



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. 34/ 2023-2024

August 04, 2023

The General Manager

Listing Operation

BSE Limited

Phiroze Jeejeeboy Towers

Dalal Street

Mumbai-400001

Sub: Outcome of the Board Meeting held on August 04, 2023

Dear Sir / Madam,

Pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), it is hereby informed that the Board of Directors ("Board") at its meeting held on Friday August 04, 2023 has, inter-alia:

1. **Unaudited standalone Financial Results for the quarter ended June 30, 2023, duly reviewed by the Audit Committee, and took note of the audit report with unmodified opinion thereon, submitted by the Statutory Auditor of the Company, i.e., Varma and Varma Chartered Accountants; and**
2. **Approved for raising of fund by through issuance of Non- Convertible Debentures(s) on Private Placement basis amounting up to Rs. 2000 crores in one or more tranches over a period of time.**

Further, please find enclosed herewith the followings :

- I. **The unaudited standalone financial results of the Company for the quarter ended June 30, 2023 along with the limited review report of the statutory auditors of the Company, Varma and Varma Chartered Accountants**
- II. **Disclosure pursuant to Regulation 52(4) of the SEBI LODR Regulations;**
- III. **Disclosures pursuant to Regulation 54(2) and 54(3) of the SEBI LODR Regulations; and**
- IV. **Statement pursuant to Regulation 52(7) of the SEBI LODR Regulations.**

The Financial Results would be published in one English National Daily newspaper as required under Regulations 52 (8) of the Listing Regulations.

The meeting commenced at 09.45 AM (IST) and concluded at 2.10 PM (IST).

This is for your information and appropriate dissemination.

Thanking you,

Yours faithfully,

For Belstar Microfinance Limited

Sunil Kumar Sahu

Company Secretary and Compliance Officer

Encl: as above

Independent Auditors Review Report on the unaudited quarterly 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 ended June 30, 2023 (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.

For Varma & Varma
Chartered Accountants
FRN. 004532S



Arjun R
Partner

M.No. 226775

UDIN: 23226775BGQQUN4135

Place : Chennai

Date : 4th August, 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 ENDED JUNE 30 , 2023

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

Particulars		Quarter ended			Year ended
		30-Jun-23	31-Mar-23	30-Jun-22	31-Mar-23
		Unaudited	(Refer Note 8)	Unaudited	(Audited)
	Revenue from operations				
(I)	(i) Interest income	3,224.34	2,480.95	1,842.89	8,817.73
	(ii) Fee and commission income	-	16.02	11.99	64.29
	(iii) Net gain on fair value changes on investments	14.13	11.00	4.20	27.47
	(iv) Net gain on de-recognition of financial instruments under amortised cost category	347.50	781.73	232.96	1,403.12
	Total Revenue from operations	3,585.97	3,289.70	2,092.04	10,312.61
(II)	Other Income	17.06	25.27	5.16	66.54
(III)	Total Income (I + II)	3,603.03	3,314.97	2,097.20	10,379.15
	Expenses				
	(i) Finance cost	1,232.98	1,043.65	811.48	3,654.44
	(ii) Fee and commission expenses	76.97	68.87	60.53	263.79
	(iii) Net loss on fair value changes	-	193.06	-	193.06
	(iv) Impairment of financial instruments	660.15	70.40	376.12	1,445.79
	(v) Employee benefit expenses	681.84	587.23	474.80	2,155.78
	(vi) Depreciation, amortization and impairment	27.94	31.10	26.99	118.39
	(vii) Other expenses	244.95	244.14	175.53	854.83
(IV)	Total Expenses (IV)	2,924.83	2,238.45	1,925.45	8,686.08
(V)	Profit/(loss) before tax (III- IV)	678.20	1,076.52	171.75	1,693.07
(VI)	Tax Expense:				
	(i) Current tax	233.72	(218.80)	125.08	48.16
	(ii) Deferred tax	(72.46)	490.55	(91.46)	351.25
	(iii) Earlier years adjustments	-	(10.26)	-	(9.59)
(VII)	Profit/(loss) for the period (V-VI)	516.94	815.03	138.13	1,303.25
(VIII)	Other Comprehensive Income				
	A Items that will not be classified to profit or loss				
	(i) Actuarial Gain/(Loss) on defined benefit obligation	(1.93)	(0.13)	(0.57)	(7.74)
	(ii) Changes in value of forward element of forward contract	8.15	(2.42)	-	(8.89)
	(iii) Tax impact thereon	(1.57)	0.64	0.14	4.18
	Subtotal (A)	4.65	(1.91)	(0.43)	(12.45)
	B Items that will be classified to profit or loss				
	(i) Fair value changes on Financial instruments measured at FVOCI	-	-	-	-
	(ii) Effective portion of gain on Hedging Instruments in Cash Flow Hedges	0.10	(0.60)	-	(0.23)
	(iii) Tax impact thereon	(0.03)	0.15	-	0.06
	Subtotal (B)	0.07	(0.45)	-	(0.17)
	Other Comprehensive Income (A + B)	4.72	(2.36)	(0.43)	(12.62)
(IX)	Total Comprehensive Income for the period (VII + VIII)	521.66	812.67	137.70	1,290.63
	Paid Up Equity Share Capital (Face value of Rs.10 per each)	488.44	488.44	488.44	488.44
	Other Equity	-	-	-	10,434.55
(X)	Earnings per equity share (Face Value - Rs 10 per share)				
	Basic (Rs.)	10.58	16.69	3.02	27.13
	Diluted (Rs.)	10.58	16.69	3.02	27.13
		(Not Annualized)	(Not Annualized)	(Not Annualized)	
	See accompanying notes to financial results				



