



BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED

Ref. No. 07/ 2018-19

May 11 , 2018

The Assistant General Manager

Listing Operation

BSE Limited

Phiroze Jeejeeboy Towers

Dalal Street

Mumbai-400001

Dear Sir / Madam,

Sub: Submission of Audited Financial Statement for the year ended Sept 30,2017 Pursuant to Regulation 52 SEBI (LODR) Regulation 2015

Ref : ISIN nos INE443L08032 ,INE443L08024,INE443L07026,INE443L07034,INE443L07042, & INE443L08057

We hereby informed that our Board in its Meeting held on May 11 2018 has approved the Audited Financial result for the year ended Marc 31,2018

Please find enclosed the following documents in Pursuant to Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,:

1. Audited Financial Result along with Auditor's Report for the year ended March 31,2018 as reviewed by the Audit Committee and approved by the Board of Directors.
2. Disclosure pursuant to Regulation 52(4) of Listing Regulation
3. Statement pursuant to Regulation 52(7) of Listing Regulation

Kindly take the same on records for the information of the Non-Convertible Debenture holders of the Company .

Thanking you,
Yours faithfully,

For Belstar Investment and Finance Private Limited

Sunil Kumar Sahu

Company Secretary and Compliance Officer



CIN No. : U06599TN1988PTC081652

Regd. Off : No. 33, 48th Street, 9th Avenue, Ashok Nagar, Chennai - 600 083.

Phone : +91 - 44 - 43414567 / 45544026 Email : bifpl@belstar.in Web site : www.belstar.in



1. Credit Ratings

Rating Agency	Instrument	Ratings	Limit Rs In crore
CARE	Long Term Bank Facilities	CARE A; Stable	1100
	Non-Convertible Debentures	CARE A; Stable	400
	Subordinated Debts	CARE A-; Stable	90
	Preference Shares	CARE A-(RPS); Stable	50
ICRA	Non-Convertible Debentures	ICRA A	70
	Subordinated Debts	ICRA A	30

2. Previous/Next due date for the Payment of interest / Principal and whether the same is paid or not

A. Secured Non-Convertible Debentures

ISIN	Credit Rating	Asset Cover	Previous due date for the Payment of interest / Principal and whether the same is paid or not	Previous Next date for the Payment of interest / Principal
INE443L07026	CARE A; Stable	1.05	22-02-2018 – Paid	22-05-2018 & 22-08-2018
INE443L07034	CARE A; Stable	1.05	15-03-2018– Paid	15-06-2018 & 14-09-2018
INE443L07042	CARE A; Stable	1.05	17-04-2018– Paid	17-07-2018 & 17-10-2018

B. Unsecured Non-Convertible Debentures

ISIN	Credit Rating	Asset Cover	Previous due date for the Payment of interest / Principal and whether the same is paid or not	Previous Next date for the Payment of interest / Principal
INE443L08032	ICRA A	Not Applicable	28-03-2018– Paid	29-06-2018 & 28-09-20
INE443L08024	ICRA A		28-03-2018– Paid	29-06-2018 & 28-09-20
INE443L08057	CARE A; Stable		Not At due	26-06-2018 & 26-09-20

3. Debt Coverage Ratio: Not Applicable for NBFC as per SEBI (LODR) Regulation 2015 .
4. Interest Service Coverage Ratio: Not Applicable for NBFC as per SEBI (LODR) Regulation 2015
5. Outstanding Redeemable Preference shares (3,10,00,000 Nos face value of Rs 10 each Comprising of Rs 31,00,00,000
6. Debenture Redemption Reserve : Not Applicable (But for prudential Norms Company creating DRR amounting Rs 6,73,14,649 as on march 31,2018
7. Debt Equity Ratio:5.67
8. Net worth of the Company: Rs 159,47,73,211
9. Net Profit After Tax: Rs 33,66,36,734
10. Earnings Per Share: Basic : 14.44 Diluted :14.44





A copy of certificate to be issued by IDBI Trusteeship Services Limited, Debenture Trustee under Regulation 52(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 will be furnished in due Course.

We request you to take the above information on your record.

Thanking you,

Yours faithfully,

For Belstar Investment and Finance Private Limited

Sunil Kumar Sahu

Company Secretary and Compliance Officer





INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF **M/s Belstar Investment and Finance Private Limited**

Report on the Financial Statements

We have audited the accompanying financial statements of **M/s Belstar Investment and Finance Private Limited ("the Company")**, which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

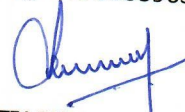
Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. The requirement regarding transfer of amounts to Investor Education and Protection Fund is not applicable to the Company.

For N.SANKARAN & CO
Chartered Accountants
Firm Regn No 003590S



(L.PATTABHIRAMAN, FCA)

Partner

Membership No 022023



Place: Chennai
Date: 11.05.2018

Annexure A to Independent Auditors' Report

Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our audit report of even date to the Members of M/s Belstar Investment and Finance Private Limited.

- I. In respect of its Fixed assets:
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b. The management during the year has physically verified all the assets and there is a regular programme of verification, which, in our opinion, is reasonable, having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification. We have been informed that no serious discrepancy, have been noticed on such physical verification.
 - c. According to the information and explanations given to us and the records examined by us and based on the examination of the Registered Sale Deed provided to us, we report that the title deeds comprising of immovable properties of land which are freehold are held in the name of the company.
- II. The Company is a nonbanking financial company and primarily engaged in financing activities, accordingly it does not hold any physical inventories. Thus paragraph 3 (ii) of the order is not applicable.
- III. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly clause 3(iii) of the order is not applicable to the Company for the current year.
- IV. The Clause regarding loans, investments and guarantees and security as per provisions of section 185 & 186 of Companies Act, 2013 is not applicable to the Company.
- V. The Company has not accepted any deposits from the public within the meaning of sections 73 to 76 of the Companies Act, and the rules framed there under.
- VI. In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records, for any services rendered by the Company, under section 148(1) of the Companies Act.
- VII. In respect of statutory dues
 - a. According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the undisputed statutory dues including provident fund, employees state insurance, income-tax, wealth tax, service tax, Goods and Service Tax, cess and other material statutory dues as applicable, have been regularly deposited by the Company during the year with the appropriate authorities and there are no undisputed statutory dues which are outstanding for more than six months as at the Balance Sheet date.
 - b. According to the information and explanations given to us and according to the books and records as produced and examined by us, there were no cases of disputed income-tax, wealth tax, service tax, Goods and Service Tax and cess.



- VIII. Based on our audit procedure and on the information and explanations given by the management, in our opinion, the company has not defaulted in repayment of loans or borrowing to any financial institution, bank or dues to debenture holders. The Company has not taken any loan or borrowing from government.
- IX. In our opinion and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer. However, during the year, rights issue was offered to existing shareholders. Money raised by way of rights issue, debt instruments and the term loans have been applied by the Company during the year for the purposes for which they were raised.
- X. To the best of our knowledge and according to the information and explanations given to us, during the year, the company has noticed and reported fraud in the nature of cash defalcation by officers / employees amounting to Rs. 55,05,644/- for which necessary provision has also been made.
- XI. In our opinion and according to the information and explanations given to us, the company's status for the year is a Deemed public company, and accordingly has paid / provided managerial remuneration in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- XII. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- XIII. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, wherever applicable and details of such related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- XIV. According to the information and explanations given to us, the Company has made private placement of equity shares as rights issue, preference shares and Non-convertible debentures during the year under review, in compliance with the requirements of Section 42 of the Act. The amounts raised have been used for the purpose for which funds were raised, other than temporary deployment of the funds received during the year end.
- XV. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- XVI. The company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the same has been complied with.

