



ICFL/LS/0148/2020-21

5 November 2020

**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.:** Standalone & Consolidated Financial Results for the quarter and half year ended 30 September 2020 and disclosures under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**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. Thursday, 5 November 2020, *inter-alia*, considered and approved Unaudited Financial Results (Standalone and Consolidated) for the quarter and half year ended 30 September 2020 prepared pursuant to the Listing Regulations.

Accordingly, please find enclosed herewith the following:

- Unaudited Standalone Financial Results for the quarter and half year ended 30 September 2020 along with the Limited Review Report thereon at **Annexure I** and Unaudited Consolidated Financial Results for the quarter and half year ended 30 September 2020 along with the Limited Review Report thereon at **Annexure II**;
- Disclosures in accordance with Regulation 52(4) of the Listing Regulations for the half year ended 30 September 2020 at **Annexure III**;
- Statement with respect to material deviations in use of proceeds of issue of non-convertible debentures as required under Regulation 52(7) of the Listing Regulations for the half year ended 30 September 2020 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 2020 at **Annexure V**.

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, 9 November 2020.

The Board Meeting commenced at 2.00 p.m. (IST) and concluded at 5.05 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**

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



Encl: a/a

**IndoStar Capital Finance Limited**

Registered Office : One Indiabulls Centre, 20th Floor, Tower 2A, Jupiter Mills Compound, Senapati Bapat Marg, Mumbai - 400013, India  
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CIN : L65100MH2009PLC268160

## INDOSTAR CAPITAL FINANCE LIMITED

Regd Office: One World Centre, 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: investor.relations@indostarcapital.com

## STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2020

(INR in Lakhs)

Sr. No.	Particulars	Quarter ended			Half Year ended		Year ended
		30 September 2020	30 June 2020	30 September 2019	30 September 2020	30 September 2019	31 March 2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	<b>Income</b>						
	(a) Revenue from operations						
	Interest income	29,320	30,400	37,885	59,720	77,304	1,41,949
	Fees and commission income	1,184	894	1,243	2,078	1,954	4,814
	Net gain on fair value changes	1,234	551	1,328	1,785	3,194	4,621
	Gain / (loss) on derecognition of financial instruments	-	-	2,138	-	2,808	2,617
	measured at amortised cost category						
	<b>Total revenue from operations</b>	<b>31,738</b>	<b>31,845</b>	<b>42,594</b>	<b>63,583</b>	<b>85,260</b>	<b>1,54,001</b>
	(b) Other income	519	-	-	519	-	-
	<b>Total income (a+b)</b>	<b>32,257</b>	<b>31,845</b>	<b>42,594</b>	<b>64,102</b>	<b>85,260</b>	<b>1,54,001</b>
2	<b>Expenses</b>						
	(a) Finance costs	18,230	18,154	22,190	36,384	46,909	85,736
	(b) Impairment on financial instruments	511	2,304	7,212	2,815	13,273	80,608
	(c) Employee benefits expenses	3,562	4,270	4,113	7,832	8,319	16,505
	(d) Depreciation and amortisation expense	845	737	689	1,582	1,363	2,824
	(e) Other expenses	5,094	1,772	2,264	6,866	3,945	13,094
	<b>Total expenses (a+b+c+d+e)</b>	<b>28,242</b>	<b>27,237</b>	<b>36,468</b>	<b>55,479</b>	<b>73,809</b>	<b>1,98,767</b>
3	<b>Profit before tax (1-2)</b>	<b>4,015</b>	<b>4,608</b>	<b>6,126</b>	<b>8,623</b>	<b>11,451</b>	<b>(44,766)</b>
4	<b>Tax expenses</b>						
	Current tax	-	-	738	-	1,457	2
	Deferred tax	1,235	287	802	1,522	1,946	(10,759)
	<b>Total tax expenses</b>	<b>1,235</b>	<b>287</b>	<b>1,540</b>	<b>1,522</b>	<b>3,403</b>	<b>(10,757)</b>
5	<b>Profit after tax (3-4)</b>	<b>2,780</b>	<b>4,321</b>	<b>4,586</b>	<b>7,101</b>	<b>8,048</b>	<b>(34,009)</b>
6	<b>Other comprehensive income, net of tax</b>						
	(a) Items that will not be reclassified to profit or loss	(6)	(12)	8	(18)	63	47
	(b) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	<b>Total other comprehensive income, net of tax</b>	<b>(6)</b>	<b>(12)</b>	<b>8</b>	<b>(18)</b>	<b>63</b>	<b>47</b>
7	<b>Total comprehensive income (5+6)</b>	<b>2,774</b>	<b>4,309</b>	<b>4,594</b>	<b>7,083</b>	<b>8,111</b>	<b>(33,962)</b>
8	<b>Paid up equity share capital (Face value of INR 10)</b>	<b>12,319</b>	<b>12,317</b>	<b>9,227</b>	<b>12,319</b>	<b>9,227</b>	<b>9,245</b>
9	<b>Preference share capital</b>	<b>1,207</b>	<b>1,207</b>	<b>-</b>	<b>1,207</b>	<b>-</b>	<b>-</b>
10	<b>Other equity</b>						<b>2,59,620</b>
11	<b>Earnings per share (* not annualised)</b>						
	Basic (INR)	*2.09	*4.15	*4.97	*6.24	*8.72	(36.85)
	Diluted (INR)	*1.86	*3.95	*4.92	*5.81	*8.60	(36.61)

