

No.CTL/DEB/19-20/Noting Certificate/3375

May 14, 2019

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 March 31, 2019.

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

Authorised Signatory

Encl: Results submitted by Company



B S R & Co. LLP

Chartered Accountants

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

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Independent Auditor's Report on Annual Financial Results of Five-Star Business Finance Limited pursuant to Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Five-Star Business Finance Limited

We have audited the accompanying standalone annual financial results of **Five-Star Business Finance Limited** ('the Company') for the year ended 31 March 2019, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Attention is drawn to the fact that figures for half year ended 31 March 2019 and the corresponding half year ended in the previous year as reported in these standalone annual financial results are the balancing figures between audited figures in respect of the full financial year and published year to date figures for the half year ended 30 September 2018 and half year ended 30 September 2017 respectively. Also the figures for the half year ended 30 September 2018 and half year ended 30 September 2017 have not been subjected to audit.

These standalone financial results have been prepared on the basis of the standalone annual financial statements and reviewed half yearly financial results which are the responsibility of the Company's management and approved by Company's Board of Directors.

Our responsibility is to express an opinion on these standalone financial results based on our audit of the annual financial statements which have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards (Ind AS) as specified in Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

The comparative financial information of the Company for the year ended 31 March 2018 included in these standalone annual financial results and the transition date opening balance sheet as at 1 April 2017, are based on the previously issued statutory financial statements prepared in accordance with the Rule 7 of the Companies (Accounting Standards) Rules, 2014 (as amended) audited by the predecessor auditor whose report for the year ended 31 March 2018 and 31 March 2017 dated 22 May 2018 and 23 May 2017 respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

B S R & Co. LLP

Independent Auditor's Report on Annual Financial Results of Five-Star Business Finance Limited pursuant to Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)

In our opinion and to the best of our information and according to the explanations given to us these financial results

- (i) are presented in accordance with the requirements of Regulation 52 of the Listing Regulations in this regard; and
- (ii) give a true and fair view of the net profit and other comprehensive income and other financial information for the year ended 31 March 2019.

for B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022



K. Raghuram

Partner

Membership No: 211171

Place: Chennai

Date: 14 May 2019

Five-Star Business Finance Limited

Regd. Office : Old No. 4, New No. 27, Taylor's Road, Kilpauk, Chennai - 600010

CIN: U65991TN1984PLC010844

Standalone Balance Sheet as at March 31, 2019

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

Particulars	As at March 31, 2019 Audited	As at March 31, 2018 Audited
ASSETS		
Financial Assets		
Cash and cash equivalents	20,992.65	12,643.11
Bank balances other than cash and cash equivalents	6.88	7.98
Loans	2,05,743.73	96,859.91
Investments	1,500.00	1,500.00
Other financial assets	283.68	269.19
	2,28,526.94	1,11,280.19
Non-Financial Assets		
Current tax assets (net)	348.17	344.41
Deferred tax assets (net)	1,422.06	621.54
Investment property	3.56	3.56
Property, plant and equipment	744.41	450.69
Capital work in progress	-	14.13
Other intangible assets	201.80	181.09
Other non-financial assets	357.39	413.86
	3,077.39	2,029.28
Total assets	2,31,604.33	1,13,309.47
LIABILITIES AND EQUITY		
Financial Liabilities		
Payables		
Trade payables		
-total outstanding dues of micro and small enterprises	-	-
-total outstanding dues of creditors other than micro and small enterprises	281.39	221.10
Debt securities	42,972.28	19,322.09
Borrowings (Other than debt securities)	49,198.22	33,483.42
Other financial liabilities	510.91	440.09
	92,962.80	53,466.70
Non-Financial Liabilities		
Current tax liabilities (net)	159.89	-
Provisions	365.19	170.26
Other non-financial liabilities	1,608.12	451.38
	2,133.20	621.64
Equity		
Equity share capital	2,389.96	1,916.89
Other equity	1,34,118.37	57,304.24
	1,36,508.33	59,221.13
Total equity and liabilities	2,31,604.33	1,13,309.47
See accompanying notes to the financial results		

Five-Star Business Finance Limited
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Standalone Annual Financial Results for the year ended March 31, 2019
 (All amounts are in lakhs, except share data and as stated)

