

ICFL/LS/0222/2021-22

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

Dear Sir/ Madam,

This is in continuation of our letter reference no. ICFL/LS/0220/2021-22 dated 11 February 2022 submitted with your good office, please find attached herewith the following:

- i. Revised press release to be issued by the Company in connection with the Unaudited Financial Results (Standalone and Consolidated) for the quarter and nine months ended 31 December 2021 at **Annexure I**; and
- ii. Revised investor presentation on Unaudited Financial Results (Standalone and Consolidated) for the quarter and nine months ended 31 December 2021 at **Annexure II**.

Request you to kindly take the above on record and disseminate the same on your website.

Thanking you,

Yours Truly,



Jitendra Bhati

SVP – Compliance & Secretarial
(Membership No. F8937)



Encl: a/a

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

BSE: 541336 | NSE: INDOSTAR | Bloomberg: INDOSTAR:IN



IndoStar reports PAT of ₹ 15 crores during Q3FY22

- **Total Retail disbursements at ₹ 1,456 crores**
- **Retail AUM ~ ₹ 7,594 Crores - up from ₹ 6,922 Crores from Q2FY22. Retail lending now stands at 82% of total AUM**
- **Strong Capital Adequacy at 35%**
- **Opened 65 new branches leading to a total of 125 new branches in 9 months, with focus in north and north east India. 343 branches across 21 states**

Mumbai, Friday, February 11, 2022 – IndoStar Capital Finance Limited (IndoStar), one of India's leading retail non-banking financial companies announced its Q3FY22 results today. The AUM stands at ₹ 9,236 crores, up 8% against previous quarter, despite gradual reduction in the corporate lending book, which the company plans to reduce further. The Company aims to be 100% Retail Company. IndoStar's business transition from corporate to retail franchise coincided with Covid. IndoStar however is now at an inflexion point and much closer to a profitable, high growth path than ever before.

In Q3FY22, the company touched an all-time high retail disbursement of ₹ 1,456 crores for a quarter, and collection efficiencies remained above 100%.

Pan India Expansion

Keeping in line with previous guidance, the company continued to expand its branches, focusing on untapped markets in North, East and North-East India, to supplement strong presence in South and West India. Following a hub and spoke model for expansion, special emphasis has been laid on integrating the new branches with the company's digitization initiative, aimed at reducing operating costs and enhancing customer experience. With 65 new branches in Q3, total branch strength is now at 343 across the country.

Leadership Transition for future growth:

Q3 also saw the elevation of Mr. Deep Jaggi, Chief Business Officer, to Chief Executive Officer. Mr. Jaggi, who headed all retail verticals in his erstwhile role, will now lead the organisation's aim of expanding into 1000 branches in the next 5 years. This is part of a well thought through succession plan.

Process and Operational Excellence:

With a more pronounced focus on process excellence, new underwriting policies and collections practices have been applied. By increasing technological orientation, the company will be leveraging analytics and big data to focus on newer markets and ensure profitable growth.

Retail AUM increases to 82%; focus on Used CV and Affordable Home Finance to continue

In line with its retailisation strategy, the share of retail is now 82% up from 75% last year. Despite a cyclical slowdown in commercial vehicles and in the introduction of BS-VI, the segment remains to be profitable, underscoring the quality of the retail franchise. The affordable housing segment continues to perform strongly. An up-tick in the economy and the execution of the already announced scrappage policy will provide additional impetus for growth.

Stable credit rating and robust liquidity pipeline:

The company currently has liquid assets of around 14% of its borrowings. With a credit rating of AA- with stable outlook, even in the current challenging times, the company has a strong pipeline and multiple avenues to raise further liabilities to finance additional growth.

Speaking on the results, Deep Jaggi, CEO, IndoStar Capital Finance remarked “The organisation has demonstrated remarkable resilience through multiple covid-19 waves and not digressed from its path of achieving rapid growth. By using the pandemic induced crisis as an opportunity, we achieved superior levels of asset quality and solvency. Now at an inflection point, we are well placed to deliver secular loan book growth and profitability quarter-on-quarter. We have undertaken an endeavour of expanding our presence to the length and breadth of the country and will leverage technology to its fullest potential in fulfilling our ambitions. Our internal focus coupled with a gradual up-tick in the economy positions us well to capitalise on the tremendous post pandemic opportunity”

Key Financials:

Particulars (₹ Crores)	Q3FY22	Q2FY22	QoQ	Q3FY21	YoY
Net Revenue from operations	163.8	144.8	13%	156.8	4%
Pre-Provision Operating Profit	62.2	50.2	24%	76.8	(19%)
Provisions and accelerated write-offs	42.7	(2.8)	n.a.	46.2	(8%)
Profit After Tax	14.5	39.4	(63%)	24.2	(40%)

Consolidated financial update for the quarter ended December 2021

- Net Revenue from Operations at ₹ 163.8 Crs
- Gross and Net Stage 3 at 4.3% and 2.3% respectively

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 organization which is engaged in providing used and new commercial vehicle financing, loans to SME borrowers and Affordable Home Finance through its wholly owned subsidiary, IndoStar Home Finance Private Limited. For more information, visit www.indostarcapital.com.

Media Contact:

Snigdha Nair snigdha.nair@adfactorspr.com; indostar@adfactorspr.com
Salil Bawa: sbawa@indostarcapital.com

POISED FOR GROWTH



INDOSTAR

LIFE KA TAKE-OFF



Q3FY22 Results Update

11th February 2022

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Note : The figures for the previous period have been adjusted, wherever considered necessary to conform with the financial reporting requirements.

- To build a 100% retail company with Pan India Presence
- To build a profitable retail platform with growth potential to deliver excellent value to all stakeholders.
- To open smart branches with digitisation to enhance productivity and reduce operating expenses
- To expand geography, products and customer segments to gain market share
- To deliver secular loan book growth and profitability over the coming quarters
- To build strong collection vertical to cater leaving the sales and credit to focus on business growth

Discussion Summary

Quarterly Results



Business Update



Strategy



Shareholding Structure



- PAT for Q3FY22 ₹ 145 million and 9MFY22 ₹ 171 million
- Retail disbursement for Q3FY22 ₹ 14,563 million vs ₹ 4,769 million for Q3FY21 and 11,075 million for Q2FY22
- Collections continue to be stable
 - Over ₹ 29000+ million collected in last 1 year
- Continued reduction in Corporate lending book - Retailisation of the business remains on track
- Retail Franchise ~ 82% of AUM (v/s 75% in Dec-20)
- Strong ALM and robust fund mobilisation pipeline
- Capital Adequacy at 35%
- Opened 65 new branches in Q3FY22 (125 branches during 9MFY22) leading to a total of 343 branches - Focus on expanding footprint

Particulars	Jan-22	Feb-22	Mar-22	Q1 FY23	Q2 FY23	Q3 FY23
Opening cash & equivalents*	9,345	11,349	14,338	16,138	12,004	8,632
Loan repayment inflows [Principal]	862	880	937	2,525	3,433	4,136
Fresh borrowings #	2,250	5,000	5,000	-	-	-
Total inflow	12,457	17,230	20,275	18,663	15,437	12,768
Liability repayment [Principal]						
Commercial paper	-	-	1,250	-	1,000	-
NCDs	150	2,500	250	3,950	2,250	500
Term loans & Others	958	391	2,637	2,709	3,555	2,466
Total outflow	1,108	2,891	4,137	6,659	6,805	2,966
Closing cash and equivalents	11,349	14,338	16,138	12,004	8,632	9,802

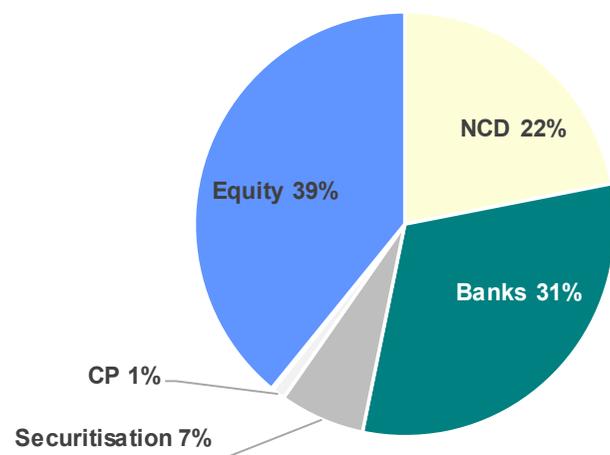
Feb 22 & March 22 under pipeline

* Opening Cash & Equivalents

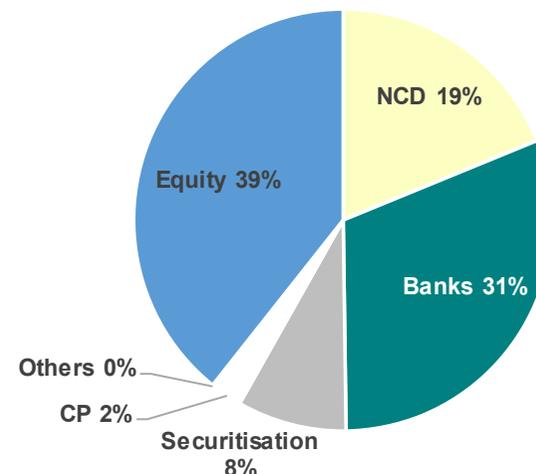
Particulars	₹ mn
Cash and Bank Balance	2,035
Liquid Debt Mutual Funds	3,170
Term Deposits with Banks	101
Investment in G-Sec	1,390
Undrawn funding Lines	2,650
Total	9,345

