

Independent Auditors Review Report on the unaudited quarterly financial results of Belstar Microfinance Limited pursuant to Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

1. We have reviewed the accompanying Statement of Unaudited Financial Results of Belstar Microfinance Limited (the "Company"), for the quarter ended June 30, 2024 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations"), read with relevant circular issued by SEBI.
2. This Statement, which is the responsibility of the Company's Management and has been approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with the Listing Regulations read with the relevant circulars issued by SEBI. Our responsibility is to issue a report 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement. A review is limited primarily to inquiries of Company's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.



Varma & Varma

Chartered Accountants

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of the Listing Regulations, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place : Chennai
Date : 2nd August, 2024



For Varma & Varma
Chartered Accountants
FRN. 004532S

P. R. Prasanna Varma
Partner
M.No. 025854
UDIN: 24025854BKGPZG9670

BELSTAR MICROFINANCE LIMITED

CIN NO-U06599TN1988PLC081652

Regd Office-No 33,48th Street 9th Avenue Ashok Nagar ,Chennai-83

Website:www.belstar.in

STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2024

(All amounts are in Millions of Indian Rupees, unless otherwise stated)

Particulars	Quarter ended			Year ended
	30-Jun-24	31-Mar-24	30-Jun-23	31-Mar-24
	(Unaudited)	(Refer Note 8)	(Unaudited)	(Audited)
Revenue from operations				
(i) Interest income	5,476.84	5,025.55	3,224.34	16,617.88
(ii) Fee and commission income	0.29	2.23	-	5.04
(iii) Net gain on fair value changes on investments	74.98	16.82	14.13	53.56
(iv) Net gain on de-recognition of financial instruments under amortised cost category	119.99	450.75	347.50	1,650.27
(I) Total Revenue from operations	5,672.10	5,495.35	3,585.97	18,326.75
(II) Other Income	58.86	66.34	17.06	187.09
(III) Total Income (I + II)	5,730.96	5,561.69	3,603.03	18,513.84
Expenses				
(i) Finance cost	1,826.66	1,759.86	1,232.98	5,840.48
(ii) Fee and commission expenses	65.81	75.11	76.97	309.81
(iii) Net loss on fair value changes	-	26.69	-	279.65
(iv) Impairment of financial instruments	1,416.77	1,049.63	660.15	3,199.70
(v) Employee benefit expenses	872.05	923.57	681.84	3,182.34
(vi) Depreciation, amortization and impairment	26.49	24.35	27.94	118.11
(vii) Other expenses	341.12	357.39	244.95	1,165.28
(IV) Total Expenses (IV)	4,548.90	4,216.60	2,924.83	14,095.37
(V) Profit/(loss) before tax (III- IV)	1,182.06	1,345.09	678.20	4,418.47
(VI) Tax Expense:				
(i) Current tax	602.82	396.61	233.72	1,458.06
(ii) Deferred tax	(318.44)	(98.80)	(72.46)	(420.92)
(iii) Earlier years adjustments	-	(0.05)	-	(17.21)
(VII) Profit/(loss) for the period	897.68	1,047.33	516.94	3,398.54
(VIII) Other Comprehensive Income				
A Items that will not be classified to profit or loss				
(i) Actuarial Gain/(Loss) on defined benefit obligation	(3.64)	5.25	(1.93)	(14.58)
(ii) Changes in value of forward element of forward contract	-	-	8.15	8.89
(iii) Tax impact thereon	0.92	(1.32)	(1.57)	1.43
Subtotal (A)	(2.72)	3.93	4.65	(4.26)
B Items that will be classified to profit or loss				
(i) Effective portion of gain on Hedging Instruments in Cash Flow Hedges	-	-	0.10	0.23
(ii) Tax impact thereon	-	-	(0.03)	(0.06)
Subtotal (B)	-	-	0.07	0.17
Other Comprehensive Income (A + B)	(2.72)	3.93	4.72	(4.09)
(IX) Total Comprehensive Income for the period	894.96	1,051.26	521.66	3,394.45
Paid Up Equity Share Capital (Face value of Rs.10 per each)	548.44	548.44	488.44	548.44
Other Equity	-	-	-	16,739.70
(X) Earnings per equity share (Face Value - Rs 10 per share)				
Basic (Rs.)	16.37	21.10	10.58	69.30
Diluted (Rs.)	16.37	21.10	10.58	69.30
		(Not Annualized)		
See accompanying notes to financial results				



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STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30 , 2024

(All amounts are in Millions of Indian Rupees, unless otherwise stated)

