



ICFL/LS/0225/ 2018-19

29 October 2018

**BSE Limited**  
Listing Department, 1<sup>st</sup> Floor,  
P J Towers, Dalal Streets, 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.:** Revision in Analyst(s) / Institutional Investor(s) Presentation dated 10 August 2018

Dear Sir/ Madam,

We refer to Analyst(s) / Institutional Investor(s) Presentation dated 10 August 2018 ('Presentation') with respect to financial results for the quarter ended 30 June 2018, submitted vide letter reference no. ICFL/LS/0164/2018-19 dated 10 August 2018 and wish to inform that that there are certain rectifications in the said Presentation at slides 22 to 26.

Please find enclosed revised Presentation for your reference. We sincerely regret for the inadvertent errors and inconvenience caused to the stakeholders.

Request you to kindly take the above on record and disseminate the same on your website.

Thanking you,

Yours Sincerely,  
**For IndoStar Capital Finance Limited**

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



Encl: As above

**IndoStar Capital Finance Limited**

Registered Office : One Indiabulls Centre, 20th Floor, Tower 2A, Jupiter Mills Compound, Senapati Bapat Marg, Mumbai - 400013, India  
T +91 22 4315 7000 | F +91 22 4315 7010 | contact@indostarcapital.com | www.indostarcapital.com  
CIN : L35100MH2009PLC268160



# INDOSTAR CAPITAL FINANCE LIMITED

Q1 FY19 Results Update

10 August 2018

# Disclaimer



This presentation and the accompanying slides (the “Presentation”) have been prepared by IndoStar Capital Finance Limited (“IndoStar” or the “Company”) solely for information purposes and do not constitute an offer to sell or, recommendation or solicitation of an offer to subscribe for or purchase any securities and nothing contained herein shall form the basis of any contract or commitment whatsoever.

This presentation is strictly confidential and may not be taken away, copied, published, distributed or transmitted or reproduced or redistributed or passed on directly or indirectly to any other person, whether within or outside your organization or firm, or published in whole or in part, for any purpose by recipients directly or indirectly to any other person. The securities of the Company have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”), or the Securities Laws of any applicable jurisdiction and these materials do not constitute or form a part of any offer to sell or solicitation of an offer to purchase or subscribe for securities in the United States or elsewhere in which such offer, solicitation or sale would be unlawful prior to registration under the Securities Act or the Securities Laws of any such jurisdiction.

The information contained in this Presentation should be considered in the context of the circumstances prevailing at the time and has not been, and will not be, updated to reflect material developments which may occur after the date of the Presentation. The information set out herein may be subject to updating, completion, revision, verification and amendment and such information may change materially. This presentation is based on the economic, regulatory, market and other conditions as in effect on the date hereof. It should be understood that subsequent developments may affect the information contained in this presentation, which neither the Company nor its affiliates, advisors or representatives are under an obligation to update, revise or affirm.

You acknowledge and agree that the Company and/or its affiliated companies and/or their respective employees and/or agents have no responsibility or liability (express or implied) whatsoever and howsoever arising (including, without limitation for any claim, proceedings, action, suits, losses, expenses, damages or costs) which may be brought against or suffered by any person as a result of acting in reliance upon the whole or any part of the contents of this Presentation and neither the Company, its affiliated companies nor their respective employees or agents accepts any liability for any error, omission or misstatement, negligent or otherwise, in this Presentation and any liability in respect of the Presentation or any inaccuracy therein or omission therefrom which might otherwise arise is hereby expressly disclaimed.

Certain statements contained in this Presentation may be statements of the Company’s beliefs, plans and expectations about the future and other forward looking statements that are based on management’s current expectations or beliefs as well as a number of assumptions about the Company’s operations and factors beyond the Company’s control or third party sources and involve known and unknown risks and uncertainties that could cause actual results to differ materially from those contemplated by the relevant forward looking statements. Forward looking statements contained in this Presentation regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. There is no obligation to update or revise any forward looking statements, whether as a result of new information, future events or otherwise. You should not place undue reliance on forward looking statements, which speak only as of the date of this Presentation.

The information contained in this presentation is not to be taken as any recommendation made by the Company or any other person to enter into any agreement with regard to any investment. You will be solely responsible for your own assessment of the market and the market position of the Company and you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the business of the Company.

## Q1FY19 – Key Takeaways



- Strong disbursement growth; ₹ 22,606 Mn, up 3x YoY
  - Corporate Lending ₹ 15,349 Mn, up 3.6x YoY
  - Retail Lending ₹ 7,257 Mn, up 2.1x YoY
  - Vehicle Financing run rate ~ ₹ 1,100 Mn / month
- Transition to Retail Lending continues 71 CL : 29 Retail, vs 74 : 26 in Q 4, FY 18
- Retail Branch Roll-out [129 branches] and People hiring [1,431 FTE] largely completed
- Funding cost stable @ 9%; Strong liquidity ₹13,300 Mn Treasury + undrawn bank lines; Significant pipeline for further bank funding
- Strong Asset Quality maintained; GNPA 1.2%, NNPA 1.0%
- Completed IPO for ₹ 18.44 Bn [Fresh Issue ₹ 7.00 Bn, OFS ₹ 11.44 Bn], subscribed 6.8x
- Equity shares listed on NSE & BSE on 21 May 2018; ~125,000 shareholders

