

No.CTL/DEB/18-19/Noting Certificate/1808

November 13, 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]

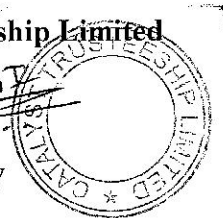
We, Catalyst Trusteeship Limited (“**Debenture Trustee**”) hereby confirm that we have received and noted the information, as specified under regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“**Regulations**”), provided to us by **Five Star Business Finance Limited (“the Company”)** for the Half year ended September 30, 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**

*M.G. BHAWANT*

**Authorised Signatory**



*Encl: Results submitted by Company*



Date: 13<sup>th</sup> November 2018

To,  
**Catalyst Trusteeship Limited**  
(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 30<sup>th</sup> September 2018

In terms of the Regulation 52(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 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	Forms part of the Financials
4	Previous due date for the payment of interest/principal and whether the same has been paid or not	Annexure A
5	Next due date for the payment of interest/principal	Annexure B
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	Unaudited Financials enclosed
14	Auditor's report	Limited Review Report is enclosed

Thanking you,

Yours faithfully,  
For Five-Star Business Finance Limited

  
Shalini B  
Company Secretary



**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: U165991TN1984PLC010944

**Annexure A**

**Details of previous due dates for payment of interest for Non-Convertible Debentures**

S.No	Name	Type (Interest / Principal)	Issue size (Rs. in cr)	Interest / Principal due date
1	INE128S07317	Interest	5	28-09-2018
2	INE128S07325	Interest	65	28-09-2018
3	INE128S07333	Interest	65	28-09-2018
4	INE128S07341	Interest	65	28-09-2018

**Annexure B**

**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	28-12-2018
2	INE128S07325	Interest	65	28-12-2018
3	INE128S07333	Interest	65	28-12-2018
4	INE128S07341	Interest	65	28-12-2018



# B S R & Co. LLP

Chartered Accountants

KRM Tower, 1<sup>st</sup> & 2<sup>nd</sup> Floor,  
No 1, Harrington Road, Chetpet,  
Chennai - 600 031, India.

Telephone : +91 44 4608 3100  
Fax : +91 44 4608 3199

## Review report To the Board of Directors of Five-Star Business Finance Limited

We have reviewed the accompanying Statement of unaudited standalone financial results of **Five-Star Business Finance Limited** ('the Company') for the half year ended 30 September 2018 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52 of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Attention is drawn to the fact that the figures for the corresponding half year ended 30 September 2017 including the reconciliation of Total comprehensive income under India Accounting Standards ('Ind AS') of the corresponding half year with net profit reported under the previous Generally Accepted Accounting Principles ('GAAP') as reported in these financial results have been approved by the Company's Board of Directors but have not been subjected to review.

This Statement is the responsibility of the Company's management and has been approved by the Board of Directors in its meeting held on 13 November 2018. Our responsibility is to issue a report on these financial results based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* specified under section 143(10) of the Companies Act, 2013. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results 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.

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 applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 52 of the Listing Regulations and SEBI circular dated 10 August 2016 in this regard including the manner in which it is to be disclosed, or that it contains any material misstatement.

The corresponding figures for the six months ended 30 September 2017 included in the Statement, are based on the previously issued financial results reviewed by the predecessor auditor who expressed an unmodified opinion (vide their limited review report dated 14 November 2017) and relied on by us for the purpose of our review opinion on the Statement.

For B S R & Co. LLP  
Chartered Accountants

Firm's Registration Number: 101248W/W-100022

  
K Raghuram  
Partner

Membership Number: 211171

Place: Chennai  
Date: 13 November 2018

B S R & Co. (a partnership firm with Registration No. BAE1223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

Registered Office :  
5<sup>th</sup> Floor, Lodha Excelus  
Apollo Mills Compound  
N.M. Joshi Marg, Mahalakshmi  
Mumbai - 400 011

Five-Star Business Finance Limited

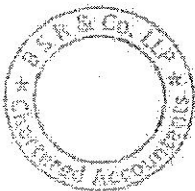
Regd. Office: 39, Outer Circle Road, Kilpauk Garden Colony, Kilpauk, Chennai - 600010

CIN: U65991TN1984PLC010844

Statement of Unaudited Standalone Financial Results for the half year ended 30 September 2018

(All amounts are in lakhs, except share data and as stated)

