



**TRANSCRIPT OF THE 15TH ANNUAL GENERAL MEETING OF INDOSTAR CAPITAL FINANCE**  
**LIMITED**

**Karthikeyan Srinivasan**

Good Afternoon ladies and gentlemen.

I am Karthikeyan Srinivasan, CEO of IndoStar Capital Finance Limited, and I welcome you all to the 15<sup>th</sup> Annual General Meeting of the Company. I am delighted to be here today as this is my privilege to address all of you as CEO of the Company.

In compliance with circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India, the 15<sup>th</sup> AGM of the Company is being conducted through Video Conferencing and few members of the Board and Senior Management are attending the meeting from different locations.

I would now request Mr. Vinodkumar Panicker, Chief Financial Officer of the Company to introduce himself to the Members. Mr. Vinodkumar Panicker?

**Vinodkumar Panicker**

Thank you, Karthik and once again a very warm welcome and good afternoon to one and all. I am Vinodkumar Panicker, Chief Financial Officer of the Company. It's a pleasure to be here today and your presence here is a testimony of your interest and support to the Company.

**Karthikeyan Srinivasan**

Thank You Vinod.

I would now request Board members who have joined through Video Conferencing to introduce themselves. Mr. Bobby Parikh?

**Bobby Parikh**

Good afternoon, I am Bobby Parikh, Non-Executive Independent Chairman of the Company and Chairman of the Audit Committee. I have joined the meeting through video conferencing from my office in Bombay.

**Karthikeyan Srinivasan**

Mr. Hemant Kaul

**Hemant Kaul**

Good afternoon, I am Hemant Kaul, Non-Executive Independent Director of the Company and Chairman of the Nomination & Remuneration Committee. I have joined the meeting through video conferencing from my Residence in Jaipur.

**Karthikeyan Srinivasan**

Mr. Randhir Singh

**Randhir Singh**

Good afternoon, I am Randhir Singh, Executive Vice Chairman and Whole time Director of the Company. I have joined the meeting through video conferencing from the registered office of the Company in Mumbai.

**Karthikeyan Srinivasan**

Mr. Dhanpal Jhaveri

**Mr. Dhanpal Jhaveri**

Good afternoon, I am Dhanpal Jhaveri, Non-Executive Non-Independent Director of the Company.

**Karthikeyan Srinivasan**

We also have with us Mr. Nitin Gyanchandani, Chief Risk Officer, Ms. Priya Prasad, Head – HR, Mr. Kekin Savla, Head – Finance, Ms. Rashmita Prajapati, Chief Compliance Officer, Ms. Shikha Jain, Company Secretary and Compliance Officer, and other member of the Senior Management of the Company and our business heads, who have joined the meeting through video-conferencing from their respective locations.

Representatives of M S K A & Associates, Chartered Accountants, the Statutory Auditors of the Company and M/s. Mehta & Mehta, Company Secretaries, the Secretarial Auditor of the Company and Scrutinizer for the e-voting process for this AGM, have also joined the meeting.

In terms of Section 104 of the Companies Act, 2013 read with the Articles of Association of the Company, I now request Mr. Bobby Parikh, Chairman, to occupy the chair and conduct the proceedings of the AGM.

**Bobby Parikh**

Thank you, Mr. Karthikeyan

Dear Members,

On behalf of the Board of Directors, I extend you all a warm welcome to the 15<sup>th</sup> AGM of the Company and hope each one of you is safe, healthy and doing well.

As mentioned by Mr. Karthikeyan, we are, for the fifth consecutive year holding the AGM through video conferencing in compliance with the provisions of Companies Act 2013, the circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India. The Company has engaged the services of Central Depository Services (India) Limited (“CDSL”) for providing the facility for participation in the AGM through video conferencing and for electronic voting on matters set out in the AGM Notice.

Since the requirement of physical presence of the Members at a common venue has been dispensed with, the Company has made all efforts feasible under the current circumstances to enable the Members to participate at the meeting through the video conferencing facility and vote electronically. The Facility for joining this meeting through video conferencing is made available for the members on a first-come-first-served basis.

As the AGM is being held through video conference there is no requirement of appointment of proxies, and accordingly the facility for appointment of proxies by the Members is not available.

As confirmed by the Company Secretary, the required quorum being present, I call the meeting to order.

