



ICFL/LS/0083/2023-24

02 August 2023

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.: Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”)

Dear Sir/ Madam,

Pursuant to Regulation 30 of Listing Regulations, kindly find enclosed Press Release to be issued by the Company in connection with the Unaudited Financial Results (Standalone and Consolidated) for the quarter ended 30 June 2023 and other matters at **Annexure I**.

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

Shikha Jain

Company Secretary & Compliance Officer
(Membership No. A59686)

Encl: a/a

IndoStar Capital Finance Limited

Registered Office: Unit No. 505, 5th Floor, Wing 2/E, Corporate Avenue, Andheri - Ghatkopar Link Road, Chakala, Andheri (East), Mumbai – 400093, India. T +91 22 4315 7000 | F +91 022 4315 7010
contact@indostarcapital.com www.indostarcapital.com CIN: L65100MH2009PLC268160

BSE: 541336 | NSE: INDOSTAR | ISIN: INE896L01010 | CIN: L65100MH2009PLC268160

IndoStar Capital Finance Limited**Q1 FY24 Highlights (Consolidated):**

- AUM at ₹ 8,062 crore, up 3% from ₹ 7,812 crore in Q4 FY23
- Disbursements of ₹ 1,116 crore up 24% from ₹ 898 crore in Q4 FY23
- Incremental funding of ₹ 1,422 crore raised during Q1 FY24
- Continued Profitability - Q1 FY24 PAT at ₹ 39 crore
- Debt/Equity Ratio - at 1.9X times
- Gross Collections of ₹ 1,040 crore during the quarter
- Gross Collection efficiency of 139%
- Gross Stage 3 assets are at 6.6% for Q1 FY24
- Net Stage 3 assets are at 3.1% for Q1 FY24
- Retail AUM ~ ₹ 6,871 crore; ~ 85% of AUM

Q1 FY24 Highlights (Standalone):

- AUM at ₹ 6,321 crore, up 2% from ₹ 6,190 crore in Q4 FY23
- Disbursements of ₹ 926 crore up 29% from ₹ 715 crore in Q4 FY23
- Incremental funding of ₹ 1,215 crore raised during Q1 FY24
- Continued Profitability - Q1 FY24 PAT at ₹ 31 crore
- Debt/Equity Ratio at 1.9X times
- Gross Collections of ₹ 917 crore during the quarter
- Gross Collection efficiency of 135%
- Gross Stage 3 assets are at 7.9% for Q1 FY24
- Net Stage 3 assets are at 3.7% for Q1 FY24
- Strong Capital Adequacy at 34.4%, on a standalone basis

Mumbai, August 2, 2023: The board of IndoStar Capital Finance Limited (IndoStar), a systemically important non-deposit taking NBFC, announced the unaudited financial results for the quarter ended June 30, 2023, earlier today. The company reported a consolidated net profit of ₹ 39.0 crore for Q1 FY24.

IndoStar reported robust collections of ₹ 1,040 crore during the quarter with a gross collection efficiency of 139%. IndoStar's AUM stands at ₹ 8,062 crore and Debt/Equity ratio stands at 1.9 times, which continues to be amongst the lowest in the industry.

Accelerating the Commercial Vehicle Business Disbursement Engine:

The company is growing its retail business, and in particular the Commercial Vehicle (CV) lending business where it is focused on the higher-yielding used commercial vehicles segment in tier-2 and tier-3 towns. The company is also leveraging technology enabled systems to drive higher process adherence, improve collection efficiencies, credit underwriting and sales productivity.

CRISIL Rating

On July 28, 2023, CRISIL removed 'Rating Watch with Negative Implications' from the company's debt instruments and long-term bank facilities, while reaffirming the ratings at 'CRISIL AA-'; and assigned a 'Negative' outlook to the long-term rating. Some of the key factors that triggered the ratings action included strengthening of risk and controls management frameworks and governance mechanism, formation of a new management team and focus on building a retail portfolio in a scalable manner. CRISIL Ratings also noted the better performance of the newly originated portfolio (loans disbursed from April 2022 to November 2022), where the 90+ DPD (days past due) of the CV book originated in this period stood at ~1.2%. The ratings also factor in IndoStar's strong capitalization, traction in disbursements and sequential improvement in earnings profile and asset quality.

Focus of Raising Liquidity:

The company has made progress in improving its liquidity position, by raising incremental funding of ~ ₹ 1,422 crore in Q1 FY24. IndoStar maintains a healthy amount of liquidity, with cash and cash equivalents on June 30, 2023, at ₹ 911 crore. As the company accelerates its disbursement engine, it aims to raise a significant amount of debt, bringing its current low debt-to-equity ratio position closer to industry norms.