For **N.SANKARAN & CO**
Chartered Accountants
Firm Regn No 003590S


(L.PATTABHIRAMAN FCA)
Partner
Membership No 022023



Place: Chennai
Date: 11.05.2018

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF M/s Belstar Investment and Finance Private Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **M/s Belstar Investment and Finance Private Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that



(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **N.SANKARAN & CO**
Chartered Accountants
Firm Regn No 003590S



(L.PATTABHIRAMAN FCA)
Partner
Membership No 022023



Place: Chennai
Date: 11.05.2018

BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2018

	Note	As at March 31, 2018	Amounts in Rs. As at March 31, 2017
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	55,64,65,680	23,24,65,680
Reserves and Surplus	2	1,03,83,07,531	67,09,85,131
		<u>1,59,47,73,211</u>	<u>90,34,50,811</u>
Non-Current Liabilities			
Long Term Borrowings	3	5,29,53,04,549	3,32,61,40,936
Long Term Provisions	4	9,81,74,424	6,60,67,054
		<u>5,39,34,78,973</u>	<u>3,39,22,07,990</u>
Current Liabilities			
Short Term Borrowings	5	6,90,91,759	6,66,03,786
Other Current Liabilities	6	6,06,99,64,664	3,17,47,18,826
Short Term Provisions	7	29,24,83,780	9,20,83,349
		<u>6,43,15,40,203</u>	<u>3,33,34,05,961</u>
TOTAL		<u>13,41,97,92,387</u>	<u>7,62,90,64,762</u>
ASSETS			
Non - Current Assets			
Fixed Assets			
(i) Tangible Assets	8	3,26,17,868	2,01,08,506
(ii) Intangible Assets		2,57,50,684	2,65,49,917
(iii) Capital Work-in-Progress		-	-
		<u>5,83,68,552</u>	<u>4,66,58,423</u>
Deferred Tax Assets (Net)	9	6,32,38,317	2,80,38,952
Receivables under Financing Activity	10	3,63,50,15,482	1,40,30,10,579
Long - Term Loans and Advances	11	15,58,57,498	4,23,69,576
Other Non-Current Assets	12	22,98,75,000	33,95,00,000
		<u>4,14,23,54,849</u>	<u>1,85,95,77,530</u>
Current Assets			
Investments	13	-	60,01,64,109
Receivables under Financing Activity	14	7,12,66,09,486	4,26,47,50,194
Cash and Bank balances	15	1,83,58,61,043	78,22,08,937
Short - Term Loans and Advances	16	18,30,15,088	4,46,50,399
Other Current Assets	17	13,19,51,921	7,77,13,593
		<u>9,27,74,37,538</u>	<u>5,76,94,87,232</u>
TOTAL		<u>13,41,97,92,387</u>	<u>7,62,90,64,762</u>

Significant Accounting Policies and Notes to the Accounts

1 to 25

The accompanying notes are an integral part of the financial statements

As per our report of even date

For M/s. N. Sankaran & Co.

Chartered Accountants

Firm No. 003590S

L. Pattabhiraman

Partner

M. No.022023

Place: Chennai

Date: 11/05/2018

For and on behalf of the Board

Kalpana Sankar

Dr. Kalpana Sankar
Managing Director

Dr. N. Jeyaseelan

Dr. N. Jeyaseelan
Director

L. Muralidharan

L. Muralidharan
Chief Financial Officer

Sunil Kumar Sahu

Sunil Kumar Sahu
Company Secretary



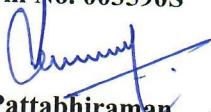
BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED
PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

	Note	Year ended March 31, 2018	Amounts in Rs. Year ended March 31, 2017
Revenue from Operations:			
Income from Operations	18	2,09,26,82,092	98,03,47,905
Other Income	19	9,63,15,603	5,34,87,957
Total Revenue		2,18,89,97,695	1,03,38,35,862
Expenses:			
Finance Cost	20	97,58,48,457	53,69,30,317
Employee Cost	21	35,44,86,504	19,26,95,768
Other Operating Expenses	22	19,77,54,401	8,79,25,570
Depreciation and Amortization Expenses	8	2,64,20,749	1,22,30,280
Provisions and Write-offs	23	13,89,29,845	4,43,68,102
Total expenses		1,69,34,39,956	87,41,50,037
Profit/(Loss) before Tax		49,55,57,739	15,96,85,825
Tax Expenses			
Current tax		19,41,20,371	7,22,09,476
Deferred tax	9	(3,51,99,366)	(1,69,45,406)
Short / (Excess) provision written off/(back)		-	-
Profit (Loss) for the Year		33,66,36,734	10,44,21,755
Earnings per Equity Share of Rs.10/- each:	24		
- Basic		14.44	5.11
- Diluted		14.44	5.11


Significant Accounting Policies and Notes to the Accounts 1 to 25

The accompanying notes are an integral part of the financial statements
As per our report of even date


For M/s. N. Sankaran & Co.
Chartered Accountants
Firm No. 003590S



L. Pattabhiraman
Partner
M. No.022023


Dr. Kalpana Sankar
Managing Director


Dr. N. Jeyaseelan
Director

For and on behalf of the Board


L. Muralidharan
Chief Financial Officer


Sunil Kumar Sahu
Company Secretary

Place: Chennai
Date: 11/05/2018



BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

Particulars	Amounts in Rs.	
	FY 2017-1	FY 2016-17
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax		
Add: Depreciation	49,55,57,739	15,96,85,825
Add: Loss on sale	2,64,20,749	1,22,30,280
Add: Finance costs	-	40,385
Less: Interest income on deposits	97,58,48,457	47,29,49,968
Less: Profit on sale of Investment	(4,51,78,386)	(4,04,64,464)
Add: Provisions for Receivables	(1,86,99,430)	(9,88,195)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	7,98,15,739	4,43,68,102
(Increase) / Decrease in net Receivables under Financing Activities	1,51,37,64,868	64,78,21,901
(Increase) / Decrease in Loans and Advances	(5,09,38,64,195)	(3,02,47,89,675)
(Increase) / Decrease in Other Current Assets	(11,26,02,611)	2,04,05,039
Increase / (Decrease) in Provisions others	(3,75,01,825)	(1,89,41,380)
Increase / (Decrease) in Current Liabilities	5,91,14,106	(4,90,95,865)
Cash (Used in) / From Operations	26,51,61,652	3,34,77,341
	(3,40,59,28,005)	(2,39,11,22,639)
Less: Interest paid on Bank Borrowings		
Less: Direct Taxes Paid for Current FY	(99,57,79,653)	(47,07,13,366)
Less: Direct Taxes Paid for last FY	(13,92,50,000)	(3,40,00,000)
NET CASH (USED IN) / FROM OPERATING ACTIVITIES	(6,46,38,901)	-
	(A)	(2,89,58,36,005)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Bank deposits		
Purchase of Fixed Assets	(15,06,25,768)	(25,20,80,870)
Sale of Fixed assets	(3,81,30,879)	(3,67,20,389)
Investment in Mutual Funds	-	25,000
Interest on Deposits	61,88,63,539	(59,91,75,914)
NET CASH (USED IN) / FROM INVESTING ACTIVITIES	2,84,41,883	1,92,55,983
	(B)	(86,86,96,190)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividend and dividend tax paid	(1,25,90,560)	-
Proceeds from issuance of share capital	32,40,00,000	39,99,99,960
Proceeds from Long term borrowings	4,63,15,27,654	3,74,32,28,139
Repayment of Short term borrowings	(24,87,973)	(20,56,047)
NET CASH (USED IN) / FROM FINANCING ACTIVITIES	4,94,04,49,121	4,14,11,72,052
	(C)	
Net Increase / (Decrease) in Cash and Cash Equivalents	(A)+(B)+(C)	37,66,39,857
Cash and Cash Equivalents at the beginning of the Year	53,31,23,937	15,64,84,080
Cash and Cash Equivalents at the end of the Year	1,32,65,25,275	53,31,23,937

Significant Accounting Policies and Notes to the Accounts

1 to 25

The accompanying notes are an integral part of the financial statements
As per our report of even date

For M/s. N. Sankaran & Co.
Chartered Accountants

Firm No. 003590S

(Signature)

L. Pattabhiraman

Partner

M. No.022023

(Signature)

Dr. Kalpana Sankar
Managing Director

(Signature)
Dr. N. Jeyaseelan
Director

For and on behalf of the Board

(Signature)

L. Muralidharan
Chief Financial Officer

(Signature)

Sunil Kumar Sahu
Company Secretary

Place: Chennai
Date: 11/05/2018



BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

	Amounts in Rs.	
	As at March 31, 2018	As at March 31, 2017
I. SHARE CAPITAL		
Authorised		
Equity Shares:		
6,90,00,000 (PY 2,50,00,000) Equity Shares of Rs.10/- each	69,00,00,000	25,00,00,000
Preference Shares:		
3,10,00,000 (PY NIL) Preference Shares of Rs.10/- each	31,00,00,000	-
	1,00,00,00,000	25,00,00,000
Issued, Subscribed & Fully paid up		
246,46,568 (PY 232,46,568) Equity Shares of Rs.10/- each	24,64,65,680	23,24,65,680
310,00,000 (PY NIL) Redeemable Preference Shares of Rs.10/- each	31,00,00,000	-
	55,64,65,680	23,24,65,680

a) Reconciliation of number shares and amount outstanding at the beginning and at the end of the year:

	March 31, 2018		As at March 31, 2017	
	No	Amount	No	Amount
Equity Shares				
At the beginning of the year	2,32,46,568	23,24,65,680	1,43,57,680	14,35,76,800
Issued during the year	14,00,000	1,40,00,000	88,88,888	8,88,88,880
Outstanding at the end of the year	2,46,46,568	24,64,65,680	2,32,46,568	23,24,65,680
Redeemable Preference Shares				
At the beginning of the year	-	-	-	-
Issued during the year	3,10,00,000	31,00,00,000	-	-
Outstanding at the end of the year	3,10,00,000	31,00,00,000	-	-

b) Terms/ rights attached to Equity shares

The Company has increased the Authorised Capital during the year from Rs 25 Crores to Rs 100 Crores

The Company has equity shares having par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share.

