CATALYST
Believe in yourself... Trust us!

No.CTL/DEB/18-19/Noting Certificate/281

May 22, 2018

To Whomsoever It May Concern,

CERTIFICATE FOR RECEIPT AND NOTING OF INFORMATION

[Pursuant to Regulation 52(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, Catalyst Trusteeship Limited (**"Debenture Trustee"**) hereby confirm that we have received and noted the information, as specified under regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (**"Regulations"**), provided to us by **Five Star Finance Limited ("the Company")** for the Half year ended March 31, 2018.

This Certificate is being issued pursuant to the requirements of regulation 52(5) of the aforesaid Regulations, for onward submission to Stock Exchange(s) by the Company.

For Catalyst Trusteeship Limited

CATALYST TRUSTEESHIP LIMITED

Authorised Signatory

Encl: Results submitted by Company

FIVE STAR
Business Finance Limited

Date: 22nd May 2018

To,
Catalyst Trusteeship Ltd.
(formerly GDA Trusteeship Ltd.)
Office No. 83 – 87, 8th floor ,
'Mittal Tower', 'B' Wing,
Nariman Point, Mumbai – 400021

Dear Sir,

Sub: Information for the half year ended 31st March 2018

In terms of the Regulation 52(5) of the SEBI (Listing Obligations and Disclosure Requirements) 2015, we submit the following documents for your noting.

S.no	Particulars	Supporting
1	Credit Rating and change in credit rating	Credit Rating Letters are enclosed
2	Asset Cover	Not Applicable
3	Debt Equity ratio	0.88 times
4	Previous due date for the payment of interest/principal and whether the same has been paid or not	Not Applicable
5	Next due date for the payment of interest/principal	Annexure A
6	Debt service coverage ratio	Not Applicable
7	Interest service coverage ratio	Not Applicable
8	Debenture Redemption Reserve	Being Privately placed debentures by NBFC no DRR is required. MCA Circular No.4/2013 is enclosed
9	Net worth	Forms part of the Financials
10	Net profit after tax	Forms part of the Financials
11	Earnings per share	Forms part of the Financials
12	Compliance Certificate 7(3)	Compliance Certificate is enclosed
13	Half yearly results	Financials enclosed
14	Auditor's report	Auditors report is enclosed

Thanking you,

Yours faithfully,
For Five-Star Business Finance Limited

B. Shalini
Shalini B
Company Secretary

FIVE-STAR BUSINESS FINANCE LTD. CHENNAI 600 010

Five-Star Business Finance Limited
(Formerly known as Five-Star Business Credits Ltd.)
Corporate Office : New No. 27, Old No. 4, Taylor's Road, Kilpauk, Chennai - 600 010.
Phone : 4610 6200, e-mail : info@fivestargroup.in, Website: www.fivestargroup.in
CIN No: U65991TN1984PLC010844

Annexure A

Details of next due dates for payment of interest/Principal for Non-Convertible Debentures

S.No	Name	Type (Interest / Principal)	Issue size (Rs. in cr)	Interest / Principal due date
1	INE128S07317	Interest	5	28-06-2018
2	INE128S07325	Interest	65	28-06-2018

CARE Ratings
Professional Risk Opinion

CARE/CRO/RL/2017-18/1739

Mr. D. Lakshmipathy
Chairman & Managing Director,
Five-Star Business Finance Limited,
New No. 27, Taylor's Road,
Kilpauk,
Chennai 600 010

March 17, 2018

Confidential

Dear Sir,

Credit rating for proposed Non-Convertible Debenture issue

Please refer to your request for rating of proposed long-term non-convertible debenture (NCD) issue aggregating to Rs.200 crore of your company. The proposed NCDs would have tenure of 60 months.

2. The following ratings have been assigned by our Rating Committee:

Instrument	Amount (Rs. crore)	Rating[1]	Rating Action
Proposed Non-Convertible Debenture issue	200 (Rupees Two Hundred crore only)	**CARE A-; Positive (Single A Minus; Outlook: Positive)**	**Assigned**

3. Please arrange to get the rating revalidated, in case the proposed issue is not made within a period of **six months** from the date of our initial communication of rating to you (that is March 16, 2018).

