



BELSTAR MICROFINANCE LIMITED

A Subsidiary of Muthoot Finance Limited

Registered Office : No 33, 48th Street,
9th Avenue, Ashok Nagar,
Chennai- 600083

Corporate office : M V Square, No 4/14,
Soundarapandian Street, Ashok Nagar,
Chennai- 600083

CIN: U06599TN1988PLC081652

+91-44-43414567/ 43414511  www.belstar.in  bml@belstar.in

Ref. No. 62/ 2022-2023

February 01, 2023

The General Manager

Listing Operation

BSE Limited

Phiroze Jeejeeboy Towers

Dalal Street

Mumbai-400001

Dear Sir / Madam,

Sub: Sub: Disclosure under Regulation 54(2) and 54(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations")

Pursuant to Regulation 54(2) and 54(3) of SEBI (Listing Obligation & Disclosure Requirements), 2015 we hereby submit the extent and nature of security created, maintained and available with respect to secured listed non-convertible debt securities of the Company for the quarter ended December 31, 2022 as per the prescribed format in SEBI Circular as **Annexure-A**

Thanking you,
Yours faithfully,

For Belstar Microfinance Limited

Sunil Kumar Sahu
Company Secretary

Independent Auditors Review Report on the unaudited quarterly financial results and year to date financial results of Belstar Microfinance Limited (formerly known as Belstar Investment and Finance Private 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 (formerly known as Belstar Investment and Finance Private Limited) (the "Company"), for the quarter and nine months ended December 31, 2022 (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.
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.



Varma & Varma

Chartered Accountants

Emphasis of Matter

5. We draw attention to Note 5 to the Statement which describes that the potential impact of the continuing COVID-19 pandemic on the Company's operations and financial results are dependent on future developments, which are highly uncertain. Our conclusion is not modified in respect of the above matter.

For Varma & Varma
Chartered Accountants
FRN. 004532S

P. R. Prasanna Varma
Partner

M.No. 025854

UDIN: 23025854BGRHVR7613

Place : Chennai

Date : 1st February, 2023



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 AND NINE MONTH ENDED DECEMBER 31 , 2022

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

Particulars		Quarter ended			Nine Month ended		Year ended
		31-Dec-22	30-Sep-22	31-Dec-21	31-Dec-22	31-Dec-21	31-Mar-22
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
(I)	Revenue from operations						
	(i) Interest income	2,363.00	2,130.89	1,746.96	6,336.78	4,744.01	6,768.32
	(ii) Fee and commission income	16.85	19.43	13.02	48.27	26.84	37.37
	(iii) Net gain on fair value changes on investments	7.07	5.21	2.50	16.47	4.99	7.87
	(iv) Net gain on de-recognition of financial instruments under amortised cost category	106.97	281.40	86.23	626.14	86.23	458.73
	Total Revenue from operations	2,493.89	2,436.93	1,848.71	7,027.66	4,862.07	7,272.29
(II)	Other Income	24.08	12.03	2.87	41.27	5.74	12.02
(III)	Total Income (I + II)	2,517.97	2,448.96	1,851.58	7,068.93	4,867.81	7,284.31
	Expenses						
(i)	Finance cost	946.80	852.51	752.51	2,610.79	2,088.85	2,912.21
(ii)	Fee and commission expenses	68.75	65.65	48.27	194.92	141.90	196.68
(iii)	Impairment of financial instruments	518.64	480.63	358.08	1,375.39	936.21	1,497.50
(iv)	Employee benefit expenses	547.50	546.25	392.11	1,568.55	1,102.62	1,529.53
(v)	Depreciation, amortization and impairment	28.48	31.81	23.85	87.28	58.01	86.39
(vi)	Other expenses	234.55	200.55	129.11	615.44	351.42	500.54
(IV)	Total Expenses (IV)	2,344.72	2,177.40	1,703.93	6,452.37	4,679.01	6,722.85
(V)	Profit/(loss) before tax (III- IV)	173.25	271.56	147.65	616.56	188.80	561.46
(VI)	Tax Expense:						
(i)	Current tax	54.12	87.75	95.75	266.95	291.41	422.77
(ii)	Deferred tax	(18.73)	(29.11)	(64.27)	(139.30)	(261.25)	(312.60)
(iii)	Earlier years adjustments	0.68	-	-	0.68	-	-
(VII)	Profit/(loss) for the period	137.18	212.92	116.17	488.23	158.64	451.29
(VIII)	Other Comprehensive Income						
A	Items that will not be classified to profit or loss						
(i)	Actuarial Gain/(Loss) on defined benefit obligation	(2.53)	(4.50)	(1.35)	(7.60)	(4.06)	(2.27)
(ii)	Changes in value of forward element of forward contract	4.45	(10.91)	-	(6.47)	-	-
(iii)	Tax impact thereon	(0.48)	3.88	0.34	3.54	1.02	(0.02)
	Subtotal (A)	1.44	(11.53)	(1.01)	(10.53)	(3.04)	(2.29)
B	Items that will be classified to profit or loss						
(i)	Fair value changes on Financial instruments measured at FVOCI	-	-	(19.75)	-	(17.89)	(17.89)
(ii)	Effective portion of gain on Hedging Instruments in Cash Flow Hedges	(0.54)	0.91	-	0.37	-	-
(iii)	Tax impact thereon	0.14	(0.23)	6.64	(0.09)	6.18	6.18
	Subtotal (B)	(0.40)	0.68	(13.11)	0.28	(11.71)	(11.71)
	Other Comprehensive Income (A + B)	1.04	(10.85)	(14.12)	(10.25)	(14.75)	(14.00)
(IX)	Total Comprehensive Income for the period	138.22	202.07	102.05	477.98	143.89	437.29
	Paid Up Equity Share Capital (Face value of Rs.10 per each)	488.44	488.44	375.21	488.44	375.21	456.09
	Other Equity	-	-	-	-	-	8,103.24
(X)	Earnings per equity share (Face Value - Rs 10 per share)						
	Basic (Rs.)	2.81	4.36	3.10	10.22	4.23	12.01
	Diluted (Rs.)	2.81	4.36	3.10	10.22	4.23	12.01
		(Not Annualized)			(Not Annualized)		
	See accompanying notes to financial results						