The Company has issued 10.25% redeemable preference shares during the year having par value of Rs. 10 per share which carries no voting rights.

The Company has issued 14,00,000 nos equity shares of Rs 10 each at premium of Rs. 40 per share on 17th March, 2018.

c) Details of Equity shareholder holding more than 5% shares in the company

	March 31, 2018		As at March 31, 2017	
	No	% holding	No	% holding
(i) Sarvam Financial Inclusion Trust, Kancheepuram	73,25,654	29.72	73,25,654	31.51
(ii) Muthoot Finance Limited	1,64,17,459	66.61	1,50,17,459	64.60
TOTAL	2,37,43,113	96.33	2,23,43,113	96.11



BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

	Amounts in Rs.	
	As at March 31, 2018	As at March 31, 2017
2. RESERVES & SURPLUS		
(a) Securities Premium Reserve:		
Balance at the beginning of the year		12,83,65,200
Add: Additions during the year	43,94,76,280	31,11,11,080
Less: Deductions during the year	5,60,00,000	43,94,76,280
Balance at the end of the year	49,54,76,280	-
	49,54,76,280	43,94,76,280

Note:

Addition to Securities Premium Reserve represents premium at Rs 40 per share on allotment of 1,400,000 equity shares (Right Issue) to M/s Muthoot Finance Ltd.

(b) Other Reserves:

(i) General Reserves

(ii) Statutory Reserve

Balance at the beginning of the year

Add: Amount transferred from surplus in Profit and Loss Statement

Less: Deductions during the year

Balance at the end of the year

Note:

Statutory Reserve represents the Reserve Fund created under Section 45 IC of the Reserve Bank of India Act, 1934.

	10,000	10,000
Balance at the beginning of the year	5,15,50,757	3,06,66,406
Add: Amount transferred from surplus in Profit and Loss Statement	6,73,27,347	2,08,84,351
Less: Deductions during the year	11,88,78,104	5,15,50,757
Balance at the end of the year	-	-
	11,88,78,104	5,15,50,757

(c) Surplus in Profit & Loss Account

Balance at the beginning of the year

Less: Dividend relating to earlier years

Less: Corporate Dividend Tax

Add: Profit / (Loss) for the year

Less: Transfer to Statutory Reserve

Less: Transfer to Debenture Redemption Reserve

Less: Provision for Preference Dividend & Tax

Balance at the beginning of the year	15,89,49,679	9,62,99,579
Less: Dividend relating to earlier years	1,04,60,956	-
Less: Corporate Dividend Tax	21,29,604	-
Add: Profit / (Loss) for the year	33,66,36,734	10,44,21,755
Less: Transfer to Statutory Reserve	48,29,95,854	20,07,21,334
Less: Transfer to Debenture Redemption Reserve	6,73,27,347	2,08,84,351
Less: Provision for Preference Dividend & Tax	6,73,14,649	2,08,87,303
	1,27,23,773	-
	33,56,30,084	15,89,49,679

(d) Debenture Redemption reserve

Balance at the beginning of the year

Add: Amount transferred during the year

Less: Deductions during the year

Balance at the end of the year

Balance at the beginning of the year	2,09,98,414	1,11,111
Add: Amount transferred during the year	6,73,14,649	2,08,87,303
Less: Deductions during the year	8,83,13,063	2,09,98,414
Balance at the end of the year	-	-
	8,83,13,063	2,09,98,414

Total Reserves and Surplus (a) + (b) + (c) + (d)

1,03,83,07,531 67,09,85,130

Note:

On prudence basis, Debenture Redemption Reserve has been created proportionately in respect of:

- 15% Unsecured, Subordinated, redeemable, Non-Convertible Debentures,
- 11.5% Unsecured, Redeemable, Rated, Unlisted, Subordinated, Taxable, Non-Convertible Debentures
- 12% Unsecured, Redeemable, Rated, Unlisted, Subordinated, Taxable, Non-Convertible Debentures
- 11.68% Unsecured, Partly Paid, Rated, Listed, Senior, Redeemable, Taxable, Non-Convertible Debentures

3. LONG TERM BORROWINGS

(i) Debentures-Unsecured

15% Unsecured, Subordinated, Redeemable, Non-Convertible Debentures

12% Unsecured, Redeemable, Rated, Unlisted, Subordinated, Taxable, Non-Convertible Debentures

11.5% Unsecured, Redeemable, Rated, listed, Subordinated, Taxable, Non-Convertible Debentures

11.68% Unsecured, Partly Paid, Rated, Listed, Senior, Redeemable, Taxable, Non-Convertible Debentures

(ii) Debentures-Secured

12% Senior, Secured, Redeemable, Rated, Unlisted, Taxable, Non-Convertible Debentures

11.4% Senior, Secured, Redeemable, Rated, Unlisted, Taxable, Non-Convertible Debentures

11.6% Senior, Secured, Redeemable, Rated, Unlisted, Taxable, Non-Convertible Debentures

Less: Current maturities of both Secured & Unsecured Debentures transferred to other Current Liabilities
(A)

15% Unsecured, Subordinated, Redeemable, Non-Convertible Debentures	10,00,00,000	10,00,00,000
12% Unsecured, Redeemable, Rated, Unlisted, Subordinated, Taxable, Non-Convertible Debentures	7,00,00,000	-
11.5% Unsecured, Redeemable, Rated, listed, Subordinated, Taxable, Non-Convertible Debentures	25,00,00,000	10,00,00,000
11.68% Unsecured, Partly Paid, Rated, Listed, Senior, Redeemable, Taxable, Non-Convertible Debentures	50,00,00,000	-
12% Senior, Secured, Redeemable, Rated, Unlisted, Taxable, Non-Convertible Debentures	26,66,66,800	40,00,00,000
11.4% Senior, Secured, Redeemable, Rated, Unlisted, Taxable, Non-Convertible Debentures	95,00,00,000	-
11.6% Senior, Secured, Redeemable, Rated, Unlisted, Taxable, Non-Convertible Debentures	45,00,00,000	-
	2,58,66,66,800	60,00,00,000
Less: Current maturities of both Secured & Unsecured Debentures transferred to other Current Liabilities (A)	98,33,33,200	13,33,33,200
	1,60,33,33,600	46,66,66,800

(iii) Term Loans

(i) From Banks - Secured

(ii) From Others-Secured

(i) From Banks - Secured	6,51,92,00,899	2,79,57,74,072
(ii) From Others-Secured	1,98,46,11,562	3,06,31,77,535
	8,50,38,12,461	5,85,89,51,607

Less: Current maturities of Long Term Loan from Bank and Others transferred to other Current Liabilities
(B)

	4,81,18,41,512	2,99,94,77,471
	3,69,19,70,949	2,85,94,74,136

(A) + (B)