## Q1 FY19: Consolidated Key Metrics – as per IGAAP



**AUM**  
₹ 76,402 Mn  
(+ 23% QoQ; + 54% YoY)

**Disbursements**  
₹ 22,606 Mn  
(+ 4% QoQ; + 304% YoY)

**NIM 5.5%**  
Unchanged QoQ  
**CoF 9.0%**  
+10 bps QoQ

**GNPA 1.2%**  
10 bps lower QoQ  
**NNPA 1.0 %**  
10 bps lower QoQ

**PAT**  
INR 449 Mn

**Networth**  
INR 28,927 Mn

**ROAA 2.2%\***  
**ROAE 7.2%\***

**Debt / Equity**  
1.88  
**Capital Adequacy**  
32.0%

**BVPS ₹ 313.75**  
**EPS ₹ 3.62 #**

**AUM Breakup**  
71% CL : 29% Retail  
74% : 26 % in Q4 FY18

**Branches 129**  
**Employees 1431**

**Total Customers**  
8752

\* Annualized

# Not annualized

All financial numbers as per IGAAP

## Discussion Summary

❖ **Business Overview**


❖ Q1 FY19 Results Update



# Experienced Leadership Team




- ✓ 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 (9.1% of diluted shares)




**R. Sridhar**  
Executive Vice-Chairman & CEO

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




**Shailesh Shirali**  
Managing Director, Head – Corporate Lending & Markets

- 20+ years of experience in the financial services sector
- Previously worked at Future Capital Holdings




**A. Gowthaman**  
Business Head Vehicle Finance

- 20+ years of experience in financial institutions
- Previously worked with Cholamandalam Investment & Finance Company, Shriram Transport Finance Company, Shriram Investments and others



**Prashant Joshi**  
Chief Operating Officer

- 20+ years of experience across SME, Retail and Corporate banking
- Previously worked with Deutsche Bank, Standard Chartered Bank, IDBI Bank, ICICI




**Hansraj Thakur**  
Business Head SME Finance

- Several years of experience in SME, commercial banking, and sales and relationship management
- Previously worked at IDFC Bank and Standard Chartered Bank




**Shreejit Menon**  
Business Head Affordable HF

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



**Pankaj Thapar**  
Chief Financial Officer

- 30+ years of experience in corporate finance
- Previously worked with Everstone Capital Advisors, Dentsu Marcom, ICICI, Coca-Cola India, ANZ Grindlays Bank, Citibank India



**Prabhat Kumar Tripathy**  
Business Head Retail HF

- 20+ years of experience in financial institutions
- Previously worked with Equitas Small Finance Bank, ICICI, Dewan Housing Finance Corporation and others

# Strong Board of Directors



- ✓ 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>Dhanpal Jhaveri</b>	Chairman & 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>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>Sameer Sain</b>	Non-Executive Director	<ul style="list-style-type: none"> <li>Director since 2011</li> <li>Several years of experience in investment management, institutional wealth management and special investments</li> </ul>
 <b>Alok Oberoi</b>	Non-Executive Director	<ul style="list-style-type: none"> <li>Director since 2011</li> <li>Experience in Investment and structuring international joint ventures and transactions</li> <li>Founder of ACPI investments, previously worked with Goldman Sachs</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>Dinesh Kumar Mehrotra</b>	Non-Executive Independent Director	<ul style="list-style-type: none"> <li>30+ years experience in insurance</li> <li>Previously served as the Chairman of Life Insurance Corporation of India</li> </ul>
 <b>Bobby Parikh</b>	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>Naina Krishna Murthy</b>	Non-Executive Independent Director	<ul style="list-style-type: none"> <li>17+ years of experience in the field of law</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, IPO Committee, Credit committee, Management committee, Corporate lending committee, Retail lending committee, Banking committee, Allotment and share transfer committee and Debenture committee.