Strong Liquidity & ALM

Funding Mix - Sep 2021



Funding Mix - Dec 2021



Incremental Funding Mobilized

₹ mn	Q4 FY21	Q1 FY22	Q2 FY22	Q3 FY22
Banks	1,500	2,060	4,000	1,750
Markets	-	4,709	3,250	1,250
Assignments	774	-	-	-
Securitisation	-	-	-	3,132
Others (ICD)	-	13	1	-
Total	2,274	6,782	7,251	6,132

* Revolving facilities are not considered

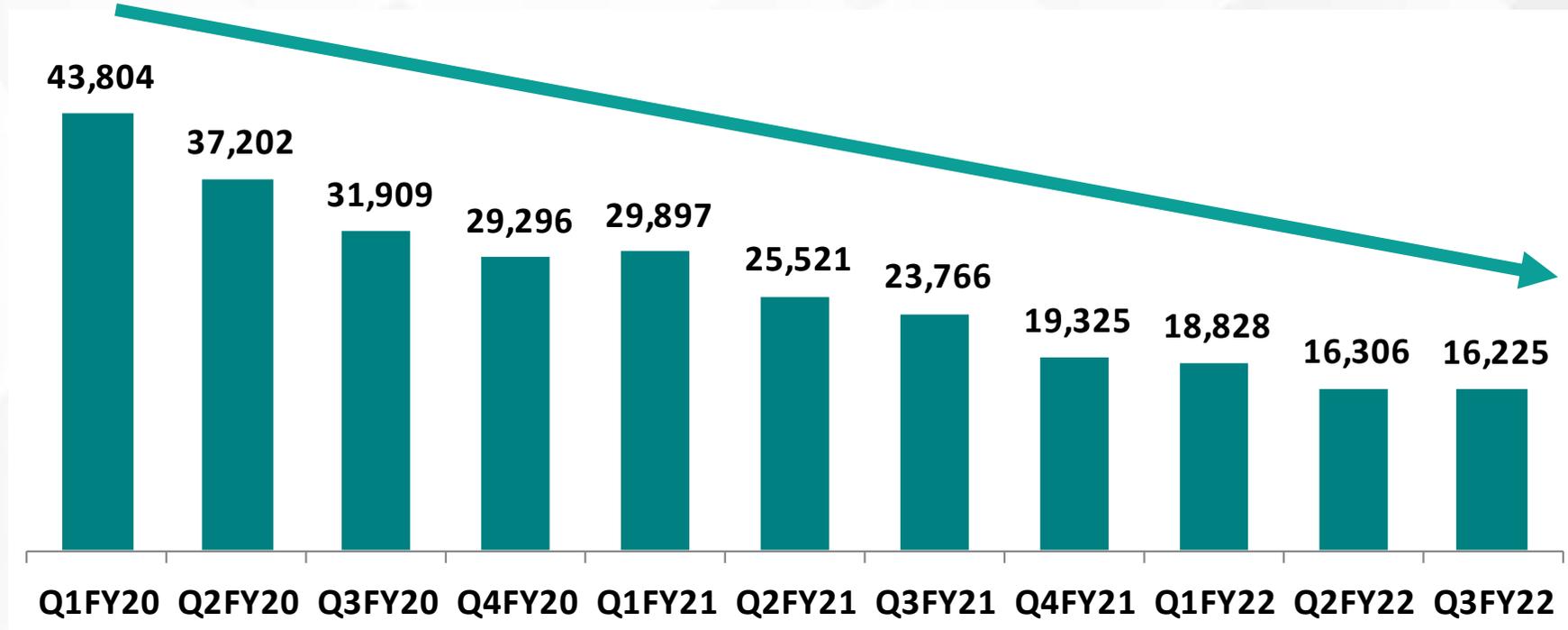
Strong Credit Ratings

Borrowing Type	Rating Firm	Ratings
Term Loans	CRISIL/ CARE*	AA (-)
Redeemable NCDs	CRISIL/ CARE*	AA (-)
CPs	CRISIL / CARE* / ICRA	A1 (+)

* CARE ratings not applicable for HFC

Diversified funding profile

Corporate Lending AUM (₹ mn)

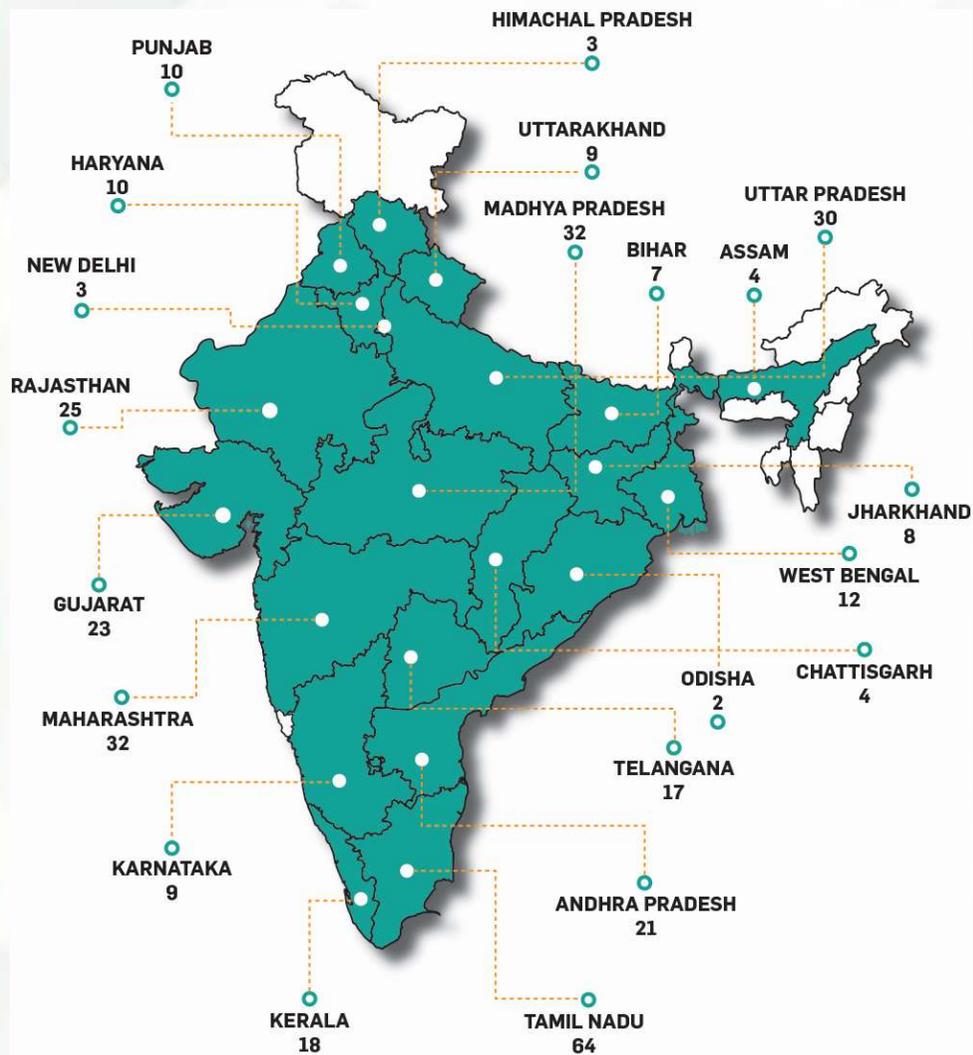


AUM is gross of ECL provision

Steady reduction in the Corporate book

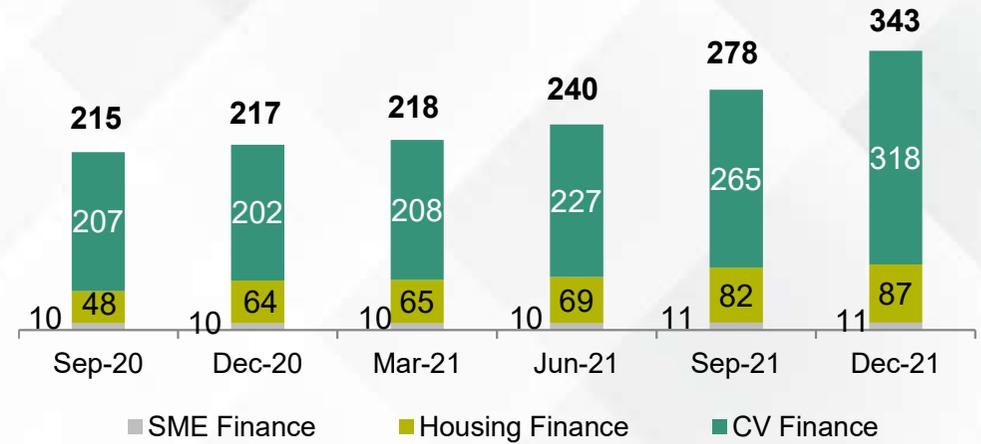
Month	Retail		
	Billing (₹ mn)	Total Collections (₹ mn)	%
Apr-20	2,130	154	7
May-20	2,134	389	18
Jun-20	2,219	1,023	46
Jul-20	2,234	1,450	65
Aug-20	2,211	1,565	71
Sep-20	2,182	2,008	92
Oct-20	2,153	2,148	100
Nov-20	2,092	2,382	114
Dec-20	2,050	2,810	137
Jan-21	1,985	1,867	94
Feb-21	2,011	2,191	109
Mar-21	1,997	2,742	137
Apr-21	1,978	2,773	140
May-21	1,943	2,476	127
Jun-21	1,949	2,827	145
Jul-21	1,854	3,003	162
Aug-21	1,798	2,808	156
Sep-21	1,844	3,003	163
Oct-21	1,857	3,529	190
Nov-21	1,849	2,687	145
Dec-21	1,899	3,171	167

