



INDOSTAR CAPITAL FINANCE LIMITED

R Sridhar

Executive Vice-Chairman and CEO

What has been the company's philosophy since its inception? Tell us about some of the key milestones achieved by IndoStar Capital Finance in recent times

Last year was an extraordinary year by any measure. It was a year of a global pandemic, a global recession, unprecedented government actions, and deeply felt social injustice. It was a year in which each of us faced difficult personal challenges, and a staggering number of us lost loved ones. And it was a time when companies discovered what they really were and, sometimes, what they might become. We have tackled a challenging external environment with a single minded aim to build a resilient business. Our core values help us navigate better through these business challenges and economic volatilities. We believe that a constant adherence to the same will continue to strengthen our foundation, as we embark on the next phase of our journey

There are '3 R' which essentially define IndoStar's way of doing business

- Resilient
- Responsive
- Responsible

Some of our recent milestones include:

- Last year, even after a challenging liquidity scenario, we have achieved a good growth in disbursement and AUM with our portfolio quality continuing to be robust, where we posted a net revenue from operation of INR 738 crore
- Brookfield Business Partners LP, one of the largest asset managers in the world, invested ₹ 1,225 crore as

primary capital into IndoStar which is its first private equity investment in India

- In October 2020, IndoStar achieved 100% collection efficiency through all its businesses
- IndoStar partnered with NGOs across India & funded multiple projects with total fund spent of INR 22 Lakhs for COVID Relief, where PPE kits, Grocery Kits, Health kits, Dry Rations were distributed to people living in rural parts of India and to Health care professionals
- With the aim of diversifying our business, many more branches were opened at the start of the year 2021, in the northern region of India at Guwahati, Patna and Bhopal. Currently we have total of 240 branches across India.

We have also on boarded nearly 500 employees since September 2020, 460 of which are after October alone. There are 5 new additions to CXO level leadership this year, which includes a critical position of CBO which has helped the organization with its business expansion strategy. This shows how bullish we are of the post-pandemic opportunity for NBFCs and how we are building capacities to chart a phenomenal growth trajectory.

What are the key factors that have contributed to the company's success? What are the factors that give IndoStar Capital Finance an edge over its competitors?

The key factors to IndoStar's success which also gives it a competitive edge is a

blend of 3 important things

- Efforts & Value creation of leadership team
- Support and guidance of the promoters in Brookfield Asset Management & Everstone
- The highly empowered and skilled talent which holds the organization together and enables it to achieve its business goals

Addressing ESG risks has emerged as one of the key priorities for businesses in recent years. What steps has the company taken to enhance its ESG ratings?

Global corporations have never had as much power as they do right now to leverage their scale to benefit society in a time of global crisis. Executives have also never had a more intense spotlight trained on their behaviors and actions. So definitely, ESG will continue to remain a key focus for all stakeholders, including shareholders. This is further underscored by the fact that ESG funds have received record funding in a pandemic year. We, at IndoStar, are 100% committed to ensuring compliance with global ESG benchmarks. We are constantly striving to make our reporting more accessible and transparent. We are utilizing our CSR activities to focus on community development, rural sanitation and education initiatives. We are also looking at creating separate disbursal procedures for borrowers for electric vehicles, to enable a cleaner and greener environment, albeit this is still in planning stage.



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Benaifer Palsetia
CHRO and CSR Head

How has the role of HR in an organization evolved over the past few years?

Human Resources has become one of the most critical functions of an organization today – envisioning the skills required of a workforce for the future and supplying them with the right resources to maximize efficiency and potential. The evolution of work in the industrial era and the constant disruption – economic, social and cultural – that we have seen globally has led to human resources becoming a complex arm of corporate strategy, and not merely be a staffing function. Additionally, the pandemic has radically altered the work paradigm and forced organizations to adapt to a dynamic business environment with sustained urgency. HR teams have acted as counselors, facilitators, motivators and even ports of last resort in unprecedented times. Keeping engagement and motivation levels high, while ensuring critical reskilling initiatives are undertaken, and prioritizing employees over everything else, has been a fundamental growth in the HR function. Technology has also fundamentally changed the way we live and work and this is all the more evident in the time of pandemic where work is no longer a place to go to, rather it's something that you carry in your devices that gives you the ability to work from anywhere.

What are the major people-related challenges faced by your industry today?

How do you plan to respond to these challenges?

I think challenges exist on multiple fronts but employee engagement, recruitment and reskilling/upskilling are the most pressing needs that require attention. We, at IndoStar have developed several initiatives to enable an optimum environment for employees - we have created several new hiring models – focused on remote hiring. With a view to redesign the talent landscape at work, the company has adopted a unique ITD model where associates are hired off rolls and post a rigorous field training of 18 – 24 months are transitioned to on roll. Another such model is Hire Train and Deploy model where we select high potential candidates to undergo customized trainings at Skill Training Institutes, post which they are deployed across organizational roles. This industry-first approach has not only led to cost efficiencies, but also helped with career development and brand awareness. The company wants to continue building on its employee experience factor by ensuring a hassle free virtual onboarding and induction experience. We are conscious of our responsibility as an equal opportunity and diversity employer, with two women CXOs. We are also starting mentorship programs to fastrack women leaders across functional and leadership roles. we are making exhaustive investments to enhance employee digital experience

and ensuring paperless transactions. Re-skilling and upskilling of employees should be the top priority of the organization so as to ensure strategies of future are sustained on a large scale. We are experimenting with various modes of work and believe that customized hybrid models will be here to stay. Hence, all our strategies and investments are being made keeping that in mind.

What do you see to be the future of the focus of People Management teams moving forward?

HR is not just undergoing a small scale change but a fundamental seismic shift. In this dynamic environment, or as it is said the VUCA world that we are in, HR has to transform along with the business. In future, I see HR focus being primarily on speed and efficiency, backed by analytics. As an organization, we have embarked on leveraging technology which will help the business take faster people decisions and be better prepared to address talent management challenges

Another focus area for HR as a People Manager, whether inside or outside the organization, would be to build manager's capability for flawless employee experience. An organization can excel only with an engaged workforce. Building that connect with widely diverse, multi-generational workforce would be critical aspect to look out for.