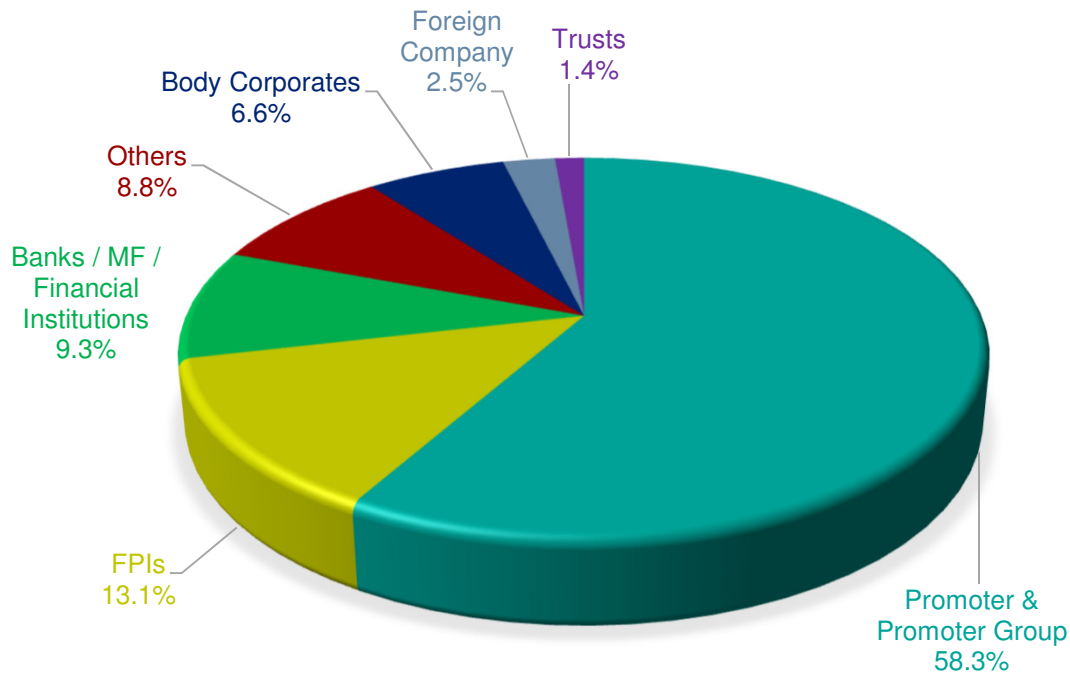
 Independent Directors



# Shareholding Pattern



% Shareholding – June 2018



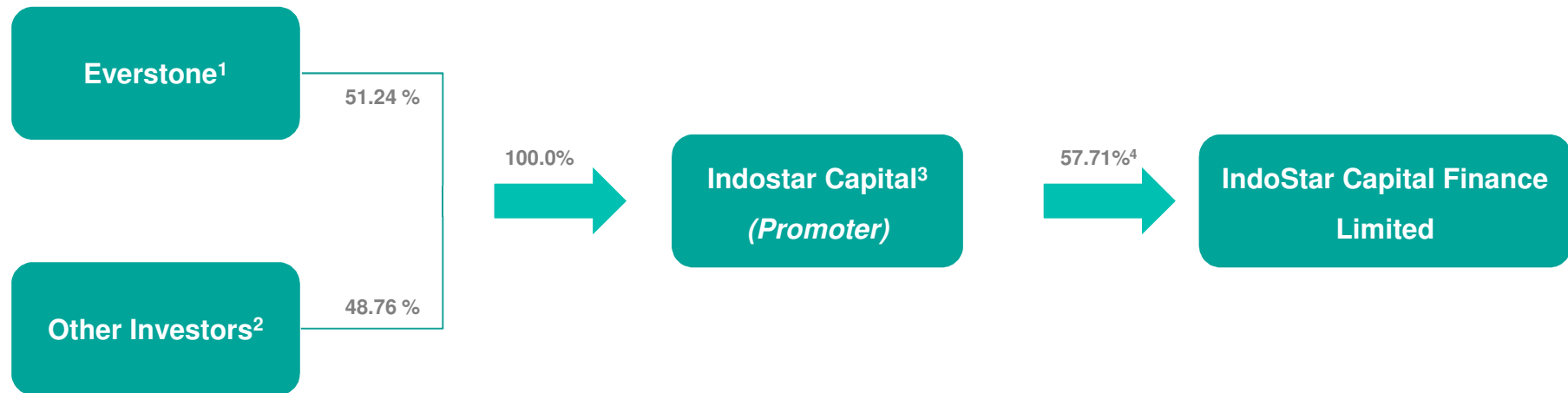
## Major Shareholders

Promoter & Promoter Group
Management Team and Employees*
SBI Mutual Fund
Lenarco (Advent)
BNP Paribas Arbitrage
SBI Life Insurance
ICICI Prudential Life Insurance
SBI Amundi Funds
Fidelity Investment Trust
ICICI Lombard General Insurance
HDFC Standard Life Insurance
Aditya Birla Sun Life Insurance
Reliance Mutual Fund
Bajaj Allianz Life Insurance
Max Life Insurance
Jupiter
Sundaram Mutual Fund
Reliance Nippon Life Insurance

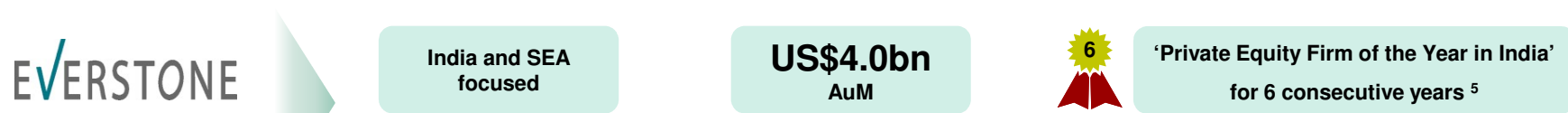
Source – NSE, Company data

\* Additionally hold ESOP for ~ 9.1% of fully diluted equity

# Promoters Shareholding Structure



## Strong capital sponsorship of Everstone Group



1. Includes Indostar Everstone (42.54%) and Everstar Holdings Pte. Ltd. (8.70%). 2. Includes ACP Libra Limited (16.35%), Beacon India Private Equity Fund (10.79%), Beacon Light Group Limited (2.90%), Global Long Short Partners Mauritius I Limited (8.44%), Private Opportunities (Mauritius) I Limited (5.63%) and CDIB Capital Investment II Limited (4.65%). 3. Incorporated in Mauritius. 4. Others include Everstone Capital Partners II LLC (1.44%) and other institutional / individual investors (including employees). 5. Recognized as 'Private Equity Firm of the Year in India' by Private Equity International for six consecutive years from 2011 to 2016.

## Discussion Summary

❖ Business Overview

❖ **Q1 FY19 Results Update**



## 3 Pillars of IndoStar



IndoStar, since inception, dynamically balances 3 factors: **Growth, Quality and Profitability**

### Growth

- Continuous growth since inception
- Poised for future growth and expansion in Retail Lending while continuing growth in Corporate Lending

### Quality

- Strong focus on asset quality, even with rapid growth and capacity expansion
- Gross NPA ₹ 884 Mn, 1.2%; Net NPA ₹ 740 Mn, 1.0%

### Profitability

- Strong focus on profitability even with rapid growth and capacity expansion
- Once initial investment in retail buildout crosses break even, profitability metrics will improve
- SME already profit making, Vehicle Finance on track to achieve break even in FY 19

# Retail Lending acceleration for Long Term Growth – Q1FY19

INDOSTAR

## Corporate Lending and Vehicle Finance will be the Primary Growth Engines

### Vehicle Finance

- **Focus area:** Used CV (5 – 12 years)
- **Differentiating strategy:**
  - Sourcing through field offices
  - Leverage team's relationships with SFOs, MFOs and LCV & MCV owners, dealerships
  - Headquartered in Chennai; initial roll out from Tamil Nadu
  - Increase local on-ground presence to 15 key states

Drivers	Q1FY19	Q4FY18	Growth
Branches*	114	75	52%
Employees	883	604	46%
Customers	5,979	1,876	219%
AUM (₹ mn)	4,027	1,307	208%

### Housing Finance

- **Focus area:** Affordable HF, Self-employed individuals in outskirts of urban markets, Tier II cities
- **Differentiating strategy:**
  - Hired experienced personnel
  - Leverage relationships with real estate developer customers
  - Consider developer finance opportunities in select locations
  - Leverage VF branch network

