



# 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](http://www.belstar.in)  [bml@belstar.in](mailto:bml@belstar.in)

Ref. No. 35/ 2023-2024

August 04, 2023

The General Manager

Listing Operation

**BSE Limited**

Phiroze Jeejeeboy Towers

Dalal Street

Mumbai-400001

**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")**

Dear Sir/Madam

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 June 30, 2023, as per the prescribed format in SEBI Circular

Thanking you,  
Yours faithfully,

**For Belstar Microfinance Limited**

**Sunil Kumar Sahu**  
**Company Secretary**

Encl: as above

**Independent Auditor's Certificate**

To,  
The Board of Directors  
Belstar Microfinance Limited

**Statutory Auditor's Certificate for book value of assets available as security cover in respect of Listed Non-convertible Securities**

- (1) This certificate has been issued in accordance with the terms of our engagement letter with Belstar Microfinance Limited ("the Company").
- (2) The accompanying statement containing the details of security Cover for Listed Secured non-convertible debt securities ('NCDs') outstanding as at 30-06-2023, has been prepared by the Company's management in accordance with terms of Securities And Exchange Board Of India (the "SEBI") Circular No. SEBI/ HO/ MIRSD/ MIRSD/ CRADT/ CIR/ P/ 2022/67 dated May 19, 2022 (hereinafter referred as the "SEBI Circular") and in accordance with terms of regulation 56(1)(d) of the Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, as amended from time to time (hereinafter referred as the "SEBI Regulations"). We have initialled the Statement for identification purposes only.

**Management's Responsibility**

- (3) The preparation of the Statement in accordance with the requirements of the SEBI Circular, including the preparation and maintenance of all accounting and other relevant supporting records and documents, is solely the responsibility of the management of the Company. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of financial and other information furnished in the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

**Auditor's Responsibility**

- (4) Pursuant to requirement of the circular, it is our responsibility to express limited assurance in the form of a conclusion on the correctness of the book value of assets available as security cover for NCDs computed in the attached Statement.
- (5) We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.



- (6) We conducted our examination in accordance with the 'Guidance Note on Audit Report and Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
- (7) The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. The procedures selected depend on the auditor's judgement including the assessment of the areas where a material misstatement of the subject matter information is likely to arise.
- (8) We have performed the following procedures in relation to the Statement:
- Inquired and understood from the credit team of the company on the process followed for tagging of assets to NCDs.
  - Obtained the list of assets tagged as security cover for the NCDs as per the audited books of accounts and traced the same to the attached statement.
  - Obtained necessary management representations on the tagging of assets as security cover to NCDs.
- (9) The unaudited financial results for the quarter ended 30th June 2023 have been reviewed by us, on which we have issued a limited review report dated 4<sup>th</sup> August 2023. Our review of these financial results was conducted in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable standards specified under the Act, as per which, we are required to obtain reasonable assurance about whether the financial results are free from material misstatement. Our review was not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

**Conclusion**

- (10) Based on procedures performed as above, evidences obtained, and the information and explanations given to us, along with the representations provided by the management, nothing has come to our attention that cause us believe that the book value of asset available for NCDs as mentioned in the accompanying statement are not correctly computed.



*Varma & Varma*  
**Chartered Accountants**

**Restrictions on Use**

- (11) This Report is intended solely for the use of the management of the Bank and for the purpose of complying with the RBI letter referred to earlier, and is not intended to be used or distributed for any other purpose. This Report relates only to the items specified above and does not extend to any financial statements of the Bank taken as a whole.

**For VARMA & VARMA  
Chartered Accountants  
FRN: 004532S**

**Place: Chennai  
Date: 4<sup>th</sup> August 2023**



**Arjun R  
Partner**

**M No. 226775**

**UDIN: 23226775BGQQUO1410**



## Annexure 3

## Security cover certificate as per Regulation 54(3) of the Securities and Exchange Board of India (LODR) Regulation, 2015 as on June 30, 2023

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari passu charge)	Other assets on which there is pari passu charge (excluding items covered in Column F)	Assets not offered as Security	Elimination (amount in negative)	(Total C to H)	Market Value for Assets charged on Exclusive basis	Carrying book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRCA market value is not applicable)	Market Value for Pari passu charge on Assets	Carrying book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRCA market value is not applicable)	Total Value=(K+L+M+ N)
<b>ASSETS</b>														
Property, Plant and Equipment				No	NA	NA	46.90		46.90					
Capital Work-in-Progress				No	NA	NA								
Right of Use Assets				No	NA	NA	101.60		101.60					
Goodwill				No	NA	NA								
Intangible Assets				No	NA	NA	6.40		6.40					
Intangible Assets under Investments				No	NA	NA	0.44		0.44					
Loans				No	NA	NA	413.89		413.89					
	Receivables under financing activities	5,559.43	39,493.93	No	NA	NA			55,908.62		5,559.43			5,559.43
	Inventories			No	NA	NA	10,855.26							
	Trade Receivables			No	NA	NA	1.69		1.69					
	Cash and Cash Equivalents			No	NA	NA	5,994.05		5,994.05					
	Bank Balances other than Cash and Cash Equivalents		372.54	No	NA	NA	63.64		436.18					
	Others			No	NA	NA			2,027.88					
	Interest accrued on Fixed Deposits, Security deposits and Other receivables						2,027.88							
<b>Total</b>		<b>5,559.43</b>	<b>39,866.47</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,511.75</b>	<b>-</b>	<b>64,937.65</b>	<b>-</b>	<b>5,559.43</b>	<b>-</b>	<b>-</b>	<b>5,559.43</b>
<b>LIABILITIES</b>														
Debt securities to which this certificate pertains	Listed Non Convertible Debentures	4,966.45		No	NA	NA			4,966.45					
Other debt sharing pari-passu charge with above debt				No	NA	NA								
Other Debt				No	NA	NA								
Subordinated debt				No	NA	NA	2,872.61		2,872.61					
Borrowings				No	NA	NA								
Bank			34,987.94	No	NA	NA	6,750.00		41,737.94					
Debt Securities				No	NA	NA								
Others			184.30	No	NA	NA			184.30					
Trade payables				No	NA	NA	7.15		7.15					
Lease Liabilities				No	NA	NA	109.66		109.66					
Provisions				No	NA	NA	105.80		105.80					
Others	Other Non Financial Liabilities, Other payables, Other financial Liabilities			No	NA	NA			2,405.40					
<b>Total</b>		<b>4,966.45</b>	<b>35,172.23</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,405.40</b>	<b>-</b>	<b>52,389.31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cover on Book Value</b>		<b>1.119</b>												
<b>Cover on Market Value</b>					Part-Passu Security Cover									
		<b>Exclusive Security Cover</b>												