## Notes

## 1 Statement of Assets and Liabilities:

(INR in Lakhs)

Particulars	As at	
	30 September 2020	31 March 2020
	Unaudited	Audited
<b>I. ASSETS</b>		
<b>Financial assets</b>		
Cash and cash equivalents	74,471	14,704
Bank balances other than cash and cash equivalents	24,638	37,669
Loans	7,47,224	8,07,369
Investments	1,92,977	43,184
Other financial assets	12,689	33,090
<b>Non-financial assets</b>		
Current tax assets (net)	10,110	13,163
Deferred tax assets (net)	10,983	12,499
Property, plant and equipment	6,232	7,684
Assets held for sale	1,250	2,701
Goodwill	30,019	30,019
Intangible assets	224	305
Other non-financial assets	3,224	3,940
<b>TOTAL ASSETS</b>	<b>11,14,041</b>	<b>10,06,327</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	370	957
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	2,62,891	2,08,847
Debt securities	4,31,690	4,99,776
Borrowings (other than debt securities)	18,521	24,099
Other financial liabilities		
<b>Non-financial liabilities</b>		
Provisions	737	851
Other non-financial liabilities	2,857	2,832
<b>Equity</b>		
Equity share capital	12,319	9,245
Preference share capital	1,207	-
Other equity	3,83,449	2,59,620
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>11,14,041</b>	<b>10,06,327</b>



*b*

**STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2020**

**2 Statement of Cash Flows:**

Particulars	(INR in Lakhs)	
	For the half year ended 30 September 2020 Unaudited	For the half year ended 30 September 2019 Unaudited
<b>Cash Flow from Operating Activities</b>		
Net profit before tax	8,623	11,451
<b>Adjustments for :</b>		
Interest income on financial assets	(59,720)	(77,304)
Finance costs	36,384	46,909
Depreciation and amortisation expense	1,582	1,363
Provisions for expected credit loss	(1,698)	2,386
Provision for gratuity, leave encashment and employee advances	(7)	150
Loss on sale of fixed assets	560	3
Employee share based payment expense	44	950
Gain on sale/revaluation of investments	(1,785)	(3,194)
	<b>(16,017)</b>	<b>(17,286)</b>
Interest income realised on financial assets	62,680	79,126
Finance costs paid	(32,892)	(49,268)
<b>Operating profit before working capital changes</b>	<b>13,771</b>	<b>12,572</b>
<b>Adjustments:</b>		
(Increase)/Decrease in loans and advances	59,130	56,271
(Increase)/Decrease in other financial assets	20,402	(1,599)
(Increase)/Decrease in other non-financial assets	717	1,803
Increase/(Decrease) in trade payable	(587)	(1,305)
Increase/(Decrease) in other financial liabilities	(5,839)	(2,352)
Increase/(Decrease) in provisions	(116)	(37)
Increase/(Decrease) in other non-financial liabilities	(242)	(95)
<b>Cash (used in)/generated from operating activities</b>	<b>87,236</b>	<b>65,258</b>
Taxes (paid) / refund	3,053	(6,328)
<b>Net cash (used in)/generated operating activities (A)</b>	<b>90,289</b>	<b>58,930</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(135)	(118)
Sale of property, plant and equipment	456	14
Purchase of intangible assets	(16)	(71)
Purchase of Assets Held for Sale	1,451	-
Payment on account of acquisition of business	-	(1,46,516)
Proceeds/(Investment) in bank deposits of maturity greater than 3 months (net)	13,031	(5,745)
(Acquisition)/redemption of amortised cost investments (net)	-	250
(Acquisition)/redemption of FVTPL investments (net)	(1,47,925)	(14,277)
<b>Net cash (used in)/generated from investing activities (B)</b>	<b>(1,33,138)</b>	<b>(1,66,463)</b>
<b>Cash Flow from Financing Activities</b>		
Proceeds from issue of equity shares (including securities premium and net off share issue expenses)	1,20,900	15
Proceeds from bank borrowings	34,441	3,69,456
Repayments towards bank borrowings	(1,02,419)	(1,84,220)
Proceeds from issuance of Non-Convertible Debentures	38,641	-
Repayments towards Non-Convertible Debentures	-	(1,02,393)
Proceeds from/(repayments towards) Commercial Papers (net)	11,824	(10,490)
Payment of lease liabilities	(771)	(520)
Dividend and DDT paid	-	(1,112)
<b>Net cash (used in)/generated from financing activities (C)</b>	<b>1,02,616</b>	<b>70,736</b>
<b>Net Increase/(decrease) in cash and cash equivalents (A) + (B) + (C)</b>	<b>59,767</b>	<b>(36,797)</b>
<b>Cash and Cash Equivalents at the beginning of reporting period</b>	<b>14,704</b>	<b>1,04,838</b>
<b>Cash and Cash Equivalents at the end of reporting period</b>	<b>74,471</b>	<b>68,041</b>