Drivers	Q1FY19	Q4FY18	Growth
Branches*	40	31	29%
Employees	391	341	15%
Customers	1,442	437	230%
AUM (₹ mn)	1,776	512	249%

### SME Lending

- **Focus area:** Traders, Manufacturers and Services
- **Differentiating strategy:**
  - ~ 50% of SME loans qualify for PSL
  - Collateral - Typically completed and self-occupied residential property
  - Customized solutions
  - Short turn-around-time for processing loan applications
  - 100% loans are (1) secured (2) floating (3) monthly interest servicing

Drivers	Q1FY19	Q4FY18	Growth
Branches*	10	10	-
Employees	77	65	18%
Customers	1,293	1,079	20%
AUM (₹ mn)	16,544	14,532	14%

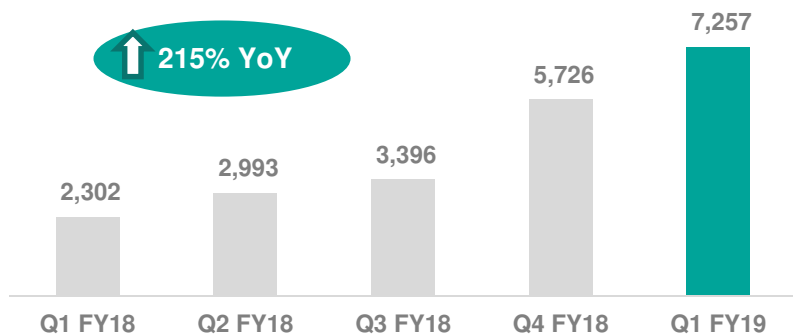
\* Some branches have multiple operating segments

All financial numbers as per IGAAP

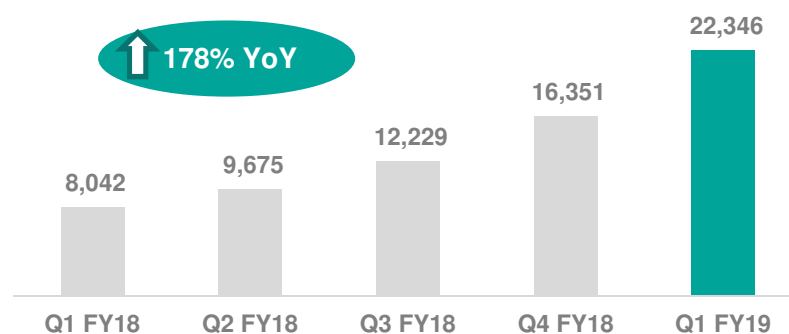
# Retail Lending acceleration for Long Term Growth – past 5 Quarters



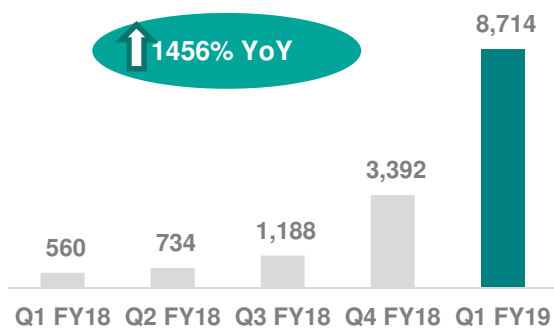
Disbursements (₹ Mn)



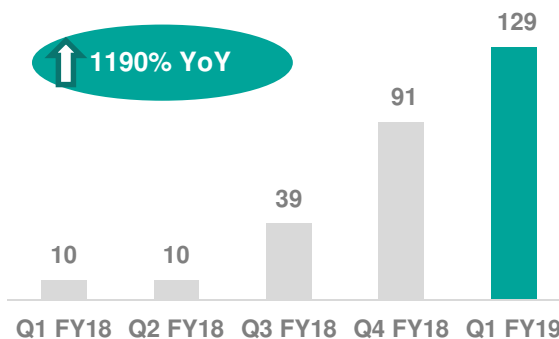
AUM (₹ Mn)



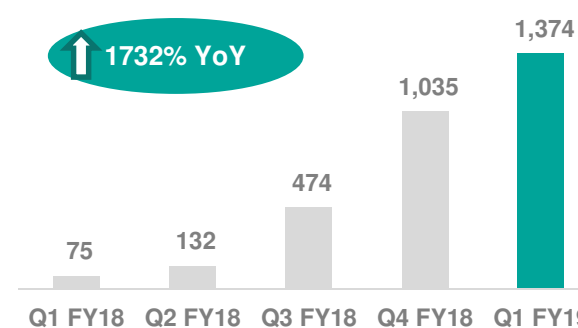
Customers



Branches



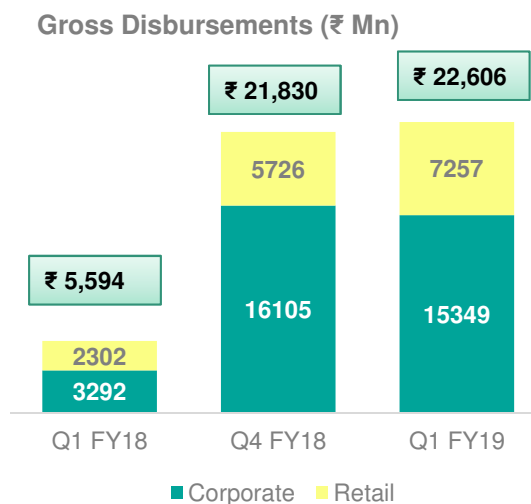
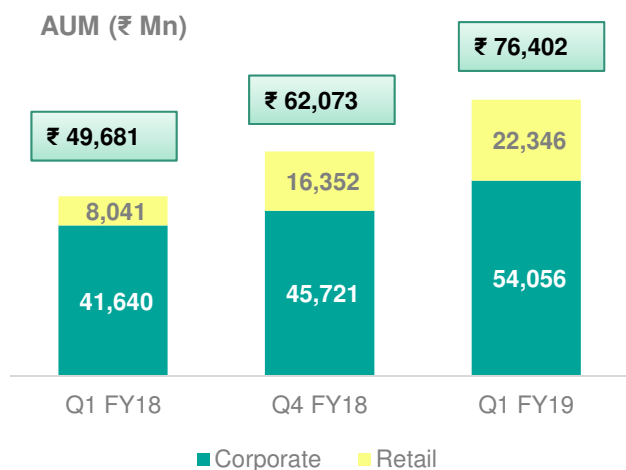
Employees