Particulars	Half year ended 30 September 2018	Half year ended 30 September 2017 (refer note 4)
<b>Revenue</b>		
Revenue from operations	15,948.72	7,439.63
Other income	979.61	708.39
<b>Total Income</b>	<b>16,928.33</b>	<b>8,148.02</b>
<b>Expenses</b>		
Finance costs	3,656.56	2,800.16
Employee benefits expense	3,601.19	1,637.18
Other expenses	1,145.90	604.63
Provisions and write-offs	431.20	261.82
Depreciation and amortisation expense	168.36	117.21
<b>Total Expenses</b>	<b>9,003.21</b>	<b>5,421.00</b>
<b>Profit Before Tax</b>	<b>7,925.12</b>	<b>2,727.02</b>
<b>Tax expenses</b>	<b>2,307.79</b>	<b>943.76</b>
<b>Net profit for the period from continuing operations</b>	<b>5,617.33</b>	<b>1,783.26</b>
<b>Other comprehensive income - remeasurement loss on defined benefit plan, net of taxes</b>	<b>(19.43)</b>	<b>(13.34)</b>
<b>Total comprehensive income (after tax)</b>	<b>5,597.90</b>	<b>1,769.92</b>
<b>Earnings per equity share for continuing operations (not annualised), in rupees</b>		
a. Basic	27.07	11.33
b. Diluted	26.37	11.13
Face value per share	10.00	10.00
See accompanying notes to the financial results		



**Five-Star Business Finance Limited**

Regd. Office: 39, Outer Circle Road, Kilpauk Garden Colony, Kilpauk, Chennai - 600010

CIN: U65991TN1984PLC010844

**Statement of Standalone Unaudited Assets and Liabilities as at 30 September 2018**

(All amounts are in lakhs, except share data and as stated)

Particulars	As at 30 September 2018
<b>ASSETS</b>	
<b>Non-current assets</b>	
Property, plant and equipment	787.21
Investment property	3.56
Intangible assets	173.98
Financial assets	
Investments in subsidiary	1,500.00
Long term receivables under financing activities	1,18,830.83
Other financial assets	213.29
Deferred tax assets (net)	1,010.20
Other non current assets	165.27
	1,22,684.34
<b>Current assets</b>	
Financial assets	
Investments	2,467.39
Short term receivables under financing activities	26,326.03
Cash and cash equivalents	15,902.30
Bank balances other than cash and cash equivalents	25,000.00
Other financial assets	476.14
Other current assets	214.46
	70,386.32
	<b>1,93,070.66</b>
<b>EQUITY AND LIABILITIES</b>	
Equity share capital	2,386.42
Other equity	1,23,999.27
	1,26,385.69
<b>Non-current liabilities</b>	
Financial liabilities	
Borrowings	52,569.07
Provisions	312.25
Other non-current liabilities	47.09
	52,928.41
<b>Current liabilities</b>	
Financial liabilities	
Borrowings	44.35
Trade payables	
(A) Total outstanding dues of micro enterprises and small enterprises	*
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	146.57
Other financial liabilities	12,709.17
Provisions	218.21
Other current liabilities	638.26
	13,756.56
	<b>1,93,070.66</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	
See accompanying notes to the financial results	



**Five-Star Business Finance Limited**  
Regd. Office: 39, Outer Circle Road, Kilpauk Garden Colony, Kilpauk, Chennai - 600010  
CIN: U65991TN1984PLC010844

**Notes:**

- 1 Five-Star Business Finance Limited ("the Company") is a Non Deposit accepting Non-Banking Finance Company registered with the Reserve Bank of India ("the RBI").
- 2 The unaudited standalone financial results for the half year ended 30 September 2018 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at their respective meetings held on 13 November 2018. The above results have been subjected to limited review by the statutory auditors of the Company. The auditors have issued an unmodified review report.
- 3 These financial results have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules 2015 as amended by the Companies (Indian Accounting Standards) Rules 2016. The Company has adopted Ind AS from 1 April 2018 with effective transition date of 1 April 2017 and accordingly these financial results together with the results for the comparative reporting period have been prepared in accordance with the recognition and measurement principles as laid down in Ind AS prescribed under Section 133 of Companies Act, 2013 ("the Act") and other accounting principles generally accepted in India.

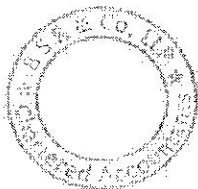
The transition to Ind AS has been carried out from the erstwhile Accounting Standards notified under the Act read with Rule 7 of Companies (Accounts) Rule 2014 (as amended), guidelines issued by the RBI and other generally accepted accounting principles in India (Collectively referred to as the "previous GAAP"). Accordingly, the impact of transition has been recorded in the opening reserves as on 1 April 2017 and the corresponding adjustments pertaining to comparative previous period / half year as presented in these financial results have been restated / reclassified in order to conform to current period presentation.