- 1 The above results for the Quarter ended June 30, 2024 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on August 1, 2024 & August 2, 2024.
- 2 The standalone financial results has been prepared in accordance with recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ('Ind AS 34') as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, and other accounting principles generally accepted in India. These financial results may require further adjustments, if any, necessitated by, guidelines/ clarifications/ directions to be issued in the future by RBI, Ministry of Corporate Affairs or other regulators, which will be implemented as and when the same are made applicable.
- 3 In accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), a limited review of standalone financial results for the Quarter ended June 30, 2024 have been carried out by the Statutory Auditors of the Company.
- 4 The Company operates in a single business segment i.e. lending to customers, having similar risks and returns for the purpose of Ind AS 108 on 'Operating Segments'. The Company operates in a single geographical segment i.e. domestic.
- 5 Information as required by Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015. Refer Annexure 1
- 6 Disclosure pursuant to Reserve Bank of India RBI Circular No RBI/DOR/2021-22/86 DOR,STR,REC,51/21.04.048/2021-22 dated September 24, 2021 for details of loans transferred / acquired during the Quarter ended June 30, 2024. Refer Annexure 2
- 7 The secured Non-Convertible Debt Securities of the company as on June 30, 2024 are secured by way of exclusive charge on receivables of the Company by way of hypothecation to the extent of minimum 1.11 times of the outstanding principal and interest thereon. Refer Annexure 3
- 8 The figures for the quarter ended March 31, 2024 are the balancing figures between the audited figures in respect of the full financial year and published unaudited year to date figures up to the third quarter of the financial year.
- 9 Previous period figures have been regrouped/ reclassified wherever necessary to conform to current period presentation.

For and on behalf of the Board of Directors of **Belstar Microfinance Limited**

Kalpanaa Sankar

Dr.Kalpanaa Sankar
Managing Director



Annexure 1

Disclosure in compliance with Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 for the Quarter ended June 30, 2024

Sl No	Particulars	Quarter ended June 30, 2024
1	Debt Equity Ratio	3.99
2	Debt Service Coverage Ratio	Not Applicable
3	Interest Service Coverage Ratio	Not Applicable
4	Outstanding redeemable preference shares (quantity and value)	Not Applicable
5	Debenture redemption reserve	Not Applicable
6	Capital redemption reserve (Amount in Million)	500.00
7	Net worth - (Amount in Million)	18,183.10
8	Net Profit after tax (Amount in Million)	897.68
9	Earning Per Share - Basic	16.37
10	Earning Per Share - Diluted	16.37
11	Current ratio	1.38
12	Long term debt to working capital;	1.84
13	Bad debts to Account receivable ratio;	Not Applicable
14	Current liability ratio;	47.71%
15	Total debts to total assets;	77.27%
16	Debtors turnover;	Not Applicable
17	Inventory turnover;	Not Applicable
18	Operating margin (%);	45.35%
19	Net profit margin (%);	15.66%
20	Sector Specific Ratio;	
	(a) Gross NPA Ratio;	2.35%
	(b) Net NPA Ratio;	0.24%
	(c) Capital Adequacy Ratio	21.25%
1)	Debt Equity Ratio - [Debt securities + Borrowings (Other than debt securities)+ Subordinate Liabilities]/[Equity share capital + Other equity]	
2)	Total debt to total assets - [Debt securities + Borrowings (Other than debt securities)+ Subordinate Liabilities]/[Total assets]	
3)	Operating Margin - [Profit before tax (PBT) + Impairment of financial instruments]/[Total Income]	
4)	Net Profit Margin - [Profit after tax before OCI]/[Total Income]	
5)	Gross NPA % - [Stage 3 Loans Total EAD / Gross Loan EAD]. (Exposure at default (EAD) Includes Loan Balance & Interest thereon)	
6)	Net NPA % - [Stage 3 Loans Total EAD less impairment loss for Stage 3 loans] / [Gross Loan EAD Less Total Impairment loss Provision]	
7)	Current Ratio - [Current assets]/[Current liabilities]	
8)	Current Liability Ratio - [Current Liabilities]/ [Total Liabilities]	
9)	Long term debt to working capital - [Long term debt] / [current assets-current liabilities]	

Annexure 2

Disclosure in compliance with RBI Notification - RBI/DOR/2021-22/86 DOR,STR,REC,51/21.04.048/2021-22 dated 24 September 2021

- (i) Details of transfer through assignment in respect of loans not in default during the Quarter ended June 30, 2024

Entity	NBFC (MFI)
Count of Loan accounts Assigned (No. of Accounts)	37,588
Amount of Loan Account Assigned (In Mn)	1,541.10
Weighted average residual maturity (In Months)	16.89
Weighted average holding period of loans (In Months)	6.13
Retention of beneficial economic interest (MRR)	10%
Coverage of tangible security coverage	Nil
Rating-wise distribution of rated loans	Retail Loans - NA

- (ii) a. The Company has not transferred any stressed loans [(Special Mention Account (SMA) and Non- Performing Asset (NPAs)] during the quarter ended June 30, 2024.
- b. Recovery Rating assigned for Security receipts ("SR") is 'IND RR3' as on 30th June 2024. The carrying value of SR held by the Company as on June 30, 2024 is Nil (Gross book value Rs.424.36 Mn, Impairment Allowance 424.36 Mn)
- (iii) The Company has not acquired any loans not in default or Stressed loans [Special Mention Account (SMA) and Non-performing Assets (NPAs)] during the Quarter and Period ended June 30, 2024.

