

ICFL/LS/0219/2021-22

11 February 2022



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.: Outcome of Board Meeting and disclosures under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”)

Dear Sir/ Madam,

We wish to inform you that the Board of Directors of the Company at their Meeting held today i.e. Friday, 11 February 2022, *inter-alia*, considered and approved the Unaudited Financial Results (Standalone and Consolidated) for the quarter and nine months ended 31 December 2021 prepared pursuant to Regulation 33 of the Listing Regulations.

Accordingly, please find enclosed herewith the following:

- Unaudited Standalone Financial Results for the quarter and nine months ended 31 December 2021 along with the Limited Review Report thereon at **Annexure I** and Unaudited Consolidated Financial Results for the quarter and nine months ended 31 December 2021 along with the Limited Review Report thereon at **Annexure II**;
- Disclosures pursuant to Regulation 52(4) of the Listing Regulations for the quarter and nine months ended 31 December 2021 at **Annexure III**;

Further in terms of Regulation 54(3) of the Listing Regulations, we wish to inform that as on 31 December 2021, the Company had outstanding non-convertible debentures of INR 1,720.90 crore for which required asset cover under respective offer document(s) has been maintained.

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, 14 February, 2022

The Board Meeting commenced at 9:00 p.m. (IST) and concluded at 11:25 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

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IndoStar Capital Finance Limited

Registered Office : One World Center, 20th Floor, Tower 2A, Jupiter Mills Compound, Senapati Bapat Marg, Mumbai - 400013, India
T +91 22 4315 7000 | F +91 022 4315 7010 | contact@indostarcapital.com | www.indostarcapital.com
CIN : L65100MH2009PLC268160

INDOSTAR CAPITAL FINANCE LIMITED
 Regd Office: One World Center, 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 NINE MONTHS ENDED 31 DECEMBER 2021

Sr. No.	Particulars	Quarter ended			Nine Months ended		(INR in Lakhs)
		31 December 2021	30 September 2021	31 December 2020	31 December 2021	31 December 2020	Year ended 31 March 2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	(a) Revenue from operations						
	Interest income	23,051	21,622	26,540	66,929	86,260	1,10,560
	Fees and commission income	1,470	1,013	514	3,759	2,592	3,143
	Net gain on fair value changes	495	664	1,433	2,137	3,218	4,803
	Net gain on derecognition of financial instruments measured at amortised cost category	32	2,204	-	2,236	-	274
	Total revenue from operations	25,048	25,503	28,487	75,061	92,070	1,18,780
	(b) Other income	1,037	21	14	1,108	533	547
	Total Income (a+b)	26,085	25,524	28,501	76,169	92,603	1,19,327
2	Expenses						
	(a) Finance costs	11,916	13,170	17,468	38,533	53,852	69,225
	(b) Net loss on derecognition of financial instruments measured at amortised cost category	-	(2)	-	-	-	-
	(c) Impairment on financial instruments	4,170	(369)	4,332	11,909	7,543	45,241
	(d) Employee benefits expenses	5,300	4,713	4,170	14,423	12,002	15,563
	(e) Depreciation and amortisation expense	881	831	776	2,478	2,358	3,149
	(f) Other expenses	2,860	2,855	2,197	9,086	8,667	11,860
	Total expenses (a+b+c+d+e+f)	25,127	21,198	28,943	76,429	84,422	1,45,038
3	Profit / (loss) before tax (1-2)	958	4,326	(442)	(260)	8,181	(25,711)
4	Tax expenses						
	Current tax	-	-	-	-	-	-
	Tax of earlier years	-	-	-	-	-	457
	Deferred tax	240	1,089	(367)	(66)	1,155	(2,021)
	Total tax expenses	240	1,089	(367)	(66)	1,155	(1,564)
5	Profit / (loss) after tax (3-4)	718	3,237	(75)	(194)	7,026	(24,147)
6	Other comprehensive Income (OCI)						
	(a) Items that will not be reclassified to profit or loss						
	- Remeasurements of the defined benefit plans	35	(16)	-	34	(24)	8
	- Income tax relating to items that will not be reclassified to profit or loss	(9)	4	-	(9)	6	(2)
	Subtotal (a)	26	(12)	-	25	(18)	6
	(b) Items that will be reclassified to profit or loss						
	- Debt instruments through other comprehensive income	(124)	103	-	(21)	-	(7)
	- Income tax relating to items that will be reclassified to profit or loss	31	(26)	-	5	-	2
	Subtotal (b)	(93)	77	-	(16)	-	(5)
	Total other comprehensive income (a+b)	(67)	65	-	9	(18)	1
7	Total comprehensive income (5+6)	651	3,302	(75)	(185)	7,008	(24,146)
8	Paid up equity share capital (Face value of Rs. 10)	13,608	12,401	12,346	13,608	12,346	12,373
9	Preference share capital (Face value of Rs. 10)	-	1,207	1,207	-	1,207	1,207
10	Other equity						3,54,317
11	Earnings per share (* not annualised)						
	Basic (INR)	*0.08	*1.82	*(0.86)	*(2.19)	*6.01	(23.14)
	Diluted (INR)	*0.08	*1.82	*(0.86)	*(2.19)	*5.55	(23.14)