STATEMENT OF ASSETS & LIABILITIES (BALANCE SHEET) AS AT DECEMBER 31, 2022

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

Particulars	As at December 31, 2022	As at March 31, 2022
	(Unaudited)	(Audited)
I ASSETS		
1 Financial assets		
a) Cash and cash equivalents	7,015.61	7,218.36
b) Bank Balance other than (a) above	855.51	1,360.18
c) Derivative financial instruments	73.46	-
d) Receivables		
(I) Trade Receivables	4.59	3.46
(II) Other Receivables	-	-
f) Loans	42,335.07	35,542.53
e) Other Financial assets	695.43	669.93
2 Non-financial Assets		
a) Current tax assets (Net)	118.52	-
b) Deferred tax assets (Net)	657.35	514.59
c) Investment Property	1.10	1.10
e) Property, Plant and Equipment	57.24	47.69
f) Right of use assets	97.92	97.29
g) Intangible assets under development	1.70	0.49
h) Other Intangible assets	7.07	6.81
Other non financial assets	157.45	140.43
TOTAL ASSETS	52,078.02	45,602.86
II LIABILITIES AND EQUITY		
LIABILITIES		
1 Financial Liabilities		
a) Payables		
(I) Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	0.43	0.56
(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	2.50	3.46
b) Debt Securities	6,209.02	3,807.89
c) Borrowings (other than debt securities)	32,101.47	30,118.88
d) Subordinated Liabilities	1,647.98	1,643.59
f) Lease liabilities	104.00	106.39
g) Other Financial liabilities	1,568.30	1,089.41
2 Non-financial Liabilities		
a) Current tax liabilities (net)	-	64.87
b) Provisions	80.97	61.54
c) Other non-financial liabilities	253.03	146.94
EQUITY		
a) Equity share capital	488.44	456.09
b) Other equity	9,621.88	8,103.24
TOTAL LIABILITIES AND EQUITY	52,078.02	45,602.86

See accompanying notes to financial results



BELSTAR MICROFINANCE LIMITED

CASH FLOW STATEMENT FOR THE NINE MONTH ENDED DECEMBER 31, 2022

CIN NO-U06599TN1988PLC081652

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

Website:www.belstar.in

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

Particulars	For the Period ended Dec 31, 2022	For the period ended Dec 31, 2021
	(Unaudited)	(Unaudited)
Operating activities		
Profit before tax	616.56	188.80
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation & amortisation	87.28	58.01
Impairment on financial instruments	1,375.39	936.21
Finance cost	2,610.79	2,088.85
Net gain on fair value changes	(16.47)	(4.99)
Interest income on deposits	(204.58)	(124.48)
Operating Profit Before Working Capital Changes	4,468.97	3,142.40
Working capital changes		
(Increase) / Decrease in Trade receivables	(1.13)	2.66
(Increase) / Decrease in Loans	(8,167.95)	(7,498.08)
(Increase) / Decrease in Other financial asset	(43.72)	277.51
(Increase) / Decrease in Other non financial asset	(17.03)	(2.68)
Increase / (Decrease) in Trade and Other payables	(1.08)	11.80
Increase / (Decrease) in Other liabilities	510.24	(222.17)
Increase / (Decrease) in Provision	11.83	(2.03)
Cash flows from/(used in) operating activities before tax	(3,239.87)	(4,290.59)
Interest paid on borrowings	(2,483.72)	(2,173.40)
Income tax paid	(451.02)	(323.76)
Net cash flows from/(used in) operating activities	(6,174.61)	(6,787.75)
Investing activities		
Acquisition of fixed and intangible assets	(57.16)	(29.70)
Net gain on fair value changes	16.47	4.99
Investment in fixed deposits	504.67	(16.03)
Interest received on deposits	220.27	108.72
Net cash flows from/(used in) investing activities	684.25	67.98
Financing activities		
Proceeds from issue of shares	1,086.70	-
Net receipts/Payments from borrowings	4,264.45	4,959.20
Interest paid on Lease liabilities	(8.23)	(9.18)
Payment towards Lease liabilities	(41.63)	(25.41)
Dividend paid on equity shares	(13.68)	(11.26)
Net cash flows from financing activities	5,287.61	4,913.35
Net increase in cash and cash equivalents	(202.75)	(1,806.41)
Cash and cash equivalents at April 01,2022 / April 01,2021	7,218.36	4,521.23
Cash and cash equivalents at December 31,2022 / December 31,2021	7,015.61	2,714.82



STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTH ENDED DECEMBER 31 , 2022

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

- 1 The above results for the Quarter and Nine Months ended December 31, 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on January 31, 2023, February 01, 2023 respectively.
- 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 and Nine Month ended December 31, 2022 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 The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant decline and volatility in the global and Indian financial markets and corresponding slowdown in the economic activities. The Company has developed estimates and applied management overlays for the purpose of determination of the provision for impairment of financial assets and provision held by the Company are in excess of the RBI prescribed norms. As the pandemic situation is dynamic and still evolving, the extent to which it will continue to impact the Company's results is dependent on ongoing as well as future developments, which are highly uncertain. The company will continue to monitor future economic conditions and update its assessment.
- 6 Pursuant to the approval the shareholders of the company at the Extra ordinary meeting held at May 31,2022 for issue of Equity shares on a preferential basis through private placement, the Board at its meeting held on June 29,2022 approved the allotment of 32,35,295 nos. of Equity shares of face value Rs. 10/- each at a price of Rs. 340/- each (including a Premium of Rs. 330/- per share) aggregating up to Rs. 1,100.00 Mn (Rupees One Thousand and Hundred million only).
- 7 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
- 8 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 31st December, 2022. Refer Annexure 2
- 9 The secured Non-Convertible Debt Securities of the company as on December 31, 2022 are secured by way of exclusive charge on receivables of the Company by way of hypothecation to the extent of minimum 1.14 times of the outstanding principal and interest thereon. The Security cover disclosure as per Regulation 54(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached in Annexure 3
- 10 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

*Kalpana 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 December 31, 2022

Sl No	Particulars	Q3FY23	2MFY23
1	Debt Equity Ratio	3.95	3.95
2	Debt Service Coverage Ratio	Not Applicable	Not Applicable
3	Interest Service Coverage Ratio	Not Applicable	Not Applicable
4	Outstanding redeemable preference shares (quantity and value)	Not Applicable	Not Applicable
5	Debenture redemption reserve	Not Applicable	Not Applicable
6	Capital redemption reserve (Amount in Million)	500.00	500.00
7	Net worth - (Amount in Million)	10,110.32	10,110.32
8	Net Profit after tax (Amount in Million)	137.18	438.23
9	Earning Per Share - Basic - (Not Annualised)	2.81	10.22
10	Earning Per Share - Diluted - (Not Annualised)	2.81	10.22
11	Current ratio	1.60	1.60
12	Long term debt to working capital;	1.03	1.03
13	Bad debts to Account receivable ratio;	Not Applicable	Not Applicable
14	Current liability ratio;	61.75%	61.75%
15	Total debts to total assets;	76.73%	76.73%
16	Debtors turnover;	Not Applicable	Not Applicable
17	Inventory turnover;	Not Applicable	Not Applicable
18	Operating margin (%);	27.48%	28.18%
19	Net profit margin (%);	5.45%	6.91%
20	Sector Specific Ratio;		
	(a) Gross NPA Ratio;	7.37%	7.37%
	(b) Net NPA Ratio;	2.03%	2.03%
	(C.) Capital Adequacy Ratio	22.74%	22.74%

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)	% of Gross NPA	[Stage 3 Loans Total EAD / Gross Loan EAD]. (Exposure at default) (EAD) Includes Loan Balance & Interest thereon)
6)	% of Net NPA	[Stage 3 Loans 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,51/21.04.04/8/2021-22 dated 24 September 2021

(i) Details of transfer through assignment in respect of loans not in default during the Quarter ended 31st December 2022

Entity	NBFC (Micro Finance Company)
Count of Loan accounts Assigned (No. of Accounts)	93,407
Amount of Loan Account Assigned (In Mn)	2,222.22
Weighted average residual maturity (In Months)	13.74
Weighted average holding period of loans (In Months)	9.21
Retention of beneficial economic interest (MRR)	10%
Coverage of tangible security coverage	Nil
Rating-wise distribution of rated loans	Retail Loans - NA

(ii) The Company has not transferred any Stressed Loans (Special Mention Account (SMA) and Non-performing Assets (NPAs) during the Quarter ended 31st December 2022.

(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 31st December 2022.



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