There is a possibility that these financial results for the current and previous periods may require adjustments due to changes in financial reporting requirements arising from new standards, modifications to the existing standards, guidelines issued by the Ministry of Corporate Affairs or changes in the use of one or more optional exemptions from full retrospective application of certain Ind AS permitted under Ind AS 101 which may arise upon finalisation of the financial statements as at and for the year ending 31 March 2019 prepared under Ind AS.

These financial results have been drawn up on the basis of Ind AS that are applicable to the Company as at 30 September 2018 based on the press release issued by Ministry of Corporate Affairs ("MCA") on 18 January 2016. Any application guidance / clarifications / directions issued by RBI or other regulators are implemented as and when they are issued / applicable.

- 4 In compliance with Regulation 52 of the Securities Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations 2015, limited review of financial results for the half year ended 30 September 2018 has been carried out by the Statutory Auditors of the Company. As permitted under Circular No CIR/IMD/DFI/69/2016 dated 10 August 2016 issued by SEBI, the Company has opted to avail exemption for submission of Ind AS compliant financial results and statement of assets and liabilities for the previous year ended 31 March 2018. Further, the financial results under Ind AS for the half year ended 30 September 2017 including the reconciliation of net profit as stated in note 6 have not been subjected to review or audit. However, the management has exercised the necessary due diligence to ensure that the financial results for the half year ended 30 September 2017 including the reconciliation of net profit as stated in note 6 provide a true and fair view of the Company's affairs.

The financial results under previous GAAP for the half year ended 30 September 2017 was subjected to limited review by the previous statutory auditors.



Five-Star Business Finance Limited  
 Regd. Office: 39, Outer Circle Road, Kilpauk Garden Colony, Kilpauk, Chennai - 600010  
 CIN: U65991TN1984PLC010844


Notes:

- 5 There is no separate reportable segment in accordance with Ind AS 108 on "Operating Segments" in respect of the Company.
- 6 The reconciliation of net profit for the half year ended 30 September 2017, as previously reported under previous GAAP and as restated under Ind AS are summarised as below:

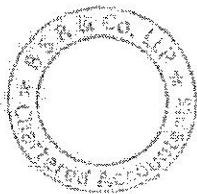
Particulars	Half year ended 30 September 2017
	Unaudited (Refer note 4)
Net Profit after tax for the period under previous GAAP	1,708.50
Adjustments resulting in increase / (decrease) in profit after tax as reported under previous GAAP:	
Impact on recognition of processing fee on financial assets and financial liabilities under Effective Interest Rate	(365.29)
Impact on application of Expected Credit Loss method for impairment allowance on receivables under financing activities	277.69
Fair value adjustment on current investments	52.86
Others	140.11
Tax impact on above adjustments	(30.61)
Net Profit after tax for the period under Ind AS	1,783.26
Other Comprehensive Income/(Deficit) - remeasurement loss on defined benefit plan, net of taxes	(13.34)
<b>Total Comprehensive Income (after tax) under Ind AS</b>	<b>1,769.92</b>

- 7 Reserves include Statutory Reserves as per Section 451C of Reserve Bank of India Act 1934, balance in Securities Premium, Employee Stock Option Plan Reserve and retained earnings.
- 8 Previous period's figures have been regrouped / reclassified wherever necessary, to conform with the current period presentation.

For and on behalf of the Board of Directors

  
 D Lakshmi pathy  
 Chairman & Managing Director

Place: Chennai  
 Date: 13 November 2018





**Five-Star Business Finance Limited**

Regd. Office: 39, Outer Circle Road, Kilpauk Garden Colony, Kilpauk, Chennai - 600010

CIN: U65991TN1984PLC010844

**Annexure I**

**a) Credit Rating:**

The CARE Ratings Limited ("CARE") CRISIL and ICRA Limited ("ICRA") have assigned following rating to the company:

Facility	CRISIL	CARE	ICRA
(i) Non-Convertible Debentures	CRISIL BBB	CARE A-	ICRA A-
(ii) Commercial Papers		CARE A1	
(iii) Long term bank facilities		CARE A-	ICRA A-
(iv) Short term bank facilities		CARE A1	

**b) Asset cover available for non-convertible debt securities:**

Not applicable.

**c) Debt-equity ratio\*:**

The debt-equity ratio of the company as per the reviewed financial results for the half year ended 30 September 2018 is 0.51.

**d) Previous due date for the payment of interest/dividend for non-convertible redeemable preference shares/repayment of principal of non-convertible preference shares/non-convertible debt securities and whether the same has been paid or not:**

All previous dues with respect to debentures were paid on due date (Refer Appendix A).