- IndoStar Capital Finance Limited ("ICFL" or "the Company") during the quarter and nine months ended 31 December 2021 has allotted Nil and 2,80,000 equity shares of INR 10 each fully paid respectively, on exercise of stock options by eligible employees, in accordance with the Company's Employee Stock Option Schemes.
- The Company has provided segmental information in the consolidated results as per Ind AS 108 - Operating Segments.
- The Secured Listed Non-Convertible Debentures of the Company as on 31 December 2021 are secured by first pari-passu charge on a freehold land owned by the Company and/or standard receivables and / or cash / cash equivalent and / or such other asset as mentioned in the respective offer documents. The total asset cover required for listed non convertible debentures has been maintained as per the terms and conditions stated in the respective offer documents.
- Estimation of uncertainty relating to COVID-19 global health pandemic:
In assessing the recoverability of loans, receivables, goodwill and investments, the Company has considered internal and external sources of information, economic forecasts and industry reports upto the date of approval of these financial results. The Company has developed estimates and applied management overlays for the purpose of determination of the provision for impairment of financial assets. The full extent of impact of the pandemic on the Company's operations and financial performance (including impact on carrying value of Goodwill and impairment allowances for financial assets) will depend on future developments including governmental and regulatory measures and the Company's responses thereto, which are highly uncertain at this time.
- The unaudited standalone financial results of the Company for the quarter and nine months ended 31 December 2021 have been reviewed by the Audit Committee and subsequently approved at the meeting of the Board of Directors held on 11 February 2022. The unaudited standalone financial results have been subjected to limited review by the Statutory Auditor of the Company.
- Disclosure on Resolution Framework - 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses in terms of RBI circular RBI/2021-22/31 DOR.STR.REC.II/21.04.048/2021-22 dated 05 May 2021 ("Resolution Framework- 2.0"):

Description	Individual Borrowers		Small businesses
	Personal Loans	Business Loans	
(A) Number of requests received for invoking resolution process under Part A	-	-	-
(B) Number of accounts where resolution plan has been implemented under this window	-	-	25
(C) Exposure to accounts mentioned at (B) before implementation of the plan	-	-	726
(D) Of (C), aggregate amount of debt that was converted into other securities	-	-	-
(E) Additional funding sanctioned, if any, including between invocation of the plan and implementation	-	-	-
(F) Increase in provisions on account of the implementation of the resolution plan	-	-	42



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STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2021

- 7 Disclosure pursuant to RBI Notification - RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated 24 September 2021 on "Transfer of Loan Exposures" are given below:
 (a) Details of stressed loans transferred during the nine months ended 31 December 2021.

