

Date: July 31, 2024

**The National Stock Exchange of India Limited,**  
Exchange Plaza,  
Bandra-Kurla Complex,  
Bandra (E), Mumbai 400 051  
Symbol: FIVESTAR

**BSE Limited**  
Listing department,  
First floor, PJ Towers,  
Dalal Street, Fort Mumbai 400 001  
Scrip code: 543663

**Sub: Investor Press Release on the Financial and Operational Performance of the Company for the quarter ended June 30, 2024**

Dear Sir/ Madam

In terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Investor Press Release on the financial and operational performance of the Company for the quarter ended June 30, 2024.

This Investor Press Release is also available on the website of the Company at <https://fivestargroup.in/investors/>

We request you to take the above intimation on record.

**For Five-Star Business Finance Limited**

**Shalini Baskaran**  
Company Secretary & Compliance Officer

**Five-Star Business Finance Limited**

Registered Office : New No. 27, Old No. 4, Taylor's Road, Kilpauk, Chennai - 600 010.  
Phone : 044 - 4610 6200, e-mail : [info@fivestargroup.in](mailto:info@fivestargroup.in), Website : [www.fivestargroup.in](http://www.fivestargroup.in)  
CIN : L65991TN1984PLC010844



## FIVE-STAR BUSINESS FINANCE LIMITED

New No. 27, Old No. 4, Taylor's Road, Kilpauk, Chennai 600010

CIN: L65991TN1984PLC010844

**Chennai, July 31, 2024:** The Board of Directors of Five-Star Business Finance Limited, has declared its unaudited financial results for the quarter ended June 30, 2024.

### Results for the quarter ended June 30, 2024

Particulars	Q1FY25	Q1FY24	Y-o-Y	Q4FY24	Q-o-Q
AUM (Rs Cr)	10,344	7,583	36%	9,641	7%
Disbursements (Rs Cr)	1,318	1,132	16%	1,336	-1%
Gross Stage 3 Assets	1.41%	1.41%	0.00%	1.38%	0.03%
Net Stage 3 Assets <sup>1</sup>	0.68%	0.79%	-0.11%	0.63%	0.05%
PAT (Rs Cr)	252	169	37%	236	7%
Net Interest Margin	16.72%	17.74%	-1.02%	17.19%	-0.47%
Return on Assets	8.23%	8.41%	-0.18%	8.43%	-0.20%
Return on Equity	18.95%	16.62%	2.33%	18.65%	0.30%

Commenting on the results, **Mr Lakshmipathy Deenadayalan, Chairman & Managing Director**, said,

**This is a very special quarter for Five Star as we touched the 5-digit AUM for the first time – we crossed the AUM of 10,000 Crores in this quarter.** Five Star continues its journey of strategic and execution excellence which is reflected across the various verticals – business, credit, collections, fundraising, technology, risk management, etc.

Barring marginal impact of heat and elections, the quarter saw robust momentum across various aspects. During this quarter, we disbursed Rs 1,318 Crores of loans which is almost flat to the previous quarter. On a Y-o-Y basis, we registered a disbursement growth of 16%. We added 27 branches during Q1FY2025, leading to a strong branch network of 547 branches across 9 states and 1 union territory.

On the collections front, we saw a good set of numbers for Q1. We had a collection efficiency of 98.5% and unique customer collections came in at 97.2%. There was a marginal increase in gross NPA by 3 bps from 1.38% in Q4FY24 to 1.41% and in 30+ by 22 bps from 7.89% in Q4FY24 to 8.11% being a typical Q1 phenomenon.

During the quarter, we also raised incremental debt sanctions of Rs 850 Cr availing Rs 825 Cr. We were able to obtain a large ticket sanction from IFC, one of the largest DFI across the globe. IFC subscribed to our NCDs for a quantum of INR 500 Cr. We are progressing well on our intent to diversify our borrowing sources with the proportion of our borrowing from banks dropping from 84% as of June'23 to 74% as of June'24. Cost of funds on the book has almost remained flat at 9.65% for the quarter. We continue to have a robust liquidity on the balance sheet of Rs 1,891 Cr along with unavailed sanctions of Rs 400 Cr.

We continued to grow consistently and delivered an AUM growth of 36% y-o-y. PAT for Q1FY25 grew at 37% as compared to Q1FY24, with one of the best ROA and ROE ratios.

## Key Highlights for Q1FY25:

### Distribution:

1. The Company has increased its branch presence to 547 branches across 10 states / UT.
2. During the quarter, the company opened 27 new branches.
3. Disbursals – The Company disbursed an amount of Rs 1,318 Cr, up by 16% on y-o-y basis and marginally down by 1% on q-o-q basis.

### Assets under Management:

1. AUM as of June 30, 2024 ended at Rs 10,344 Cr, growth of 36% on y-o-y basis and 7% on q-o-q basis.
2. AUM is well distributed across 0.41 mn active loans

### Collections & Asset Quality:

1. Collection efficiency for the quarter stood at 98.5%. Unique customer collection efficiency for the quarter stood at 97.2%.
2. 30+ DPD ended at 8.11% as of June 30, 2024.

### Provisions:

1. ECL provision carried on books was 170 Cr, which translates to 1.63% of the overall AUM.
2. Stage 3 provision was at 76 Cr leading to a provision coverage ratio on stage 3 assets of 52.08%

### Borrowings:

1. Total borrowings including debt securities are at Rs 6,724 Cr as on June'24.
2. The company continues to carry a liquidity of Rs 1,891 Cr as on June'24.
3. Cost of incremental debt during the quarter was 9.47% which improved by 11 bp on q-o-q basis.
4. Cost of funds on overall borrowing book was at 9.65%, up by 1 bps on q-o-q basis.

### Financial Performance for the quarter:

1. Total income of Rs. 669 Cr; y-o-y growth of 38%
2. PBT of Rs.336 Cr; y-o-y growth of 37%
3. PAT of Rs.252 Cr; y-o-y growth of 37%
4. ROA at 8.23%; q-o-q decrease of 20 bps and y-o-y decrease of 18 bps.
5. ROE at 18.95%; q-o-q increase of 30 bps and y-o-y increase of 233 bps.

### About Five-Star Business Finance Limited: ([www.fivestargroup.in](http://www.fivestargroup.in); BSE: 543663; NSE: FIVESTAR)

Five-Star Business Finance Limited is a Non-Banking Finance Company (NBFC-ND-SI) registered with Reserve Bank of India with a network of 547 branches catering to around 409,000 active live accounts in Tamil Nadu (including the Union Territory of Puducherry), Andhra Pradesh, Telangana, Karnataka, Madhya Pradesh, Maharashtra, Uttar Pradesh, Chhattisgarh and Rajasthan. The Company primarily offers small loans for business purposes, asset creation and other economic purposes to small business customers and self-employed individuals after due underwriting of their cashflows and backed by the collateral of their house property.

**For more information contact:**

Mr Rangarajan Krishnan	Mr Srikanth Gopalakrishnan
Chief Executive Officer	Chief Financial Officer
Tel: +91 4610 6203	Tel: +91 4610 6202
E-mail: <a href="mailto:ranga@fivestargroup.in">ranga@fivestargroup.in</a>	E-mail: <a href="mailto:srikanth@fivestargroup.in">srikanth@fivestargroup.in</a>

**DISCLAIMER:**

*Certain statements that are made in the Investor Release may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like significant changes in economic environment in India and overseas, tax laws, inflation, litigation, etc. Actual results might differ substantially from those expressed or implied. Five-Star Business Finance Limited will not be in any way responsible for any action taken based on such statements and discussions; and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.*