

**INDEPENDENT AUDITORS' REPORT****To the Board of Directors of IndoStar Capital Finance Limited**

We have audited the accompanying interim consolidated financial statements of IndoStar Capital Finance Limited ("the Company") and its subsidiaries (collectively the "Group"), which comprise the interim consolidated Balance Sheet as at September 30, 2017, and the interim consolidated Statement of Profit and Loss and interim consolidated Cash Flow Statement for the six months period then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the interim consolidated financial statements**

The Company's Board of Directors is responsible for the preparation of these interim consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Companies Act, 2013 (the "Act"), read with relevant rules issued thereunder. The respective Board of Directors of the companies included in the Group is also responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the interim consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility on the interim consolidated financial statements**

Our responsibility is to express an opinion on these interim consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the interim consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the interim consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the interim consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Group's preparation of the interim consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the interim consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the interim consolidated financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the accompanying interim consolidated financial statements give a true and fair view in accordance with



# **S.R. BATLIBOI & CO. LLP**

Chartered Accountants

Accounting Standard (AS) 25 specified under section 133 of the Act, read with relevant rules issued thereunder:

- (a) in the case of the interim consolidated Balance Sheet, of the state of affairs of the Group as at September 30, 2017;
- (b) in the case of the interim consolidated Statement of Profit and Loss, of the profit for the six months period ended on that date; and
- (c) in the case of the interim consolidated Cash Flow Statement, of the cash flows for the six months period ended on that date.

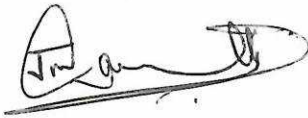
## **Other matters - restriction of use**

The accompanying interim consolidated financial statements have been prepared, and this report thereon issued, solely for the purpose of preparation of the restated consolidated summary financial statements by the management of the Company and our examination report to be issued thereon, as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Accordingly, this report should not be used, referred to or distributed for any other purpose without our prior written consent.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



---

per **Jayesh Gandhi**

Partner

Membership Number: 037924

Place of Signature: Mumbai

Date: February 05, 2018

**INDOSTAR CAPITAL FINANCE LIMITED**  
**CONSOLIDATED BALANCE SHEET AS AT SEPTEMBER 30, 2017**

(Amount in Rupees)

| Particulars                                     | Note No. | As at September 30, 2017 | As at March 31, 2017   |
|---|----------|--------------------------|------------------------|
| <b>I. Equity and Liabilities</b>                |          |                          |                        |
| <b>(1) Shareholders' funds</b>                  |          |                          |                        |
| (a) Share capital                               | 3        | 78,67,92,590             | 78,36,17,990           |
| (b) Reserves and surplus                        | 4        | 19,44,51,55,742          | 18,24,39,22,529        |
|   |          | <b>20,23,19,48,332</b>   | <b>19,02,75,40,519</b> |
| <b>(2) Non-current liabilities</b>              |          |                          |                        |
| (a) Long-term borrowings                        | 5        | 12,33,56,05,624          | 19,10,61,20,313        |
| (b) Other Long term liabilities                 | 6        | 4,90,78,058              | 7,23,70,201            |
| (c) Long term provisions                        | 7        | 30,54,88,429             | 26,94,81,205           |
|   |          | <b>12,69,01,72,111</b>   | <b>19,44,79,71,719</b> |
| <b>(3) Current liabilities</b>                  |          |                          |                        |
| (a) Short-term borrowings                       | 8        | 10,43,35,77,485          | 7,86,55,05,788         |
| (b) Trade payables (Refer note 28)              |          |                          |                        |
| (i) Dues to Micro, Small and Medium enterprises | 28       | -                        | -                      |
| (ii) Others                                     |          | 1,93,17,314              | 5,28,41,821            |
| (c) Other current liabilities                   | 6        | 10,34,89,53,895          | 8,33,74,74,840         |
| (d) Short-term provisions                       | 7        | 18,05,78,636             | 15,63,55,497           |
|   |          | <b>20,98,24,27,330</b>   | <b>16,41,21,77,946</b> |
| <b>Total</b>                                    |          | <b>53,90,45,47,773</b>   | <b>54,88,76,90,184</b> |
| <b>II. Assets</b>                               |          |                          |                        |
| <b>(1) Non-current assets</b>                   |          |                          |                        |
| (a) Fixed assets                                | 9        |                          |                        |
| (i) Property, Plant and Equipment               |          | 6,66,95,002              | 6,92,19,952            |
| (ii) Intangible assets                          |          | 1,40,23,794              | 1,87,92,388            |
| (iii) Capital work in progress                  |          | 3,00,72,938              | -                      |
| (b) Non-current investments                     | 10       | 37,08,86,419             | 63,03,11,205           |
| (c) Deferred tax assets (net)                   | 11       | 17,14,19,231             | 16,36,46,726           |
| (d) Long term loans and advances                | 12       | 35,42,41,41,274          | 39,33,09,07,722        |
|   |          | <b>36,07,72,38,658</b>   | <b>40,21,28,77,993</b> |
| <b>(2) Current assets</b>                       |          |                          |                        |
| (a) Cash and bank balances                      | 14       | 68,95,81,055             | 65,12,98,742           |
| (b) Current investments                         | 15       | 6,98,55,24,954           | 1,23,93,71,782         |
| (c) Short-term loans and advances               | 12       | 9,57,31,21,963           | 12,27,53,51,589        |
| (d) Other current assets                        | 13       | 57,90,81,143             | 50,87,90,078           |
|   |          | <b>17,82,73,09,115</b>   | <b>14,67,48,12,191</b> |
| <b>Total</b>                                    |          | <b>53,90,45,47,773</b>   | <b>54,88,76,90,184</b> |

Significant Accounting Policies

2.1

The notes referred to above form an integral part of the financial statements.

As per our report of even date

For S R Batliboi & Co LLP  
ICAI Firm Registration No. 301003E/E300005  
Chartered Accountants

per Jayesh Gandhi  
Partner  
Membership No. 037924



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

R. Sridhar  
Executive Vice-Chairman & CEO  
DIN: 00136697

Dhanpal Jhaveri  
Chairman  
DIN: 02018124

Pankaj Thapar  
Chief Financial Officer

Jitendra Bhatt  
Company Secretary

Place: Mumbai  
Date: February 05, 2018

Place: Mumbai  
Date: February 05, 2018