- The Company during the quarter and half year ended 30 September 2020 has allotted 15,000 and 5,62,000 equity shares of INR 10 each fully paid respectively, on exercise of stock options by employees, in accordance with the Company's Employee Stock Option Schemes.
- The Company is primarily engaged in the business of financing and accordingly there are no separate reportable segments as per Ind AS 108 dealing with Operating segment.
- The Secured Listed Non-Convertible Debentures of the Company as on 30 September 2020 are secured by first pari-passu charge on a freehold land owned by the Company (wherever applicable) and/or first pari-passu charge by way of hypothecation, over standard present and future receivables. The total asset cover required thereof has been maintained as per the terms and conditions stated in the respective Offer Documents.
- The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant decline and volatility in the financial markets and slowdown in the economic activities. The Reserve Bank of India (RBI) has issued guidelines relating to COVID-19 Regulatory Package and in accordance therewith, the Company had provided moratorium on the payment of all principal amounts and/or interest, as applicable, falling due between 1 March 2020 and 31 August 2020 to all eligible borrowers classified as standard. For all such accounts, where the moratorium was granted, the asset classification remained at a standstill during the moratorium period.  
  
The extent to which the COVID-19 pandemic will ultimately impact the Company's results and carrying value of assets (including goodwill) will depend on future developments, which are highly uncertain. The Company's impairment loss allowance estimates are subject to a number of management judgments and estimates, which could undergo changes over the entire duration of the pandemic. Given the uncertainty over the potential macro-economic condition and related judicial decisions on matters arising from the regulatory guidelines, the impact of the COVID pandemic on the financial performance may be different from that estimated as at the date of approval of these financial results. Such changes will be prospectively recognized. The Company continues to closely monitor any anticipated material changes to future economic conditions.
- The comparative financial information of the Company for the previous reporting periods / year prepared in accordance with Ind AS included in financial information have been reviewed / audited by the predecessor auditors. The report of the auditor on these comparative financial information expressed an un-modified conclusion / opinion.
- The unaudited standalone financial results of IndoStar Capital Finance Limited ("ICFL" or "the Company") for the quarter and half year ended 30 September 2020 have been reviewed by the Audit Committee and subsequently approved at the meeting of the Board of Directors held on 5 November 2020. The unaudited standalone financial results have been subjected to limited review by the Statutory Auditor of the Company.
- During the current period, the loan assets and corresponding borrowing, the interest income and interest expense are recognised on a gross basis with respect to the acquired securitised portfolio. Accordingly, the figures of the previous periods/year have been restated to make them comparable with current period.
- 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: 5 November 2020

**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, 2020 ("the Statement"), being submitted by the Company 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 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 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.
5. We draw attention to Note 6 to the financial information in which the Company describes the continuing uncertainties arising from COVID 19 pandemic. Our conclusion is not modified in respect of this matter.

**Deloitte  
Haskins & Sells LLP**

6. The comparative financial information of the Company for the previous reporting periods prepared in accordance with Ind AS included in financial information have been reviewed / audited by the predecessor auditors. The report of these auditors on these comparative financial information expressed an un-modified conclusion / opinion. Our conclusion on the financial information is not modified in respect of these matters.