5,29,53,04,549 3,32,61,40,926



Notes-

- a) The Company has issued 400 Nos. of 12% Senior, Secured, Redeemable, Rated, Unlisted, Taxable, Non-Convertible Debentures of face value of Rs. 10,00,000/- (Rupees Ten Lakh only) amounting to Rs. 40,00,00,000/- (Rupees Forty Crores only) during the Financial Year 2016-17.
- b) The Company has issued 1,00,000 Nos. of 11.5% Unsecured, Redeemable, Rated, listed, Subordinated, Taxable, Non-Convertible Debentures of face value of Rs. 1,000/- (Rupees Thousand only) amounting to Rs. 10,00,00,000/- (Rupees Ten Crores only) during the Financial Year 2016-17.
- c) The Company has issued 1,50,000 Nos. of 11.5% Unsecured, Redeemable, Rated, listed, Subordinated, Taxable, Non-Convertible Debentures of face value of Rs. 1,000/- (Rupees Thousand only) amounting to Rs. 15,00,00,000/- (Rupees Fifteen Crores only) during the Financial Year 2017-18.
- d) The Company has issued 70 Nos. of 12% Unsecured, Redeemable, Rated, Unlisted, Subordinated, Taxable, Non-Convertible Debentures of face value of Rs. 10,00,000/- (Rupees Ten Lakh only) amounting to Rs. 7,00,00,000/- (Rupees Seven Crores only) during the Financial Year 2017-18.
- e) The Company has issued 100 Nos. of 15% Unsecured, Redeemable, Subordinated, Non-Convertible Debentures of face value of Rs. 10,00,000/- (Rupees Ten Lakh only) amounting to Rs. 10,00,00,000/- (Rupees Ten Crores only) during the Financial Year 2015-16.
- f) The Company has issued 5000 Nos. of 11.4% Senior, Rated, Listed, Redeemable, Secured, Non-Convertible Debentures of face value of Rs. 1,00,000/- (Rupees One Lakh only) amounting to Rs. 50,00,00,000/- (Rupees Fifty Crores only) during the Financial Year 2017-18.
- g) The Company has issued 5000 Nos. of 11.6% Senior, Rated, Listed, Redeemable, Secured, Non-Convertible Debentures of face value of Rs. 1,00,000/- (Rupees One Lakh only) amounting to Rs. 50,00,00,000/- (Rupees Fifty Crores only) during the Financial Year 2017-18.
- h) The Company has issued 2500 Nos. of 11.68% Unsecured, Partly Paid, Rated, Listed, Senior, Redeemable, Taxable, Non-Convertible Debentures of face value of Rs. 10,00,000/- each and partly paid to the extent of Rs. 2,00,000/- each aggregating to Rs. 50,00,00,000/- (Rupees Fifty Crores only) during the Financial Year 2017-18.

Details of the Debentures are as under:

Coupon rate	Maturity Date	Debenture Details		As at 31 Mar 2018	As at 31 Mar 2017	Options Available	Date of Redemption if option is exercised
		Nos	Face Value	Rs in Lakhs	Rs in Lakhs		
15.00%	March 29, 2021	100	10,00,000	1000	1000	Not Applicable	Not Applicable
12.00%	March 30, 2020	400	10,00,000	4000	4000	Not Applicable	Not Applicable
11.50%	May 31, 2023	250000	1,000	2500	1000	Not Applicable	Not Applicable
12.00%	July 31, 2023	70	10,00,000	700	0	Not Applicable	Not Applicable
11.40%	June, 2020	5000	1,00,000	5000	0	Not Applicable	Not Applicable
11.60%	May, 2020	5000	1,00,000	5000	0	Not Applicable	Not Applicable
11.68%	Mar, 2020	2500	2,00,000	5000	0	Applicable	Sep-18

- i) Term loans are secured by way of specific charge on receivables created out of the proceeds of the loan.

j) Details of Borrowings:

Maturity	Amount outstanding			
	Fixed Base Rate	Base Rate + Spread(2.5% to 6.00%)	MCLR + Spread(0.75% to 3.50%)	Market Borrowing
< 1 year	55,87,70,285	37,72,20,063	2,64,60,67,705	2,14,40,24,899
1 - 2 years	63,98,89,551	14,09,31,145	1,86,76,15,936	1,56,14,06,001
2 - 3 years	50,00,000	-	50,15,49,123	29,67,54,553
3 - 4 years	-	-	3,12,50,000	-
>4 years	-	-	-	32,00,00,000

	Amounts in Rs.	
	As at	As at
	March 31, 2018	March 31, 2017
4. LONG TERM PROVISIONS		
Provision for Standard Receivables under financing activity	5,51,27,924	5,18,97,652
Contingent Provisions against Standard Assets @ 0.40% (PY @ 0.25%)	4,30,46,500	1,41,69,402
	9,81,74,424	6,60,67,054



BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

	Amount In Rs.	
	As at March 31, 2018	As at March 31, 2017
5. SHORT TERM BORROWINGS		
Loans repayable on demand		
<u>From Banks - Cash Credit facility - Secured</u>		
State Bank of India, Chennai (Secured by hypothecation of Receivables under Financing activity created out of the Cash Credit facility)	6,90,91,759	6,66,03,786
	6,90,91,759	6,66,03,786
6. OTHER CURRENT LIABILITIES		
Current maturities of Term Loans from Banks & NBFC and Debentures	5,79,51,74,712	3,13,28,10,671
Dues to:		
Employees	73,03,019	22,00,669
Statutory Authorities	1,25,33,449	89,44,587
Others*	25,49,53,484	3,07,62,899
	6,06,99,64,664	3,17,47,18,826
7. SHORT TERM PROVISIONS		
(a) Provision for Employee benefits		
Provision for Gratuity	55,58,217	28,37,461
Provision for Bonus	1,91,54,232	95,26,330
(b) Others		
Provision for Preference Dividend	1,27,23,773	-
Provision for Non Performing Receivables under Financing activity	5,24,88,325	47,79,956
Provision for Taxation	19,70,53,588	7,49,39,602
Provision for Other Losses	55,05,644	-
	29,24,83,780	9,20,83,349

Note:

- 7 (a) Provision for Bonus has been calculated as per the Payment of Bonus (Amendment) Bill 2015
7 (b) Refer Note 2 No.24(B)(iv) under Notes to Accounts for details of Provision for other Losses



BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Description	Gross Block					Depreciation			Amount in Rs.	
	As at 01.04.2017	Additions	Deletions	As at 31.03.2018	Upto 01.04.2017	For the Year ended 31.03.2018	Withdrawn	Upto 31.03.2018	As at 31.03.2018	As at 31.03.2017
	Tangible Assets									
Land										
Furniture and Fixtures	54,99,443	11,03,360		11,03,360					11,03,360	
Vehicles	15,20,139	31,65,477		86,64,920	27,20,940	21,67,659		48,88,599	37,76,319	27,78,503
Office Equipment	31,37,040			15,20,139	1,13,528	1,48,817		2,62,345	12,57,794	14,06,611
Computers	2,32,11,868	23,62,884		54,99,924	13,45,943	13,30,440		26,76,383	28,23,541	17,91,097
Sub Total	3,33,68,490	2,50,22,787		5,83,91,277	1,32,59,984	1,25,13,423		1,79,46,079	2,36,56,854	1,41,32,295
Previous Year	1,47,41,025	1,87,41,701	1,14,236	3,33,68,490	74,44,047	58,64,788	48,851	1,32,59,984	2,01,08,506	72,96,978
Intangible Assets										
Computer Software	4,30,52,383	1,31,08,092		5,61,60,475	1,65,02,466	1,39,07,326		3,04,09,791	2,57,50,684	2,65,49,917
Sub Total	4,30,52,383	1,31,08,092		5,61,60,475	1,65,02,466	1,39,07,326		3,04,09,791	2,57,50,684	2,65,49,917
Previous Year	1,39,70,165	2,90,82,218		4,30,52,383	1,01,36,974	63,65,492		1,65,02,466	2,65,49,917	38,33,191
Grand Total	7,64,20,873	3,81,30,879		11,45,51,752	2,97,62,450	2,64,20,749		5,61,83,199	5,83,68,552	4,66,58,423
Capital Work In Progress										
Previous Year	7,64,20,873	3,81,30,879		11,45,51,752						
	3,98,14,720	5,41,77,669	1,75,71,516	7,64,20,873	1,75,81,021	1,22,30,280	48,851	2,97,62,450	4,66,58,423	2,22,33,699

Note:

1. Pursuant to the applicability of the Companies Act 2013 ("the Act") with effect from 1st April 2014, depreciation on fixed assets for the year has been calculated based on the useful life of the asset as required by Schedule II of the Act (refer our policy No.5 under note No.25 on depreciation).



BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Amount in Rs.