Stable
Collection
Performance

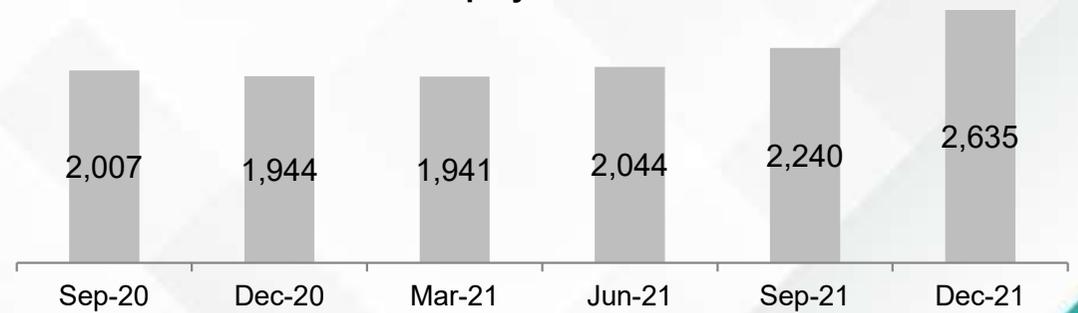


343 branches across 21 states

* Some branches have multiple operating segments



Employee Base



Expanding Reach



Execution of Retailisation Theme

- Strong Retail Franchise ~ 82% of AUM (v/s 75% in Dec-20)
- ICICI partnership AUM ~ ₹ 4,264 mn



Strong Capitalisation & Liquidity

- Comfortable liquidity; ~14% of Borrowings
- CRAR 35%
- Debt : Equity ratio of 1.5x



Financials

- Net Revenue from Operations ₹ 1,638 mn
- Cost Income ratio 59.0%*
- Pre-provision Operating Profit ₹ 622 mn

* Excluding one-off costs

Particulars (₹ mn)	Q3 FY22	Q2 FY22	QoQ %	Q3FY21	YoY %	9M FY22	9M FY21	YoY %
Revenue from operations	2,881	2,800	3%	3,353	(14%)	8,333	10,079	(17%)
Interest expenses	(1,243)	(1,352)	(8%)	(1,785)	(30%)	(3,982)	(5,477)	(27%)
Net revenue from operations	1,638	1,448	13%	1,568	4%	4,352	4,602	(5%)
People costs	600	533	13%	470	28%	1,623	1,357	20%
Operating expenses	416	412	1%	330	26%	1,273	944	35%
Pre-provision operating profit	622	502	24%	768	(19%)	1,455	2,301	(37%)
Credit costs	427	(28)	-	462	(8%)	1,221	1,035	18%
Profit before tax	195	531	(63%)	307	(36%)	234	1,266	(82%)
Tax	50	136	(63%)	65	(23%)	62	237	(74%)
Profit after tax	145	394	(63%)	242	(40%)	171	1,030	(83%)

Key Metrics	Q3 FY22	Q2 FY22	Q3FY21	9M FY22	9M FY21
Yield on loans *	13.1%	13.2%	13.9%	13.2%	13.9%
Yield on total assets *	11.8%	11.5%	12.2%	11.3%	12.6%
Cost of borrowings *	9.0%	9.5%	10.2%	9.3%	10.3%
NIM *	6.4%	5.3%	4.6%	5.6%	5.1%
Cost to income **	59.0%	58.7%	47.2%	58.7%	43.4%

* Annualised

** Excluding one-off costs

Note: NIM is calculated as Net Interest Income divided by Interest earning assets

Q3FY22 & 9MFY22: Consolidated Profit & Loss Statement

Particulars (₹ mn)	Dec-21	Sep-21	QoQ %	Dec-20	YoY %
Equity	36,784	36,779	-	40,046	(8%)
Borrowings	56,784	57,329	(1%)	71,236	(20%)
Other liabilities	3,551	4,040	(12%)	3,086	15%
Total liabilities	97,120	98,149	(1%)	1,14,368	(15%)
Loan assets	78,700	71,670	10%	75,515	4%
Treasury assets	11,267	18,307	(38%)	30,779	(63%)
Fixed assets & goodwill	3,738	3,720	-	3,913	(4%)
Other assets	3,415	4,450	(23%)	4,161	(18%)
Total assets	97,120	98,149	(1%)	1,14,368	(15%)

Key Ratios	Dec-21	Sep-21	Dec-20
ROAA*	0.2%	0.1%	1.3%
Leverage *	2.7x	2.7x	2.9x
ROAE*	0.6%	0.1%	3.8%

*Annualized

Consolidated Balance Sheet

Particulars (₹ mn)	CV Finance	SME Finance	Housing Finance	Corporate Lending	Consolidated [^]
Revenue from operations	1,424	439	326	490	2,881
Interest expenses	(471)	(215)	(148)	(232)	(1,243)
Net interest income	953	223	178	258	1,638
People costs	285	44	70	13	600
Operating expenses	197	16	34	16	416
Pre-provision operating profit	470	163	74	230	622
Credit costs	406	(10)	8	22	427
Profit before tax	64	173	67	208	195

Particulars (₹ mn)	CV Finance	SME Finance	Housing Finance	Corporate Lending	Consolidated [^]
Total assets	40,571	15,442	11,392	16,384	97,120

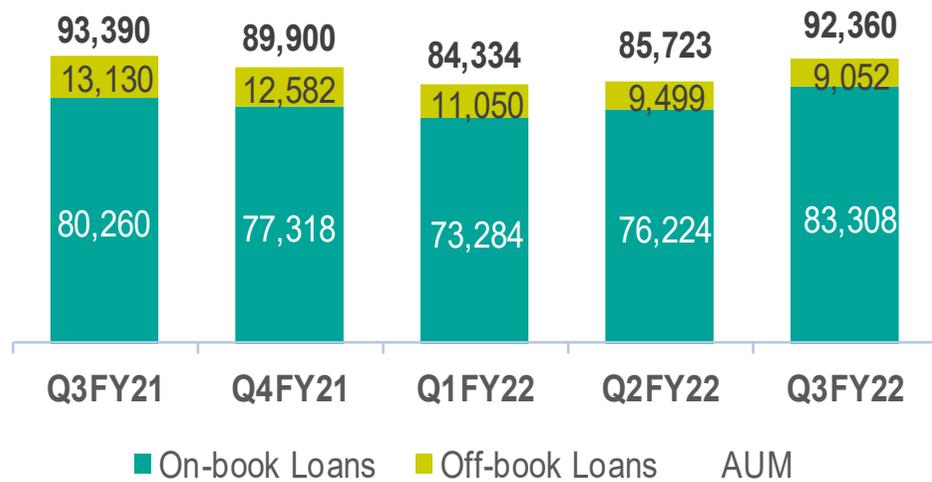
[^] Consolidated includes common corporate costs which are unallocated between segments

Particulars (₹ mn)	CV Finance	SME Finance	Housing Finance	Corporate Lending	Consolidated [^]
Revenue from operations	3,722	1,355	911	1,870	8,333
Interest expenses	(1,317)	(654)	(437)	(798)	(3,982)
Net interest income	2,405	701	474	1,072	4,352
People costs	712	128	181	42	1,623
Operating expenses	682	42	91	77	1,273
Pre-provision operating profit	1,011	532	202	953	1,455
Credit costs	1,468	112	21	(380)	1,221
Profit before tax	(456)	420	181	1,333	234

Particulars (₹ mn)	CV Finance	SME Finance	Housing Finance	Corporate Lending	Consolidated [^]
Total assets	40,571	15,442	11,392	16,384	97,120

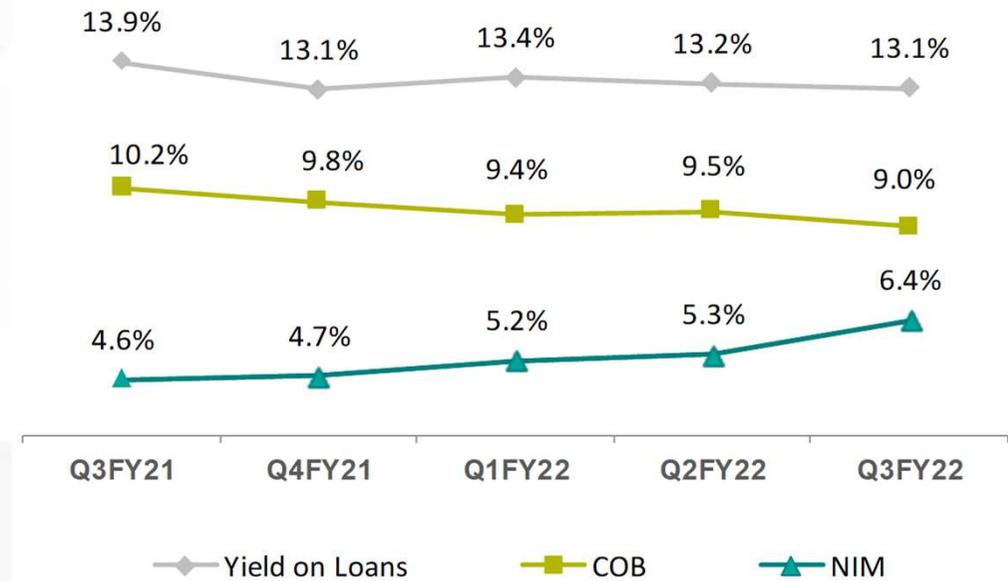
[^] Consolidated includes common corporate costs which are unallocated between segments