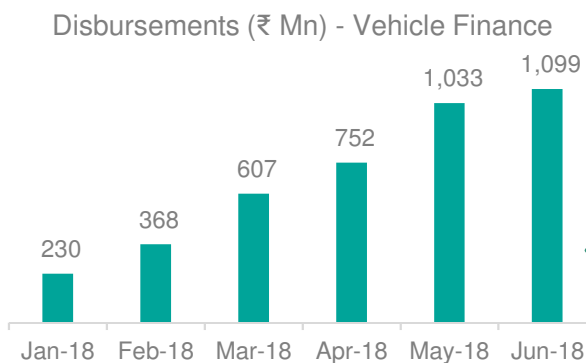
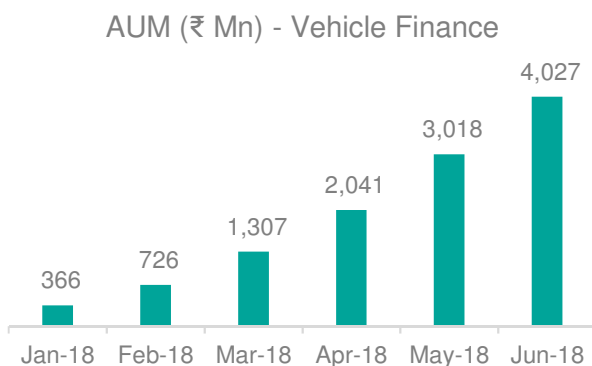
All financial numbers as per IGAAP

# Q1 FY19: Growth

INDOSTAR



- AUM ₹ 76,402 Mn [+23% vs Q4 FY18; +54% vs Q1 FY18]
- Retail Lending AUM ₹ 22,346 Mn [+37% vs Q4FY18; +178% vs Q1 FY18]
- Gross Disbursements ₹ 22,606 Mn [+4% vs Q4FY18; +304% vs. Q1 FY18]
- Retail Disbursements ₹ 7,257 Mn [+27% vs Q4 FY18; +215% vs Q1 FY18]



- Vehicle Finance – strongest driver of retail growth; Monthly Disbursement ~ ₹ 1100 Mn
- SME and Housing Finance also growing well

## Q1 FY19: Growth ... cont.

INDOSTAR



➤ 8,752 Customers  
[+1.6x vs Q4FY18;  
+13.5x vs. Q1FY18]

➤ 129 Branches [+0.4x vs  
Q4FY18; +17.4x vs.  
Q1FY18]

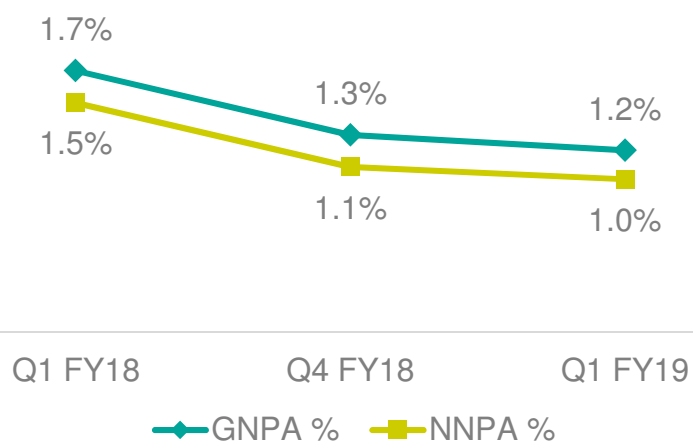
➤ 1,431 Employees  
[+0.3x vs Q4FY18;  
+10.6x vs. Q1FY18]



## Q1 FY19: Maintained High Asset Quality



NPA Analysis (%)



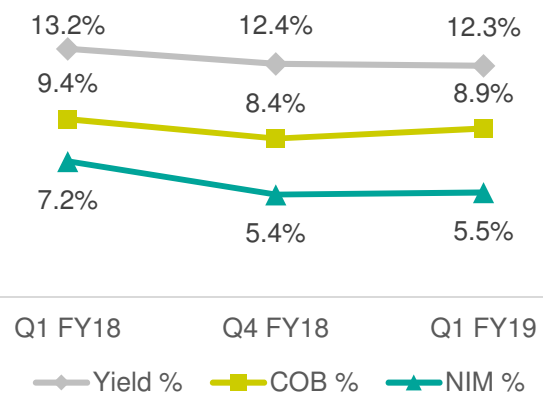
Particulars	Q1 FY19	Q4 FY18	Q1 FY18
GNPA (₹ Mn)	884	768	838
NNPA (₹ Mn)	740	640	734
<b>Corporate Lending</b>			
# Customers	1	1	2
NNPA (₹ Mn)	357	376	558
<b>Retail Lending</b>			
# Customers	21	14	6
NNPA (₹ Mn)	383	263	176