Particulars	Half year ended March 31, 2019 (Refer Note 7)	Half year ended March 31, 2018 (Refer Note 7)	Year ended March 31, 2019	Year ended March 31, 2018
	Audited	Audited	Audited	Audited
Revenue from Operations				
Interest income	22,248.68	10,936.63	38,286.54	18,513.27
Dividend income	-	12.68	-	12.68
Fee income	779.22	297.36	1,317.08	427.92
Net gain on fair value changes	262.11	273.55	559.86	675.21
Total Revenue from Operations	23,290.01	11,520.22	40,163.48	19,629.08
Other income	65.17	37.39	120.03	76.55
Total Income	23,355.18	11,557.61	40,283.51	19,705.63
Expenses				
Finance costs	3,629.04	2,671.11	7,285.60	5,471.27
Fee expense	94.77	84.87	94.77	84.87
Employee benefits expense	3,877.70	2,281.33	7,478.89	3,918.51
Other expenses	1,359.68	898.58	2,505.58	1,503.21
Provisions and write-offs	269.34	641.18	700.54	903.00
Depreciation and amortisation expense	251.06	142.10	419.42	259.31
Total Expenses	9,481.59	6,719.17	18,484.80	12,140.17
Profit Before Tax	13,873.59	4,838.44	21,798.71	7,565.46
Tax Expenses	3,861.24	1,197.55	6,169.03	2,141.31
Net profit for the period from continuing operations	10,012.35	3,640.89	15,629.68	5,424.15
Other comprehensive income - re-measurement loss on defined benefit plan, net of taxes	(16.07)	(15.57)	(35.50)	(28.91)
Total Comprehensive Income (After Tax)	9,996.26	3,625.32	15,594.18	5,395.24
Earnings per equity share for continuing operations, in rupees				
a Basic	43.10	18.99	70.16	31.29
b Diluted	42.21	18.77	68.58	31.29
	Not annualised	Not annualised	Annualised	Annualised
Face value per share	10.00	10.00	10.00	10.00

See accompanying notes to the financial results.



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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 audited standalone financial results for the year ended March 31, 2019 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at their respective meetings held on May 13, 2019 and May 14, 2019 respectively.

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 April 1, 2018 with effective transition date of April 1, 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 the 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) Rules, 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 April 1, 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.

These financial results have been drawn up on the basis of Ind AS that are applicable to the Company as at March 31, 2019 based on the press release issued by Ministry of Corporate Affairs ("MCA") on January 18, 2016. Any application guidance / clarifications / directions issued by RBI or other regulators are implemented as and when they are issued / applicable.

4 As required by paragraph 32 of Ind AS 101, the reconciliation of net profit and equity as reported under previous GAAP and as restated under Ind AS are summarised as below:

(Rupees in Lakhs)

Particulars	Profit reconciliation		Equity reconciliation as at March 31, 2018
	Half year ended March 31, 2018 (refer note 7)	Year ended March 31, 2018	
	Audited	Audited	Audited
Net Profit after tax / Equity as reported under previous GAAP	3,909.62	5,618.12	59,994.64
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	(503.13)	(868.42)	(1,225.80)
Impact on application of Expected Credit Loss method for impairment allowance on receivables under financing activities	(106.04)	171.65	224.87
Fair value adjustment on current investments	(52.86)	-	-
Others	207.32	347.42	(1.19)
Tax impact on above adjustments	186.00	155.39	257.52
Net Profit after tax/ Equity under Ind AS	3,640.91	5,424.16	59,250.04
Other Comprehensive Income/(Deficit) - re-measurement loss on defined benefit plan, net of taxes	(15.56)	(28.91)	(28.91)
Total Comprehensive Income (after tax) / Equity under Ind AS	3,625.35	5,395.25	59,221.13

Five-Star Business Finance Limited

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CIN: U65991TN1984PLC010844

Notes:

- 5 There are no separate reportable segments in accordance with Ind AS 108 on "Operating Segments" in respect of the Company
- 6 Reserves include Statutory Reserve as per Section 45IC of Reserve Bank of India Act 1934, balance in Securities Premium, Employee Stock Option Plan Reserve, General Reserve, Retained Earnings and Other Comprehensive Income.
- 7 The figures for half year ended March 31, 2019 and the corresponding half year ended in the previous year as reported in these standalone annual financial results are the balancing figures between audited figures in respect of the full financial year and published year to date figures for the half year ended September 30, 2018 and half year ended September 30, 2017 respectively. Also the figures for the half year ended September 30, 2018 and half year ended September 30, 2017 have not been subjected to audit.

The figures for the year ended March 31, 2018 included in these standalone annual financial results and the transition date opening balance sheet as at April 1, 2017, are based on the previously issued statutory financial statements prepared in accordance with the Rule 7 of the Companies (Accounting Standards) Rules, 2014 (as amended) audited by the predecessor auditor whose report for the year ended March 31, 2018 and March 31, 2017 dated May 22, 2018 and May 23, 2017 respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by the statutory auditors.