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

JAIN MUKESH  
KUMAR  
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Mukesh Jain  
(Partner)  
(Membership No. 108262)  
(UDIN: 20108262AAAAYA5214)

Place: Mumbai  
Date: November 5, 2020



**INDOSTAR CAPITAL FINANCE LIMITED**  
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 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 2020**

(INR in Lakhs)

Sr. No.	Particulars	Quarter ended			Half Year ended		Year ended
		30 September 2020	30 June 2020	30 September 2019	30 September 2020	30 September 2019	31 March 2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1</b>	<b>Income</b>						
	(a) Revenue from operations						
	Interest income	30,899	31,879	39,076	62,778	79,445	1,46,616
	Fees and commission income	1,218	898	1,319	2,116	2,199	5,155
	Net gain on fair value changes	1,265	566	1,349	1,831	3,259	4,733
	Gain / (loss) on derecognition of financial instruments measured at amortised cost category	-	-	2,540	-	3,488	3,241
	<b>Total revenue from operations</b>	<b>33,382</b>	<b>33,343</b>	<b>44,284</b>	<b>66,725</b>	<b>88,391</b>	<b>1,59,745</b>
	(b) Other income	574	1	-	575	-	146
	<b>Total income (a+b)</b>	<b>33,956</b>	<b>33,344</b>	<b>44,284</b>	<b>67,300</b>	<b>88,391</b>	<b>1,59,891</b>
<b>2</b>	<b>Expenses</b>						
	(a) Finance costs	18,605	18,436	22,380	37,041	47,181	86,340
	(b) Impairment on financial instruments	517	2,323	7,221	2,840	13,300	81,096
	(c) Employee benefits expenses	4,080	4,798	4,717	8,878	9,477	18,870
	(d) Depreciation and amortisation expense	897	791	742	1,688	1,454	3,010
	(e) Other expenses	5,316	1,943	2,471	7,259	4,380	14,242
	<b>Total expenses (a+b+c+d+e)</b>	<b>29,415</b>	<b>28,291</b>	<b>37,531</b>	<b>57,706</b>	<b>75,792</b>	<b>2,03,558</b>
<b>3</b>	<b>Profit before tax (1-2)</b>	<b>4,541</b>	<b>5,053</b>	<b>6,753</b>	<b>9,594</b>	<b>12,599</b>	<b>(43,667)</b>
<b>4</b>	<b>Tax expenses</b>						
	Current tax	3	(3)	744	-	1,495	36
	Deferred tax	1,378	335	1,068	1,713	1,454	(11,241)
	<b>Total tax expenses</b>	<b>1,381</b>	<b>332</b>	<b>1,812</b>	<b>1,713</b>	<b>2,949</b>	<b>(11,205)</b>
<b>5</b>	<b>Profit after tax (3-4)</b>	<b>3,160</b>	<b>4,721</b>	<b>4,941</b>	<b>7,881</b>	<b>9,650</b>	<b>(32,462)</b>
<b>6</b>	<b>Other comprehensive income, net of tax</b>						
	(a) Items that will not be reclassified to profit or loss	(5)	(14)	17	(19)	66	53
	(b) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	<b>Total other comprehensive income, net of tax</b>	<b>(5)</b>	<b>(14)</b>	<b>7</b>	<b>(19)</b>	<b>66</b>	<b>53</b>
<b>7</b>	<b>Total comprehensive income (5+6)</b>	<b>3,155</b>	<b>4,707</b>	<b>4,948</b>	<b>7,862</b>	<b>9,716</b>	<b>(32,409)</b>
<b>8</b>	<b>Paid up equity share capital (Face value of INR 10)</b>	<b>12,319</b>	<b>12,317</b>	<b>9,227</b>	<b>12,319</b>	<b>9,227</b>	<b>9,245</b>
<b>9</b>	<b>Preference share capital</b>	<b>1,207</b>	<b>1,207</b>	<b>-</b>	<b>1,207</b>	<b>-</b>	<b>-</b>
<b>10</b>	<b>Other equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,58,810</b>
<b>11</b>	<b>Earnings per share (* not annualised)</b>						
	Basic (INR)	*2.40	*4.53	*5.36	*6.93	*10.46	(35.18)
	Diluted (INR)	*2.13	*4.32	*5.31	*6.45	*10.31	(34.95)

**Notes**

**1 Statement of Assets and Liabilities:**

(INR in Lakhs)

Particulars	As at	
	30 September 2020	31 March 2020
	Unaudited	Audited
<b>I. ASSETS</b>		
<b>Financial assets</b>		
Cash and cash equivalents	75,239	16,835
Bank balances other than cash and cash equivalents	24,893	37,669
Receivables	-	-
Trade receivables	-	-
Loans	7,80,001	8,29,309
Investments	1,76,985	23,056
Other financial assets	13,702	33,938
<b>Non-financial assets</b>		
Current tax assets (net)	10,622	13,387
Deferred tax assets (net)	11,272	12,978
Property, plant and equipment	6,344	7,862
Assets Held for sale	2,423	3,874
Goodwill	30,019	30,019
Intangible assets	311	384
Other non-financial assets	3,320	3,545
<b>TOTAL ASSETS</b>	<b>11,35,131</b>	<b>10,12,856</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	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	468	1,110
Debt securities	2,67,773	2,08,947
Borrowings (other than debt securities)	4,46,492	5,05,245
Other financial liabilities	19,746	25,650
<b>Non-financial liabilities</b>		
Provisions	790	907
Other non-financial liabilities	2,918	2,942
<b>Equity</b>		
Equity share capital	12,319	9,245
Preference share capital	1,207	-
Other equity	3,83,418	2,58,810
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>11,35,131</b>	<b>10,12,856</b>