4. In case there is any change in the size or terms of the proposed issue, please get the rating revalidated.

5. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

[1]*Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.*

CARE Ratings Limited
(Formerly known as Credit Analysis & Research Limited)

CORPORATE OFFICE: 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (E), Mumbai - 400 022.
Tel.: +91-22-6754 3456 • Fax: +91-22-6754 3457
Email: care@careratings.com • www.careratings.com

Unit No. O-509/C, Spencer Plaza, 5th Floor, No. 769, Anna Salai, Chennai - 600 002.
Tel: +91-44-2849 0811 / 13 / 76
Tel./ Fax: +91-44-2849 7812

CIN-L67190MH1993PLC071691

Instrument type	ISIN	Issue Size (Rs cr)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Details of top 10 investors

6. Kindly arrange to submit to us a copy of each of the documents pertaining to the NCD issue, including the offer document and the trust deed.

7. The rationale for the rating will be communicated to you separately. A write-up (press release) on the above rating is proposed to be issued to the press shortly, a draft of which is enclosed for your perusal as Annexure. We request you to peruse the annexed document and offer your comments if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. Kindly revert as early as possible. In any case, if we do not hear from you by March 19, 2018, we will proceed on the basis that you have no any comments to offer.

8. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.

9. CARE reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE so as to enable it to carry out continuous monitoring of the rating of the debt instrument, CARE shall carry out the review on the basis of best available information throughout the life time of such instrument. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.

10. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.

11. CARE ratings are not recommendations to buy, sell or hold any securities.

CARE Ratings Limited
(Formerly known as Credit Analysis & Research Limited)
Unit No. O-509/C, Spencer Plaza, 5th Floor, No.769, Anna Salai, Chennai - 600 002
Tel: +91-44-28490811 / 0813 / 0876 | Tel / Fax: +91-44-28497812 | Email: care@careratings.com | www.careratings.com
CIN-L67190MH1993PLC071691

If you need any clarification, you are welcome to approach us in this regard. We are indeed, grateful to you for entrusting this assignment to CARE.

Thanking you,

Yours faithfully,

V. Balachandran
Balachandran V
Analyst
balachandran.v@careratings.com

R. Ravishankar
Ravi Shankar R
Deputy Manager
ravi.s@careratings.com

Encl.: As above

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating/outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

CARE Ratings Limited
(Formerly known as Credit Analysis & Research Limited)
Unit No. O-509/C, Spencer Plaza, 5th Floor, No.769, Anna Salai, Chennai - 600 002
Tel : +91-44 -28490811 / 0813 / 0876 | Tel / Fax : +91-44-28497812 | Email : care@careratings.com | www.careratings.com
CIN-L67190MH1993PLC071691

CARE Ratings
Professional Risk Opinion

CARE/CRO/RR/2017-18/1375

Mr. D. Lakshmipathy
Chairman & Managing Director,
Five-Star Business Finance Limited,
New No. 27, Taylor's Road,
Kilpauk,
Chennai 600 010

March 17, 2018

Dear Sir,

Credit rating for Proposed Non-Convertible Debenture Issue of Rs.200 crore

Please refer to our letter dated March 17, 2018 on the above subject.

1. The rationale for the rating is attached as an **Annexure - I.**

2. We request you to peruse the annexed document and offer your comments, if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. Kindly revert as early as possible. In any case, if we do not hear from you by March 19, 2018, we will proceed on the basis that you have no comments to offer.

If you have any further clarifications, you are welcome to approach us.

Thanking you,

Yours faithfully,

R. Ravishankar

Ravi Shankar R
Deputy Manager

Encl: As above

Annexure-I

Rating Rationale

Five-Star Business Finance Limited

Ratings

Instruments	Amount (Rs. crore)	Rating[1]	Rating Action
Non-Convertible Debenture issue (Proposed)	200.00 (Rupees Two Hundred crore only)	CARE A-; Positive [Single A Minus; Outlook: Positive]	Assigned

Details of instruments/facilities in Annexure-1

Rating Rationale

The rating assigned to the proposed Non-Convertible Debenture issue of Five-Star Business Finance Limited (FSBFL) factors in fresh equity infusion of Rs.318 crore during 9mFY18 (refers to the period April 01 to December 31) resulting in comfortable capital position, significant increase in scale of operations and improvement in financial performance of the company during FY17 (refers to the period April 01 to March 31). The rating continues to factor in the long track record of operations of the company in the lending business, experienced promoter, well-defined credit policy, comfortable liquidity position and healthy profitability levels. The rating also takes note of improving management information system in light of large scale growth plans envisaged.