AUM (₹ mn)



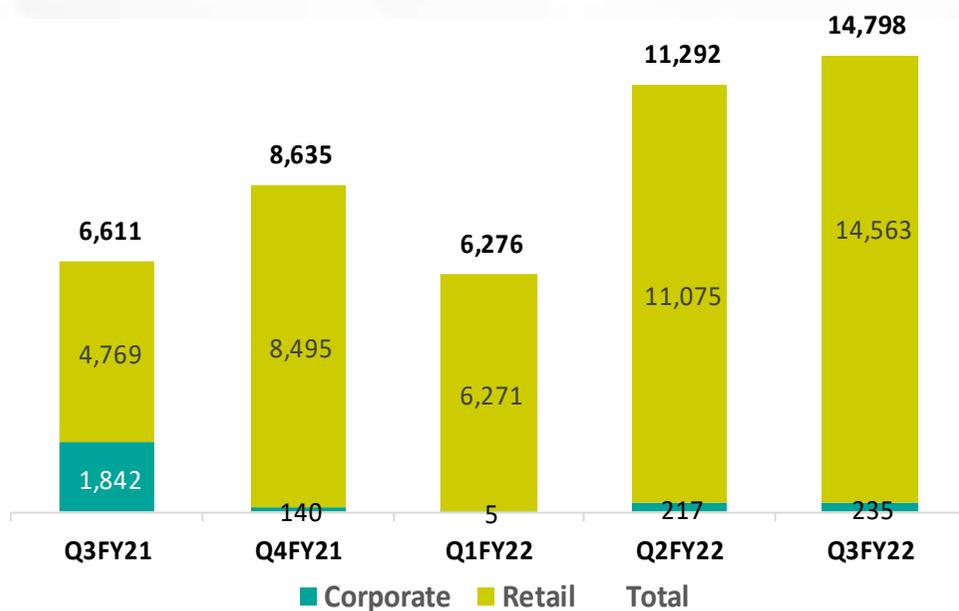
AUM is gross of ECL provisions

Margin Analysis (%)

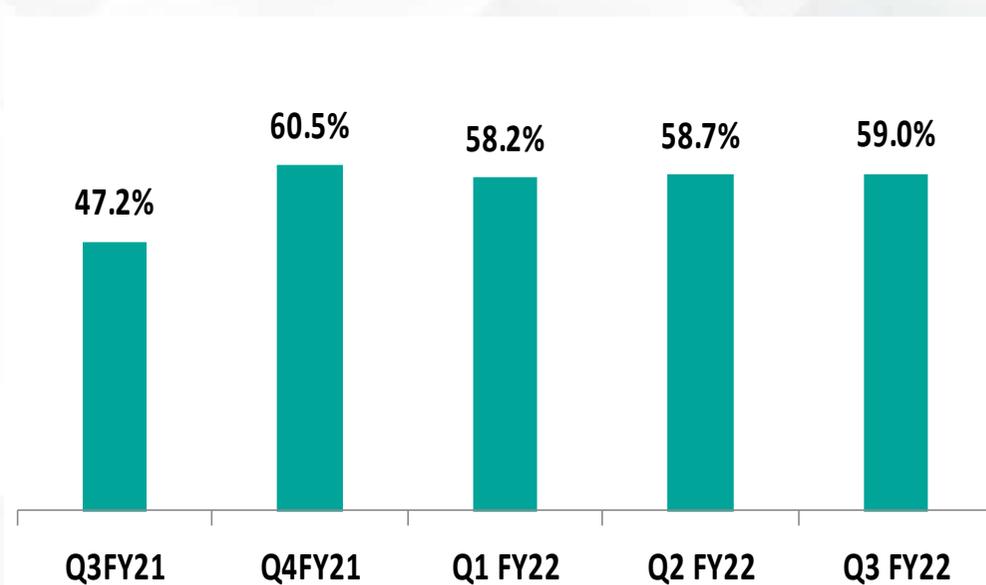


NIM is Net Interest Income divided by Interest earning assets

Loan Disbursements (₹ mn)

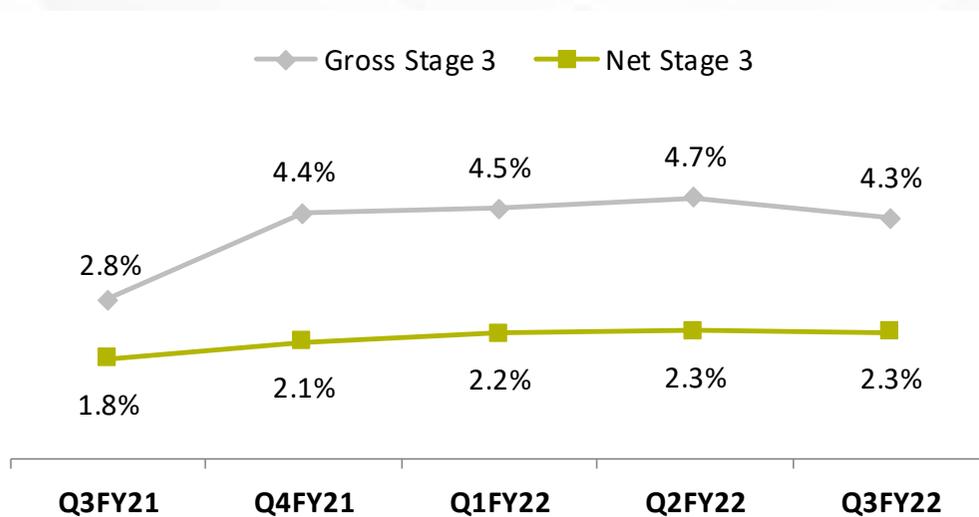


Cost to Income Ratio (%)

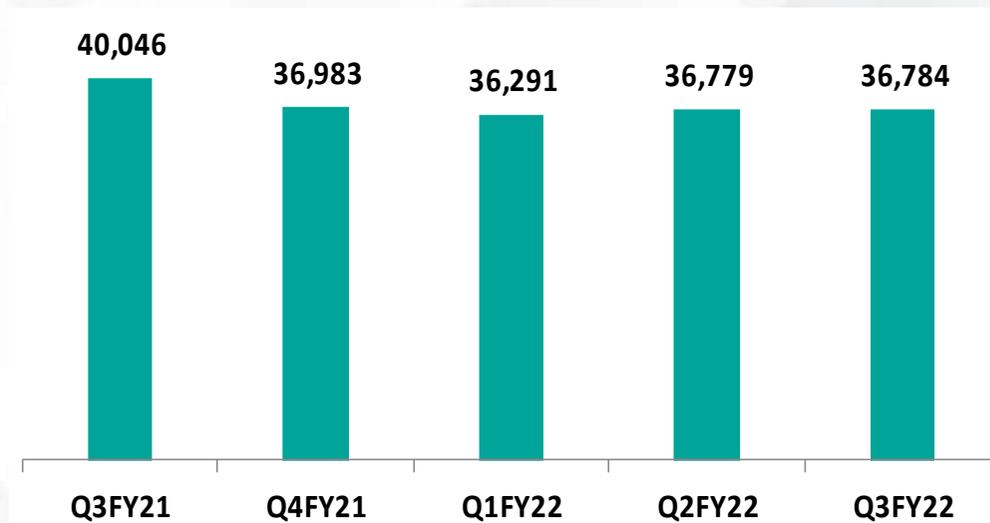


Excluding one-offs costs

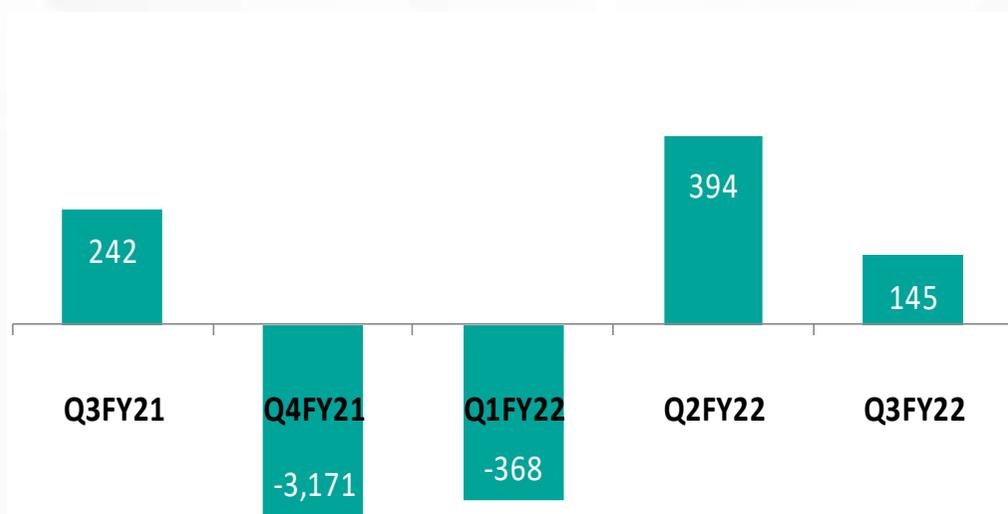
Stage 3 (%)



