SUNDARAM & SRINIVASAN
CHARTERED ACCOUNTANTS
Offices : Chennai - Bengaluru - Madurai

Ref. No.

New No.4, Old No.23,
C.P. Ramaswamy Road
Alwarpet, Chennai - 600 018

Telephone { 2498 8762, 2498 8463, 4210 6952

E-Mail : sundaramandsrinivasan1948@gmail.com
yessendes@sundaramandsrinivasan.com
Website : www.sundaramandsrinivasan.com

Date ....

Independent Auditor's Review Report on Unaudited Quarterly Standalone Financial Results and Year to Date 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)

The Board of Directors,
Belstar Microfinance Limited,

1. We have reviewed the accompanying statement of Unaudited Standalone Financial Results of Belstar Microfinance Limited (the 'Company'), for the quarter ended 30th September 2025 and the year to date results for the period 1st April 2025 to 30th September 2025 (the 'Statement') the Statement of Assets and Liabilities (Balance Sheet) as on that date and the statement of cash flows for the half year ended on that date (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 ("Listing Regulations").

2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the Listing Regulations). 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 financial statements are free of material misstatement. A review is limited primarily to inquiries of company 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

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters, so far as it does not contradict Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules thereunder.

SUNDARAM & SRINIVASAN CHARTERED ACCOUNTANTS
New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

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Date ....

5. The financial results of the Company for the half year ended September 30, 2024, include the results for the quarter ended June 30, 2024, which were reviewed by another firm of chartered accountants who issued their unmodified conclusion, vide their reports dated 02nd August 2024.

For Sundaram and Srinivasan
Chartered Accountants
Firm Registration Number – 004207S

S. Usha
Partner
Membership Number: 211785
UDIN: 25211785BMIZLI5589.

Place: Chennai
Date: 11th November ,2025

SUNDARAM & SRINIVASAN * CHARTERED ACCOUNTANTS * New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

BELSTAR MICROFINANCE LIMITED

CIN NO-U06599TN1988PLC081652

M V Square, No.4/14, Soundarapandian Street, Ashok Nagar, Chennai - 600 083.

Website:www.belstar.in

STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2025

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

		Particulars	Quarter ended			Half Yearly Ended		Year ended
			30-Sep-25	30-Jun-25	30-Sep-24	30-Sep-25	30-Sep-24	31-Mar-25
			(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
		Revenue from operations						
	(i)	Interest income	4,154.54	4,047.49	5,412.23	8,202.03	10,889.07	20,029.00
	(ii)	Fee and commission income	2.35	1.59	0.44	3.94	0.74	3.23
	(iii)	Net gain on fair value changes on investments	21.50	35.54	52.45	57.03	127.43	224.98
	(iv)	Net gain on de-recognition of financial instruments under amortised cost category	-	-	371.97	-	491.96	759.63
(I)		**Total Revenue from operations**	**4,178.39**	**4,084.62**	**5,837.09**	**8,263.00**	**11,509.20**	**21,016.84**
(II)		Other Income	82.82	58.82	84.59	141.63	143.14	233.04
(III)		**Total Income (I + II)**	**4,261.21**	**4,143.44**	**5,921.68**	**8,404.63**	**11,652.34**	**21,249.88**
		Expenses						
	(i)	Finance cost	1,444.93	1,405.93	1,894.14	2,850.86	3,720.8000	6,913.33
	(ii)	Fee and commission expenses	-	-	42.11	-	107.9100	112.76
	(iii)	Net loss on fair value changes	-	-	-	-	-	-
	(iv)	Impairment of financial instruments	1,583.81	2,688.69	2,017.10	4,272.50	3,433.8700	8,190.81
	(v)	Employee benefit expenses	1,179.97	1,163.60	896.49	2,343.57	1,768.5400	3,868.63
	(vi)	Depreciation, amortization and impairment	15.55	15.20	26.72	30.74	53.2100	98.25
	(vii)	Other expenses	464.31	577.27	351.98	1,041.58	692.8000	1,557.29
(IV)		**Total Expenses (IV)**	**4,688.57**	**5,850.69**	**5,228.54**	**10,539.25**	**9,777.13**	**20,741.07**
(V)		**Profit/(loss) before tax (III- IV)**	**(427.36)**	**(1,707.25)**	**693.14**	**(2,134.62)**	**1,875.21**	**508.81**
(VI)		Tax Expense:						
	(i)	Current tax	-	-	391.29	-	994.11	777.81
	(ii)	Deferred tax	(111.82)	(427.19)	(224.31)	(539.00)	(542.75)	(732.87)
(VII)		**Profit/(loss) for the period**	**(315.54)**	**(1,280.06)**	**526.16**	**(1,595.62)**	**1,423.85**	**463.87**
(VIII)		**Other Comprehensive Income**						
	A	**Items that will not be classified to profit or loss**						
	(i)	Actuarial Gain/(Loss) on defined benefit obligation	-	0.27	2.66	0.27	(0.98)	1.07
	(ii)	Changes in value of forward element of forward contract	-	-	-	-	-	-
	(iii)	Tax impact thereon	-	(0.07)	(0.67)	(0.07)	0.25	(0.27)
		Subtotal (A)	-	**0.20**	**1.99**	**0.20**	**(0.73)**	**0.80**
	B	**Items that will be classified to profit or loss**						
	(i)	Fair value changes on Financial instruments measured at FVOCI	-	-	-	-	-	-
	(i)	Effective portion of gain on Hedging Instruments in Cash Flow Hedges	-	-	-	-	-	-
	(ii)	Tax impact thereon	-	-	-	-	-	-
		Subtotal (B)	-	-	-	-	-	-
		Other Comprehensive Income (A + B)	-	0.20	1.99	0.20	(0.73)	0.80
(IX)		**Total Comprehensive Income for the period**	**(315.54)**	**(1,279.86)**	**528.15**	**(1,595.42)**	**1,423.12**	**464.67**
		Paid Up Equity Share Capital (Face value of Rs.10 per each)	548.44	548.44	548.44	548.44	548.44	548.44
		Other Equity	-	-	-	17,163.24	16,739.70	16,739.70
(X)		**Earnings per equity share (Face Value - Rs 10 per share)**						
		Basic (Rs.)	-5.75	-23.34	9.59	-29.09	25.96	8.46
		Diluted (Rs.)	-5.75	-23.34	9.59	-29.09	25.96	8.46
			(Not Annualized)			(Not Annualized)		(Annualized)
		See accompanying notes to financial results						

