



## IndoStar announces completion of equity raise of INR 1,225 crore from Brookfield

- **IndoStar’s capital adequacy almost at 40% and leverage at 1.5x after equity infusion**
- **Strengthens IndoStar’s liquidity position and resilience**
- **Capital injection will enable Company to accelerate growth of its retail lending business**

**Mumbai, Wednesday, May 27, 2020** – IndoStar Capital Finance Limited (IndoStar), one of India’s leading retail non-banking financial companies closed on INR 1,225 crore equity capital injection by Brookfield Business Partners L.P., together with its institutional partners (collectively “Brookfield”).

With this infusion, IndoStar’s capital adequacy ratio improves to almost 40%, one of the highest amongst all listed NBFCs. Strong liquidity position and low leverage of around 1.5x positions IndoStar well to further accelerate its retail lending strategy in a challenging market environment and equips it with the ability to use capital for both organic and inorganic growth.

As part of the investment, Brookfield will become a co-promoter in IndoStar and has the ability to nominate two board members.

Speaking on the investment, **R Sridhar, Executive Vice-Chairman & CEO, Indostar**, said “This is truly a transformational investment for Indostar. We are excited to partner with Brookfield and Everstone Group to accelerate our retail lending strategy across Vehicle Finance, SME Finance and Affordable Housing Finance. This investment is a strong endorsement of IndoStar’s business model, management capability and quality of its franchise. This investment not only provides equity funding but also access to new debt financing via Brookfield’s relationships with financial institutions.”

Indostar Capital, Mauritius continues to be the promoter and an active shareholder in IndoStar. IndoStar has assets under management of around INR 10,200 crores and offers a wide range of loans to nearly 70,000 customers.

Nomura served as the exclusive financial advisor. S&R Associates, AZB & Partners and Cyril Amarchand Mangaldas acted as legal counsel for Everstone, Brookfield and IndoStar 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. Promoted by Everstone Group, 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).

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