The rating is, however, constrained by moderate asset quality, concentration of its loan portfolio in terms of geography wherein diversification is under progress, low seasoning of its loan portfolio and inherent risks associated with its borrower profile mostly being self-employed in the informal segment.

In light of high growth plans envisaged by the company in the medium term, the ability of FSBFL to improve asset quality while geographically diversifying its portfolio and continue to effectively manage its growing scale of operations would be the key rating sensitivities.

Outlook: Positive

The outlook is 'Positive' based on the expectation that the present level of capitalisation (networth of Rs.568 crore as on Dec 31, 2017) subsequent to fresh equity infusion of Rs.318 crore in August 2017 is likely to strengthen the company to significantly improve its scale of operations over the medium term and aid in achieving benefits of scale going forward.

Background

FSBFL is a non-deposit taking NBFC (loan company), registered with RBI. FSBFL was founded by Mr V K Ranganathan in 1984. FSBFL lends Small Business loans for commencement of new businesses /

[1]*Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications*

improvement of their existing businesses, primarily towards the service sector; it also lends Small Housing loans which are given for construction, takeover, home repairs and improvements, etc, to salaried and self-employed customers; the company also lends mortgage loans which are given to meet their personal needs. All these loans are collateralised and secured against the residential property of the customers and are given targeting the middle and lower middle class segment in urban, semi urban and fast-growing rural geographies.

As on March 31, 2017, FSBFL had a loan portfolio of Rs.483 crore, of which MSME loans constituted 76.4%, housing loans constituted 19.3% and the rest being Loan against property (LAP) (4.4%). As on December 31, 2017, 24.41% shareholding is held by the promoter, 23.32% is held by NHPEA Chocolate Holding B.V (Morgan Stanley), 21.75% is held by Matrix Partners LLC, 10.44% is held by Norwest Venture Partners, 10.44% by Sequoia Capital Investments and the remaining is held by Domestic investors (9.63%).

Credit Risk Assessment

Experienced promoter

The board and senior management of FSBFL has considerable experience in the lending business. Mr D Lakshmipathy, Chairman and Managing Director, has nearly 15 years of experience in the NBFC industry. Considering the growth plans, the company has been strengthening its board in the past two years which at present consists of twelve members including five independent directors and four nominee directors. The company has also strengthened its senior management team by creating separate verticals for various key functions with designated heads of department and appointing experienced professionals at senior management level.

Well-defined credit policy with stringent norms

FSBFL is engaged mainly in extending small business loans catering to borrowers in MSME segment (completely secured by collateral) predominantly in service oriented businesses for expanding / starting small business units and also for self-employed people to renovate or modify their existing homes, with ticket size in the range of Rs.1-10 lakh. FSBFL also has ticket sizes above Rs.10 lakh in its portfolio, share of which was relatively lower (5%) as on December 31, 2017. FSBFL's target segment includes middle class and lower middle class segments in the urban, semi urban and fast growing rural geographies, regions of various cities/towns, which, however is characterized by marginal credit profile of the borrowers.

FSBFL provides loans with LTV ratio of around 30% which gives them considerable cushion, in case of any delinquencies. As on March 31, 2017, 78% of the outstanding loan portfolio falls in the LTV range of 30% and below. With such stringent norms and 70% of the loans in IRR > 26% as on March

31, 2017, FSBFL has been able to grow over the years with comfortable profitability and without any significant strain on asset quality.

Recently, the company has constituted Regional Processing Centres (RPC) which comprises of independent credit and technical officers who will independently evaluate the income and property of the prospective borrowers and give their recommendation on amount and tenure of loans to be given.

Improvement in financial performance during FY17 and healthy profitability levels

The total income of FSBFL has grown from Rs.47 crore to Rs.86 crore at a rate of 82% during FY17 backed by growth in loan portfolio from Rs.198 crore as on March 31, 2016 to Rs.483 crore as on March 31, 2017. On account of lending to the relatively riskier borrower profile, wherein the company is able to derive higher yield, FSBFL has been able to achieve higher profitability. NIM declined from 15.67% in FY16 to 11.57% in FY17 majorly due to increase in total assets with cash balance of Rs.180 crore as on March 31, 2017. However without considering cash, NIM stood at 14.42%. On account of decline in NIM and increase in assets, ROTA also declined from 6.91% in FY16 to 4.25% in FY17.