(INR in Lakhs)

Description	To Asset Reconstruction Companies (ARC)	
	NPA	SMA
Number of accounts	2582	9122
Aggregate principal outstanding of loans transferred	12,547	43,553
Weighted average residual tenor of the loans transferred (in month)	31	37
Net book value of loans transferred (at the time of transfer)	4,910	37,890
Aggregate consideration	11,021	38,279
Additional consideration realized in respect of accounts transferred in earlier years	-	2,196

In addition to above the Company has transferred loans which were written off of Rs. 11,184 Lakhs in previous years.

- (b) Details of loans acquired during the nine months ended 31 December 2021.

(INR in Lakhs)

Description	From lenders listed in Clause 3	
	NPA	SMA
Aggregate principal outstanding of loans acquired	-	4,685
Aggregate consideration paid	-	4,685
Weighted average residual tenor of the loans acquired (in month)	-	36

- 8 The Board of Directors of the Company vide resolution dated 26 November 2021 approved the following:
 i. Payment of dividend due on 1,20,68,966 Compulsorily Convertible Preference Shares (CCPS), at rate of 10% p.a. calculated on the issue price of Rs. 290 per CCPS amounting to Rs. 1,960.42 lakhs (dividend - Rs. 1,764.38 lakhs and withholding tax - Rs. 196.04 lakhs), for the period 27 May 2021 to 26 November 2021 (i.e. till the date of conversion), pursuant to terms approved by the Shareholders of the Company and fixed the Record Date for the purpose of determining entitlement of CCPS holder(s) for payment of said dividend as 26 November 2021.
 ii. Allotment of 1,20,68,966 Equity Shares of the Company to BCPV Multiple Holdings Pte. Ltd., pursuant to conversion of 1,20,68,966 CCPS into equity shares of the Company in the agreed conversion ratio of 1:1.
- 9 RBI vide Circular dated 12 November 2021 - "Prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to Advances - Clarifications" has clarified/harmonized certain aspects of extant regulatory guidelines with a view to ensuring uniformity in the implementation of IRACP norms across all lending institutions. Such clarification/harmonization has no impact on financial results for the quarter and nine months ended 31 December 2021, as the Company continues to prepare the financial results in accordance with the applicable Ind-AS accounting framework read with the RBI Circular dated 13 March 2020 - "Implementation of Indian Accounting Standards".
- 10 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: 11 February 2022



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

Deep Jaggi
 Deep Jaggi
 Chief Executive Officer
 DIN: 09412860



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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 nine months ended December 31, 2021 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 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 and Regulation 52 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**

5. We draw attention to Note 4 to the Statement in which the Company describes the continuing uncertainties arising from COVID 19 pandemic. Our conclusion is not modified in respect of this matter.

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



A handwritten signature in black ink, appearing to read "N. Daruwalla".

Neville M. Daruwalla
(Partner)
(Membership No. 118784)
(UDIN: 22118784ABJPDY4657)

Place: Mumbai
Date: February 11, 2022

INDOSTAR CAPITAL FINANCE LIMITED
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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2021