# Q1 FY19: Profitability

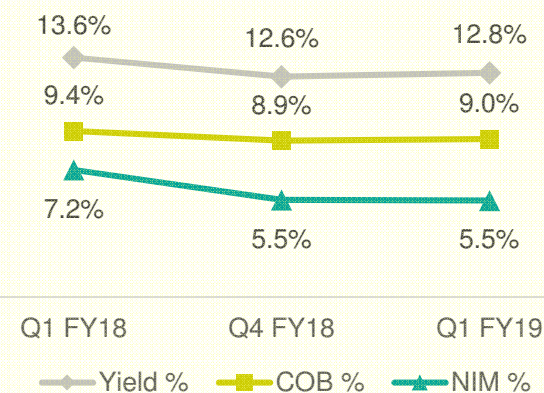
After absorbing full year cost (on pro-rata basis) of scaling up Retail Lending presence, IndoStar still delivered decent profits during Q1FY19

- Net Interest Margin [NIM] - 5.5%
- Return on Average Assets [RoAA] - 2.2% (annualised)
- Return on Average Equity [RoAE] – 7.2% (8.3% without IPO proceeds)

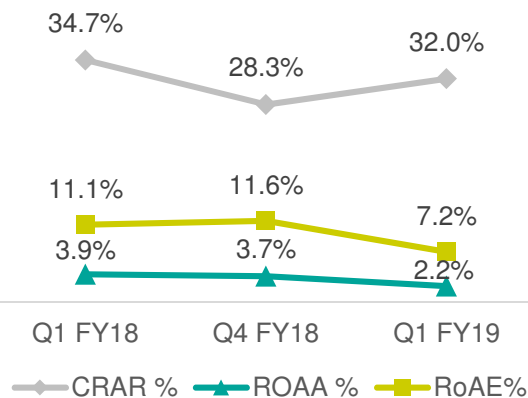
**NIM Analysis on Loans (%) – On Monthly Averages**



**NIM Analysis on Loans (%) – On Quarter End**



**Return Ratios & Capital Adequacy (%)**



All financial numbers as per IGAAP

## Investments to scale up Retail Lending business



To scale up Retail Lending Business to deliver continuous GROWTH without compromising on QUALITY and PROFITABILITY, we have made appropriate investments:

### ➤ Infrastructure:

- Added 84 branches in FY 18 + 38 branches in Q1 FY 19; Total Branches 129
- Spent ~ ₹ 180 Mn on IT infrastructure / applications, ~ ₹ 450 Mn on Capex

### ➤ People:

- Added 1,001 people in FY 18 + 337 employees in Q1 FY 19; Total Employees 1,431

### ➤ Opex impact ~ ₹ 800 Mn

## Q1 FY19: Consolidated Profit & Loss Statement - IGAAP



Particulars (₹ Mn)	Q1 FY19	Q1 FY18	YoY %	Q4 FY18	QoQ %
Interest Income	2,228	1,705	31%	1,924	16%
Interest Expense	(1,126)	(764)	47%	(954)	18%
<b>Net Interest Income</b>	<b>1,102</b>	<b>942</b>	<b>17%</b>	<b>970</b>	<b>14%</b>
Fee Income	314	137	128%	556	(44%)
<b>Total Income</b>	<b>1,416</b>	<b>1,079</b>	<b>31%</b>	<b>1,526</b>	<b>(7%)</b>
Employee expenses	(257)	(169)	52%	(251)	3%
Acquisition costs	(78)	(33)	132%	(81)	(4%)
Other operating expenses	(217)	(55)	298%	(193)	12%
<b>Total Opex</b>	<b>(552)</b>	<b>(257)</b>	<b>115%</b>	<b>(525)</b>	<b>(100%)</b>
<b>Pre-provision Operating Profit</b>	<b>864</b>	<b>822</b>	<b>5%</b>	<b>1,001</b>	<b>(14%)</b>
One off charge	# (76)	-	n.a.	-	n.a.
Std Asset Provision	(59)	12	399%	(35)	70%
NPA Provisions & Write-offs	(16)	(11)	46%	32	(150%)
<b>PBT</b>	<b>712</b>	<b>823</b>	<b>(13%)</b>	<b>998</b>	<b>(29%)</b>
Tax	(264)	(289)	(9%)	(395)	(33%)
<b>PAT</b>	<b>449</b>	<b>533</b>	<b>(16%)</b>	<b>603</b>	<b>(26%)</b>

# One off charge on sale of investments / MTM valuation

## Q1 FY19: Consolidated Balance Sheet – IGAAP



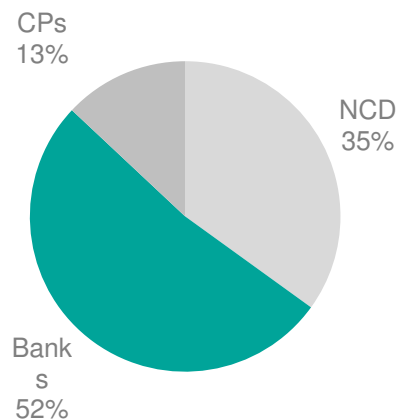
Particulars (₹ Mn)	Q1 FY19	Q1 FY18	YoY %	Q4 FY18	QoQ %
<b>Equity &amp; Liabilities</b>					
Equity	28,928	19,668	47%	21,372	35%
Borrowings	54,370	33,295	63%	48,228	13%
Other Liabilities & Provisions	4,832	1,186	307%	3,364	44%
<b>Total Equity &amp; Liabilities</b>	<b>88,129</b>	<b>54,148</b>	<b>63%</b>	<b>72,964</b>	<b>21%</b>
<b>Assets</b>					
Loans *	76,402	49,681	54%	62,073	23%
Investments	7,396	2,552	190%	7,930	(7%)
Cash & Bank Balances	2,332	1,001	133%	1,278	82%
Other Assets	1,998	914	119%	1,682	19%
<b>Total Assets</b>	<b>88,129</b>	<b>54,148</b>	<b>63%</b>	<b>72,964</b>	<b>21%</b>
<b>Leverage (Total Assets / Equity)</b>	<b>3.05</b>	<b>2.75</b>		<b>3.41</b>	
<b>Debt / Equity</b>	<b>1.88</b>	<b>1.69</b>		<b>2.26</b>	
<b>Book Value Per Share (₹)</b>	<b>313.76</b>	<b>249.97</b>		<b>271.63</b>	