The Register of Directors and Key Managerial Personnel and their shareholdings, the Memorandum and Articles of Association of the Company, the certificate from the Secretarial Auditors relating to the implementation of the Company's ESOP Schemes, Register of contracts with related party and contracts and Bodies etc. in which directors are interested and relevant documents referred to in the AGM Notice are available for online inspection by Members. Members who wish to inspect any of these documents, can write to the Company Secretary & Compliance Officer at [investor.relations@indostarcapital.com](mailto:investor.relations@indostarcapital.com).

As the Notice convening the AGM along with addendum to Notice has been dispatched by way of permitted mode, I take the same as read.

The Statutory Audit Reports of the Company for the financial year ended March 31, 2024 do not contain any qualifications, comments and other remarks and Ms. Shikha Jain, Company Secretary of the Company shall read before the members the qualifications, comments and other remarks contained in the Secretarial Audit Report for the financial year ended March 31, 2024.

**Shikha Jain**

Good afternoon, I am Shikha Jain, Company Secretary of the Company. I have joined the meeting through video conferencing from the registered office of the Company in Mumbai.

There are no qualifications, comments, adverse opinion and other remarks mentioned in the Statutory Auditor Reports for FY March 31, 2024 and with your consent, I will read the

qualifications, comments, adverse opinion and other remarks mentioned in the Secretarial Audit Report of the Company for the Financial Year ended March 31, 2024.

- A. As per Regulation 24A (2) of SEBI (LODR) Regulations, 2015, the Company shall submit a secretarial compliance report to stock exchanges within sixty days from end of each financial year however the report in pdf and xbrl formats have been filed on a delayed date;*
- B. As per Regulation 47 (3) of SEBI (LODR) Regulations, 2015, the Company shall publish in newspaper the financial results within 48 hours of conclusion of the meeting of board of directors at which the financial results were approved however the same was delayed by one day;*
- C. As per Regulation 60(2) of SEBI (LODR) Regulations, 2015, delayed notice has been given to the stock exchange for the record date;*
- D. As per Regulation 29 (2) of SEBI (LODR) Regulations, 2015, prior intimation to be given to the Stock Exchange for fund raising has not been given by the Company.*
- E. As per Regulation 30 of SEBI (LODR) Regulation, 2015, delayed intimation has been given to the National Stock Exchange of India Limited, for the appointment of Mr. Devdutt Marathe & Resignation of Mr. Munish Dayal. Over to you Mr. Bobby Parikh.*

**Bobby Parikh**

Thank you, Ms. Shikha

**DEAR SHAREHOLDERS,**

It gives me immense pleasure to address you all at this 15th Annual General Meeting of IndoStar Capital Finance Limited and to present before you the performance of the Company for the financial year 2023-24, a year which witnessed a significant positive turnaround in our business.

We began the year in the backdrop of the strength of underlying demand drivers – with improving GDP growth despite a strained global geopolitical situation, reducing inflationary pressures, robust GST collections, and a continued thrust on infrastructure development.

All sectors of the economy witnessed good momentum over the last few quarters, before experiencing a temporary disruption on account of the onset of the Russia-Ukraine war.

The banking and financial services sector, including the NBFC sector, were beneficiaries of the greater levels of economic activity, and saw a resurgence in lending activities. The commercial vehicle (CV) and affordable housing sectors, where we are primarily focused, also rebounded post few years of slump. This led to a circa 170% growth in our disbursements during FY 2024.

In the CV finance business, we continued to strengthen our niche in the used vehicle segment alongside enhancing our national presence by adding 41 new branches, largely in the form of Micro branches in the Tier 3/4/5 locations. Total disbursements in this business were Rs. 4,253 crores and the total AUM of the segment stood at Rs. 5,594 crores as on March 31, 2024. The affordable housing finance subsidiary continued its strong performance. With a disbursement of Rs. 937 crores, the total AUM of this business stood at Rs. 2,270 crores as on March 31, 2024, a growth of 40% over the previous year. The GNPA for our housing finance business at 1.1% remains one of the lowest in the industry, and it continues to demonstrate strong asset quality.

Your company has undergone a major overhaul in the preceding year when it reviewed and re-engineered its processes, procedures, increased the use of technology, brought in several senior management personnel and modified its business outlook to build a more retail finance thrust.

At the same time, the strong backing provided by Brookfield and Everstone has helped us in enhancing our capital base and provided us with additional financial flexibility.

