

Independent Auditor's Review Report on unaudited consolidated financial results for the quarter and nine months ended December 31, 2023 of IndoStar Capital Finance Limited pursuant to the Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

**To The Board of Directors
IndoStar Capital Finance Limited**

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of IndoStar Capital Finance Limited ('the Holding Company'), its subsidiaries (the Holding Company and its subsidiaries together referred to as the 'Group') for the quarter and nine months ended December 31, 2023 ('the Statement'), being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Regulations').
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding 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' prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS 34') and other recognised accounting principles generally accepted in India and is in compliance with the Regulations. 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. 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 specified under section 143(10) of the Act 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. This Statement includes the results of the Holding Company and the following entities:

Sr. No	Name of the Entity	Relationship with the Holding Company
1.	IndoStar Home Finance Private Limited	Subsidiary
2.	IndoStar Asset Advisory Private Limited	Subsidiary



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5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditor referred to in paragraph 6 below and based on financial information certified by the Management for the subsidiary as stated 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 principles laid down in Ind AS 34 and other recognised accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim financial results of IndoStar Home Finance Private Limited, included in the Statement, whose interim financial results reflects total revenue of Rs.6,810 lakhs (before consolidation adjustments) and Rs. 20,640 lakhs (before consolidation adjustments) for the quarter and nine months ended December 31, 2023 respectively, total net profit after tax of Rs. 625 lakhs (before consolidation adjustments) and Rs. 2,842 lakhs (before consolidation adjustments) for the quarter and nine months ended December 31, 2023, respectively, and total comprehensive income of Rs. 624 lakhs (before consolidation adjustments) and Rs. 2,836 lakhs (before consolidation adjustments) for the quarter and nine months ended December 31, 2023, respectively as considered in the Statement. These interim financial results has been reviewed by other auditor whose reports have 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 is not modified in respect of the above matter.

7. The Statement includes the interim financial information of IndoStar Asset Advisory Private Limited, which have not been reviewed by their auditors, whose interim financial information reflects total revenue of Rs. 4.84 lakhs and Rs. 14.31 lakhs (before consolidation adjustments) for the quarter and nine months ended December 31, 2023, respectively and total net profit after tax of Rs.1.27 lakhs (before consolidation adjustments) and Rs. 10.30 lakhs (before consolidation adjustments) for the quarter and nine months ended December 31, 2023, respectively, and total comprehensive income of Rs. 1.27 lakhs (before consolidation adjustments) and Rs. 10.30 lakhs (before consolidation adjustments) for the quarter and nine months ended December 31, 2023, respectively as considered in the Statement. According to the information and explanations given to us by the Management, this interim financial information are not material to the Group.

Our conclusion is not modified in respect of the above matter.



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8. The Statement includes the consolidated results of the Company for the quarter and nine months ended December 31, 2022, which were reviewed by previous statutory auditor whose report dated February 14, 2023, expressed a modified conclusion on those consolidated financial results. The statement also includes the consolidated financial statements of the Company for the year ended March 31, 2023, which were audited by previous statutory auditor whose report dated May 25, 2023 expressed a modified opinion on those consolidated financial statements.

Our conclusion is not modified in respect of the above matters.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Tushar Kurani

Tushar Kurani
Membership No.: 118580

UDIN: *24118580BKFLWT4965*

Mumbai
January 24, 2024



INDOSTAR CAPITAL FINANCE LIMITED

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STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2023

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter ended			Nine Months ended		Year ended
		31 December 2023	30 September 2023	31 December 2022	31 December 2023	31 December 2022	31 March 2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income						
	(a) Revenue from operations						
	Interest income	28,553	27,324	26,263	83,104	80,052	1,05,841
	Fees and commission income	1,314	1,375	1,360	4,194	4,049	5,417
	Net gain on fair value changes	239	638	660	1,591	1,881	2,795
	Net gain on derecognition of financial instruments measured at amortised cost category	518	1,990	(156)	2,971	2,935	3,381
	Total revenue from operations	30,624	31,327	28,127	91,860	88,917	1,17,434
	(b) Other income	67	12	44	107	126	531
	Total income (a+b)	30,691	31,339	28,171	91,967	89,043	1,17,965
2	Expenses						
	(a) Finance costs	17,242	16,515	13,541	49,195	42,984	58,026
	(b) Impairment on financial instruments	(383)	5	(1,317)	(1,568)	(3,566)	(4,036)
	(c) Employee benefits expenses (refer note 5)	6,772	6,508	6,139	19,630	17,432	17,781
	(d) Depreciation and amortisation expense	868	770	1,023	2,425	3,038	3,956
	(e) Other expenses	4,283	4,572	4,924	13,243	13,022	18,375
	Total expenses (a+b+c+d+e)	28,782	28,370	24,310	82,925	72,910	94,102
3	Profit/(loss) before tax (1-2)	1,909	2,969	3,861	9,042	16,133	23,863
4	Tax expenses						
	Current tax	17	266	341	504	878	853
	Tax of earlier years	-	-	-	-	-	(1)
	Deferred tax	205	226	(146)	481	336	496
	Total tax expenses	222	492	195	985	1,214	1,348
5	Profit/(loss) after tax (3-4)	1,687	2,477	3,666	8,057	14,919	22,515
6	Other comprehensive income, net of tax						
	(a) Items that will not be reclassified to profit or loss						
	- Remeasurements of the defined benefit plans	(4)	5	20	(46)	92	98
	(b) Items that will be reclassified to profit or loss						
	- Debt instruments through other comprehensive income	5	-	2	16	2	(12)
	Total other comprehensive income, net of tax (a+b)	1	5	22	(30)	94	86
7	Total comprehensive Income (5+6)	1,688	2,482	3,688	8,027	15,013	22,601
8	Paid up equity share capital (Face value of Rs. 10)	13,608	13,608	13,608	13,608	13,608	13,608
9	Other equity						2,97,551
10	Earnings per share (*)						
	Basic (Rs.)	*1.24	*1.82	*2.69	*5.92	*10.96	16.55
	Diluted (Rs.)	*1.24	*1.82	*2.69	*5.92	*10.96	16.55