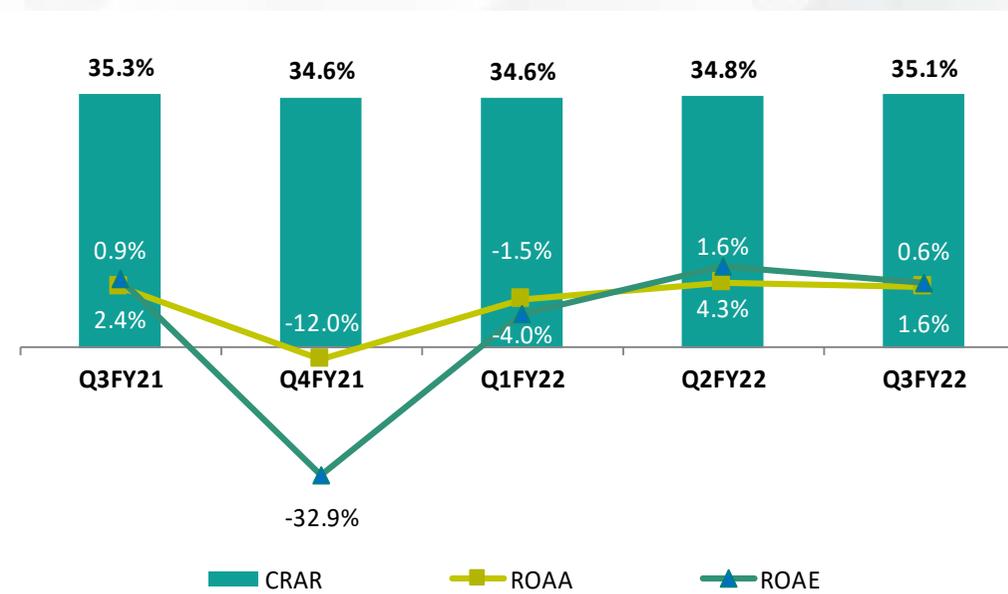
Net worth (₹ mn)



PAT (₹ mn)



Return Ratios[^] & Capital Adequacy (%)



[^] Annualized

Gross Stage 3 (₹ mn)	Q3FY21	Q4FY21	Q1FY22	Q2FY22	Q3FY22
CV finance	805	2,900	2,613	2,775	2,545
SME finance	261	382	456	533	612
Housing finance	138	159	261	303	287
Corporate lending	1,076	-	-	-	191
Total	2,280	3,441	3,329	3,611	3,635

Net Stage 3 (₹ mn)	Q3FY21	Q4FY21	Q1FY22	Q2FY22	Q3FY22
CV finance	634	1,216	1,148	1,207	1,198
SME finance	206	244	285	286	382
Housing finance	112	120	198	228	203
Corporate lending	470	-	-	-	100
Total	1,422	1,580	1,631	1,721	1,883

Discussion Summary

Quarterly Results



Business Update



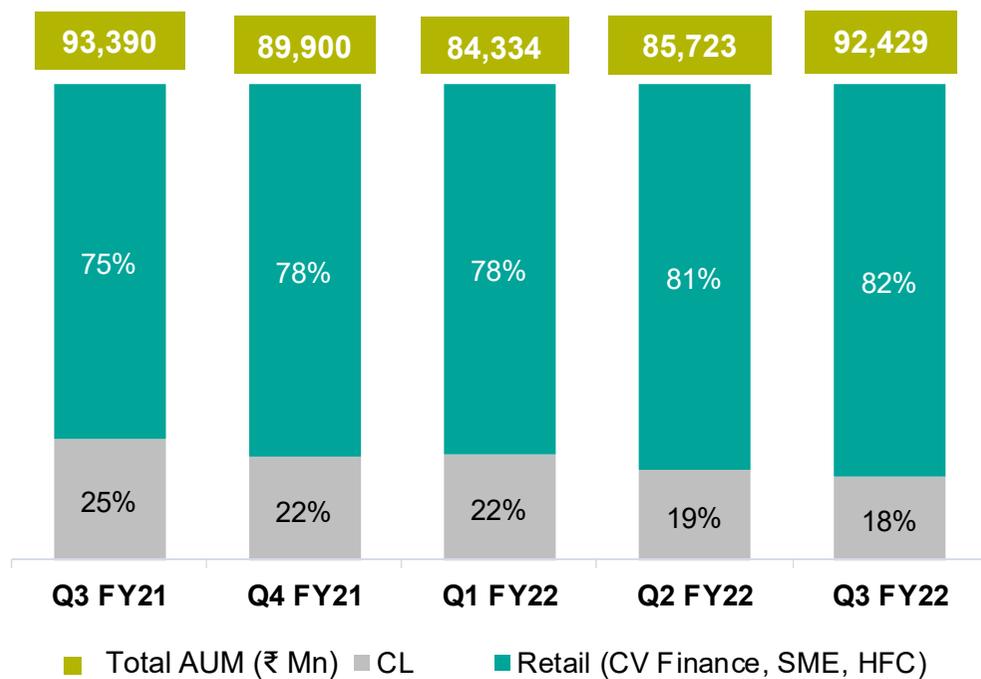
Strategy



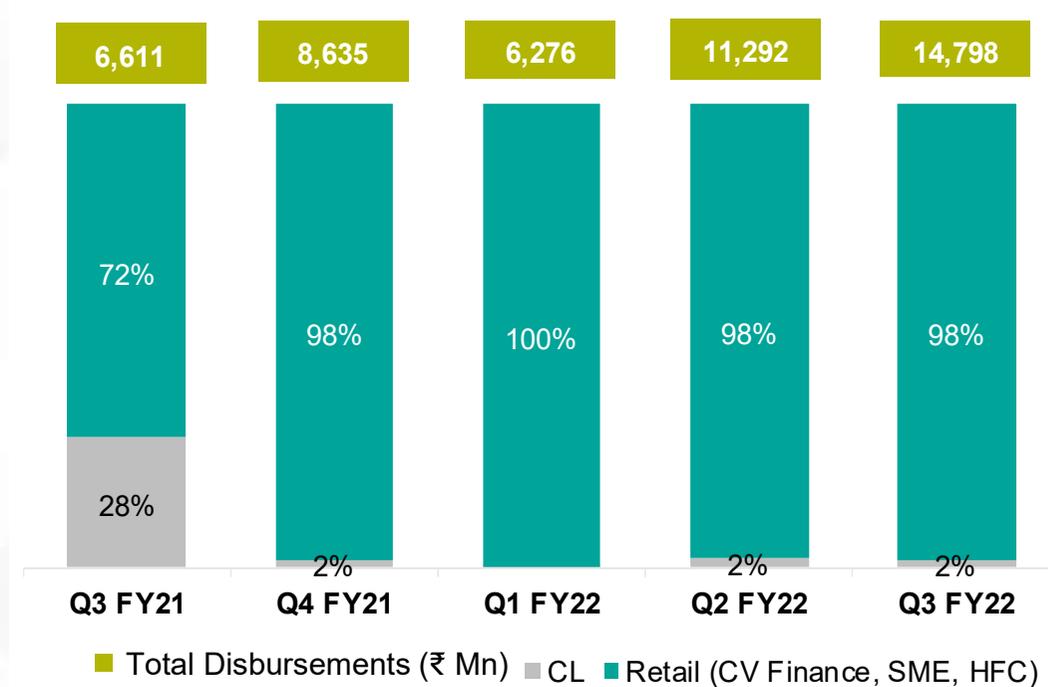
Shareholding Structure



AUM: CL vs Retail (%)



Disbursements: CL vs Retail (%)

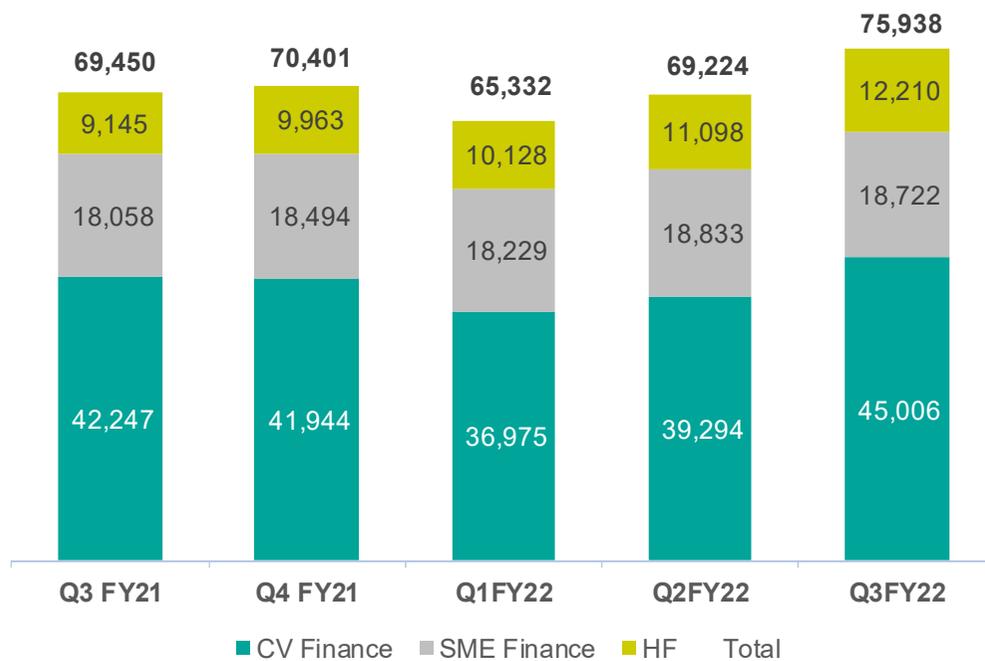


Corporate Lending: CL, Commercial Vehicle Finance: CV Finance, SME Finance: SME, Housing Finance: HF