The company has not issued any non-convertible redeemable preference shares.

**e) Next due date for the payment of interest / dividend of non-convertible preference shares/principal along with the amount of interest/ dividend of non-convertible preference shares payable and the redemption amount.**

The company has not issued any convertible redeemable preference shares.

**f) Debt service coverage ratio:**

Not applicable.

**g) Interest service coverage ratio:**

Not applicable.

**h) Outstanding redeemable preference shares (quantity and value):**

Not applicable.

**i) Capital redemption reserve/Debenture redemption reserve:**

Debenture redemption reserve is not required in respect of privately placed debentures in terms of rule 18(7) (b) (ii) of the Companies (Share Capital and Debenture) Rules, 2014.

**j) Net worth\*\*:**

Rs. 126,385.69 lakhs

**k) Not profit after tax:**

Rs. 5,597.90 lakhs



**Five-Star Business Finance Limited**

**Regd. Office: 39, Outer Circle Road, Kilpauk Garden Colony, Kilpauk, Chennai - 600010**

**CIN: U65991TN1984PLC010844**

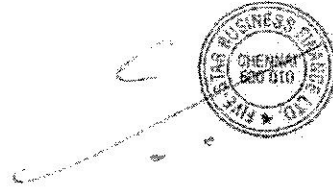
**Annexure 1**

**1) Earnings Per share:**

(i) Basic	27.07
(ii) Diluted	26.37

\* Debt-equity ratio is  $(\text{Long term borrowings} + \text{Short term borrowings} + \text{Current maturities of long term borrowings}) / \text{Net Worth}$ .

\*\* Net Worth is equal to Paid up Equity Share Capital + Reserves.



Appendix A

Details of previous 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	Paid/ Unpaid
1	INE128S07010	Interest & Principal	30	06-06-2018	Paid
2	INE128S07069, INE128S07077, INE128S07085, INE128S07093, INE128S07101, INE128S07119, INE128S07127, INE128S07135 & INE128S07143	Interest	25	07-11-2018	Paid
3	INE128S07168, INE128S07176, INE128S07184, INE128S07192, INE128S07200, INE128S07218, INE128S07226, INE128S07234 & INE128S07242	Interest	15	15-10-2018	Paid
4	INE128S07275	Interest	45	28-06-2018	Paid
5	INE128S07259	Interest	30	28-06-2018	Paid
6	INE128S07267	Interest	24	28-08-2018	Paid
7	INE128S07309	Interest	25	29-09-2018	Paid
8	INE128S07317	Interest	5	28-09-2018	Paid
9	INE128S07325	Interest	65	28-09-2018	Paid
10	INE128S07333	Interest	65	28-09-2018	Paid
11	INE128S07341	Interest	65	28-09-2018	Paid

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	INE128S07010	Interest & Principal	30	06-12-2018
2	INE128S07069, INE128S07077, INE128S07085, INE128S07093, INE128S07101, INE128S07119, INE128S07127, INE128S07135 & INE128S07143	Interest	25	07-12-2018
3	INE128S07168, INE128S07176, INE128S07184, INE128S07192, INE128S07200, INE128S07218, INE128S07226, INE128S07234 & INE128S07242	Interest	15	15-11-2018
4	INE128S07275	Interest	45	28-12-2018
5	INE128S07259	Interest	30	28-12-2018
6	INE128S07267	Interest	24	28-02-2019
7	INE128S07309	Interest	25	30-12-2018
8	INE128S07317	Interest	5	28-12-2018
9	INE128S07325	Interest	65	28-12-2018
10	INE128S07333	Interest	65	28-12-2018
11	INE128S07341	Interest	65	28-12-2018



CARE/CRO/RL/2017-18/1739

Mr. D. Lakshmiopathy  
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 <sup>1</sup>	Rating Action
Proposed Non-Convertible Debenture issue	200 (Rupees Two Hundred crore only)	CARE A-; Positive (Single A Minus; Outlook: Positive)	Assigned

- 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).
- In case there is any change in the size or terms of the proposed issue, please get the rating revalidated.
- Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

<sup>1</sup> Complete definitions of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and in other CARE publications.

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](http://www.careratings.com) for latest update on the outstanding rating.
11. CARE ratings are not recommendations to buy, sell or hold any securities.

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.

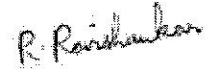
Thanking you,

Yours faithfully,



**Balachandran V**  
Analyst

[balachandran.v@careratings.com](mailto:balachandran.v@careratings.com)



**Ravi Shankar R**  
Deputy Manager

[ravi.s@careratings.com](mailto: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.