(*) not annualised



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STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2023

Notes

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

Sr. no.	Particulars	Quarter ended			Nine Months ended		Year ended
		31 December 2023	30 September 2023	31 December 2022	31 December 2023	31 December 2022	31 March 2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	Gross segment revenue from continuing operations						
(a)	Large corporate	1,314	1,549	4,163	7,183	13,164	17,685
(b)	SME	2,461	3,043	3,800	8,588	13,559	17,316
(c)	Commercial vehicles	18,991	17,073	14,266	51,086	43,132	56,312
(d)	Housing finance	6,805	7,908	4,565	20,657	15,833	20,924
(e)	Unallocated	1,120	1,766	1,377	4,453	3,355	5,728
	Segment revenue from continuing operations	30,691	31,339	28,171	91,967	89,043	1,17,965
	Segment results						
(a)	Large corporate	(1,440)	(9,675)	1,552	(9,036)	5,529	5,746
(b)	SME	3,963	3,429	725	8,960	4,491	4,233
(c)	Commercial vehicles	46	8,798	3,914	11,977	11,581	16,197
(d)	Housing finance	843	1,913	720	3,824	4,679	5,123
(e)	Unallocated	(1,503)	(1,496)	(3,050)	(6,683)	(10,147)	(7,436)
	Profit/(loss) before tax	1,909	2,969	3,861	9,042	16,133	23,863
	Segment assets						
(a)	Large corporate	97,184	95,583	1,11,239	97,184	1,11,239	1,08,709
(b)	SME	67,833	83,861	1,14,481	67,833	1,14,481	1,01,804
(c)	Commercial vehicles	5,18,932	4,68,794	3,62,944	5,18,932	3,62,944	3,87,379
(d)	Housing finance	1,98,145	1,67,730	1,38,072	1,98,145	1,38,072	1,45,427
(e)	Unallocated	1,35,441	92,033	1,61,227	1,35,441	1,61,227	1,68,900
	Total assets	10,17,535	9,08,001	8,87,963	10,17,535	8,87,963	9,12,219
	Segment liabilities						
(a)	Large corporate	63,227	60,566	62,121	63,227	62,121	62,953
(b)	SME	46,940	55,429	74,464	46,940	74,464	66,821
(c)	Commercial vehicles	3,54,885	3,08,111	2,63,619	3,54,885	2,63,619	2,78,394
(d)	Housing finance	1,41,595	1,11,812	84,677	1,41,595	84,677	91,714
(e)	Unallocated	91,349	54,419	94,527	91,349	94,527	1,01,178
	Total liabilities	6,97,996	5,90,337	5,79,408	6,97,996	5,79,408	6,01,060

2 The Group reports quarterly financial results on consolidated basis, pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with SEBI circular dated 5 July 2016. The standalone financial results are available on the website of the Company at www.indostarcapital.com and on the website 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 standalone financial results of the Company are given below:

Particulars	Quarter ended			Nine Months ended		Year ended
	31 December 2023	30 September 2023	31 December 2022	31 December 2023	31 December 2022	31 March 2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenue from operations (including other income)	23,882	23,427	23,742	71,440	73,341	97,325
Profit/(loss) before tax	1,062	1,051	3,110	5,204	11,419	18,727
Profit/(loss) after tax	1,062	1,051	3,110	5,204	11,419	18,727
Total Comprehensive income	1,063	1,055	3,128	5,180	11,505	18,804

3 The unaudited consolidated financial results of IndoStar Capital Finance Limited ("the Company") and its subsidiaries (together referred to as "the Group") for the quarter and nine months ended 31 December 2023 have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act 2013 ("the Act") read with the Companies (Indian Accounting Standard) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Amendment Rules, 2016 and have been reviewed by the Audit Committee and subsequently approved at the meeting of the Board of Directors held on 24 January 2024. The unaudited consolidated financial results for the quarter and nine months ended 31 December 2023 have been subjected to limited review by the Statutory Auditor of the Company.

4 The Secured Listed Non-Convertible Debentures of the Company as on 31 December 2023 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 secured listed non convertible debentures has been maintained as per the terms and conditions stated in the respective offer documents.

5 During the previous year ended 31 March 2023, certain employees to whom stock options issued in accordance with ESOP plan disassociated from the Company. Accordingly, unvested and vested but not exercised options granted to these employees were cancelled. Employee cost includes effect of reversal of such cost of unvested options aggregating to Rs 4,421.94 lakh for the year ended 31 March 2023.

6 The figures for the quarter and nine months ended 31 December 2022 and year ended 31 March 2023 were reviewed / audited by previous Statutory Auditors.

7 The figures for the quarter ended 31 December 2023 are the balancing figures between unaudited figures for the nine months ended 31 December 2023 and unaudited figures for the six months ended 30 September 2023.

8 All amounts disclosed in financial results have been rounded off to the nearest lakhs.

9 Figures for the previous periods / year have been regrouped, 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

Karthikeyan Srinivasan
Chief Executive Officer & Whole Time Director
DIN: 10056556

Place: Mumbai
Date: 24 January 2024