Sr. No.	Particulars	Quarter ended			Nine Months ended		(INR in Lakhs)
		31 December 2021	30 September 2021	31 December 2020	31 December 2021	31 December 2020	Year ended
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	(a) Revenue from operations						
	Interest income	26,125	24,471	28,401	74,755	91,179	1,17,388
	Fees and commission income	1,528	1,062	538	3,907	2,654	3,266
	Net gain on fair value changes	513	698	1,465	2,211	3,296	4,895
	Net gain on derecognition of financial instruments measured at amortised cost category	32	2,204	3,035	2,236	3,035	2,430
	Total revenue from operations	28,198	28,435	33,439	83,109	1,00,164	1,27,979
	(b) Other income	1,055	21	68	1,126	643	737
	Total income (a+b)	29,253	28,456	33,507	84,235	1,00,807	1,28,716
2	Expenses						
	(a) Finance costs	12,502	13,699	17,913	40,069	54,954	70,861
	(b) Net loss on derecognition of financial instruments measured at amortised cost category	445	443	-	902	-	-
	(c) Impairment on financial instruments	4,266	(283)	4,585	12,213	7,821	46,198
	(d) Employee benefits expenses	5,998	5,311	4,697	16,232	13,575	17,371
	(e) Depreciation and amortisation expense	919	866	825	2,582	2,513	3,350
	(f) Other expenses	3,168	3,094	2,419	9,901	9,282	12,825
	Total expenses (a+b+c+d+e+f)	27,298	23,150	30,439	81,899	88,145	1,50,605
3	Profit / (loss) before tax (1-2)	1,955	5,306	3,068	2,336	12,662	(21,889)
4	Tax expenses						
	Current tax	383	429	119	1,046	119	380
	Tax of earlier years	-	-	-	-	-	457
	Deferred tax	119	933	534	(425)	2,247	(1,316)
	Total tax expenses	502	1,362	653	621	2,366	(479)
5	Profit / (loss) after tax (3-4)	1,453	3,944	2,415	1,715	10,296	(21,410)
6	Other comprehensive income, net of tax						
	(a) Items that will not be reclassified to profit or loss						
	- Remeasurements of the defined benefit plans	39	(20)	1	35	(24)	11
	- Income tax relating to items that will not be reclassified to profit or loss	(10)	5	-	(9)	6	(2)
	Subtotal (a)	29	(15)	1	26	(18)	9
	(b) Items that will be reclassified to profit or loss						
	- Debt instruments through other comprehensive income	(124)	103	-	(21)	-	(7)
	- Income tax relating to items that will be reclassified to profit or loss	31	(26)	-	5	-	2
	Subtotal (b)	(93)	77	-	(16)	-	(5)
	Total other comprehensive income (a+b)	(64)	62	1	10	(18)	4
7	Total comprehensive income (5+6)	1,389	4,006	2,416	1,725	10,278	(21,406)
8	Paid up equity share capital (Face value of Rs. 10)	13,608	12,401	12,346	13,608	12,346	12,373
9	Preference share capital (Face value of Rs. 10)	-	1,207	1,207	-	1,207	1,207
10	Other equity	-	-	-	-	-	3,56,245
11	Earnings per share (* not annualised)						
	Basic (INR)	*0.66	*2.39	*1.16	*(0.67)	*8.81	(20.83)
	Diluted (INR)	*0.66	*2.39	*1.16	*(0.67)	*8.13	(20.83)

1 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	Quarter ended			Nine Months ended		(INR in Lakhs)
	31 December 2021	30 September 2021	31 December 2020	31 December 2021	31 December 2020	Year ended
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue from operations (including other income)	26,085	25,524	28,501	76,169	92,603	1,19,327
Profit / (loss) before tax	958	4,326	(442)	(260)	8,181	(25,711)
Profit / (loss) after tax	718	3,237	(75)	(194)	7,026	(24,147)
Total comprehensive income	651	3,302	(75)	(185)	7,008	(24,146)

2 IndoStar Capital Finance Limited ("ICFL" or "the Company") during the quarter and nine months ended 31 December 2021 has allotted Nil and 2,80,000 equity shares of INR 10 each fully paid respectively, on exercise of stock options by eligible employees, in accordance with the Company's Employee Stock Option Schemes.

3 The Secured Listed Non-Convertible Debentures of the Company as on 31 December 2021 are secured by first pari-passu charge on a freehold land owned by the Company and/or standard receivables and / or cash / cash equivalent and / or such other asset as mentioned in the respective offer documents. The total asset cover required for listed non-convertible debentures has been maintained as per the terms and conditions stated in the respective offer documents.

4 Estimation of uncertainty relating to COVID-19 global health pandemic:

In assessing the recoverability of loans, receivables, goodwill and investments, the Group has considered internal and external sources of information, economic forecasts and industry reports upto the date of approval of these financial results. The Group has developed estimates and applied management overlays for the purpose of determination of the provision for impairment of financial assets. The full extent of impact of the pandemic on the Group's operations and financial performance (including impact on carrying value of Goodwill and impairment allowances for financial asset) will depend on future developments including governmental and regulatory measures and the Group's responses thereto, which are highly uncertain at this time.

