,345 crore, up 6% from ₹ 1,269 crore in Q2 FY24
- Incremental funding of ₹ 1,552 crore raised during Q3 FY24
- Debt/Equity Ratio - at 2.1X times
- Continued Profitability – Q3 FY24 PAT at ₹ 17 crore
- Gross Collections of ₹ 997 crore during the quarter
- Gross Collection efficiency of 135%
- Gross Stage 3 assets are at 5.3% for Q3 FY24
- Net Stage 3 assets are at 2.4% for Q3 FY24

Q3 FY24 Highlights (Standalone):

- AUM at ₹ 5,991 crore, up 3% from ₹ 5,832 crore in Q2 FY24
- Disbursements of ₹ 1,121 crore up 7% from ₹ 1,048 crore in Q2 FY24
- Incremental funding of ₹ 1,147 crore raised during Q3 FY24
- Debt/Equity Ratio at 1.7X times
- Continued Profitability – Q3 FY24 PAT at ₹ 11 crore
- Gross Collections of ₹ 861 crore during the quarter
- Gross Collection efficiency of 131%
- Gross Stage 3 assets are at 6.5% for Q3 FY24
- Net Stage 3 assets are at 2.8% for Q3 FY24
- Strong Capital Adequacy at 30.4%, on a standalone basis

Mumbai, January 24, 2024: The Board of IndoStar Capital Finance Limited (IndoStar), a systemically important non-deposit taking NBFC, announced the unaudited financial results for the quarter and nine months ended December 31, 2023, earlier today. The company reported a consolidated net profit of ₹ 16.9 crore for Q3 FY24.

IndoStar reported robust collections of ₹ 997 crore during the quarter with a gross collection efficiency of 135%. IndoStar's AUM stands at ₹ 8,037 crore and Debt/Equity ratio stands at 2.1 times.

Sale of legacy portfolio of SME

During the quarter, the company took a decisive step forward in reducing its stressed portfolio by selling a portion of its SME loan portfolio, aggregating to principal outstanding of ₹ 292 crore, to Encore Asset Reconstruction Company.

Accelerating the Commercial Vehicle Business Disbursement Engine

The company is growing its retail business, and in particular the Commercial Vehicle (CV) lending business where it is focused on serving the higher-yielding used commercial vehicles segment, with a focus on SCV and LCV. The Company is moving towards extending its branch network in tier-3 and tier-4 towns. The company is also leveraging technology-enabled systems to drive higher process adherence, improve collection efficiencies, credit underwriting and sales productivity.

Rating upgraded by CARE

On November 28, 2023, the long-term rating of IndoStar Capital Finance Limited's (ICFL's) facilities and instruments was upgraded by ratings agency CARE, from 'A+; Stable' to 'AA-; Stable' and the short-term rating of commercial paper is reaffirmed at 'A1+'.

Focus of Raising Liquidity

The company has made progress in improving its liquidity position, by raising incremental funding of ~ ₹ 1,552 crore in Q3 FY24. IndoStar maintains healthy liquidity, with cash and cash equivalents including investments in mutual funds and treasury bills of ₹ 849 crore, as on December 31, 2023. As the company accelerates its disbursement engine, it aims to raise a significant amount of debt, bringing its current low debt-to-equity ratio position closer to industry norms. The Company is also planning to raise funds by way of public issuance of listed, secured, non-convertible debentures ("NCDs"), aggregating up to ₹ 500 crore.

IndoStar Capital Finance Limited ("ICFL") (Standalone)

ICFL delivered a PAT of ₹ 11 crore in Q3 FY24, akin to its performance in Q2 FY24. The AUM for ICFL stands at ₹ 5,991 crore out of which the retail vehicle finance business is ₹ 4,850 crore. Disbursements during the quarter stood at ₹ 1,121 crore, up 7% from ₹ 1,048 crore in Q2 FY24. With a focus on collections through the quarter, Gross Stage 3 stands at 6.5% in Q3 FY24, down from 8.1% in Q2 FY24; Net Stage 3 decreased to 2.8% in Q3 FY24 from 4.0% in Q2 FY24. The company maintained a strong Capital Adequacy Ratio (CAR) of 30.4% on a standalone basis.

IndoStar Home Finance Private Limited ("IHFPL")

IHFPL delivered a PAT of ₹ 6 crore in Q3 FY24 vs ₹ 14 crore in Q2 FY24, driven by lower securitization transactions this past quarter. The AUM in IHFPL stands at ₹ 2,047 crore in Q3 FY24 up from 1,894 crore in Q2 FY24. IHFPL continues to deliver on its core strategy of giving affordable housing loans in semi-rural and rural markets, while keeping its Gross Stage 3 at 1.24%. IHFPL has a Capital Adequacy Ratio (CAR) of 66.6%.

Key Performance Highlights (Consolidated):

Particulars (₹ in crs)	Q3FY24	Q2FY24	Q-o-Q %	Q3FY23	Y-o-Y %	9M FY24	9M FY23	Y-o-Y %
Net Revenue from operations	134	148	(10%)	146	(8%)	427	459	(7%)
Operating expenses	119	119	1%	121	(1%)	353	335	5%
Pre-provision operating profit	15	30	(49%)	25	(40%)	75	126	(41%)
Profit after tax	17	25	(32%)	37	(54%)	81	149	(46%)
CAR (%) Standalone	30.4%	32.8%	-	33.0%	-	30.4%	33.0%	-
Leverage (D/E)	2.1	1.8	-	1.8	-	2.1	1.8	-

About IndoStar Capital Finance Limited

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

For more information, visit www.indostarcapital.com.

Safe Harbor

This document is to provide the general background information about the Company's activities as at the date of the release. The information contained herein is for general information purposes only and based on estimates and should not be considered as a recommendation that any investor should subscribe / purchase the company shares. The Company makes no representation or warranty, express or implied, as to, and does not accept any responsibility or liability with respect to, the fairness, accuracy, completeness or correctness of any information contained herein. This release may include certain forward-looking statements. These statements include descriptions regarding the intent, belief or current expectations of the Company or its directors and officers with respect to the results of operations and financial condition of the Company. These statements can be recognized by the use of words such as "expects", "plans", "will", "estimates", "projects", or other words of similar meaning. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those in such forward-looking statements as a result of various factors and assumptions which the Company believes to be reasonable in light of its operating experience in recent years. The risks and uncertainties relating to these statements include, but not limited to, risks and uncertainties, regarding fluctuations in earnings, our ability to manage growth, competition, our ability to manage our international operations, government policies, regulations, etc. The Company does not undertake any obligation to revise or update any forward-looking statement that may be made from time to time by or on behalf of the Company including to reflect actual results, changes in assumptions or changes in factors affecting these statements. Given these risks, uncertainties and other factors, viewers of this release are cautioned not to place undue reliance on these forward-looking statements. This release may contain certain currency exchange rates and the same have been provided only for the convenience of reader.

For further information, please connect with us:

Company: IndoStar Capital Finance Limited	Investor Relations: Orient Capital
	
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