We strengthened controls, reviewed policies and upgraded technology / systems – right from loan origination, credit appraisal disbursement and the collection process. We also enhanced our operational performance by optimizing efficiency across branches, while also maintaining continued focus on collections, adding people to our business, collection, credit and operations teams, and strengthening our culture.

The year was a landmark as we raised incremental funding of around Rs. 5,790 crores on consolidated basis, which bolstered our liquidity position and significantly improved our Asset Liability profile. A large part of the borrowing was in the form of NCDs from large Financial Institutions, which gives us the confidence that going forward we will have a broader access to many more such lenders to help in our growth journey. The Company has recovered well after a couple of years of turbulence due to and post COVID. The Company has significantly reduced its portfolio of non-core businesses of Corporate Loans and SME and on an overall basis ended the year with the retail finance portfolio being 96% of its total AUM.

This resulted in improving asset quality and led to a GNPA of 4.97% and NNPA of 2.09% as on 31<sup>st</sup> March 2024. With increased investment in technology and digitization, rigorous efforts to reduce stressed assets books, cost-reduction initiatives, strengthened governance practices and a strong senior management team, we have become future-fit and are now aiming for sustained profitable growth.

Moving ahead in a position of strength - The outlook for the Indian economy remains positive amidst global turmoil, and the Indian economy is expected to grow significantly over the next few years. While non-banking financial institutions may face some headwinds due to moderately high inflation and the relatively elevated interest rate environment, the industry is well-placed with sufficient capital buffers to withstand negative shocks. The revival in CV and affordable housing finance is likely to continue into FY 2025 and some more years post that as well, and augurs well for the industry players. We are in for exciting times and we are fully geared up to meet the future.

Finally, on behalf of the entire Board, I thank all our stakeholders for trusting and supporting us. We have been on a transformation journey, and will continue to work towards strengthening our franchise.

Before proceeding further with the business of the meeting, I wish to inform the Members that the facility for remote e-voting on the resolutions set out in the AGM Notice was provided



to the Members of the Company whose names appeared in the records of the Company as on the cut-off date which was - Monday, September 23, 2024. The remote e-voting period commenced on Wednesday, September 25, 2024 at 10:00 a.m. and ended on Sunday, September 29, 2024 at 05:00 p.m.

Members present and participating in the Meeting who have not cast their vote through remote e-voting facility can cast their vote through the e-voting system provided by CDSL which is now open for voting and will close after 15 minutes from the time of closure of this meeting. In case members face any difficulty, they may reach out on the helpline numbers provided in the AGM Notice.

Ms. Alifya Sapatwala, of Mehta & Mehta, Practicing Company Secretaries, has been appointed as the Scrutinizer to conduct and scrutinize the e-voting process.

Since the AGM is being held through video conferencing and all the resolutions mentioned in the Notice convening this AGM have been already put to vote through remote e-voting, there will be no proposing and seconding of resolutions.

I now proceed with formal agenda as set out in the AGM Notice and request Ms. Shikha Jain, Company Secretary of the Company to read out the proposed resolutions.

**Shikha Jain**

Thank You, Sir

**Ordinary Business(es)**

**Resolution No. 1:**

**To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024, along with the report(s) of the Board of Directors and the Auditors thereon.**

*The Standalone financial statements of the Company for the financial year ended March 31, 2024 including the reports of Board of Directors and Auditor thereon have already been provided to the members.*

**Resolution No. 2:**

**To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024 and the report of the Auditors thereon.**

*The Consolidated financial statements of the Company for the financial year ended March 31, 2024 and the report of Auditors thereon have already been provided to the members.*

**Resolution No. 3:**

**To appoint a Director in place of Mr. Aditya Joshi (DIN: 08684627), who retires by rotation and being eligible, offers himself for re-appointment.**

*Members are requested to note that a brief profile of Mr. Aditya Joshi is annexed to the AGM Notice for your reference.*

**Resolution No. 4:**

**To appoint a Director in place of Mr. Dhanpal Jhaveri (DIN: 02018124), who retires by rotation and being eligible, offers himself for re-appointment.**

*Members are requested to note that a brief profile of Mr. Dhanpal Jhaveri is annexed to the AGM Notice for your reference.*