AUM is gross of ECL provisions

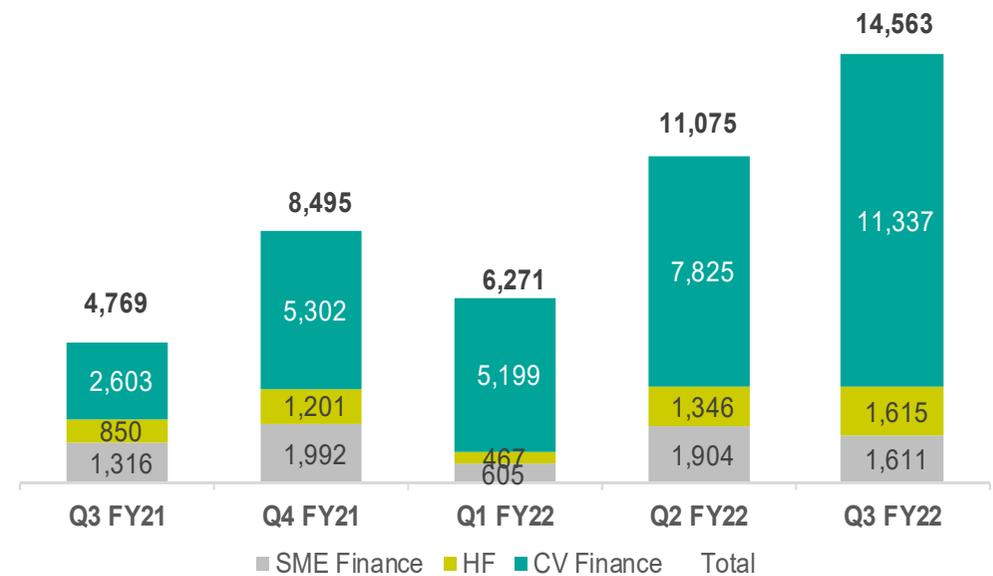
Retailisation strategy on track

Retail AUM (₹ mn)



AUM is gross of ECL provisions

Retail Disbursements (₹ mn)



Retail business Volume

CV Finance – Monthly Disbursement Trend (₹ mn)



- ✓ CV Finance AUM ₹ 45,006 mn
- ✓ AUM of ICICI Bank tie-up ₹ 4,264 mn
- ✓ Stronger demand from Consumption-driven sectors and E-commerce focused logistic companies along with replacement demand will aid growth

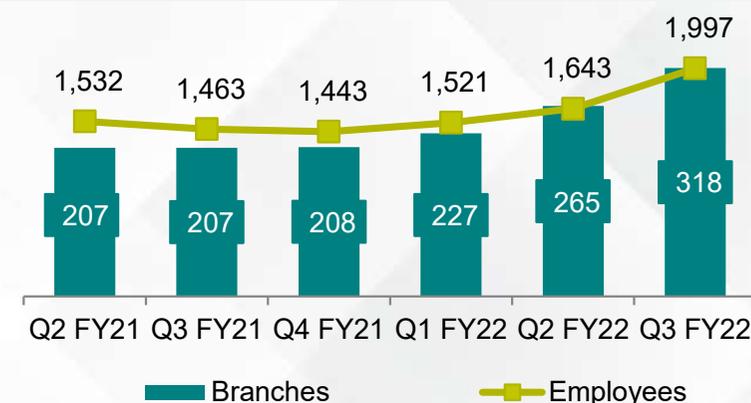
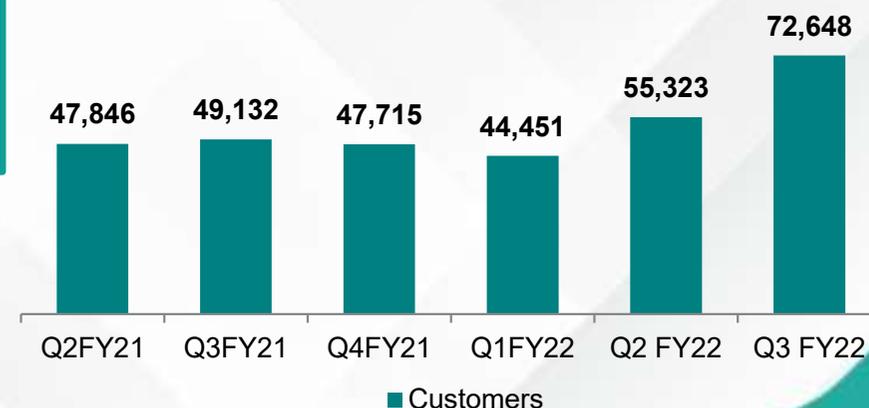
Particulars (₹ mn)	Q3 FY21	Q4 FY21	Q1 FY22	Q2 FY22	Q3 FY22
Revenue from operations	1,287	1,292	1,178	1,120	1,424
Interest expenses	(526)	(490)	(404)	(443)	(471)
Net interest income	761	802	775	677	953
People costs	184	243	181	245	285
Operating expenses	154	169	276	208	197
Pre-provision operating profit	423	390	317	224	470
Credit costs	134	2,965	486	576	406
Profit before tax	289	(2,575)	(168)	(352)	64
Loan assets	33,393	32,069	28,657	32,046	37,455

Q3 FY21 Q4 FY21 Q1 FY22 Q2 FY22 Q3 FY22

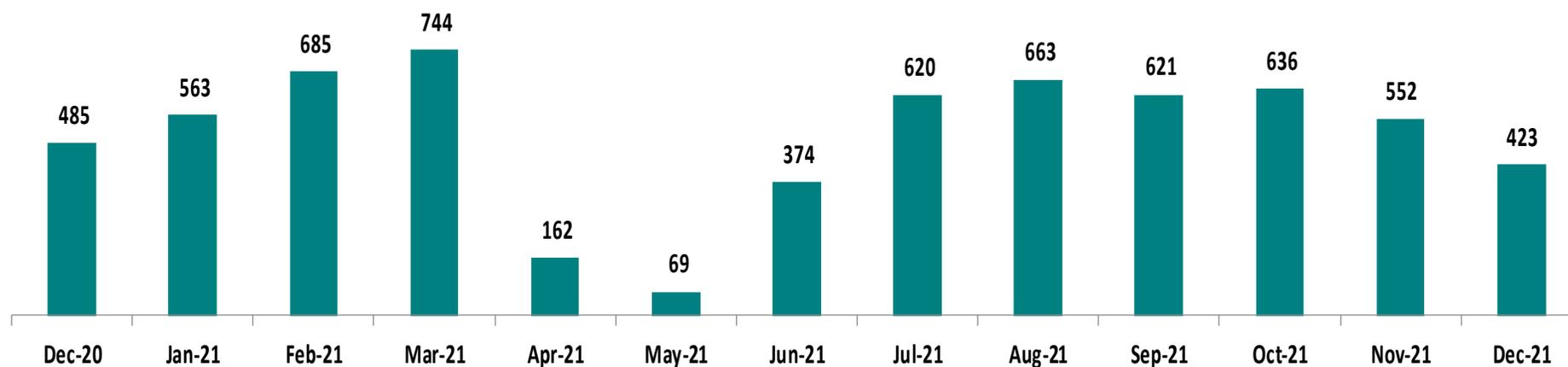
Revenue from operations*	15.1%	15.1%	16.0%	14.1%	15.6%
Net interest income*	8.3%	8.7%	8.8%	7.3%	8.9%
Operating expenses*	4.0%	4.8%	6.2%	5.7%	5.3%
Cost / Income	44.4%	51.4%	59.0%	67.0%	50.6%
Pre-provision operating profit*	5.0%	4.6%	4.3%	2.8%	5.2%
Credit costs	1.6%	34.8%	6.6%	7.2%	4.5%
Gross Stage 3	2.3%	8.1%	8.2%	7.9%	6.2%
Net Stage 3	1.8%	3.5%	3.8%	3.6%	3.0%
ROAA ^	2.5%	(27.5%)	(1.7%)	(3.3%)	0.6%
Leverage	3.0x	3.0x	2.9x	2.8x	2.7x
ROAE ^	7.6%	(82.4%)	(4.8%)	(9.0%)	1.7%

* On daily average basis

^ Annualized

Branches & Employees

Customer Count`


SME Finance – Monthly Disbursement Trend (₹ mn)



✓ SME Finance AUM : ₹ 18,722 mn

✓ Assigned Portfolio : ₹ 3,250 mn

Particulars (₹ mn)	Q3 FY21	Q4 FY21	Q1 FY22	Q2 FY22	Q3 FY22
Revenue from operations	432	536	452	465	439
Interest expenses	(242)	(227)	(219)	(220)	(215)
Net interest income	190	309	233	245	223
People costs	47	45	38	46	44
Operating expenses	20	37	13	13	16
Pre-provision operating profit	123	227	182	186	163
Credit costs	99	257	316	(195)	(10)
Profit before tax	24	(30)	(134)	381	173
Loan assets	14,168	14,056	13,623	14,856	15,249