/s/

2 Statement of Cash Flows:

Particulars	(INR in Lakhs)	
	For the half year ended 30 September 2020	For the half year ended 30 September 2019
	Unaudited	Unaudited
<b>Cash Flow from Operating Activities</b>		
Net profit before tax	9,594	12,599
Adjustments for:		
Interest income on financial assets	(62,778)	(79,445)
Finance costs	37,041	47,182
Depreciation and amortisation expense	1,688	1,454
Provisions for expected credit loss	(1,673)	2,413
Provision for gratuity, leave encashment and employee advances	(2)	165
Loss on sale of fixed assets	560	3
Employee share based payment expense	127	973
Gain on sale/revaluation of investments	(1,831)	(3,259)
Interest income realised on financial assets	(17,274)	(17,915)
Finance costs paid	65,715	81,168
<b>Operating profit before working capital changes</b>	<b>15,075</b>	<b>13,714</b>
Adjustments:		
(Increase)/Decrease in trade receivables	-	3
(Increase)/Decrease in loans and advances	48,291	54,793
(Increase)/Decrease in other financial assets	20,236	(2,248)
(Increase)/Decrease in other non-financial assets	226	2,160
Increase/(Decrease) in trade payable	(642)	(1,696)
Increase/(Decrease) in other financial liabilities	(6,164)	(1,449)
Increase/(Decrease) in provisions	(125)	(44)
Increase/(Decrease) in other non-financial liabilities	(278)	(263)
Taxes (paid) / refund	76,619	64,970
<b>Net cash (used in)/generated from operating activities (A)</b>	<b>79,384</b>	<b>58,441</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(135)	(126)
Sale of property, plant and equipment	456	14
Purchase of Assets Held for Sale	1,451	-
Purchase of intangible assets	(64)	(88)
Payment on account of acquisition of business	-	(1,46,516)
Proceeds/(investment) in bank deposits of maturity greater than 3 months (net)	12,776	(5,745)
(Acquisition)/redemption of amortised cost investments (net)	-	250
(Acquisition)/redemption of FVTPL investments (net)	(1,52,099)	(14,563)
<b>Net cash (used in)/generated from investing activities (B)</b>	<b>(1,37,615)</b>	<b>(1,66,774)</b>
<b>Cash Flow from Financing Activities</b>		
Proceeds from issue of equity shares (including securities premium and net of share issue expenses)	1,20,900	15
Proceeds from borrowings	44,601	3,73,458
Repayments towards bank borrowings	(1,03,428)	(1,84,863)
Proceeds from issuance of Non-Convertible Debentures	38,641	-
Repayments towards Non-Convertible Debentures	-	(1,02,394)
Proceeds from/(repayments towards) Commercial Papers (net)	16,706	(10,491)
Payment of lease liabilities	(785)	(533)
Dividend and DDT paid	-	(1,112)
<b>Net cash (used in)/generated from financing activities (C)</b>	<b>1,16,635</b>	<b>74,080</b>
<b>Net Increase/(decrease) in cash and cash equivalents (A) + (B) + (C)</b>	<b>58,404</b>	<b>(34,253)</b>
Cash and Cash Equivalents at the beginning of the period	16,835	1,08,364
<b>Cash and Cash Equivalents at the end of the period</b>	<b>75,239</b>	<b>74,111</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 2020	30 June 2020	30 September 2019	30 September 2020	30 September 2019	31 March 2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue from operations (including other income)	32,257	31,845	42,594	64,102	85,260	1,54,001
Profit before tax	4,015	4,608	6,126	8,623	11,451	(44,766)
Profit after tax	2,780	4,321	4,586	7,101	8,048	(34,009)
Total comprehensive Income	2,774	4,309	4,594	7,083	8,111	(33,962)