**Special Business(es)**

**Resolution No. 5:**

**Issue of non-convertible debentures under private placement.**

***Rationale:***

*In terms of Section 42 of the Companies Act, 2013 and to enable the Company to raise funds by way of issuance of NCDs, the special resolution for issue and allotment of NCDs upto ₹ 6,000 crore, during a period of 1 year from the date of this resolution, is recommended to the Members for their consideration and approval.*

**Resolution No. 6:**

**Alteration of articles of association of the company.**

***Rationale:***

*In terms of the provisions of Sections 5 and 14 of the Companies Act, 2013 (the "Act") and the Companies (Incorporation) Rules, 2014 and all other applicable provisions under the Act, the special resolution for alteration in the Articles of Association of the Company is recommended to the Members for their consideration and approval. Members are requested to note amended clauses have been covered in the AGM Notice for your reference.*

Over to you Mr. Bobby Parikh

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**Bobby Parikh**

Thank you, Ms. Shikha

The Company had provided its Members with the facility of registering themselves as "Speakers", to enable Members to express their views / ask questions during the AGM. We have received request from 5 Members to register themselves as speaker for the AGM. We request speakers to limit their speech to 3 minutes and if a query is raised by an earlier speaker, please do not repeat the same for the benefit of other Members. We request the

Speakers to address their speech as per the names called out and the management shall address the queries, if any, at the end.

We will now proceed to interact with the Speakers.

Our first speaker is Mr. Rajendra Jamnadas Sheth

(Speaker couldn't connect)

**Bobby Parikh**

Our Second speaker is Ms. Lekha Shah -

Thank you sir, Respected Chairman Sir, Board of Directors, and my fellow members, Good After Noon and regards to everyone. Myself, Lekha Shah from Mumbai.

First of all I would like to thank our Company Secretary, Shikha Mam, especially Vinod Sir for giving me this opportunity and for smooth process where I am able to talk in front of you all in the AGM.

I found the AGM Notice really useful with lot of information.

Thank you so much Shikha Mam. Chairman Sir I hope the Company will continue video Conferencing meeting in future. I strongly and full heartedly support all the resolutions for today's meeting.

**Bobby Parikh**

Thank you, Ms. Shah

Our third speaker is Mr. Jehangir Batiwala

(Did not join the meeting)

**Bobby Parikh**

Our fourth speaker is Mr. Satish Shah

(Did not join the meeting)

**Bobby Parikh**

Our fifth speaker is Mr. Prathamesh Vikas Dakwe

(his mother Joined)

Hello, I am a joint Shareholder with my Son Prathamesh, Mrs. Vasudha Vikas Dakwe, Can I Continue?

**Bobby Parikh**

Yes

**Mrs. Vasudha Vikas Dakwe**

I support all the resolutions and wish the company all the best for coming financial year and my best wishes for Dusshera and Diwali festival. Thank you Sir.

**Bobby Parikh**

Thank you

Are we able to connect Mr. Seth?

(Waited for him but he couldn't connect- technical issue)

Thank you. Members who have still not voted on resolutions are requested cast their vote on CDSL e-voting system which will be available for the next 15 minutes by clicking on the EVSN no., next to the live streaming link inside your e-voting login on [www.evotingindia.com](http://www.evotingindia.com). The detailed process of voting is mentioned in the AGM Notice. In case members face any difficulty, they may reach out on the helpline numbers provided in the AGM Notice.

Voting results on each resolution will be an aggregation of valid votes cast through remote e-voting and e-voting during the AGM.

The Scrutinizer will make a consolidated Scrutinizer's Report of the total votes cast in favour or against. On receipt of the consolidated report from the Scrutinizer, the results shall be declared and the results along with the Scrutinizer's Report will be placed on the website of the Company and the website of CDSL and will also be communicated to the stock exchanges. I hereby authorize Ms. Shikha Jain, Company Secretary, to receive, countersign and declare the result of the voting.

I am authorising Ms. Shikha Jain, the Company Secretary to receive the Scrutinizer's Register, Report on e-voting and other related papers with requisite details and also to counter-sign the Scrutinizer's Report upon receipt of the same and declare the Results.

The resolutions as set out in the AGM Notice read with Addendum shall be deemed to be passed on the date of the AGM i.e. September 30, 2024, if carried with requisite majority.

With the completion of the above, I declare this AGM as concluded and thank the Members for their valuable time.

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