Significant improvement in capital adequacy level subsequent to fresh equity infusion in H1FY18

Capital adequacy stood comfortable with total CAR of 43.78% as on March 31, 2017 (PY: 39.14%), which entirely made up of Tier I capital. As on December 31, 2017, CAR has improved to 69.19%. The augmentation in CAR during 9mFY18 was majorly due to the infusion of equity funds to the extent of Rs.333 crore (including secondary sale) in August 2017 by Sequoia Capital, Norwest Venture Partners, Morgan Stanley and Matrix Venture Partners. The current capitalization levels is expected to support the loan portfolio growth for the next two to three years. The liquidity position of the company remains comfortable with positive cumulative mismatches across time buckets. Overall gearing stood comfortable at 0.8 times as on December 31, 2017.

Resource profile

The company has diversified the resource profile with increased focus on market borrowings during FY17. The share of NCDs increased from 25% as on March 31, 2016 to 37% as on March 31, 2017. Whereas, borrowings from banks constituted 34% of total borrowings as on March 31, 2017 as compared to 43% as on March 31, 2016 and NBFCs constituted 23% (PY: 30%). During FY17, company has also mobilized funds through CP issuances which constituted 5% as on March 31, 2017 (PY: 0%).

Moderate asset quality with low seasoning of portfolio

FSBFL's asset quality indicators remain at moderate levels. The company has also made a transition in NPA recognition norm from 180+dpd as on March 31, 2016 to 90+dpd as on March 31, 2017.

Gross and Net NPA ratios at 90+ DPD stood at 2.52% (PY: 1.82% at 180+ DPD) and 2.11% (PY: 1.53% at 180+ DPD) as on March 31, 2017. As on December 31, 2017, Gross and Net NPA stood at 2.24% and 1.44% respectively. Though, the delinquency levels in softer buckets has increased in absolute terms, 30+ DPD as a % of loan portfolio decreased from 21% as on March 31, 2016 to 14% as on March 31, 2017. 30+ DPD stood at 16% of loan portfolio as on December 31, 2017. With the company planning to grow its loan portfolio over different geographies, ability of the company to manage its asset quality and reduce delinquencies in softer buckets would remain critical.

The risks of lending to the target segment are offset to an extent by the secured nature of lending and the company's conservative lending policies.

Improving geographical diversification

Currently, FSBFL operates through 121 branches. With increased focus on other regions, Tamil Nadu's share of portfolio has reduced from 99% as on March 31, 2015 to 69% as on March 31, 2017 and further reduced to 58% as on December 31, 2017. At the same time, in absolute terms, amount of portfolio outstanding in Tamil Nadu continue to witness growth during 9mFY18 also. The share of Andhra Pradesh has increased from 0.7% as on March 31, 2015 to 26% as on March 31, 2017 and further increased to 30% as on December 31, 2017. Considering its growth plans for the next few years, the company has taken initiatives to strengthen IT infrastructure, management and internal controls. The ability of the company to manage growing scale of operations and operational efficiencies as it opens new branches/ enters new geographies to grow the portfolio while maintaining asset quality remains critical for its growth prospects.

FSBFL is lending loans to MSME segment which is characterized by marginal credit profile of the borrowers. As on December 31, 2017, MSME loans constituted 80% of total loan portfolio, Housing and Mortgage loans accounted for 11% and 9% respectively. However, profile of borrowers is the same irrespective of type of loans extended.

Prospects

Over the last few years, the NBFC sector has gained systemic importance with increase in share of NBFC total assets to bank total assets. The same has resulted in the Reserve Bank of India (RBI) taking various policy actions resulting in NBFCs attracting higher support and regulatory scrutiny. The RBI has revised the regulatory framework for NBFCs which broadly focuses on strengthening the structural profile of NBFC sector, wherein focus is more on safeguarding depositors' money and regulating NBFCs which have increased their asset-size over time and gained systemic importance. On the asset quality front, gradual change in the NPA recognition norms from 180 days currently to 90 days by March 2018 would lead to deterioration in asset quality parameters during the transition phase. Overall the revised regulations are positive for the NBFC sector making it structurally stronger, increase transparency and improve their ability to withstand asset quality shocks in the long run.