STATEMENT OF ASSETS & LIABILITIES (BALANCE SHEET) AS AT JUNE 30, 2023

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

Particulars	As at June 30, 2023	As at March 31, 2023
	(Unaudited)	(Audited)
I ASSETS		
1 Financial assets		
a) Cash and cash equivalents	5,994.05	12,812.45
b) Bank Balance other than (a) above	436.18	448.80
c) Receivables		
(I) Trade Receivables	1.69	7.61
d) Loans	54,804.94	46,275.36
e) Investments	413.89	528.64
f) Other Financial assets	1,277.19	1,318.56
2 Non-financial Assets		
a) Current tax assets (Net)	280.20	362.15
b) Deferred tax assets (Net)	238.45	167.59
c) Investment Property	1.10	1.10
d) Property, Plant and Equipment	46.90	53.60
e) Right of use assets	101.60	97.12
f) Intangible assets under development	0.44	0.44
g) Other Intangible assets	6.40	7.95
h) Other non financial assets	230.94	187.64
TOTAL ASSETS	63,833.97	62,269.01
II LIABILITIES AND EQUITY		
LIABILITIES		
1 Financial Liabilities		
a) Derivative financial instruments	15.41	29.32
b) Payables		
(I) Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises	0.13	7.20
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	7.02	24.55
c) Debt Securities	4,572.39	6,215.71
d) Borrowings (other than debt securities)	41,838.44	40,399.64
e) Subordinated Liabilities	2,872.61	1,649.51
f) Lease liabilities	109.66	105.86
g) Other Financial liabilities	2,652.00	2,642.99
2 Non-financial Liabilities		
a) Provisions	105.80	81.86
b) Other non-financial liabilities	215.85	189.38
EQUITY		
a) Equity share capital	488.44	488.44
b) Other equity	10,956.22	10,434.55
TOTAL LIABILITIES AND EQUITY	63,833.97	62,269.01