SUNDARAM & SRINIVASAN New No:4, Old No:23, CPR ROAD, CHENNAI 600 018. CHARTERED ACCOUNTANTS

BELSTAR MICROFINANCE LIMITED CHENNAI 600 083

BELSTAR MICROFINANCE LIMITED

CIN NO-U06599TN1988PLC081652

M V Square, No.4/14, Soundarapandian Street, Ashok Nagar, Chennai - 600 083.

Website:www.belstar.in

STATEMENT OF ASSETS & LIABILITIES (BALANCE SHEET) AS AT SEPTEMBER 30, 2025

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

Particulars			As at Sept 30, 2025 (Unaudited)	As at March 31, 2025 (Audited)
I	ASSETS			
	1	**Financial assets**		
	a)	Cash and cash equivalents	6,752.34	5,155.11
	b)	Bank Balance other than (a) above	664.67	296.40
	c)	Receivables		
		(I)Trade Receivables	1.45	0.78
	d)	Loans	68,937.56	67,289.21
	e)	Investments	514.40	588.72
	f)	Other Financial assets	533.14	748.45
	2	**Non-financial Assets**		
	a)	Current tax assets (Net)	92.84	73.89
	b)	Deferred tax assets (Net)	1,861.45	1,322.50
	c)	Investment Property	1.10	1.10
	d)	Property, Plant and Equipment	65.45	47.35
	e)	Right of use assets	6.12	15.98
	f)	Intangible assets under development	2.97	2.97
	g)	Other Intangible assets	2.21	3.51
	h)	Other non financial assets	316.08	337.84
	TOTAL ASSETS		79,751.78	75,883.81
II	LIABILITIES AND EQUITY			
		LIABILITIES		
	1	**Financial Liabilities**		
	a)	Payables		
		(I) Trade Payables		
		(i) total outstanding dues of micro enterprises and small enterprises	2.21	2.95
		(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	95.87	75.37
		(II) Other Payables		
		(i) total outstanding dues of micro enterprises and small enterprises	-	-
		(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	285.43	280.35
	b)	Debt Securities	3,218.72	541.67
	c)	Borrowings (other than debt securities)	56,370.69	52,816.59
	d)	Subordinated Liabilities	2,491.21	2,812.91
	e)	Lease liabilities	7.57	18.88
	f)	Other Financial liabilities	926.51	1,439.11
	2	**Non-financial Liabilities**		
	a)	Current tax liabilities (net)	-	-
	b)	Provisions	90.23	83.56
	c)	Other non-financial liabilities	147.07	100.74
		EQUITY		
	a)	Equity share capital	548.44	548.44
	b)	Other equity	15,567.83	17,163.24
	TOTAL LIABILITIES AND EQUITY		79,751.78	75,883.81
See accompanying notes to financial results				