\* Include investment in PTCs

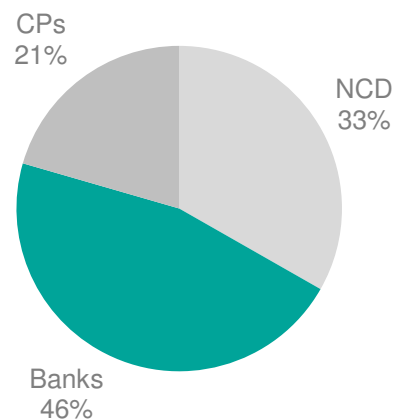
# Q1 FY19: Diversified Borrowing Profile



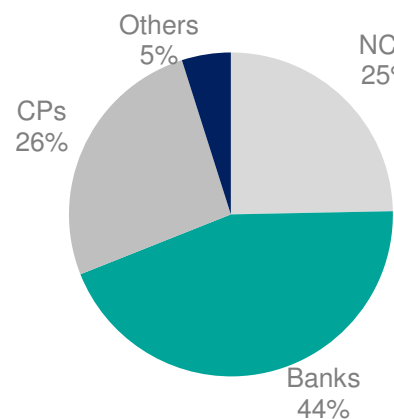
Borrowing Mix % - March 2016



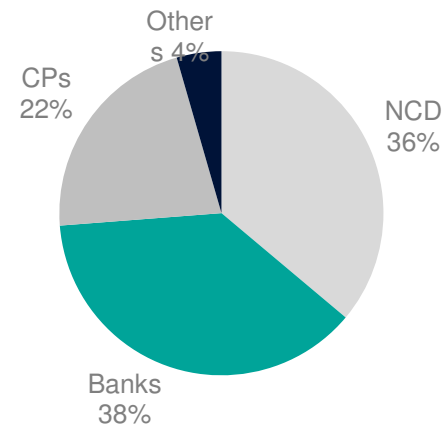
Borrowing Mix % - March 2017



Borrowing Mix % - March 2018



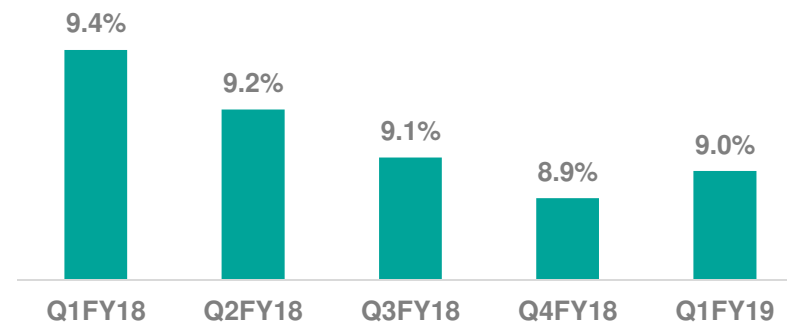
Borrowing Mix % - June 2018



## Strong Credit Ratings

Borrowing Type	Rating Firm	FY18 - Ratings
Term Loans	INDIA RATINGS / CARE	AA (-)
Redeemable NCDs	INDIA RATINGS / CARE	AA (-)
CPs	CRISIL / CARE / ICRA	A1 (+)

## Overall Cost of Borrowing (COB %)





## IndAS Financial results

*As permitted under circular no. CIR/CFD/FAC/62/2016 dated July 5, 2016 issued by Securities and Exchange Board of India ("SEBI"), the Company has opted to avail exemption for submission of IndAS compliant financial results for the quarter ended March 31, 2018 and previous year ended March 31, 2018. However, the consolidated financial results for the quarter ended March 31, 2018, provided in this presentation, are based on management reports.*



## Q1 FY19: Consolidated Profit & Loss Statement – IndAS



Particulars (₹ Mn)	Q1 FY19	Q1 FY18	YoY %	Q4 FY18	QoQ %
Interest Income	2,287	1,831	25%	2,071	10%
Interest Expense	(1,119)	(766)	46%	(968)	16%
<b>Net Interest Income</b>	<b>1,167</b>	<b>1,065</b>	<b>10%</b>	<b>1,103</b>	<b>6%</b>
Fee Income	57	4	1325%	73	(22%)
<b>Total Income</b>	<b>1,224</b>	<b>1,069</b>	<b>15%</b>	<b>1,176</b>	<b>4%</b>
Employee expenses	(323)	(244)	33%	(317)	2%
Other operating expenses	(218)	(54)	299%	(188)	16%
<b>Total Opex</b>	<b>(540)</b>	<b>(298)</b>	<b>81%</b>	<b>(504)</b>	<b>7%</b>
<b>Pre-provision Operating Profit</b>	<b>684</b>	<b>771</b>	<b>(11%)</b>	<b>672</b>	<b>2%</b>
One off charge	# (92)	-	n.a.	(6)	n.a.
Provisions & Write-offs	(77)	17	564%	30	(257%)
<b>PBT</b>	<b>515</b>	<b>787</b>	<b>(35%)</b>	<b>696</b>	<b>(26%)</b>
Tax	(200)	(277)	(28%)	(290)	(31%)
<b>PAT</b>	<b>315</b>	<b>510</b>	<b>(38%)</b>	<b>405</b>	<b>(22%)</b>