	As at March 31, 2018	As at March 31, 2017
9. DEFERRED TAX ASSETS (NET)		
Deferred Tax Asset		
Provision for Receivables under Financing activity	5,37,08,866	2,41,09,515
Interest disallowable U/S 43B	88,82,170	37,70,257
On account of Fixed Assets	6,47,281	1,59,180
	<u>6,32,38,317</u>	<u>2,80,38,952</u>
Deferred Tax Liability	-	-
Net Deferred Tax Asset	<u>6,32,38,317</u>	<u>2,80,38,952</u>
Movement in Deferred Tax Asset	3,51,99,365	1,69,45,406
10. RECEIVABLES UNDER FINANCING ACTIVITY		
Unsecured - Long term		
Micro Finance Loans:		
Long term maturities of Receivables under Financing Activity transferred from Receivables under Financing Activity	3,63,50,15,482	1,40,30,10,579
	<u>3,63,50,15,482</u>	<u>1,40,30,10,579</u>
11. LONG-TERM LOANS AND ADVANCES		
Unsecured, Considered good unless otherwise stated		
Other Loans and Advances	1,02,40,880	30,71,400
TDS Receivable and Advance Tax	14,56,16,618	3,92,98,176
	<u>15,58,57,498</u>	<u>4,23,69,576</u>
12. OTHER- NON CURRENT ASSETS		
Ear-marked Bank Balances transferred from Current Assets	22,98,75,000	33,95,00,000
	<u>22,98,75,000</u>	<u>33,95,00,000</u>
13. INVESTMENTS		
Current Investments (Non - Trade)		
Units of Mutual Fund(Quoted)	-	60,01,64,109
(Valued as Cost or Fair Value whichever is lower)	-	60,01,64,109
14. RECEIVABLES UNDER FINANCING ACTIVITY		
Unsecured - Short term		
Micro Finance Loans-Unsecured	10,76,16,24,968	5,66,77,60,773
Note:		
1. The above Micro Finance Loans have been granted under SHG/JLG Scheme to the women organised in SHG/JLG.		
2. Of the above:		
- Considered Good	10,67,53,12,724	5,66,21,44,426
- Non Performing Receivables under Financing activity as per Company's Provisioning Norms	8,63,12,244	56,16,347
3. Loss assets - Receivables under Financing activity as per Company's Provisioning Norms	-	-
4. Assets derecognised on account of securitisation of receivables is Rs 60,89,84,936 as on 31st Mar'18. (As on 31st Mar'17- Rs 913,41,589)	-	-
Less: Long term maturities of Receivables under Financing Activity transferred to Receivables under Financing Activity	3,63,50,15,482	1,40,30,10,579
Less: Loss assets - Receivables under Financing activity as above transferred to Provisions and Write offs	-	-
	<u>7,12,66,09,486</u>	<u>4,26,47,50,194</u>



15. CASH AND BANK BALANCES**Cash and Cash Equivalents**

Cash on Hand

Balances with Scheduled Banks: 20,10,994 33,92,164

- In Current Accounts

1,31,64,51,474 52,97,31,773

- In Short-term Deposit Accounts

Balance In Prepaid Card

- -

80,62,807 -

1,32,65,25,275 53,31,23,937**Other Deposit Balances (Ear-marked)**

- In Deposit Accounts

73,92,10,768 58,85,85,000

Less: Transferred to other Non - Current assets

22,98,75,000 33,95,00,000

1,83,58,61,043 78,22,08,937

(Deposits are placed as Collaterals with Banks to obtain secured loans)

16. SHORT-TERM LOANS AND ADVANCES**Unsecured, Considered good unless otherwise stated****Other Loans and Advances**

Loan to Staff

1,07,36,749 38,92,416

Other Advances*

16,48,59,039 3,74,76,023

Rent Deposits

74,19,300 18,97,600

Service Tax / GST Recoverable

- 13,84,360

18,30,15,088 4,46,50,399

*Other advances include MRR on assignment to the extent of Rs.32,21,625 (PY Rs. 89,44,845) and for Over Collateralisation on account of securitisation of Rs. 10,66,34,968 (PY NIL)

17. OTHER CURRENT ASSETS**Considered Good**

Interest accrued but not due :

- on Loans to Borrowers

7,21,36,752 3,46,34,927

- on Deposit

5,98,15,169 4,30,78,666

13,19,51,921 7,77,13,593

BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

	Amount in Rs.	
	Year ended March 31, 2018	Year ended March 31, 2017
18. INCOME FROM OPERATIONS		
(a) Interest		
(b) Other Financial Services	1,95,85,62,624	91,16,54,052
- Processing fees		
(c) Recovery of Bad debts	13,40,88,688	6,86,40,563
	30,780	53,290
	2,09,26,82,092	98,03,47,905
19. OTHER INCOME		
(a) <u>Interest:</u>		
Interest on Deposits		
Other Interests	4,51,78,386	4,04,64,464
(b) <u>Others:</u>	9,10,247	5,24,968
Other non-operating income		
Facilitation fee	1,87,824	1,29,995
Dividend exempt	2,64,80,874	99,63,210
Income from Current Investments	48,58,842	14,17,125
	1,86,99,430	9,88,195
	9,63,15,603	5,34,87,957
20. FINANCE COSTS		
Interest on Loans:		
- Term Loans-Banks		
- Cash Credit facility	44,17,67,476	22,69,61,260
- Term Loans-NBFC	14,50,300	34,06,971
Interest on NCD	36,75,57,966	24,25,81,737
Loan Processing Fees	12,11,17,657	1,52,63,014
Bank charges	3,01,69,840	4,53,01,024
Loan Documentation & Inspection charges	88,18,114	24,74,118
	49,67,103	9,42,193
	97,58,48,457	53,69,30,317
21. EMPLOYEE COSTS		
Salaries, Wages and Bonus	31,40,24,028	17,39,55,757
Contribution to Provident and Other Funds	3,39,94,404	1,58,66,150
Staff Welfare expenses	64,68,072	28,73,861
	35,44,86,504	19,26,95,768
22. OTHER OPERATING EXPENSES		
Rent		
Electricity charges	1,93,65,948	1,06,54,471
Rates and Taxes	27,14,593	17,32,407
Insurance	66,20,885	5,43,816
Loss on sale of asset	29,86,296	3,03,711
Repairs and Maintenance	-	40,385
Travelling & Conveyance*	2,03,41,336	1,08,81,981
Communication expenses	5,36,96,927	3,13,70,208
Printing & Stationery	61,93,181	26,46,626
Postage & Courier	1,22,11,716	72,75,330
Business Promotion expenses	24,77,981	8,84,925
Professional charges	73,22,651	32,55,676
Other expenses	4,98,64,042	1,17,38,317
	52,49,669	18,12,945



CSR expenses		
Director Sitting Fees	20,00,000	11,70,000
Credit Bureau expenses	22,05,000	8,20,000
Loss on Account of Theft	23,83,678	11,89,772
Auditor's Remuneration**:	1,20,500	-
- Statutory Audit		
- Tax Audit	18,00,000	13,75,000
For Management Services	2,00,000	2,00,000
- Certification fees		
** excluding Service tax / GST	-	30,000
*Includes Foreign Travel expenditure NIL (PY Rs 2,77,563)		
	19,77,54,401	8,79,25,570

Year ended	Year ended
March 31, 2018	March 31, 2017

23. PROVISIONS AND WRITE-OFFS

Provision for Standard Receivables under Financing Activity (Net)	5,09,38,641	3,01,98,700
Contingent Provisions against Standard Assets @ 0.40% (PY @ 0.25%)	2,88,77,098	1,41,69,402
Provision for Other Losses	55,05,644	-
Provision for Write Off	2,06,100	-
Loss Assets written off	5,34,02,362	-
	13,89,29,845	4,43,68,102

Refer Note 3 No. 23 (C) under Notes to Accounts for details of Loss Assets written off.

24. EARNINGS (LOSS) PER SHARE

Profit after tax	33,66,36,734	10,44,21,755
Weighted average number of equity shares	2,33,07,938	2,04,21,606
Earning per Share (Rs.)		
- Basic	14.44	5.11
- Diluted	14.44	5.11
- Face Value per share (Rs.)	10	10



BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED

25 Significant Accounting Policies for the Year 2017-18

Note 1 Corporate Information

Belstar Investment and Finance Private Limited, headquartered in Chennai, is a Company incorporated on 11th January 1988 and registered with the Reserve Bank of India as a Non Banking Financial Company (NBFC) from March 2001. The Company is basically engaged in the business of providing loans and access to Credit to the Self Help Group (SHG) members / Joint Liability Group (JLG) members and other loans like Sanitation, MSME and operating in the financial inclusion space. The Company got classified as a NBFC -MFI effective 11th December 2013. The Company has become a deemed public company under the provisions of the Companies Act, 2013 with effect from 8th December 2016. The company is a Systemically important Non-deposit taking NBFC (NDSI- NBFC) as at 31st March 2018.

Note 2 Significant Accounting Policies

1. Basis of accounting and preparation of financial statements

The financial statements have been prepared and presented on accrual basis, under the historical cost convention except interest/discount on a loan which have been classified as Non-Performing Assets (NPA) and is accounted for on cash basis, unless otherwise stated in accordance with the Generally Accepted Accounting Principles (Indian GAAP) to comply with the Accounting Standards notified under Section 133 of the Companies Act 2013 (“ The Act”), read together with Rule 7 of the Companies (Accounts) Rules 2014 and Companies (Accounting Standards) Amendments Rules, 2016, provisions of the RBI applicable as per Master Directions- Non Banking Financial Company – Systemically Important Non Deposit Taking Company and Deposit Taking Company (Reserve Bank) Directions 2016 issued vide Notification RBI/DNBR/2016-17/45 Master Direction DNBR.PD.008/03.10.119/2016-17 dated September 01, 2016 (NBFC Master Directions, 2016), as amended from time to time and other applicable clarifications provided by the RBI.