*B*

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

- 4 The Company during the quarter and half year ended 30 September 2020 has allotted 15,000 and 5,62,000 equity shares of INR 10 each fully paid respectively, on exercise of stock options by employees, in accordance with the Company's Employee Stock Option Schemes.
- 5 The Group is primarily engaged in the business of financing and accordingly there are no separate reportable segments as per Ind AS 108 dealing with Operating segment.
- 6 The Secured Listed Non-Convertible Debentures of the Company as on 30 September 2020 are secured by first pari-passu charge on a freehold land owned by the Company (wherever applicable) and/or first pari-passu charge by way of hypothecation, over standard present and future receivables. The total asset cover required thereof has been maintained as per the terms and conditions stated in the respective Offer Documents.
- 7 The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant decline and volatility in the financial markets and slowdown in the economic activities. The Reserve Bank of India (RBI) has issued guidelines relating to COVID-19 Regulatory Package and in accordance therewith, the Group had provided moratorium on the payment of all principal amounts and/or interest, as applicable, falling due between 1 March 2020 and 31 August 2020 to all eligible borrowers classified as standard. For all such accounts, where the moratorium was granted, the asset classification remained at a standstill during the moratorium period.  
  
The extent to which the COVID-19 pandemic will ultimately impact the Group's results and carrying value of assets (including goodwill) will depend on future developments, which are highly uncertain. The Group's impairment loss allowance estimates are subject to a number of management judgments and estimates, which could undergo changes over the entire duration of the pandemic. Given the uncertainty over the potential macro-economic condition and related judicial decisions on matters arising from the regulatory guidelines, the impact of the COVID pandemic on the financial performance may be different from that estimated as at the date of approval of these financial results. Such changes will be prospectively recognized. The Group continues to closely monitor any anticipated material changes to future economic conditions.
- 8 The comparative financial information of the Group for the previous reporting periods / year prepared in accordance with Ind AS included in financial information have been reviewed / audited by the predecessor auditors. The report of the auditor on these comparative financial information expressed an un-modified conclusion / opinion.
- 9 The unaudited consolidated financial results of IndoStar Capital Finance Limited ("ICFL" or "the Company") for the quarter and half year ended 30 September 2020 have been reviewed by the Audit Committee and subsequently approved at the meeting of the Board of Directors held on 5 November 2020. The unaudited consolidated financial results have been subjected to limited review by the Statutory Auditor of the Company.
- 10 During the current period, the loan assets and corresponding borrowing, the interest income and interest expense are recognised on a gross basis with respect to the acquired securitised portfolio. Accordingly, the figures of the previous periods/year have been restated to make them comparable with current period.
- 11 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: 5 November 2020

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

*R. Sridhar*

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 six months ended September 30, 2020 ("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.
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, 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 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**

6. We draw attention to Note 7 to the financial information in which the Company describes the continuing uncertainties arising from COVID 19 pandemic. Our conclusion is not modified in respect of this matter.
7. The comparative financial information of the Company for the previous reporting periods prepared in accordance with Ind AS included in financial information have been reviewed / audited by the predecessor auditors. The report of these auditors on these comparative financial information expressed an un-modified conclusion / opinion. Our conclusion on the financial information is not modified in respect of these matters.

For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

JAIN MUKESH  
KUMAR  
PARASMAL

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JAIN MUKESH  
KUMAR PARASMAL  
Date: 2020.11.05  
15:31:47 +05'30'

Mukesh Jain  
Partner  
(Membership No. 108262)  
(UDIN:20108262AAAAYB9501)

Place: Mumbai  
Date: November 5, 2020

Disclosures in accordance with Regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the half year ended 30 September 2020

(a) Credit Rating

Long Term Programme:

**Debt Programme**

"CARE AA-" by CARE Ratings Limited and "IND AA-" by India Ratings & Research Private Limited (Fitch Group) for Long Term Debt Programme of the Company.

**Market Linked Debentures**

"CARE PP-MLD AA-" by CARE Ratings Limited for Market Linked Debentures of the Company.

Short Term Debt Programme

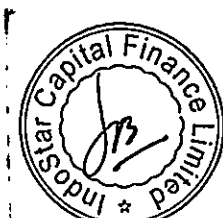
"CARE A1+" by CARE Ratings Limited, "[ICRA] A1+" by ICRA Limited and "CRISIL A1+" by CRISIL Limited for Short Term Debt Programme of the Company.

(b) **Asset Cover available:** As per the first proviso to Regulation 52(4) of Listing Regulations, the requirement of disclosing Asset Cover is not applicable to the Company being a Non-Banking Financial Company registered with the Reserve Bank of India.