SUNDARAM & SRINIVASAN CHARTERED ACCOUNTANTS New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

BELSTAR MICROFINANCE LIMITED CHENNAI 600 083

BELSTAR MICROFINANCE LIMITED

CIN NO-U06599TN1988PLC081652
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Website:www.belstar.in

CASH FLOW STATEMENT FOR THE PERIOD ENDED SEPTEMBER 30, 2025

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

Particulars	For the Period ended Sept 30, 2025	For the Period ended Sept 30, 2024	For the Year ended Mar 31, 2025
	(Unaudited)	(Unaudited)	(Audited)
Operating activities			
Profit before tax	**(2,134.61)**	**1,875.21**	**508.81**
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation & amortisation	30.74	53.21	98.25
Impairment on financial instruments	4,272.50	3,433.87	8,190.81
Finance cost	2,850.86	3,720.80	6,913.33
Net loss on fair value changes	-	-	-
Net gain on fair value changes	(57.03)	(127.43)	(224.98)
Interest income on deposits	(74.91)	(160.07)	(261.67)
Loss on sale of asset	0.14	0.44	0.90
Operating Profit Before Working Capital Changes	**4,887.69**	**8,796.03**	**15,225.45**
Working capital changes			
(Increase) / Decrease inTrade receivables	(0.68)	6.33	11.82
(Increase) / Decrease in Loans	(5,920.85)	(196.13)	7,794.89
(Increase) / Decrease in Other financial asset	229.27	187.69	829.77
(Increase) / Decrease in Other non financial asset	21.76	(163.89)	(152.69)
Increase / (Decrease) in Trade and Other payables	24.86	(131.22)	(72.23)
Increase / (Decrease) in Other liabilities	(505.08)	(611.33)	(1,117.23)
Increase / (Decrease) in Provision	6.94	18.78	40.90
Cash flows from/(used in) operating activities before tax	**(1,256.09)**	**7,906.26**	**22,560.68**
Interest paid on borrowings	(1,423.63)	(3,487.58)	(7,132.42)
Income tax paid	-	(355.41)	(343.38)
Net cash flows from/(used in) operating activities	**(2,679.72)**	**4,063.27**	**15,084.88**
Investing activities			
Acquisition of fixed and intangible assets	(26.75)	(13.68)	(58.57)
Net gain on fair value changes	9.56	0.64	140.94
Proceeds from sale of fixed assets	0.86	0.57	0.86
Net Investment in / Redemption of Government Securities	(1,370.96)	(2,936.40)	-
Net (Investment) in / Redemption security receipts (ARC)	100.30	74.34	(504.67)
Net (Investment) in / Redemption of fixed deposits	(368.27)	52.70	98.54
Interest received on deposits	33.79	73.52	249.91
Net cash flows from/(used in) investing activities	**(1,621.47)**	**(2,748.31)**	**(72.98)**
Financing activities			
Proceeds from issue of shares	-	-	-
Net receipts/(Payments) from borrowings	5,909.82	(3,447.97)	(16,712.24)
Interest paid on Lease liabilities	(0.25)	(1.15)	(3.77)
Payment towards Lease liabilities	(11.15)	10.98	(42.65)
Dividend paid on equity shares	-	-	(41.13)
Net cash flows from financing activities	**5,898.42**	**(3,438.14)**	**(16,799.79)**
Net increase in cash and cash equivalents	**1,597.23**	**(2,123.18)**	**(1,787.89)**
Cash and cash equivalents at 1st April 2025, 1st April 2024	5,155.11	6,943.00	6,943.00
Cash and cash equivalents at Sept 30,2025 / March 31,2025	**6,752.34**	**4,819.82**	**5,155.11**

SUNDARAM & SRINIVASAN CHARTERED ACCOUNTANTS New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

BELSTAR MICROFINANCE LIMITED CHENNAI 600 083

BELSTAR MICROFINANCE LIMITED

CIN NO-U06599TN1988PLC081652
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Website:www.belstar.in

STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2025

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

1 The above results for the Quarter ended Sept 30, 2025 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on Nov 11,2025.