BELSTAR MICROFINANCE LIMITED

CASH FLOW STATEMENT FOR THE QUARTER ENDED June 30, 2023

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 Quarter ended June 30, 2023	For the Year ended Mar 31, 2023
	(Unaudited)	(Audited)
Operating activities		
Profit before tax	678.20	1,693.07
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation & amortisation	27.94	118.39
Impairment on financial instruments	660.15	1,445.79
Finance cost	1,232.98	3,654.44
Net gain on fair value changes	(14.13)	(27.47)
Interest income on deposits	(99.74)	(286.68)
Operating Profit Before Working Capital Changes	2,485.40	6,597.54
Working capital changes		
(Increase) / Decrease in Trade receivables	5.92	(4.15)
(Increase) / Decrease in Loans	(9,189.74)	(11,985.56)
(Increase) / Decrease in Other financial asset	32.43	(724.37)
(Increase) / Decrease in Other non financial asset	(43.31)	(47.22)
Increase / (Decrease) in Trade and Other payables	(24.60)	29.01
Increase / (Decrease) in Other liabilities	(3.11)	1,378.29
Increase / (Decrease) in Provision	22.01	12.58
Cash flows from/(used in) operating activities before tax	(6,715.00)	(4,743.88)
Interest paid on borrowings	(1,178.70)	(3,476.05)
Income tax paid	(151.75)	(465.61)
Net cash flows from/(used in) operating activities	(8,045.45)	(8,685.54)
Investing activities		
Acquisition of fixed and intangible assets	(5.05)	(69.28)
Net gain on fair value changes	14.13	27.47
Investment in security receipts (ARC)	114.75	(721.70)
Investment in fixed deposits	12.62	911.38
Interest received on deposits	108.25	361.42
Net cash flows from/(used in) investing activities	244.70	509.29
Financing activities		
Proceeds from issue of shares	-	1,086.70
Net receipts/Payments from borrowings	999.67	12,763.79
Interest paid on Lease liabilities	(2.42)	(11.02)
Payment towards Lease liabilities	(14.90)	(55.45)
Dividend paid on equity shares	-	(13.68)
Net cash flows from financing activities	982.35	13,770.34
Net increase in cash and cash equivalents	(6,818.40)	5,594.09
Cash and cash equivalents at beginning of the period / year	12,812.45	7,218.36
Cash and cash equivalents at end of the period / year	5,994.05	12,812.45



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Website:www.belstar.in

STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30 , 2023

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

- 1 The above results for the Quarter ended June 30, 2023 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on August 03, 2023, August 04 , 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 ended June 30, 2023 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, 2023. Refer Annexure 2
- 7 The secured Non-Convertible Debt Securities of the company as on June 30, 2023 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, 2023 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 respective 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**

Kalpana Sankar

Dr.Kalpanaa Sankar
Managing Director
DIN:01926545



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, 2023

Sl No	Particulars	Ratios
1	Debt Equity Ratio	4.31
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)	11,444.66
8	Net Profit after tax (Amount in Million)	516.94
9	Earning Per Share - Basic	10.58
10	Earning Per Share - Diluted	10.58
11	Current ratio	1.48
12	Long term debt to working capital;	1.68
13	Bad debts to Account receivable ratio;	Not Applicable
14	Current liability ratio;	45.09%
15	Total debts to total assets;	77.21%
16	Debtors turnover;	Not Applicable
17	Inventory turnover;	Not Applicable
18	Operating margin (%);	37.15%
19	Net profit margin (%);	14.35%
20	Sector Specific Ratio;	
	(a) Gross NPA Ratio;	1.63%
	(b) Net NPA Ratio;	0.23%
	(C.) Capital Adequacy Ratio	22.34%

- Debt Equity Ratio** - [Debt securities + Borrowings (Other than debt securities)+ Subordinate Liabilities]/[Equity share capital + Other equity]
- Total debt to total assets** - [Debt securities + Borrowings (Other than debt securities)+ Subordinate Liabilities]/[Total assets]
- Operating Margin** - [Profit before tax (PBT) + Impairment of financial instruments]/[Total Income]
- Net Profit Margin** - [Profit after tax before OCI]/[Total Income]
- Gross NPA %** - [Stage 3 Loans Total EAD / Gross Loan EAD]. (Exposure at default (EAD) Includes Loan Balance & Interest thereon)
- Net NPA %** - [Stage 3 Loans Total EAD less impairment loss for Stage 3 loans] / [Gross Loan EAD Less Total Impairment loss Provision]
- Current Ratio** - [Current assets]/[Current liabilities]
- Current Liability Ratio** - [Current Liabilities]/ [Total Liabilities]
- 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, 2023