5 The unaudited consolidated financial results of the Company for the quarter and nine months ended 31 December 2021 have been reviewed by the Audit Committee and subsequently approved at the meeting of the Board of Directors held on 11 February 2022. The unaudited consolidated financial results have been subjected to limited review by the Statutory Auditor of the Company.



6 Segment wise revenue, results, total assets and total liabilities in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

(INR in Lakhs)

Sr. No.	Particulars	Quarter ended			Nine Months ended		Year ended
		31 December 2021	30 September 2021	31 December 2020	31 December 2021	31 December 2020	31 March 2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	Gross segment revenue from continuing operations						
(a)	Large corporate	4,902	7,927	8,341	18,698	28,249	34,015
(b)	SME	4,387	4,647	4,317	13,553	12,868	18,225
(c)	Commercial vehicles	14,187	11,194	12,840	37,141	42,645	55,565
(d)	Housing finance	3,735	3,371	6,034	10,098	11,472	13,407
(e)	Unallocated	2,042	1,317	1,975	4,745	5,573	7,504
	Segment revenue from continuing operations	29,253	28,456	33,507	84,235	1,00,807	1,28,716
	Segment results						
(a)	Large corporate	1,990	8,885	1,839	13,108	7,520	4,073
(b)	SME	1,650	3,678	226	4,004	2,905	2,594
(c)	Commercial vehicles	415	(3,786)	2,867	(5,086)	10,077	(15,736)
(d)	Housing finance	1,028	1,075	3,592	2,709	4,555	3,867
(e)	Unallocated	(3,128)	(4,546)	(5,456)	(12,399)	(12,395)	(16,687)
	Profit/(loss) before tax	1,955	5,306	3,068	2,336	12,662	(21,889)
	Segment assets						
(a)	Large corporate	1,63,899	1,64,653	2,31,102	1,63,899	2,31,102	2,07,024
(b)	SME	1,54,441	1,50,789	1,40,833	1,54,441	1,40,833	1,42,953
(c)	Commercial vehicles	4,35,684	3,84,866	3,84,990	4,35,684	3,84,990	3,64,226
(d)	Housing finance	1,13,919	1,02,805	82,700	1,13,919	82,700	88,811
(e)	Unallocated	1,03,254	1,78,372	3,04,058	1,03,254	3,04,058	2,05,144
	Total assets	9,71,197	9,81,485	11,43,683	9,71,197	11,43,683	10,08,158
	Segment liabilities						
(a)	Large corporate	97,170	1,00,189	1,43,410	97,170	1,43,410	1,25,571
(b)	SME	99,818	99,949	95,884	99,818	95,884	91,462
(c)	Commercial vehicles	2,82,527	2,55,783	2,71,422	2,82,527	2,71,422	2,51,980
(d)	Housing finance	65,600	55,343	60,382	65,600	60,382	67,280
(e)	Unallocated	58,239	1,02,429	1,72,123	58,239	1,72,123	1,02,040
	Total liabilities	6,03,354	6,13,693	7,43,221	6,03,354	7,43,221	6,38,333

7 The Board of Directors of the Company vide resolution dated 26 November 2021 approved the following:

- i. Payment of dividend due on 1,20,68,966 Compulsorily Convertible Preference Shares (CCPS), at rate of 10% p.a. calculated on the issue price of Rs. 290 per CCPS amounting to Rs. 1,960.42 lakhs (dividend – Rs. 1,764.38 lakhs and withholding tax - Rs. 196.04 lakhs), for the period 27 May 2021 to 26 November 2021 (i.e. till the date of conversion), pursuant to terms approved by the Shareholders of the Company and fixed the Record Date for the purpose of determining entitlement of CCPS holder(s) for payment of said dividend as 26 November 2021.
- ii. Allotment of 1,20,68,966 Equity Shares of the Company to BCP V Multiple Holdings Pte. Ltd., pursuant to conversion of 1,20,68,966 CCPS into equity shares of the Company in the agreed conversion ratio of 1:1.