(c) **Debt-Equity Ratio:** 1.75

(d) **Previous due date for the payment of interest / repayment of principal in respect of the Non-Convertible Debentures and whether the same has been paid or not during the half year ended 30 September 2020:**

Nature of the Instrument	Scrip Code	Due Date for Interest/Principal Payment	Payment Status
Series XXV	957916	Due Date for Interest Payment 02/04/2020 02/05/2020 02/06/2020 02/07/2020 02/08/2020 02/09/2020	*Payment made on 03/04/2020 04/05/2020 02/06/2020 02/07/2020 03/08/2020 02/09/2020
Series XXIX	957991	Due Date for Interest Payment 07/04/2020 07/05/2020	*Payment made on 07/04/2020 08/05/2020





		07/06/2020 07/07/2020 07/08/2020 07/09/2020	08/06/2020 07/07/2020 07/08/2020 07/09/2020
Series XXIV Tranche C	957894	13/04/2020	Paid within due date
Series XXXIII Tranche C	958669	Due Date for Interest and Principal Payment 09/06/2020	Paid within due date
Series XXX – Tranche C	958086	Due Date for Interest and Principal Payment 21/06/2020	Payment made on 19/06/2020
Series XXXI	#960006	Due Date for Interest Payment 02/04/2020 02/05/2020 02/06/2020 02/07/2020 02/08/2020 02/09/2020	*Payment made on 03/04/2020 04/05/2020 02/06/2020 02/07/2020 03/08/2020 02/09/2020
Series XXXII	#960006	Due Date for Interest Payment 02/04/2020 02/05/2020 02/06/2020 02/07/2020 02/08/2020 02/09/2020	*Payment made on 03/04/2020 04/05/2020 02/06/2020 02/07/2020 03/08/2020 02/09/2020
Tranche V - Series II	949281	Due Date for Interest Payment 06/06/2020	*Payment made on 05/06/2020

*\*Due date for Interest Payment and Principal Payment are governed by the business day conventions specified in the respective Information Memorandum / Offer Document / Shelf Disclosure Document and Addendum thereto.*

*#The Non-convertible Debentures were listed on whole-sale debt segment of BSE Limited with effect from 21 September 2020*

(e) Next due date for the payment of interest / principal in respect of Non-Convertible Debentures from 30 September 2020 to 31 March 2021:

Nature of the Instrument	Scrip Code	Next Due Date for Interest Payment*	Due Date for Principal Payment*
Series XXV	957916	02/10/2020 02/11/2020	-



		02/12/2020 02/01/2020 02/02/2021 02/03/2021	
Series XXIX	957991	07/10/2020 07/11/2020 07/12/2020 07/01/2021 07/02/2021 07/03/2021	-
Series XXXI & Series XXXIII	960006	02/10/2020 02/11/2020 02/12/2020 02/01/2021 02/02/2021 02/03/2021	-
Series XXXIV	959086	25/11/2020	
Series XIII – Tranche B (25 NCDs)	953212	08/12/2020	08/12/2020
Series XIX	955754	08/02/2021	-
Series XXI - Tranche A	957695	26/02/2021	
Series XXXIII – Tranche A	958615	26/02/2021	26/02/2021
Series XXII - Tranche A	957721	15/03/2021	-
Series XXII - Tranche B	957722	15/03/2021	15/03/2021
Series XXII - Tranche C	957723	15/03/2021	15/03/2021
Series XXII - Tranche D	957724	15/03/2021	-
Series XXIII - Tranche A	957849	27/03/2021	27/03/2021

*\*Due date for Interest Payment and Principal Payment shall be governed by the business day conventions specified in the respective Information Memorandum / Offer Document / Shelf Disclosure Document and Addendum thereto.*

- (f) **Debt Service Coverage Ratio:** As per first proviso to Regulation 52(4) of Listing Regulations, the requirement for disclosing Debt Service Coverage Ratio is not applicable to the Company being a Non-Banking Financial Company registered with the Reserve Bank of India.
- (g) **Interest Service Coverage Ratio:** As per first proviso to Regulation 52(4) of Listing Regulations, the requirement for disclosing Interest Service Coverage Ratio is not applicable to the Company being a Non-Banking Financial Company registered with the Reserve Bank of India.
- (h) **Debenture Redemption Reserve:** 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.