IndoStar Capital Finance Limited ("ICFL") (Standalone)

ICFL delivered a PAT of ₹ 31 crore in Q1 FY24 vs ₹ 73 crore in Q4 FY23. The AUM for ICFL stands at ₹ 6,321 crore out of which the retail vehicle finance business is ₹ 3,928 crore. Disbursements during the quarter stood at ₹ 926 crore, up 29% from ₹ 715 crore in Q4 FY23. With the focus on the collections during the quarter, Gross Stage 3 stands at 7.9% in Q1 FY24, down from 8.1% in Q4 FY23; Net Stage 3 improved to 3.7% in Q1 FY24 from 3.8% in Q4 FY23. The company has a strong Capital Adequacy Ratio (CAR) of 34.4% on a standalone basis.

IndoStar Home Finance Private Limited ("IHFPL")

IHFPL delivered a PAT of ₹ 8.0 crore in Q1 FY24 vs ₹ 3.1 crore in Q4 FY23. The AUM in IHFPL stands at ₹ 1,741 crore in Q1 FY24 up from ₹ 1,623 crore in Q4 FY23. IHFPL continues to deliver on its core strategy of giving affordable housing loans in semi-rural and rural markets, while keeping its Gross Stage 3 at 1.2%. IHFPL has a Capital Adequacy Ratio (CAR) of 73.4%.

The Board continuously endeavors to make IHFPL increasingly self-reliant as an independent business operation. The Board of Directors had provided an in-principle approval to the Business Review Committee, to engage in discussions with prospective investors and to simultaneously explore potential strategic options for value unlocking and delivering long-term growth of the housing finance and certain mortgage-backed business through possible corporate actions (such as sale, demergers, spin-offs, etc.). These discussions are currently ongoing.

Key Performance Highlights:

Particulars (₹ in crs)	Q1FY24	Q4FY23	Q-o-Q %	Q1FY23	Y-o-Y %	FY23	FY22	Y-o-Y %
Net Revenue from operations	145	139	4%	166	(13%)	599	635	(6%)
Operating expenses	115	66	74%	102	13%	401	373	8%
Pre-provision operating profit	30	73	(59%)	64	(54%)	198	262	(24%)
Profit after tax	39	76	(49%)	61	(36%)	225	(737)	(131%)
CAR (%) Standalone	34.4%	31.5%	-	29.0%	-	31.5%	25.8%	-
Leverage (D/E)	1.9	1.8	-	2.0	-	1.8	2.1	-

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 entity engaged in providing used and new commercial vehicle financing and affordable Home Finance through its wholly owned subsidiary, IndoStar Home Finance Private Limited.

For more information, visit www.indostarcapital.com.

Safe Harbor

This document is to provide the general background information about the Company's activities as at the date of the release. The information contained herein is for general information purposes only and based on estimates and should not be considered as a recommendation that any investor should subscribe / purchase the company shares. The Company makes no representation or warranty, express or implied, as to, and does not accept any responsibility or liability with respect to, the fairness, accuracy, completeness or correctness of any information contained herein. This release may include certain forward-looking statements. These statements include descriptions regarding the intent, belief or current expectations of the Company or its directors and officers with respect to the results of operations and financial condition of the Company. These statements can be recognized by the use of words such as "expects", "plans", "will", "estimates", "projects", or other words of similar meaning. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those in such forward-looking statements as a result of various factors and assumptions which the Company believes to be reasonable in light of its operating experience in recent years. The risks and uncertainties relating to these statements include, but not limited to, risks and uncertainties, regarding fluctuations in earnings, our ability to manage growth, competition, our ability to manage our international operations, government policies, regulations, etc. The Company does not undertake any obligation to revise or update any forward-looking statement that may be made from time to time by or on behalf of the Company including to reflect actual results, changes in assumptions or changes in factors affecting these statements. Given these risks, uncertainties and other factors, viewers of this release are cautioned not to place undue reliance on these forward-looking statements. This release may contain certain currency exchange rates and the same have been provided only for the convenience of reader.

For further information, please connect with us:

Company: IndoStar capital Finance Limited	Investor Relations: Orient Capital
 INDOSTAR	 orient capital
Investor Relations Team CIN: L65100MH2009PLC268160 Email: investor.relations@indostarcapital.com Website: www.indostarcapital.com	Mr. Nikunj Jain/ Mr. Amar Yardi Email: nikunj.jain@linkintime.co.in / amar.yardi@linkintime.co.in Tel: +91 97690 60608 / +91 70451 21239