- 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

Place: Chennai
Date: May 14, 2019


D Lakshminipathy
Chairman & Managing Director



Five-Star Business Finance Limited
Regd. Office : Old No. 4, New No. 27, Taylor's Road, Kilpauk, Chennai - 600010
CIN: U65991TN1984PLC010844

Annexure I

a) Credit Rating:

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

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 year ended March 31, 2019 is 0.68

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. 136,508.33 Lakhs

k) Net profit after tax:

Rs. 15,594.18 Lakhs

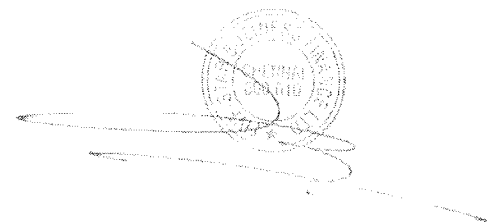
l) Earnings Per share:

(i) Basic 70.16

(ii) Diluted 68.58

* Debt-equity ratio is (Debt Securities+Other than Debt Securities) / Net Worth.

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



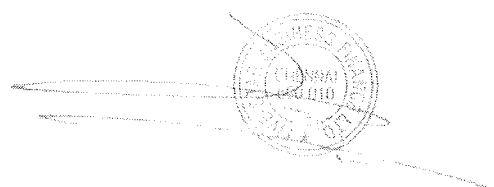
Appendix A

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	06-12-2018	Paid
2	INE128S07077, INE128S07085, INE128S07093, INE128S07101, INE128S07119, INE128S07127, INE128S07135 & INE128S07143	Interest & Principal	25	07-05-2019	Paid
3	INE128S07176, INE128S07184, INE128S07192, INE128S07200, INE128S07218, INE128S07226, INE128S07234 & INE128S07242	Interest	15	15-04-2019	Paid
4	INE128S07275	Interest	45	28-12-2018	Paid
5	INE128S07259	Interest	30	28-12-2018	Paid
6	INE128S07267	Interest	24	28-02-2019	Paid
7	INE128S07309	Interest	25	30-03-2019	Paid
8	INE128S07317	Interest	5	28-03-2019	Paid
9	INE128S07325	Interest	65	28-03-2019	Paid
10	INE128S07333	Interest	65	28-03-2019	Paid
11	INE128S07341	Interest	65	28-03-2019	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	06-06-2019
2	INE128S07085, INE128S07093, INE128S07101, INE128S07119, INE128S07127, INE128S07135 & INE128S07143	Interest	25	07-06-2019
3	INE128S07176, INE128S07184, INE128S07192, INE128S07200, INE128S07218, INE128S07226, INE128S07234 & INE128S07242	Interest	15	15-05-2019
4	INE128S07275	Interest	45	28-06-2019
5	INE128S07259	Interest	30	28-06-2019
6	INE128S07267	Interest	24	28-08-2019
7	INE128S07309	Interest	25	29-06-2019
8	INE128S07317	Interest	5	28-06-2019
9	INE128S07325	Interest	65	28-06-2019
10	INE128S07333	Interest	65	28-06-2019
11	INE128S07341	Interest	65	28-06-2019
12	INE128S07358	Interest	55	29-06-2019
13	INE128S07374	Interest	180	29-06-2019
14	INE128S07366	Interest	30	31-05-2019



Date: 05/04/2019

To,
The Bombay Stock Exchange
1st Floor, Nxt Trade Ring, Rotunda Building,
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001

Dear Sir/Madam,

Ref: Five-Star Business Finance Limited

Scrip Code: 553131

Sub: Certificate under regulation 7(3) of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("LODR Regulations")

We hereby certify that all activities in relation to electronic share transfer facility is maintained by our Registrar and Share Transfer Agent, i.e. NSDL Database Management Limited (CIN U72400X112004PL1C147094) 4th Floor, Trade World A Wing, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 401 013. Further we confirm NSDL Database Management Limited is registered with Securities Exchange Board of India to act as Registrar and Share Transfer Agent.

Further, pursuant to Regulation 7(3) of LODR Regulations, we are submitting the compliance certificate for half yearly ended March 31, 2019 i.e. for the period from the 1st October 2018 to 31st March 2019.

We request you to take this certificate on record.

For Five-Star Business Finance Limited

For NSDL Database Management Limited


Shafiq B
Company Secretary
Membership No. A51334


G. Srinivas
Registrar


Five-Star Business Finance Limited

(Formerly known as Five Star Business Credits Ltd.)

Corporate Office: New No. 27, Old No. 47, Anna's Road, Kilgour Compound, APO 010
Phone: 020 5200 3000, e-mail: info@fivestar.com Website: www.fivestarplc.com
CIN No: U65991TN1984PL1C147094