Entity	NBFC (MFI)
Count of Loan accounts Assigned (No. of Accounts)	144,465
Amount of Loan Account Assigned (In Mn)	4,200.18
Weighted average residual maturity (In Months)	15.99
Weighted average holding period of loans (In Months)	7.02
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 Asset (NPAs)] during the quarter ended June 30, 2023. The book value of Security Receipts ("SRs") held by the Company as on 30th June, 2023 is Rs. 606.95 million. Since the related transfer of stressed loans to Asset Reconstruction Company (ARC) had occurred during March, 2023, rating for these SR's are not yet due.

(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 June 30, 2023.



[illegible]

Ref. No. 36/ 2023-2024

August 04, 2023

The General Manager

Listing Operation

BSE Limited

Phiroze Jeejeeboy Towers

Dalal Street

Mumbai-400001

Sub.: Statement indicating utilization of issue proceeds Regulations 52(7) and statements of deviation or variation Regulations 52(7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam

Pursuant to Regulation 52(7) of SEBI (Listing Obligation & Disclosure Requirements), 2015, we hereby confirm that, the proceeds of the below Non-Convertible Securities issued by the Company during the quarter ended June 30, 2023, have been utilised for the purpose for which these proceeds were raised in accordance with the respective Offer Documents of the issues.

Statement of utilization of issue proceeds:

Name of the Issuer: For Belstar Microfinance Limited

ISIN	Mode of Fund Raising (Public issues/ Private placement)	Type of instrument	Date of raising funds	Amount Raised (Rs in Crore)	Funds utilized (Rs in Crore)	Any deviation (Yes/No)	If 8 is Yes, then specify the purpose of for which the funds were utilized	Remarks, if any
INE443L08149	Private placement (Unlisted)	Debenture	19-06-2023	150	150	No	NA	NA

Statement of deviation/ variation in use of Issue proceeds for the quarter ended June 30, 2023: NIL

Particulars	Remarks
Name of listed entity	Belstar Microfinance Limited
Mode of fund raising	Private placement
Type of instrument	Non-convertible Securities
Date of raising funds	As mentioned in above table
Amount raised	As mentioned in above table
Report filed for quarter ended	June 30, 2023
Is there a deviation/ variation in use of funds raised?	No
Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document?	No
If yes, details of the approval so required?	Not Applicable
Date of approval	Not Applicable
Explanation for the deviation/ variation	Not Applicable

Comments of the audit committee after review	None
Comments of the auditors, if any	None
Objects for which funds have been raised and where there has been a deviation/ variation, in the following table: Nil	
Original object	<ol style="list-style-type: none"> 1. for general corporate purposes of the Company; 2. for utilization in the ordinary course of business of the Company (including repayment/re-financing of any existing financial indebtedness of the Company); and 3. for deployment in the business of the Company and the growth of the asset book of the Company.
Modified object, if any	Nil
Original allocation	Funds have been allocated as per the objects stated above in compliance with the applicable laws.
Modified allocation, if any	Nil
Funds utilised	Funds have been allocated as per the objects stated above in compliance with the applicable laws.
Amount of deviation/ variation for the quarter according to applicable object (in Rs. crore and in %)	Not Applicable
Remarks, if any	Nil

Deviation could mean:

- a) Deviation in the objects or purposes for which the funds have been raised.
- b) Deviation in the amount of funds actually utilized as against what was originally disclosed.

This is for your information and appropriate dissemination.

Thanking you,
Yours faithfully,

For Belstar Microfinance Limited



Sunil Kumar Sahu
Company Secretary and Compliance Officer