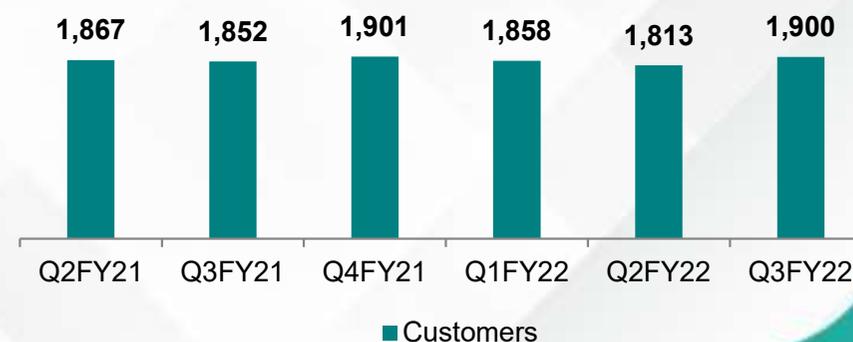
Q3 FY21 Q4 FY21 Q1 FY22 Q2 FY22 Q3 FY22

Revenue from operations*	12.6%	15.3%	13.0%	12.9%	11.5%
Net interest income*	5.6%	7.8%	6.5%	6.7%	5.4%
Operating expenses*	1.9%	2.3%	1.4%	1.6%	1.6%
Cost / Income	35.2%	26.6%	21.6%	24.1%	26.9%
Pre-provision operating profit*	3.6%	6.5%	5.2%	5.2%	4.3%
Credit costs	2.9%	7.3%	9.1%	(5.4%)	(0.3%)
Gross Stage 3	1.8%	2.6%	3.1%	3.4%	3.8%
Net Stage 3	1.5%	1.7%	2.0%	1.8%	2.4%
ROAA ^	0.9%	(1.6%)	(2.8%)	8.1%	3.4%
Leverage	2.6x	2.6x	2.5x	2.6x	2.6x
ROAE ^	2.4%	(4.0%)	(7.0%)	21.1%	9.0%

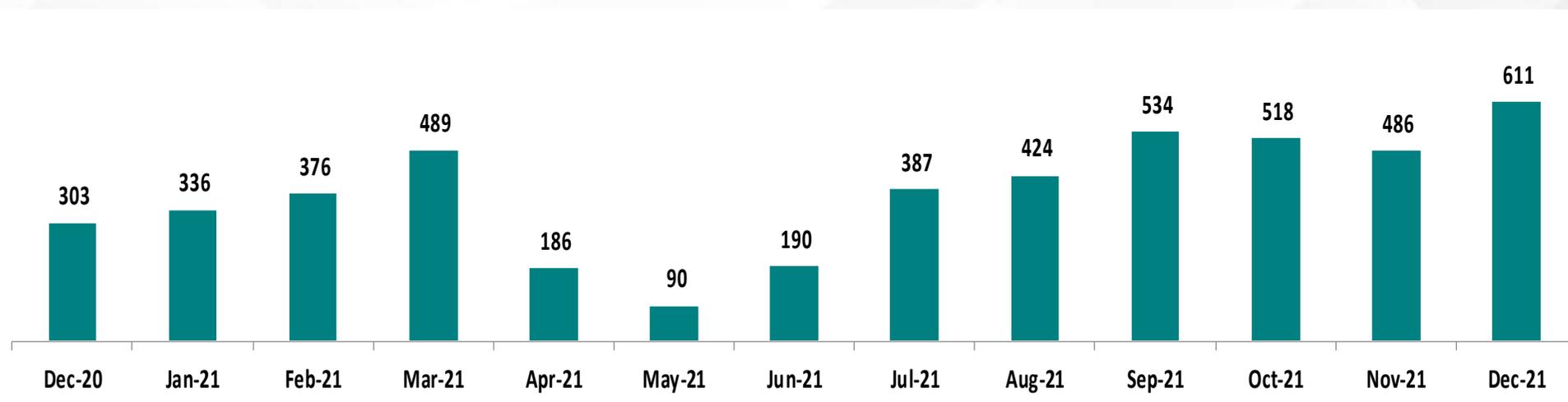
* On daily average basis

^ Annualized

Branches & Employees

Customer Count


Housing Finance – Monthly Disbursement Trend (₹ mn)



✓ Housing Finance AUM : ₹ 12,210 mn

✓ Assigned Portfolio : ₹ 1,305 mn

Particulars (₹ mn)	Q3 FY21	Q4 FY21	Q1 FY22	Q2 FY22	Q3 FY22
Revenue from operations	600	192	297	288	326
Interest expenses	(138)	(126)	(139)	(150)	(148)
Net interest income	462	66	158	138	178
People costs	53	24	49	62	70
Operating expenses	26	38	30	27	34
Pre-provision operating profit	383	4	78	49	74
Credit costs	18	73	14	(1)	8
Profit before tax	365	(69)	64	50	67
Loan assets	7,443	8,382	8,598	9,655	10,855

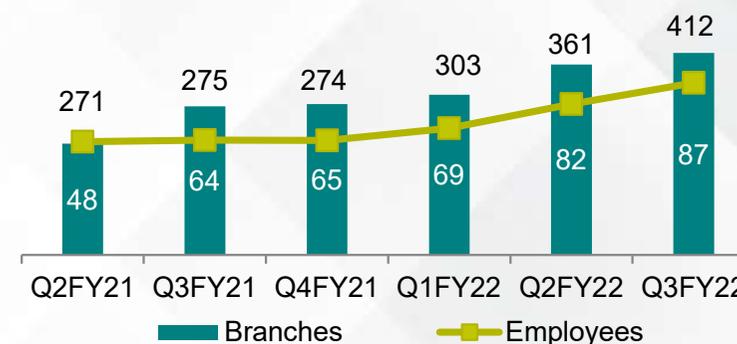
Q3 FY21 Q4 FY21 Q1 FY22 Q2 FY22 Q3 FY22

Revenue from operations*	14.9%	9.8%	13.9%	12.8%	12.9%
Net interest income*	7.5%	7.2%	7.2%	7.9%	8.5%
Operating expenses*	4.0%	3.1%	3.7%	3.9%	4.1%
Cost / Income	50.0%	92.5%	50.5%	64.4%	58.2%
Pre-provision operating profit*	4.0%	0.3%	3.7%	2.2%	3.0%
Credit costs	0.9%	3.7%	0.7%	0.0%	0.3%
Gross Stage 3	1.8%	1.9%	3.0%	3.1%	2.6%
Net Stage 3	1.5%	1.4%	2.3%	2.3%	1.9%
ROAA ^	1.8%	(2.8%)	2.3%	1.0%	1.6%
Leverage	2.6x	2.5x	2.3x	2.4x	2.6x
ROAE ^	4.6%	(7.1%)	5.3%	2.3%	4.2%