The accounting policies applied by the Company are consistent with the those applied in the previous year, unless specified otherwise.

2. Use of Estimates

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period like provision for employee benefits. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results may vary from these estimates.



BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED

3. Cash flow statement

The Cash Flows are reported using the indirect method, whereby net profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the company are segregated based on available information.

Cash and cash equivalents (for the purpose of cash flow statement) comprises of cash on hand and Cash and demand deposits with bank.

4. Revenue Recognition

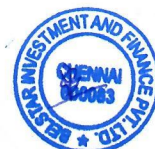
Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- i. Interest income on portfolio loans is recognized in the statement of profit and loss on a time proportion basis taking into account the amount outstanding and the rates applicable, except in case of non-performing assets ("NPA's") where it is recognized, upon realization, as per the prudential norms prescribed by Reserve Bank of India.
- ii. Profit on securitization of loan portfolio through bankruptcy remote Special Purpose Vehicle (SPV) is recognized over the residual life of the securitization transaction in terms of RBI Guidelines. Profit on sale of loan assets through direct assignment, without any recourse obligation or otherwise is amortized over the residual life of the loan.
- iii. Loan Processing Fees charged to borrowers are recognized upfront in the year of receipt.
- iv. Interest income on deposits with banks is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- v. All other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realization /collection.

5. Fixed Assets and Depreciation

- i. Fixed assets are stated at costs less accumulated depreciation and accumulated impairment loss, if any. Cost includes taxes, duties, freight and incidental expenses related to the acquisition and installation of the asset
- ii. Depreciation on fixed assets is provided using the Straight Line method over the estimated useful life of each assets as determined by the management. The useful life estimates prescribed in part C of Schedule II of the Companies Act, 2013 are generally adhered to except in respect of asset classes where, based on technical evaluation, a different estimate of useful life considered suitable. Pursuant to this policy the useful life of assets is estimated at:-

Asset Categories	Useful life	Residual Value
Furniture and Fixtures	10 years	2%
Vehicles	10 years	2%
Office Equipment	5 years	2%
Computers	3 years	5%
Computer Software	3 years	5%



BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED

- iii. Individual Fixed Assets costing Rs.5,000/- or less are fully depreciated in the year of purchase.

6. Investments

Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Current Investments are carried at lower of cost or fair value of each investments individually. Non-Current Investment are carried individually at cost less provision made to recognize any decline other than temporary, in the value of such investments. Cost of investments include acquisition charges such as brokerage, fees and duties.

7. Receivables under Financing activity

All loan exposures to borrowers are stated at the full agreement value after netting off installments paid by the borrower appropriated up to the year-end.

The company has a system of getting confirmation of balances from its borrowers periodically.

8. Retirement and other Employee Benefits

i. Defined Contribution Plan:

Provident Fund: Contributions to the Employees Provident Fund Scheme maintained by the Central Government are accounted for on an accrual basis. Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable under the scheme. The company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset.

ii. Defined Benefit Plan:

Gratuity: Gratuity is accounted for based on actuarial valuation, as at the Balance Sheet date, made through Life Insurance Corporation of India group gratuity fund.

9. Provisions and Contingent Liabilities

Provisions are recognized only when the Company has present or legal or constructive obligations as a result of past events, for which it is probable that an outflow of economic benefit will be required to settle the transaction and a reliable estimate can be made for the amount of the obligation.



BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED

A disclosure for a Contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

10. Borrowing Cost

Borrowing costs includes interest which are recognized on time proportion basis taking into account the amount outstanding and the rate applicable on the borrowings.

Processing Fees – loans from banks / financial institutions

Processing Fees Paid on Loans borrowed from Banks and Financial Institutions are recognized as expense upfront at the time of payment.

Ancillary fees incurred for arrangement of borrowings from banks and financial institutions are amortised over the tenor of the respective loans and those incurred in connection with securitization transaction are amortized over the tenor of the securitisation deal.

11. Taxes on income

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with Income tax Act,1961.

Deferred tax charge or benefit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or benefit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and written-down or written-up to reflect the amount that is reasonably/virtually certain to be realised.

12. Classification & Provisioning of Loan Portfolio:

Loan Portfolio is classified and provision is made in accordance with the Non-Banking Finance Company – Micro Finance Institutions (NBFC-MFIs) Directions issued by Reserve Bank of India as mentioned below:

Asset Classification Norms

- i. Standard asset means the asset in respect of which, no default in repayment of principal or payment of interest is perceived and which does not disclose any problem nor carry more than normal risk attached to the business.
- ii. Non-performing asset means an asset for which, interest/principal payment has remained overdue for a period of 90 days or more.



BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED

Provisioning Norms:

Provision on portfolio loans are made at the higher of management estimate or minimum provision required as per Non-Banking Finance Company Micro Finance Institutions (Reserve Bank) Directions, 2011 as amended from time to time. The Management treats a loan overdue as soon as a scheduled installment is failed.

- A. The aggregate loan provision shall not be less than the higher of:
- i. 1% of the outstanding loan portfolio, or
 - ii. 50% of the aggregate loan installments which are overdue for more than 90 days and less than 180 days and 100% of the aggregate loan installments which are overdue for 180 days or more.
- B. Further the Company also provides Contingent provision for Standard asset at 0.40 percent of the outstanding, which shall not be reckoned for arriving at net NPAs.
- C. Provision for losses arising under securitized/managed portfolio is on the basis of incurred losses, subject to the maximum guarantee given in respect of securitization.

13. Earnings per share

Basic earnings per share is computed by dividing the net profit after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit after tax for the year and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed to have been converted as of the beginning of the year, unless they have been issued at a later date.

14. Goods and Service Tax

Goods and Service Tax input credit is accounted for in the books in the period in which the underlying goods or services received is accounted and is expensed when there is no uncertainty in availing / utilizing the same.



BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED

Note 3 Notes to Accounts for the Year 2017-18

15. Managerial Remuneration

Managing Director

SL. No.	Particulars	Amount in Rs.	
		For the Year ended 31 March 2018	For the Year ended 31 March 2017
1	Gross Salary	72,70,0000	48,00,000
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	Nil	Nil
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	Nil	Nil
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission		
	as % of profit	Nil	Nil
	others, specify	Nil	Nil
5	Others, please specify		
	- Contribution to PF	21,600	21,600
	Total	72,91,600	48,21,600

Notes:

Actuarial valuation based contribution / provision with respect to gratuity and compensated absences have not been included as these are computed for the Company as the whole.

16. Micro Enterprises and Small Enterprises

Based on and to the extent on information received by the Company from the Suppliers during the year regarding their status under the Micro Small and Medium Enterprises Development Act, 2006(MSMED Act) there are no amounts due to the suppliers registered under MSMED Act, 2006.

17. Expenditure in Foreign Currency

The total foreign travel expenditure for the FY 2017-18 is Nil (PY Rs. 277,563/-)

18. Segment Information

The Company is primarily engaged in the business of Micro Financing. All the activities of the Company revolve around the main business. Further, the Company does not have any separate geographical segments other than India. As such there are no separate reportable segments as AS -17

“Segment Reporting”.



BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED

19. Gratuity

The Company estimates the liability of gratuity fund based on the actuarial valuation determined as at the period end.

Amount in Rs.

Particulars	For the Year ended 31 March 2018	For the Year ended 31 March 2017
Projected Benefit Obligation at the beginning of the Year / Period	10,303,356	6,224,490
Service Cost	3,120,410	1,477,797
Interest Cost	721,800	428,963
Actuarial (Gains) /Losses	-	-
Benefits Paid / Charges deducted	(556,721)	(1,449,940)
Projected Benefit Obligation at the end of the Year / Period	17,739,813	103,03,356
Change in Plan Assets		
Fair value of plan assets as at the beginning of the period	7,465,895	6,112,880
Expected Returns on Plan Assets at the Beginning of the Year / Period	775,424	586,480
Employer's Contribution	5,010,537	2,257,067
Benefits Paid / Charges deducted	(556,721)	(14,49,940)
Actuarial Gains /(Losses)	(513,539)	(40,592)
Fair Value on Plan Assets at the end of the Year / Period	1,218,596	74,65,895
Cost of the defined Benefit Plan for the Year / Period		
Current Service Cost	3,120,410	1,477,797
Interest on Obligation	721,800	428,963
Expected Return on Plan Assets	(775,424)	(586,480)
Net Actuarial (Gains) /Losses recognized in the Year End / Period	4,231,193	3,662,638
Past service cost- vested benefits	433,315	-
Net Cost Recognized in the Profit and Loss account	7,731,293	49,82,918
Assumptions		
Discount Rates	7.28%	7.20%
Future Salary Increase	10.00%	6.00%
Expected Rate Of Return on Plan Assets	7.50%	8.00%

Note:

The estimate of future salary increase takes into account inflation, Seniority, Promotion and other relevant factors.



BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED

20. Related Party Disclosures (As per AS – 18)

Name of Related Parties and Nature of Relationship (with respect to parties with whom the company had transactions during the Year / Period)

Nature of Relationship	Name of the Party	
	For the Year ended 31 March 2018	For the Year ended 31 March 2017
Key Management Personnel	Dr. Mrs. Kalpana Sankar	Dr. Mrs. Kalpana Sankar
Relative of Key Management Personnel	Ms. D. Bindhu (sister of Dr. Mrs. Kalpana Sankar) Ms. Kamini Dhandapani (sister of Dr. Mrs. Kalpana Sankar)	Ms. D. Bindhu (sister of Dr. Mrs. Kalpana Sankar) Ms. Kamini Dhandapani (sister of Dr. Mrs. Kalpana Sankar)
Entities Holding Substantial Interest	Sarvam Financial Inclusion Trust (previously known as Sarvam Mutual Benefit Trust, Kancheepuram)	Sarvam Financial Inclusion Trust (previously known as Sarvam Mutual Benefit Trust, Kancheepuram)
Holding Company	Muthoot Finance Limited	Muthoot Finance Limited
Entities where Company has Control	-	-
Entities where Key Management Personnel are interested	<p><u>Dr. Mrs. Kalpana Sankar</u></p> <ol style="list-style-type: none"> Hand in Hand Consulting Services P.Ltd - Director Hand in Hand Inclusive Development & Services - Chairperson Hand in Hand India – Chair Person & Managing Trustee Socio Economic and Educational Development Trust – Chairperson 	<p><u>Dr. Mrs. Kalpana Sankar</u></p> <ol style="list-style-type: none"> Hand in Hand Consulting Services P.Ltd - Director Hand in Hand Inclusive Development & Services - Chairperson Hand in Hand India – Chair Person & Managing Trustee Socio Economic and Educational Development Trust – Chairperson

Note:

Related Party relationships are as identified by the Management and relied upon by the Auditors.

Transactions with Related Parties

Transaction	Related Party	Amount in Rs.	
		For the Year ended 31 March 2018	For the Year ended 31 March 2017
Towards loan repayment collection, Reimbursement of Expenses and Loan recoveries for employees transferred	Hand in Hand India		
	<ul style="list-style-type: none"> ▪ Total debits ▪ Total credits 	41,609,473 41,244,106	1,396,887 1,889,607
Consultancy Services Availed for Training	Hand in Hand Consulting Services Private Limited	14,70,000	1,995,000



BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED

Transaction	Related Party	For the Year ended 31 March 2018	For the Year ended 31 March 2017
Corporate Social Responsibility (CSR) Expenses	Hand in Hand India	2,000,000	11,70,000
Towards purchase of SHG Loan Portfolio	Hand in Hand India	571,469,691	178,426,708
Towards purchase of Enterprise Loan Portfolio	Sarvam Financial Inclusion Trust	4,458,245	Nil
Term Loan Availed	Muthoot Finance Limited	Nil	20,00,00,000
Interest on Account of Term loan availed	Muthoot Finance Limited	36,914,107	25,545,613
Dividend Paid on Equity Shares	Muthoot Finance Limited	6,757,857	Nil
Interest on Account of Term loan availed	Muthoot Finance Limited	1,130,137	Nil
NCD issued	Muthoot Insurance Brokers Private Limited	7,00,00,000	Nil
Rights issue of Shares	Muthoot Finance Limited	7,00,00,000	Nil
Interest on NCD paid	Muthoot Insurance Brokers Private Limited	17,565,204	33,28,767
Balance at the end of the year			
	Payable to Hand in Hand India	164,292	529,659
	NCD Investment by Muthoot Finance Limited	Nil	10,000,000
	NCD Investment by Muthoot Insurance Brokers Private Limited	170,000,000	90,000,000
	Term Loan by Muthoot Finance Limited	7,96,65,000	18,33,33,000
	Hand in Hand Consulting Services Private Limited	11,34,000	Nil

21. Securitisation

As per RBI guidelines on Securitisation DNBR (PD) CC. No.002/03.10.001/2014-15 dated November 10, 2014 the details of securitization are given below:

Particulars	March 31,2018	March 31,2017
	Number /Amount (₹)	Number /Amount (₹)
No of SPVS sponsored by the NBFC for securitisation transactions	3	1



BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED

Total amount of exposures retained by the NBFC to comply with MRR as on the date of Balance sheet	Nil	Nil
a) Off-balance sheet exposures		
First loss	40,785,768	Nil
Others	106,634,998	Nil
b) On-balance sheet exposures		
First loss	Nil	1,03,86,528
Others	Nil	Nil
Amount of exposures to securitisation transactions Other than MRR		
a) Off-balance sheet exposures		
i) Exposure to own securitizations		
First loss	Nil	Nil
Loss	Nil	Nil
ii) Exposure to third party securitisations		
First loss	Nil	Nil
Others	Nil	Nil
b) On-balance sheet exposures		
i) Exposure to own securitisations		
First loss	Nil	Nil
Others	Nil	Nil
ii) Exposure to third party securitisations		
First loss	Nil	Nil
Others	Nil	Nil



BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED

Details of Financial Assets sold:-

<i>(Amount in ₹)</i>		
Particulars	March 31,2018	March 31,2017
No. of accounts	55912	Nil
Aggregate value of accounts sold to Securitisation Company	980,075,065	Nil
Aggregate Consideration	873,440,067	Nil
Additional consideration realized in respect of accounts transferred in earlier years	Nil	Nil
Quantum of credit enhancement in the form of deposits	40,785,768	Nil
Aggregate gain /(loss) over net book value excluding service fee	Nil	Nil

Detail of Assignment Transactions undertaken: -

<i>(Amount in Rs.)</i>			
Particulars		March 31,2018	March 31,2017
i)	Total number of loans assets assigned during the year	Nil	16,731
ii)	Book value of loans assets assigned during the year	Nil	17,63,84,197
iii)	Sale consideration received during the year	Nil	15,99,96,971
iv)	Interest spread recognised in the statement of Profit & Loss during the year (including amortization of unamortised interest spread)	44,45,361	64,19,695

22. Corporate Social Responsibility

- a) Gross amount required to be spent by the company during the year ended 31.03.2018 – Rs 20.00 lakhs



BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED

b) Amount spent during the year on:

Amount in Rs.

Particulars	By Bank		Yet to be paid in Cash		Total	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Construction/acquisition of any asset	Nil	Nil	Nil	Nil	Nil	Nil
On purposes other than above (Health Promoting Preventive Health Care)	20 00,000	11,70,000	Nil	Nil	20 00,000	11,70,000

23. A. Loan Portfolio and Provisions for Standard and Non-performing Assets

Amount in Rs.

Asset Classification	Loans Outstanding as at 31 st March 2018 (Gross)	Provisions for Assets as at 31 st March 2018	Loans Outstanding as at 31 st March 2018 (Net)
Standard Assets	10,67,53,12,724	9,81,74,424	10,57,71,38,300
Non Performing Assets	8,63,12,244	5,24,88,325	3,38,23,919
Total	10,76,16,24,968	15,06,62,749	10,61,09,62,219

B. Changes in Provisions

Amount in Rs.

Particulars	As at 01st April 2017	Additional Provision	Utilization/ Reversal	As at 31 st March 2018
Provision for Standard Assets including contingent provision for Receivables under Financing Activity	6,60,67,054	3,21,07,370	Nil	9,81,74,424
Provision for Non-performing Receivables under Financing Activity	47,79,956	4,77,08,369	Nil	5,24,88,325
Total	7,08,47,010	7,98,15,739	Nil	15,06,62,749



BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED

C. Provision for Write off

Based on prudence and upon the review of the total amount of loan outstanding, the management is of the opinion that certain loan accounts are not recoverable, and to that extent, the Company has written off such loans for which the tenure of the loan is completed, amounting to Rs.5,34,02,362(Previous year-NIL).

