



NIFTY ONLY

IndoStar Capital Finance Limited IPO (IndoStar Capital Finance IPO) Detail

May 9, 2018 - May 11, 2018

Incorporated in 2009, Mumbai based IndoStar Capital Finance Limited is a leading non-banking finance company (NBFC) registered with the Reserve Bank of India as a systemically important non-deposit taking company. The company operates four principal lines of business, namely corporate lending, SME lending, vehicle financing and housing financing. It recently expanded its portfolio to offer vehicle finance and housing finance products.

IndoStar conducts its retail operations through ten branches across Mumbai, Delhi, Chennai, Bengaluru, Hyderabad, Jaipur, Surat, Ahmedabad, Pune and Indore and central support office in Mumbai.

The lenders of the company include, among others, 14 public sector banks, 13 private sector banks, 21 mutual funds and four insurance companies and other financial institutions. The distribution network includes approximately 210 personnel in its in-house sales team, and approximately 648 third-party direct sales associates (DSAs) and other third-party intermediaries.

Strengths-

1. Strong SME lending businesses
2. A high-quality loan portfolio with low rates of Gross NPAs and Net NPAs.
3. Proven track record of delivering results. Between fiscal 2013 and 2017, the company's Total Credit Exposure and total revenue grew at a CAGR of 30.0% and 31.4%, respectively.
4. Access to best industry practices and international corporate governance standards due to institutional Promoter.

Company Promoters:

The Promoter of the Company is Indostar Capital. The Promoter was incorporated as a private company limited by shares under the laws of Mauritius. The principal activity of Indostar Capital is investment holding. It holds 71,102,635 Equity Shares, representing 90.37% of the issued, subscribed and paid-up equity share capital of the Company.

The board of directors of the Promoter comprises of the following persons:

- (1) Alok Oberoi;
- (2) Atul Kapur;
- (3) Deepak Shahdadpuri;
- (4) Lorraine Brooks Entwistle;
- (5) Amit Manocha;
- (6) Soraj Bissoonauth;
- (7) Anisha Poonyth;
- (8) Sanjoy Chatterjee; and
- (9) Marie Françoise Krin Chin Chung Kee Mew (permanent alternate director to Sanjoy Chatterjee).



Company Financials:

Summary of financial Information (Restated)

Particulars	For the year/period ended (in Rs. Millions)				
	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Total Assets	54,853.65	46,922.73	39,916.86	31,608.02	22,070.85
Total Revenue	7,155.42	6,413.79	5,280.56	3,969.05	2,415.77
Profit After Tax	2,090.38	1,910.16	1,490.65	1,121.36	900.94

Objects of the Issue:

The Selling Shareholders will be entitled to the proceeds of the Offer for Sale of their respective portions of the Offered Shares, respectively net of their share of the Offer related expenses. The Company will not receive any proceeds from the Offer for Sale

The Objects Of The Issue is to utilize the Net Proceeds from the Fresh Issue towards augmenting its capital base to meet future capital requirements.

Issue Detail:

- »» **Issue Open:** May 9, 2018 - May 11, 2018
- »» **Issue Type:** Book Built Issue IPO
- »» **Issue Size:**
 - > Fresh Issue of [.] Equity Shares of Rs 10 aggregating up to Rs 700.00 Cr
 - > Offer for Sale of 20,000,000 Equity Shares of Rs 10 aggregating up to Rs [.] Cr
- »» **Face Value:** Rs 10 Per Equity Share
- »» **Issue Price:** Rs 570 - Rs 572 Per Equity Share
- »» **Market Lot:** 26 Shares
- »» **Minimum Order Quantity:** 26 Shares
- »» **Listing At:** BSE, NSE

Conclusion: Issue appears to be fully priced. Considering all these aspects, investment for long term may be considered.