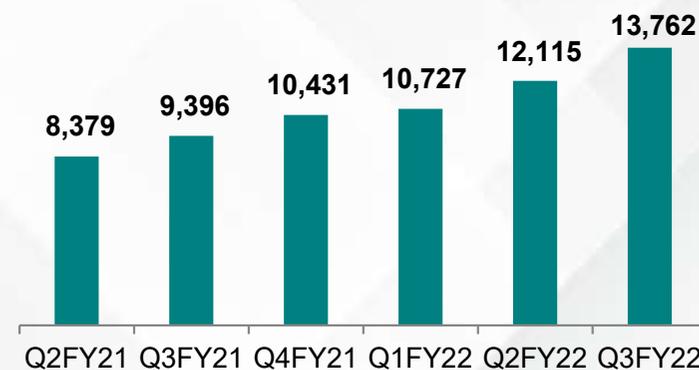
* On daily average basis

^ Annualized

Branches & Employees



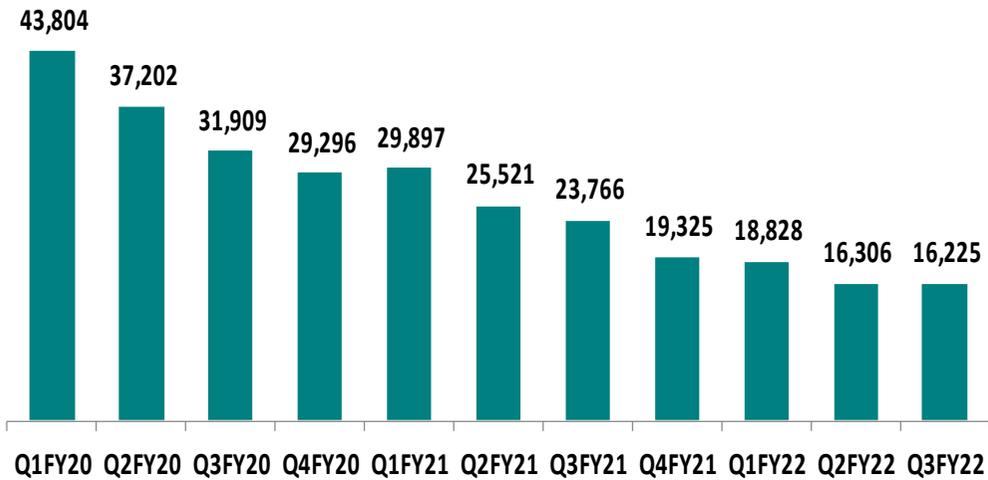
Customer Count



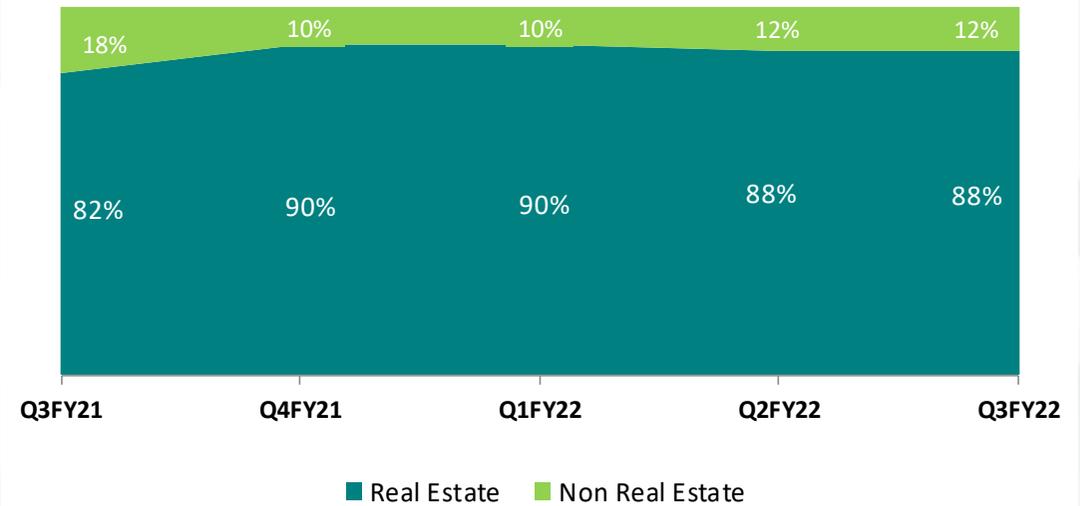
9MFY22	Total no of Accounts	No. of Restructured accounts	Total AUM	AUM under Restructure	% of no. of Restructured accounts	% of Restructured AUM
			(INR mn)	(INR mn)		
VF	73,527	4,091	45,006	3,041	5.6%	6.8%
SME	2,647	246	18,722	2,262	9.3%	12.1%
AHF	17,504	84	12,210	68	0.5%	0.6%
Total Retail	93,678	4,421	75,937	5,371	4.7%	7.1%

FY22 Restructuring Snapshot

Corporate Lending AUM (₹ mn)



AUM Breakup: RE vs. Non-RE



✓ Continued focus on reduction in exposure

Particulars (₹ mn)	Q3 FY 21	Q4 FY 21	Q1 FY22	Q2 FY22	Q3 FY22
Revenue from operations	834	577	587	793	490
Interest expenses	(414)	(350)	(298)	(268)	(232)
Net interest income	420	227	289	525	258
People costs	17	18	40	(11)	13
Operating expenses	9	32	20	41	16
Pre-provision operating profit	394	177	228	495	230
Credit costs	209	520	7	(409)	22
Profit before tax	185	(343)	221	904	208
Loan assets	22,872	19,096	18,710	16,304	16,254

	Q3 FY 21	Q4 FY 21	Q1 FY22	Q2 FY22	Q3 FY22
Revenue from operations*	13.5%	10.0%	12.3%	18.2%	12.0%
Net interest income*	6.8%	3.9%	6.0%	7.0%	6.3%
Operating expenses*	0.4%	0.9%	1.3%	0.7%	0.7%
Cost / Income	6.2%	21.8%	20.9%	5.7%	11.0%
Pre-provision operating profit	6.4%	3.1%	4.8%	11.4%	5.6%
Credit costs	3.4%	9.0%	0.1%	(9.4%)	0.5%
Gross Stage 3	4.5%	0.0%	0.0%	0.0%	1.2%
Net Stage 3	2.0%	0.0%	0.0%	0.0%	0.6%
ROAA[^]	1.8%	(5.1%)	3.5%	16.1%	3.9%
Leverage	2.6x	2.5x	2.3x	2.3x	2.3x
ROAE[^]	4.8%	(12.8%)	8.2%	37.4%	9.0%

* On daily average basis

[^] Annualized

Discussion Summary

Quarterly Results



Business Update



Strategy



Shareholding Structure



1. Strengthened Balance Sheet

- Brought Brookfield as partner with ₹ 12,250 million primary capital and strengthened Capital adequacy and Liquidity
- Created additional provisions to overcome Covid impact

2. Reduced Corporate Lending Exposure

- On track to become 100% retail company in the next 4-6 quarters

3. Initiated the process of making Affordable Housing Finance business independent

4. Building a strong digitisation capability

5. Strengthened Senior Management team

6. Building a separate collection vertical to enhance Asset Quality

- ✓ 14 committees composed of independent and non-independent directors and also employees¹
- ✓ Distinct and delineated responsibilities to ensure good corporate governance
- ✓ Strong capital sponsorship also providing access to best industry practices and international corporate governance standards

	Bobby Parikh	Chairman & Non-Executive Independent Director	<ul style="list-style-type: none"> Director since 2011 Several years of experience in finance
	Deep Jaggi	CEO	<ul style="list-style-type: none"> 20+ years of experience in financial services industry Previously worked with HDB Financial Services Ltd, Cholamandlam Finance
	R.Sridhar	Vice Chairman	<ul style="list-style-type: none"> 30+ years of experience in financial services industry Previously associated with various entities forming part of the Shriram group
	Dhanpal Jhaveri	Non-Executive Director	<ul style="list-style-type: none"> Director since 2010; Partner at Everstone Capital Experience in investing, corporate strategy, mergers and acquisitions and investment banking Previously worked with Vedanta Group, ICICI Securities, KPMG India
	Vibhor Talreja	Non-Executive Director	<ul style="list-style-type: none"> Managing Director at Everstone Capital since 2019 Previously worked at Temasek India, JM Morgan Stanley and Tata Administrative Services
	Aditya Joshi	Non-Executive Director	<ul style="list-style-type: none"> Managing Director at Brookfield Private Equity Group and heads the private equity business for Brookfield in India Previously worked with Apax Partners, The Blackstone Group and JM Morgan Stanley
	Munish Dayal	Non-Executive Director	<ul style="list-style-type: none"> Managing Director at Brookfield Asset Management India and has over three decades of experience in financial services. Before joining Brookfield, was Senior Operating Partner at Baring Private Equity Partners India Limited
	Hemant Kaul	Non-Executive Independent Director	<ul style="list-style-type: none"> Several years of experience in the fields of banking and insurance Previously worked with Axis Bank and Bajaj Allianz General Insurance
	Naina Krishna Murthy	Non-Executive Independent Director	<ul style="list-style-type: none"> She has more than two decades of experience in the legal sector Founder of India law firm K Law

1. 14 committees include Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Asset Liability Management Committee, Risk Management Committee, Credit Committee, Management Committee, Corporate Lending Committee, Retail Lending Committee, IT Strategy Committee, Grievance Redressal Committee, Banking Committee and Debenture Committee

 Independent Directors

Strong & Distinguished Board

Discussion Summary

Quarterly Results



Business Update



Strategy

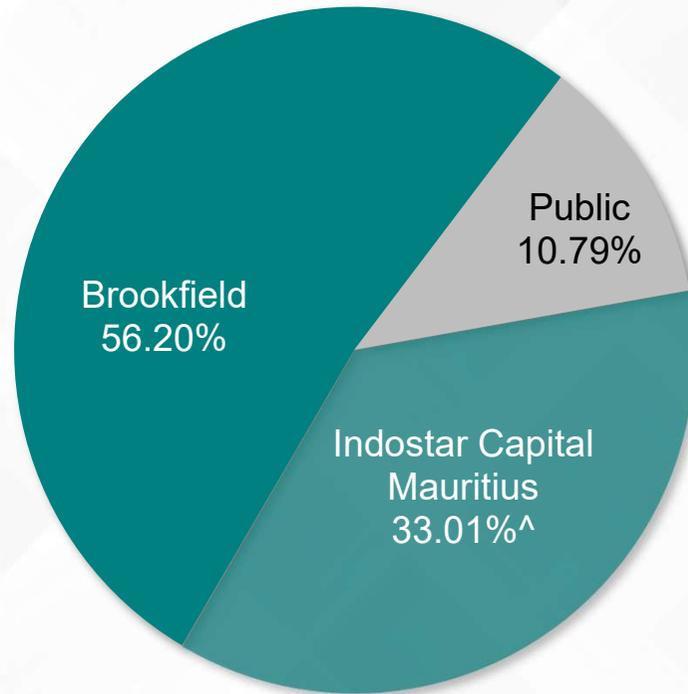


Shareholding Structure



Shareholding as on 31 December 2021

Brookfield



EVERSTONE

^ including Everstone Capital Partners II LLC & ECP III FVCI Pte Ltd

ESOP is 4.68% of diluted shares capital

Source – NSE, Company data



INDOSTAR

LIFE KA TAKE-OFF



Salil Bawa
Head Investor Relations

Email: sbawa@indostarcapital.com
Email: investor.relations@indostarcapital.com



Media Contact
Snigdha Nair | AdFactors PR

Email: snigdha.nair@adfactorspr.com
Email: indostar@adfactorspr.com

For Further Queries