8 RBI vide Circular dated 12 November 2021 - "Prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to Advances - Clarifications" has clarified/harmonized certain aspects of extant regulatory guidelines with a view to ensuring uniformity in the implementation of IRACP norms across all lending institutions. Such clarification/harmonization has no impact on financial results for the quarter and nine months ended 31 December 2021, as the Group continues to prepare the financial results in accordance with the applicable Ind-AS accounting framework read with the RBI Circular dated 13 March 2020 - "Implementation of Indian Accounting Standards".

9 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

Deek Jaggi
Chief Executive Officer
DIN: 09412860



Place: Mumbai
Date: 11 February 2022



**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 nine months ended December 31, 2021 ("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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

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, and based on the consideration of the review report of the other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement

**Deloitte
Haskins & Sells LLP**

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.

6. We draw attention to Note 4 to the Statement in which the Group describes the continuing uncertainties arising from COVID 19 pandemic. Our conclusion is not modified in respect of this matter.
7. We did not review the interim financial information of a subsidiary included in the consolidated unaudited financial results, whose interim financial information reflect total revenues of Rs. 3,716 lakhs and Rs. 10,079 lakhs for the quarter and nine months ended December 31, 2021 respectively, total net profit after tax of Rs. 767 lakhs and Rs. 2,022 lakhs for the quarter and nine months ended December 31, 2021 respectively and total comprehensive income of Rs. 770 lakhs and Rs. 2,023 lakhs for the quarter and nine months ended December 31, 2021, as considered in the Statement. This interim financial information has been reviewed by other auditor whose report has been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of the other auditor and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of this matter.

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



A handwritten signature in black ink, appearing to read "N. Daruwalla".

Neville M. Daruwalla
(Partner)
(Membership No. 118784)
(UDIN: 22118784ABJQK08977)

Place: Mumbai
Date: February 11, 2022



Disclosures in accordance with Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter and nine months ended 31 December 2021

Sr. No.	Particular	Quarter ended	Nine Months ended
		31 December 2021	31 December 2021
1	Debt-equity ratio ¹	1.44	1.44
2	Debt service coverage ratio ²	Not Applicable	Not Applicable
3	Interest service coverage ratio ²	Not Applicable	Not Applicable
4	Outstanding redeemable preference shares (quantity and value)	Nil	Nil
5	Capital redemption reserve (INR in lakhs)	Not Applicable	Not Applicable
	Debenture redemption reserve (INR in lakhs) ³	Not Applicable	Not Applicable
6	Net worth (INR in lakhs) ⁴	3,62,568	3,62,568
7	Net profit/(loss) after tax (INR in lakhs)	718	(194)
8	Earnings per equity share (not annualised):		
	(a) Basic (INR)	*0.08	*(2.19)
	(b) Diluted (INR)	*0.08	*(2.19)
9	Current ratio ²	Not Applicable	Not Applicable
10	Long term debt to working capital ²	Not Applicable	Not Applicable
11	Bad debts to Account receivable ratio ²	Not Applicable	Not Applicable
12	Current liability ratio ²	Not Applicable	Not Applicable
13	Total debts to total assets ⁵	0.57	0.57
14	Debtors turnover ²	Not Applicable	Not Applicable
15	Inventory turnover ²	Not Applicable	Not Applicable
16	Operating margin ²	Not Applicable	Not Applicable
17	Net profit margin ⁶	2.75%	(0.25)%
18	Sector specific equivalent ratios:		
	(a) Gross Stage 3	4.45%	4.45%
	(b) Net Stage 3	2.28%	2.28%
	(c) Capital to risk-weighted assets ratio ⁷	35.1%	35.1%

Notes:

- Debt-equity ratio = (Debt securities + Borrowings (other than debt securities)) / Net worth.
- The Company is a Non-Banking Financial Company registered under the Reserve Bank of India Act, 1934 hence these ratios are generally 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.
- Net worth is calculated as defined in Section 2(57) of Companies Act, 2013.
- Total debts to total assets = (Debt securities+ Borrowings (other than debt securities)) / total assets.
- Net profit margin = Net profit after tax / total income.
- Capital to risk-weighted assets ratio is calculated as per the RBI guidelines.

Yours faithfully,

For IndoStar Capital Finance Limited



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



Date: 11 February 2022