Last year has been a challenging period for the NBFCs with rising delinquencies due to demonetization resulting in higher provisioning thereby impacting profitability. However, comfortable capitalization levels and liquidity management continue to provide comfort to the credit profile of NBFCs in spite of impact on profitability. Also, with the improvement in economic environment, asset quality pressures should ease which will partially offset the impact of migration towards 90 day NPA recognition norm.

Going forward, the ability of FSBFL to grow its loan portfolio by diversifying the loan portfolio across geographies and improving the asset quality will be the key rating sensitivities.

Financial Performance *(Rs. Cr)*

Year ended/ As on March 31	2015	2016	2017
Working Results	**12m, A**	**12m, A**	**12m, A**
Fund based income	31.5	42.0	77.5
Fee based income	2.1	5.2	5.9
Total Income	**33.6**	**47.3**	**85.9**
Interest & finance charges	10.4	14.1	23.7
Operating Expenses	7.6	12.2	28.6
Provisions & Write-off	0.4	0.7	2.8
PBT	**15.2**	**20.3**	**30.8**
PAT	**9.9**	**13.4**	**19.4**
Financial Position			
Tangible Net worth	70.7	90.1	221.7
Total Assets	164.1	223.8	687.5
Total Debt	88.8	130.5	455.6
Loan Portfolio	131.5	198.1	483.4
Key Ratios (%)			
Solvency			
Overall Gearing (times)	1.26	1.45	2.05
Int. coverage (times)	2.47	2.44	2.30
Total CAR (%)	52.17	39.14	43.78
Tier I CAR (%)	52.17	39.14	43.78
Profitability (%)			
Net Interest Margin (NIM)	15.06	15.67	11.57
Operating exp./ Avg. total assets	5.42	6.29	6.28
ROTA	7.08	6.91	4.25
Asset Quality Ratios (%)			
Gross NPA	1.82	1.82@	2.52#
Net NPA	1.49	1.53@	2.11#
Net NPA to Networth	2.76	3.35	4.61

***Note:** A – Audited; @180+dpd; #90+dpd*

(a) NIM has been calculated as net interest income/average annual total assets;

(b) Ratios have been computed based on average of annual opening and closing balance

FIVE STAR

FIVE-STAR BUSINESS FINANCE LIMITED
CIN: U65991TN1984PLC010844
Regd Office: 39, Outer Circular Road, Kilpauk Garden Colony, Kilpauk, Chennai - 600 010
Audited Statement of Assets & Liabilities as at 31st March 2018

(Rs. in Lakhs)

Particulars	Note No	As at 31st Mar 2018	As at 31st Mar 2017
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	1,916.89	1,426.51
Reserves and surplus	4	58,077.76	21,022.60
		59,994.65	22,449.11
Non-current liabilities			
Long term borrowings	5	37,346.98	33,871.55
Other Long term Liabilities	6	0.84	0.67
Long term provisions	7	718.58	256.97
		38,066.40	34,129.19
Current liabilities			
Short term borrowings	8	4,979.68	4,687.75
Trade payables	9	475.18	328.59
Other current liabilities	10	11,357.37	7,058.05
Short term provisions	11	419.42	374.54
		17,231.65	12,448.93
TOTAL		1,15,292.70	69,027.23
ASSETS			
Non- current assets			
Fixed assets	12		
-Tangible assets		454.24	449.94
-Intangible assets		181.09	35.98
-Capital work in progress		14.13	-
-Software under development		-	158.11
Non-current investments	13	1,500.00	1,500.00
Deferred tax assets (net)	14	364.03	244.47
Long term receivables under financing activity	15	80,344.28	38,483.55
Long term loans and advances	16	417.95	157.82
Other non current assets	17	23.04	21.87
		83,298.76	41,051.74
Current assets			
Current Investments		-	-
Cash and Bank Balances	18	12,651.08	18,043.33
Short term receivables under financing activity	19	17,649.41	9,412.56
Short term loans and advances	20	64.97	52.27
Other current assets	21	1,628.48	467.33
		31,993.94	27,975.49
TOTAL		1,15,292.70	69,027.23