2 The standalone financial results has been prepared in accordance with recognition and measurement principles laid down in the Indian Accounting Standard 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 September 30, 2025 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 September 30, 2025. Refer Annexure 2

7 The secured Non-Convertible Debt Securities of the company as on September 30, 2025 are secured by way of exclusive charge on receivables of the Company by way of hypothecation to the extent of minimum 1.05 times of the outstanding principal and interest thereon. Refer Annexure 3

8 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**

J.Balakrishnan
Wholetime Director & Chief Executive Officer
DIN:10409525

Place: Chennai
Date: November 11, 2025

SUNDARAM & SRINIVASAN ★ CHARTERED ACCOUNTANTS ★ New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

BELSTAR MICROFINANCE LIMITED ★ CHENNAI 600 083

BELSTAR MICROFINANCE LIMITED

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 half year ended Sept 30, 2025.

Sl No	Particulars	Half year ended Sept 30, 2025
1	Debt Equity Ratio (i)	3.85
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)	16,116.27
8	Net Profit after tax (Amount in Million)	-1,595.62
9	Earning Per Share - Basic	-29.09
10	Earning Per Share - Basic (for the quarter)	-5.75
11	Earning Per Share - Diluted	-29.09
12	Earning Per Share - Diluted (for the quarter)	-5.75
13	Current ratio #	Not Applicable
14	Long term debt to working capital; #	Not Applicable
15	Bad debts to Account receivable ratio; #	Not Applicable
16	Current liability ratio; #	Not Applicable
17	Total debts to total assets (ii)	77.84%
18	Debtors turnover #	Not Applicable
19	Inventory turnover %	Not Applicable
20	Operating margin (%) #	Not Applicable
21	Net profit margin (%) (iii)	-7.40%
20	**Sector Specific Ratio;**	
	(a) Gross NPA Ratio (iv)	4.58%
	(b) Net NPA Ratio (v)	0.26%
	(c) Capital Adequacy Ratio (vii)	22.05%
	(d) Provision Coverage Ratio (vi)	94.69%
	(e) Liquidity Coverage Ratio for the quarter ended 30th September 2025 (vii)	126.83%
i)	**Debt Equity Ratio** - [Debt securities + Borrowings (Other than debt securities)+ Subordinate Liabilities]/[Equity share capital + Other equity]	
ii)	**Total debt to total assets** - [Debt securities + Borrowings (Other than debt securities)+ Subordinate Liabilities]/[Total assets]	
iii)	**Net Profit Margin** - [Profit after tax before OCI]/[Total Income]	
iv)	**Gross NPA %** - Gross Stage 3 Loans EAD / Gross Total Loan EAD]. (Exposure at default (EAD) Includes Loan Balance & Interest thereon)	
v)	**Net NPA %** - [Gross Stage 3 Loans EAD less impairment loss for Stage 3 loans] / [Gross Total Loan EAD Less Total Impairment loss Provision]	
vi)	**Provision Coverage Ratio % -** Total Impairment loss allowance for Stage 3/ Gross Stage 3 Loans EAD	
vii)	**Capital Adequacy ratio and Liquidity Coverage Ratio** are calculated as per applicable RBI guidelines	
#	The Company is registered under Reserve Bank of India Act 1934 as NBFC-MFI hence these ratios are Not Applicable.	

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) The Company has not transferred any loans (not in default) through direct assignment during the quarter ended Sept 30, 2025.

(ii) a. The Company has not transferred any stressed loans [(Special Mention Account (SMA) and Non- Performing Asset (NPAs)] during the Half year ended Sept 30, 2025.

b. Details of recovery rating assigned for security receipts as on Sept 30,2025 are given below

Particulars	**Recovery rating scale**	**Implied recovery**	**Book Value (in millions)**
Phoneix Trust FY 23 -21	IND RR4	25% - 50%	343.53
PARAS-161 TRUST	BWR RR1	100% - 150%	533.56
		Total	**877.09**

Total carrying value of SRs held by the company is 514.40 millions. (Gross book value: 877.09 millions, Impairment allowance: 362.69 millions) as on Sept 30, 2025.

(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 ended Sept 30, 2025.

SUNDARAM & SRINIVASAN ACCOUNTANTS New No:4, Old No:23, CPR ROAD, CHENNAI 600 018.

BELSTAR MICROFINANCE LIMITED CHENNAI 600 083