


Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**Review Report to
The Board of Directors
IndoStar Capital Finance Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of IndoStar Capital Finance Limited (the "Company") for the quarter ended September 30, 2019 and year to date from April 1, 2019 to September 30, 2019 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"). Attention is drawn to the fact that the Statement of cash flows for the corresponding period from April 1, 2018 to September 30, 2018, as reported in these unaudited standalone financial results have been approved by the Board of Directors of the Company but have not been subjected to review.
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 Indian Accounting Standard 34, "Interim Financial Reporting" ("Ind AS 34") prescribed under Section 133 of the Companies Act, 2013 as amended, 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons 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 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 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 Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm registration number: 301003E/E300005



per Shrawan Jalan

Partner

Membership No.: 102102

UDIN: 19102102AAABCY6383

Mumbai

November 07, 2019

INDOSTAR CAPITAL FINANCE LIMITED

Regd Office: One Indiabulls 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 2019

(INR in Lakhs)

Sr. No.	Particulars	Quarter ended			Half Year ended		Year ended
		30 September 2019	30 June 2019	30 September 2018	30 September 2019	30 September 2018	31 March 2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	(a) Revenue from operations						
	Interest income	35,993	37,218	27,382	73,211	49,514	1,06,345
	Fees and commission income	1,243	711	3,214	1,954	3,634	5,438
	Net gain on fair value changes	1,328	1,866	751	3,194	360	4,110
	Gain on derecognition of financial instruments measured at amortised cost category	2,138	670	-	2,808	-	1,823
	Total revenue from operations	40,702	40,465	31,347	81,167	53,508	1,17,716
	(b) Other income	-	-	-	-	-	-
	Total income (a+b)	40,702	40,465	31,347	81,167	53,508	1,17,716
2	Expenses						
	(a) Finance costs	20,298	22,518	13,934	42,816	25,127	56,130
	(b) Impairment on financial instruments	7,212	6,061	1,067	13,273	1,803	1,631
	(c) Employee benefits expenses	4,113	4,206	3,704	8,319	6,239	12,260
	(d) Depreciation and amortisation expense	689	674	396	1,363	767	1,672
	(e) Other expenses	2,264	1,681	1,662	3,945	3,242	6,757
	Total expenses (a+b+c+d+e)	34,576	35,140	20,763	69,716	37,178	78,450
3	Profit before tax (1-2)	6,126	5,325	10,584	11,451	16,330	39,266
4	Provision for taxation						
	Current tax	738	719	3,410	1,457	6,294	9,186
	Deferred tax	802	1,144	85	1,946	(837)	4,567
	Tax expenses	1,540	1,863	3,495	3,403	5,457	13,753
5	Profit after tax (3-4)	4,586	3,462	7,089	8,048	10,873	25,513
6	Other comprehensive income, net of tax						
	(a) Items that will not be reclassified to profit or loss	8	55	1	63	4	(13)
	(b) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	Total other comprehensive income, net of tax	8	55	1	63	4	(13)
7	Total comprehensive income (5+6)	4,594	3,517	7,090	8,111	10,877	25,500
8	Paid up equity share capital (Face value of INR 10/- each)	9,227	9,227	9,224	9,227	9,224	9,226
9	Earnings per share (* not annualised)						
	Basic (INR)	*4.97	*3.75	*7.91	*8.72	*12.27	28.21
	Diluted (INR)	*4.92	*3.68	*7.04	*8.60	*10.97	27.62

Notes

1 Statement of Assets and Liabilities:

Particulars	As at	As at
	30 September 2019	31 March 2019
	Unaudited	Audited
I. ASSETS		
Financial assets		
Cash and cash equivalents	68,041	1,04,838
Bank balances other than cash and cash equivalents	9,444	3,559
Loans	8,86,291	10,18,311
Investments	67,402	50,159
Other financial assets	6,589	5,008
Non-financial assets		
Current tax assets (net)	8,453	3,576
Deferred tax assets (net)	-	1,755
Property, plant and equipment	8,129	6,374
Goodwill	30,019	30,019
Intangible assets	300	306
Other non-financial assets	2,058	3,860
TOTAL ASSETS	10,86,726	12,27,765
II. LIABILITIES AND EQUITY		
LIABILITIES		
Financial liabilities		
Trade payables	-	-
(i) total outstanding to micro enterprises and small enterprises	226	1,532
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	2,45,765	3,61,871
Debt securities	5,10,242	5,41,208
Borrowings (other than debt securities)	18,405	19,199
Other financial liabilities		
Non-financial liabilities		
Deferred tax liabilities (net)	212	-
Provisions	587	564
Other non-financial liabilities	308	401
Equity		
Equity share capital	9,227	9,226
Other equity	3,01,754	2,93,764
TOTAL LIABILITIES AND EQUITY	10,86,726	12,27,765



STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2019

2 Statement of Cash Flows:

Particulars	For the half year ended	For the half year ended
	30 September 2019	30 September 2018
	Unaudited	Unaudited
Cash Flow from Operating Activities		
Net profit before tax	11,451	16,330
Adjustments for :		
Interest income on financial assets	(73,211)	(49,514)
Finance costs	42,816	25,127
Depreciation and amortisation expense	1,363	767
Provisions for expected credit loss	2,386	736
Provision for gratuity and leave encashment	150	95
Employee share based payment expense	950	1,180
Gain on sale/revaluation of investments	(3,194)	(360)
Operating profit before working capital changes	(17,289)	(5,639)
Adjustments:		
(Increase)/Decrease in loans and advances	1,27,684	(1,62,770)
(Increase)/Decrease in other financial assets	(1,599)	(10,829)
(Increase)/Decrease in other non-financial assets	1,803	(61)
Increase/(Decrease) in trade payable	(1,305)	(550)
Increase/(Decrease) in other financial liabilities	(3,733)	(1,925)
Increase/(Decrease) in provisions	(37)	(233)
Increase/(Decrease) in other non-financial liabilities	(95)	(105)
Interest income realised on financial assets	1,05,429	(1,82,112)
Finance costs paid	75,033	44,788
Cash (used in)/generated from operating activities	1,35,155	(1,60,351)
Taxes paid	(6,328)	(7,644)
Net cash (used in)/generated operating activities (A)	1,28,827	(1,67,995)
Cash flows from investing activities		
Purchase of property, plant and equipment	(101)	(1,535)
Purchase of intangible assets	(71)	(18)
Payment on account of acquisition of business	(1,46,516)	-
Proceeds/(Investment) in bank deposits of maturity greater than 3 months (net)	(5,745)	(6,304)
Investment in subsidiary companies	-	(4,000)
(Acquisition)/redemption of amortised cost investments (net)	250	41,132
(Acquisition)/redemption of FVTPL investments (net)	(14,277)	8,031
Net cash (used in)/generated from investing activities (B)	(1,66,460)	37,306
Cash Flow from Financing Activities		
Proceeds from issue of equity shares (including securities premium and net off share issue expenses)	15	68,925
Proceeds from bank borrowings	2,99,038	1,61,054
Repayments towards bank borrowings	(1,84,222)	(1,31,625)
Proceeds from issuance of Non-Convertible Debentures	-	1,73,066
Repayments towards Non-Convertible Debentures	(1,02,393)	(36,500)
Proceeds from/(repayments towards) Commercial Papers (net)	(10,490)	(72,375)
Dividend and DDT paid	(1,112)	-
Net cash (used in)/generated from financing activities (C)	836	1,62,545
Net Increase/(decrease) in cash and cash equivalents (A) + (B) + (C)	(36,797)	31,856
Cash and Cash Equivalents at the beginning of reporting period	1,04,838	12,245
Cash and Cash Equivalents at the end of reporting period	68,041	44,101
Reconciliation of cash and cash equivalents with the balance sheet		
Cash on hand	389	72
Balances with banks		
- in current accounts	67,652	44,029
Total	68,041	44,101

- The Company has elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for Income Tax for the quarter and half year ended 30 September 2019 and re-measured its Deferred tax assets/liability basis the rate prescribed in the aforesaid section and recognised the effect of change by revising the annual effective income tax rate.
- The Board of Directors of the Company have declared an Interim Dividend at the rate of 10% i.e., INR 1 per equity share of the face value of INR 10/- each, for financial year 2019-20 and fixed the Record Date for the purpose of determining the entitlement of shareholders for the Interim Dividend as Wednesday, 20 November 2019.
- 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 2019 are secured by first pari-passu charge on a freehold land owned by the Company and 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 Debenture Trust Deeds.
- The unaudited standalone financial results of IndoStar Capital Finance Limited ("ICFL" or "the Company") for the quarter and half year ended 30 September 2019 have been reviewed by the Audit Committee and subsequently approved by the Board at its meeting held on 07 November 2019. The unaudited standalone financial results have been subjected to limited review by the Statutory Auditor of the Company.
- Figures for the previous periods have been regrouped and / or reclassified wherever considered necessary to conform to current period presentation.

Place: Mumbai
Date: 07 November 2019



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

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