24. Additional Disclosures pursuant to Reserve Bank Directions vide:

A. Disclosure Pursuant to Reserve Bank of India D NBS.193 DG (VL) – 2007 dated 22 February 2007:

S. No	Particulars	As at 31 st March 2018	
		Amount Outstanding in Rs.	Amount Over Due in Rs.
	Liabilities :		
(1)	Loans and advances availed by the NBFC inclusive of interest accrued thereon not paid:		
(a)	Debentures		
	-Secured	166,66,66,800	Nil
	-Unsecured	92,00,00,000	Nil
	(Other than falling within the meaning of Public deposits)		
(b)	Deferred Credits	Nil	Nil
(c)	Term Loans	8,50,38,12,461	Nil
(d)	Inter-Corporate Loans and Borrowings	Nil	Nil
(e)	Commercial Paper	Nil	Nil
(f)	Other Loans (Nature of other Loans, CC etc.)	6,90,91,759	Nil

S. No	Particulars	Amount Outstanding as On 31 st March 2018 in Rs.
	Assets	
(2)	Breakup of Loans and Advances including Bills Receivables [Other than those included in (3) below] :	
(a)	Secured	Nil
(b)	Unsecured (including Interest accrued Rs 7,21,36,752 and Other Loans Rs.1,07,36,749)	108,444,98,469
(3)	Break up of Leased Assets and Stock on Hire and other Assets counting towards AFC activities.	
(i)	Leased Assets including Leased Rentals Accrued and Due:	
	(a) Financial Lease	Nil
	(b) Operating Lease	Nil
(ii)	Stock on fire including Hire charges under Sundry Debtors:	
	(a) Assets on Hire	Nil
	(b) Repossessed Assets	Nil
(iii)	Other Loans counting towards AFC activities	
	(a) Loans where Assets have been Repossessed	Nil



BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED

	(b) Loans Other than (a) above	Nil
(4)	Breakup of investments	
	Current Investments	
I	Quoted:	
(i)	Shares : (a) Equity	
	(b) Preference	Nil
(ii)	Debentures and Bonds	Nil
(iii)	Units of Mutual Fund	Nil
(iv)	Government Securities	Nil
(v)	Others (Please Specify)	Nil
II	Unquoted:	
(i)	Shares : (a) Equity	
(ii)	(b) Preference	Nil
(iii)	Debentures and Bonds	Nil
(iv)	Units of Mutual Fund	Nil
(v)	Government Securities	Nil
	Others (Please Specify)	Nil
	Long Term Investments	Nil
I	Quoted:	
(i)	Shares : (a) Equity	
	(b) Preference	Nil
(ii)	Debentures and Bonds	Nil
(iii)	Units of Mutual Fund	Nil
(iv)	Government Securities	Nil
(v)	Others (Please Specify)	Nil
II	Unquoted:	
(i)	Shares : (a) Equity	
	(b) Preference	Nil
(ii)	Debentures and Bonds	Nil
(iii)	Units of Mutual Fund	Nil
(iv)	Government Securities	Nil
(v)	Others (Please Specify)	Nil

(5) Borrower Group-Wise classification of Assets financed as in (2) and (3) above				
S. No	Category	Net of provisions as at 31 March 2018 (Amount in Rs.)		
		Secured	Unsecured	Total
1	Related Parties			
	(a) Subsidiaries	Nil	Nil	Nil
	(b) Companies in the Same Group	Nil	Nil	Nil
	(c) Other Related Parties	Nil	Nil	Nil
2.	Other than Related Parties	Nil	108,444,98,469	108,444,98,469
	Total	Nil	108,444,98,469	108,444,98,469



BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED

(6) Investor Group-Wise classification of all Investments (Current and Long-term) in Shares and Securities (both quoted and unquoted) :			
	Category	Market value / Breakup Value or Fair Value or Net Asset Value	Book Value (Net of Provisioning)
1.	Related Parties		
(a)	Subsidiaries	Nil	Nil
(b)	Companies in the Same Group	Nil	Nil
(c)	Other Related Parties	Nil	Nil
2.	Other than Related Parties	Nil	Nil
	Total	Nil	Nil

Amount in Rs.

(7)	Other Information		Amount outstanding as at March 31, 2018
(i)	Gross Non-Performing Assets	Related Parties	Nil
		Other than Related Parties	8,63,12,244
(ii)	Net Non-Performing Assets	Related Parties	Nil
		Other than Related Parties	3,38,23,919
(iii)	Assets Acquired in Satisfaction Debt	Related Parties	Nil
		Other than Related Parties	Nil

B. Disclosure pursuant to RBI Notification DNBS.200/CGM (PK)-125/03.05.00/2008 dated August 01, 2008

i. Capital Adequacy Ratio

Particulars	Amount in Rs.	
	As at 31st March 2018	As at 31st March 2017
i) CRAR Tier I Capital as a Percentage of Total Risk weighted Assets (%)	10.56	13.15
ii) CRAR Tier II Capital as a Percentage of Total Risk weighted Assets (%)	7.57	3.85
iii) CRAR (%)	18.14	17.00
iv) Amount of subordinated debt raised as Tier II Capital	37,40,00,000	18,00,00,000
v) Amount raised by issue of Perpetual Debt Instruments	Nil	Nil

ii. Exposure to Real Estate Sector both Direct and Indirect

Category		As at 31st March 2018	As at 31st March 2017
a)	Direct Exposure		
(i)	Residential Mortgages -		
	Lending fully secured by mortgages on residential	Nil	Nil



BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED

	property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to Rs.15 lakh may be shown separately)		
(ii)	Commercial Real Estate - Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose Commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	Nil	Nil
(iii)	Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
	a. Residential,	Nil	Nil
	b. Commercial Real Estate	Nil	Nil
b)	Indirect Exposure		
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	Nil	Nil

iii. Maturity Pattern of Assets and Liabilities

Maturity Pattern of Certain Items of Assets and Liabilities as at March 31, 2018

Rs in Lakhs

	Up to 1 Month	Over 1 Month to 2 Months	Over 2 Months to 3 Months	Over 3 Months to 6 Months	Over 6 Months to 1 Year	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Years	Total
Liabilities									
Borrowing from Banks	4,054	1,984	3,037	7,685	18,507	30,304	313	-	65,883
Other Financial institutions	646	1,497	1,220	3,559	5,930	6,994	-	-	19,846
Market Borrowings	500	500	1,458	2,458	4,917	12,833	2,800	400	25,867
Total	5,200	3,981	5,715	13,702	29,354	50,131	3,113	400	1,11,596
Assets									
Receivables under Financing activity	6,924	7,239	7,099	18,875	31,128	36,350	-	-	1,07,616
Loan to staff	9	9	8	30	51	-	-	-	107
Cash and Bank Balance	13,265	-	-	-	-	-	-	-	13,265
Deposits	599	100	-	150	1,450	4,968	125	-	7,392
Total	20,797	7,348	7,108	19,055	32,629	41,319	125	-	1,28,381



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iv. Disclosure of Frauds reported during the year to RBI vide DNBS PD.CC NO. 256 / 03.10.042 / 2012 -13 dated March 02, 2012

Particulars	31st March 2018	31st March 2017
No of frauds reported during the year to Reserve Bank of India	5	Nil
Amount involved in such frauds and provided for (in Rs)	55,05,644	Nil
Total	55,05,644	Nil

C. Disclosure pursuant to RBI Notification DNBS (PD)CC.No.300/03.10.038/2012-13 dated August 03,2012 and DNBS (PD) CC No 369/03.10.038/2013-14 dated February 07, 2014.

Information on Net Interest Margin

Computation of aggregate margin cap as on March 31, 2018	31st March 2018
Average Interest (a)	23.74%
Average effective cost of borrowing (b)	14.00%
Net interest margin (a-b)	9.74%

25. Capital and Other Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for is Rs NIL

26. Contingent Liabilities

Nil (Previous Year – Nil)

27. Exposures

The Company has no exposure to the real estate sector and capital market directly or indirectly in the current and previous year.

28. Rating

The Company has been assigned CARE A rating for Bank Loans and MFI 2+ grading from CARE during the year 2017-18.



BELSTAR INVESTMENT AND FINANCE PRIVATE LIMITED

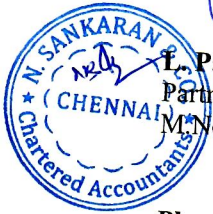
29. Prior Year Figures

Previous year figures have been regrouped/reclassified, wherever necessary, to correspond with the current year's classification/disclosure.

As per our report of even date attached

For **N. Sankaran & Co.**

Chartered Accountants
Firm No: 003590S



[Signature]
L. Pattabhiraman
Partner
M.No.022023

Place: Chennai
Date: 11.05.2018

[Signature]

Dr. Kalpana Sankar
Managing Director

[Signature]
Dr. N. Jeyaseelan
Director



For and on behalf of the **Board**

[Signature]
L Muralidharan
Chief Financial Officer

[Signature]
Sunil Kumar Sahu
Company Secretary