- (i) Net Worth: INR 3,96,974.80 Lakhs
- (j) Net Profit After Tax: INR 7,101.80 Lakhs
- (k) Earnings per share:
  - (a) Basic: INR 6.24
  - (b) Diluted: INR 5.81

Yours faithfully,

For IndoStar Capital Finance Limited

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



Date: 5 November 2020



Statement with respect to material deviations in use of proceeds of issue of non-convertible debentures for the half year ended 30 September 2020 under Regulation 52(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Name of Listed Entity	IndoStar Capital Finance limited					
Mode of Fund Raising	Private Placement					
Type of Instrument	Non-Convertible Debentures					
Date of Raising Funds during half year ended 30 September 2020	21 May 2020 (Series XXXV) 26 June 2020 (Series XXXVI) 18 August 2020 (Series XXXVII) 16 September 2020 (Series XXXVIII)					
Amount Raised	INR 100 crore (Series XXXV) INR 50 crore (Series XXXVI) INR 200 crore (Series XXXVII) INR 50 crore (Series XXXVIII)					
Report filed for half year ended	30 September 2020					
Is there a Deviation / Variation in use of funds raised?	No					
Whether any approval is required to vary the objects of the issue stated in the prospectus / offer document?	NA					
If Yes, details of approval so required ?						
Date of approval						
Explanation for the Deviation / Variation						
Comments of the Audit Committee after review						
Comments of the auditors, if any						
Objects for which funds have been raised and where there has been a deviation, in the following table						
Original Object	Modified Object, if any	Original Allocation	Modified allocation, if any	Funds Utilised	Amount of Deviation / Variation for the quarter according to applicable object (INR Crores and in %)	Remarks if any
-	-	-	-	-	-	-

Deviation or variation could mean:


- Deviation in the objects or purposes for which the funds have been raised;
- Deviation in the amount of funds actually utilized as against what was originally disclosed.

Please take the above on record.

Thanking you.

Yours faithfully,

For IndoStar Capital Finance Limited

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



Date: 5 November 2020

### 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 : L65100MH2009PLC268160

**IndoStar Capital Finance Limited**

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

**IndoStar reports stable quarter with pre-provisioning profit of INR 78.2 cr in Q2FY21**

- **Focused on collections during lockdown and moratorium period. Disbursements started as the company achieved near to 100% collections.**
- **Retail AUM ~ 73%; up from 66% last year**
- **Substantial reduction in Corporate Loans and Gross NPL**
- **Strong Liquidity profile and Capital Adequacy at 35%**
- **Smart branches and digitisation are major initiatives to enhance productivity and lower operating costs**

**Mumbai, Thursday, November 5, 2020** – IndoStar Capital Finance Limited (IndoStar), one of India's leading retail non-banking financial companies announced its Q2FY21 results.

IndoStar, with one of the highest Capital Adequacy ratio amongst all listed NBFCs, strong liquidity position and a low debt:equity of 1.8x has further accelerated its retailisation strategy in a challenging market environment and has equipped itself with capital to pursue growth opportunities.

The company currently has liquid assets of around 36% of its borrowings, sufficient to cover its repayment obligations for next 15 months. The company has a stable credit rating of AA-, a strong liquidity pipeline and multiple avenues to raise further liabilities to finance additional growth.

Collection efficiency has improved significantly in Q2. The company focused on collection during moratorium period and we have reached close to 100% collections in October 2020 and have re-started disbursements from November.

The company is at an inflection point, strengthening its senior leadership in key positions with an eye on the post pandemic growth opportunity available in the asset financing segment.

For the Quarter ended September 30, 2020, IndoStar declared Net Revenue from operations of INR 153.8 crores and PBT of INR 31.6 crores. The corporate book has reduced by INR 453 crores and total GNPA stands at 2.9%

Speaking on the results, **R Sridhar, Executive Vice-Chairman & CEO, IndoStar**, said "*There are visible green-shoots in the economy, with consumer demand showing signs of an uptick and the rural economy performing well. These factors will provide a fillip to lending companies. We have charted a distinct trajectory of expanding our portfolio in the second-hand Commercial Vehicles, SME and Affordable Home finance segments. We have ambitious plans for next 5 years. We have also started focusing on "Smart branches" and "Digitisation" as major initiatives, which will result in enhanced productivity and lower costs. With great promoters in Brookfield and Everstone, along with superior quality of management and franchise, IndoStar will certainly be a dominant lender in the retail segments.*"

## Annexure V

### Key Financials:

Particulars (INR Crores)	Q2FY21	Q1FY21	QoQ	Q2FY20	YoY
Net Revenue from operations	154	150	3%	220	-30%
Pre-Provision Operating Profit	78	75	4%	140	-44%
Provisions and accelerated write-offs	33	25	33%	72	-55%
Profit After Tax	32	47	-33%	49	-36%

### Consolidated financial update for the quarter ended September 30<sup>th</sup> 2020

- Net Revenue from Operations at INR 154 crores
- Positive ALM across all buckets for next 15 months
- Gross and Net NPAs at 2.9% and 2.1% 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 for transporters, 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).

#### Media Contact:

Snigdha Nair  
Adfactors PR

Salil Bawa  
IndoStar Capital Finance Ltd

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[sbawa@indostarcapital.com](mailto:sbawa@indostarcapital.com)