# One off charge on sale of investments / MTM valuation



## Q1 FY19: Consolidated Balance Sheet – IndAS



Particulars (₹ Mn)	Q1 FY19	Q4 FY18	QoQ %
<b>Equity &amp; Liabilities</b>			
Equity	28,684	21,199	35%
Borrowings	54,370	48,228	13%
Other Liabilities & Provisions	4,204	2,940	43%
<b>Total Equity &amp; Liabilities</b>	<b>87,257</b>	<b>72,366</b>	<b>21%</b>
<b>Assets</b>			
Loans *	74,699	60,559	23%
Investments	7,360	7,910	(7%)
Cash & Bank Balances	2,332	1,278	82%
Other Assets	2,866	2,619	9%
<b>Total Assets</b>	<b>87,257</b>	<b>72,366</b>	<b>21%</b>
<b>Leverage (Total Assets / Equity)</b>	<b>3.04</b>	<b>3.41</b>	
<b>Debt / Equity</b>	<b>1.90</b>	<b>2.28</b>	
<b>Book Value Per Share (₹)</b>	<b>311.12</b>	<b>269.43</b>	

\* Include investment in PTCs

## One-time transition impact on opening Reserves & Surplus as of 01 April 2017



Particulars	₹ Million	Remarks
Opening Reserves & Surplus balance as per previous GAAP	19,028	
<b>Ind AS adjustments increasing / (decreasing) Reserves &amp; Surplus (Pre tax):</b>		
Adoption of Effective Interest Rate (EIR) for financial assets recognised at amortised cost	(501)	Impact on the reserve on account of amortisation of upfront fees net of loan acquisition cost
Adoption of Effective Interest Rate (EIR) for financial liabilities recognised at amortised cost	30	Increase in Reserves & Surplus due to amortisation of cost incurred on raising of borrowings
Expected Credit Loss	(496)	New way of measuring the loan losses in P&L.
Gain/ (losses) on fair valuation of financial assets at fair value through profit and loss	(1)	Unrecognised MTM loss on investments as of 31 March 2017
Deferred Tax Assets on the above adjustments	787	Net deferred tax asset created on transition
<b>Net impact on Reserves &amp; Surplus (Post tax)</b>	<b>(181)</b>	
<b>Opening Reserves &amp; Surplus balance as per Ind AS</b>	<b>18,847</b>	

## Reconciliation of consolidated profit with previous GAAP



₹ million

Particulars	Q1 FY19	Q1 FY18	Q4 FY18	FY18	Remarks
Profit after tax as per previous GAAP	449	533	603	2,244	
<b><u>Ind AS adjustments increasing / (decreasing) profit :</u></b>					
Adoption of Effective Interest Rate (EIR) for financial assets recognised at amortised cost	(122)	14	(231)	(301)	On account of amortisation of upfront fees and acquisition cost
Adoption of Effective Interest Rate (EIR) for financial liabilities recognised at amortised cost	7	(2)	(14)	(11)	On account of amortisation of cost incurred on raising of funds through borrowings
Expected Credit Loss	(1)	27	11	210	New way of measuring the loan losses in P&L.
Fair value of stock options as per Ind AS 102	(66)	(75)	(66)	(249)	Required to be recognised through P&L
Gain/ (losses) on fair valuation of financial assets at fair value through profit and loss	(16)	-	(6)	(21)	MTM gain/(losses) on investments, charged to P&L
Deferred Tax Assets on the above adjustments	64	12	109	132	
<b>Net profit after tax as per Ind AS</b>	<b>315</b>	<b>510</b>	<b>405</b>	<b>2,004</b>	

# Consolidated Financial Statements – IGAAP vs IndAS



Profit & Loss (₹ Mn)	Q1 FY19			Balance Sheet (₹ Mn)	Q1 FY19		
	IGAAP	Ind AS Adj.	Ind AS		IGAAP	Ind AS Adj.	Ind AS
Interest Income	2,228	58	2,287	<b>Equity &amp; Liabilities</b>			
Interest Expense	(1,126)	7	(1,119)	Equity	28,928	(244)	28,684
<b>Net Interest Income</b>	<b>1,102</b>	<b>65</b>	<b>1,167</b>	Borrowings	54,370	-	54,370
Fee Income	314	(257)	57	Other Liabilities & Provisions	4,832	(628)	4,204
<b>Total Income</b>	<b>1,416</b>	<b>(192)</b>	<b>1,224</b>	<b>Total Equity &amp; Liabilities</b>	<b>88,129</b>	<b>(872)</b>	<b>87,257</b>
Employee expenses	(257)	(66)	(323)	<b>Assets</b>			
Acquisition costs	(78)	78	-	Loans #	76,402	(1,703)	74,699
Other operating expenses	(217)	(0)	(218)	Investments	7,396	(36)	7,360
<b>Total Opex</b>	<b>(552)</b>	<b>12</b>	<b>(540)</b>	Cash & Bank Balances	2,332	-	2,332
<b>Pre-provision Operating Profit</b>	<b>864</b>	<b>(180)</b>	<b>684</b>	Other Assets	1,998	868	2,866
One off charge	(76)	(16)	(92)	<b>Total Assets</b>	<b>88,129</b>	<b>(872)</b>	<b>87,257</b>
Provisions & Write-offs	(75)	(1)	(77)	<b>Leverage (Total Assets / Equity)</b>	3.05		3.04
<b>PBT</b>	<b>712</b>	<b>(198)</b>	<b>515</b>	<b>Debt / Equity</b>	1.88		1.90
Tax	(264)	64	(200)	<b>Book Value Per Share (Rs)</b>	313.76		311.12
<b>PAT</b>	<b>449</b>	<b>(134)</b>	<b>315</b>				

# include investments in PTCs

**For Further Queries:**



**Pankaj Thapar**  
**CFO**

Contact No: +91 22 4315 7036

Email – [pthapar@indostarcapital.com](mailto:pthapar@indostarcapital.com)



**Nilesh Dalvi**  
**IR Consultant**

Contact No: + 91 9819289131

Email – [nilesh.dalvi@dickensonir.com](mailto:nilesh.dalvi@dickensonir.com)

**Ravindra Bhandari**  
**IR Consultant**

Contact No: 9283614197

Email: [ravindra.bhandari@dickensonir.com](mailto:ravindra.bhandari@dickensonir.com)