For and on behalf of Board of Directors

PLACE : CHENNAI
DATE : 22/05/2018

D. Lakshmipathy
Chairman & Managing Director

FIVE STAR BUSINESS FINANCE LTD. CHENNAI 600 010

FIVE STAR

Five-Star Business Finance Limited
(Formerly known as Five-Star Business Credits Limited)
CIN: U65991TN1984PLC010844
Regd Office: 39, Outer Circular Road, Kilpauk Garden Colony, Kilpauk, Chennai - 600 010
Audited Financial Results for the 6 Months ended 31st March 2018

Rs. in Lakhs

		Standalone			
S.No	**Particulars**	**6 months ended 31-Mar-2018**	**6 months ended 31-Mar-2017**	**Year ended 31-Mar-18**	**Year ended 31-Mar-2017**
		Audited	**Audited**	**Audited**	**Audited**
1	**Income**				
	Revenue from Operations	11,167.88	5,167.13	18,854.36	8,307.69
	Other Income	906.17	63.56	1,561.70	283.21
	Total Income from Operations	12,074.05	5,230.69	20,416.06	8,590.90
2	**Expenses**				
	Finance costs	2,782.00	1,405.95	5,554.58	2,373.25
	Employee benefit expenses	2,502.03	1,058.11	4,293.18	1,858.21
	Other operating expenses	890.11	509.33	1,487.50	909.11
	Provisions (other than tax) and Contigencies	469.90	167.71	918.55	279.54
	Depreciation	142.10	56.15	259.31	92.30
	Total Expenses	6,786.14	3,197.25	12,513.12	5,512.41
3	Net Profit/(Loss) for the period (before Tax, Exceptional and/or Extraordinary Items)	5,287.92	2,033.44	7,902.94	3,078.49
4	Net Profit/(Loss) for the period before Tax (after Exceptional and/or Extraordinary Items)	5,287.92	2,033.44	7,902.94	3,078.49
5	Tax Expense				
	a. Current Tax	1,343.38	833.92	2,404.37	1,284.59
	b. Deferred Tax	34.91	(57.38)	(119.55)	(143.58)
6	Net Profit/(Loss) for the period after Tax (after Exceptional and/or Extraordinary Items)	3,909.63	1,256.90	5,618.12	1,937.48
7	Total Comprehensive Income for the period	3,909.63	1,256.90	5,618.12	1,937.48
8	Paid-up equity share capital	1,916.89	1,426.51	1,916.89	1,426.51
9	Reserves excluding Revaluation Reverses as per balance sheet of previous accounting year	21,022.60	21,022.60	58,077.77	21,022.60
10	Net Worth	59,994.65	22,449.11	59,994.65	22,449.11
11	Debt Equity Ratio	0.88	2.01	0.88	2.01
12	Earnings per Share of Rs.10 each (not annualised)				
	- Basic	20.40	9.03	32.40	14.47
	- Diluted	20.04	9.03	31.79	14.47
13	NPA Ratios *				
	Gross NPA	1,424.98	1,219.42	1,424.98	1,219.42
	% of Gross NPA	1.45%	2.52%	1.45%	2.52%
	Net NPA	940.12	1,021.08	940.12	1,021.08
	% of Net NPA	0.96%	2.11%	0.96%	2.11%
	Return on Assets	7.23%	6.46%	5.84%	6.46%

Notes:

1. The above audited financial results were reviewed by the Audit Committee and upon their recommendation, approved by the Board of Directors in their meeting held on 22nd May 2018
2. During the half year ended 31st March 2018, the Company had not made any preferential allotment of shares.
3. The Company is a Non-Banking Finance Company and is primarily engaged in lending. Therefore there are no reportable segments under AS-17 Segment Reporting
4. For the period ended 31st March 2018, the company had provided 25% provisions on substandard assets, on a conservative basis, as against the 10% provision mandated by the Reserve Bank of India.

For and on behalf of the Board of Directors

Place: Chennai
Date: 22nd May 2018

D Lakshmipathy
Chairman & Managing Director

FIVE STAR BUSINESS FINANCE LTD. CHENNAI 600 010