

**Date: November 09, 2023**

To,  
BSE Limited  
Corporate Relationship Department  
25th Floor, Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort, Mumbai - 400 001

Dear Sir / Madam,


**Subject : Security Cover Certificate pursuant to Regulation 54(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as on 30<sup>th</sup> September, 2023.**

With reference to the captioned subject, we are enclosing herewith a copy of the Certificate on the extent and nature of security created and maintained with respect to listed non-convertible debt securities of the Company as provided in Regulation 54 of the SEBI Listing Regulations, as amended from time to time, as on September 30, 2023 duly signed and issued by M/s. KPSJ & Associates, Chartered Accountants, Statutory Auditors of the Company.

Kindly take the same on records.

Thanking you,

Yours faithfully,  
**For Finstars Capital Limited,**

  
**Mr. Barun More**  
Director  
DIN : 07505258



**Corporate Office :**

701 7th Floor, Pinnacle Business Park, Corporate Road, Prahaladnagar Auda Garden, Ahmedabad -380015 Gujarat

**Mobile No.** +91 93166 29394 • **Phone No.** +91 079 – 47651701

**Email:** info@finstarscapital.com • **CIN:** U65100GJ1989PLC112111

To,  
The Board of Directors  
**Finstars Capital Limited**  
**(CIN : U65100GJ1989PLC112111)**

Independent Auditor's certificate pursuant to Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1. This certificate is issued in accordance with the request received from the management of **Finstars Capital Limited** (the "Company").
2. The accompanying statement of Security Cover as on September 30, 2023 ("the Statement") has been prepared by the Company's management in accordance with the requirements of regulations 54 read with Regulation 56 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 .

#### **Management's Responsibility for the Statement**

3. The preparation of the accompanying Statement from the reviewed financial result of the Company as at and for the period ended September 30, 2023 and other relevant records and documents is the responsibility of the Management of the Company, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Management is also responsible for ensuring compliance with the requirements of the Regulation for the Purpose of furnishing this Statement and providing all relevant information to the Stock Exchange.

#### **Auditors' Responsibility**

5. Pursuant to the requirement of the Regulation, our responsibility is to provide a reasonable assurance as to whether the particulars contained in the aforesaid Statement are in agreement with the unaudited financial results of the Company and other relevant records and documents maintained by the Company as at end for the period ended September 30, 2023. This did not include the evaluation of adherence by the Company with all the applicable guidelines of the Regulation.



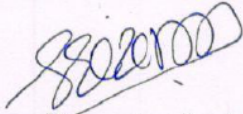
6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Option**

8. Based on our examination, as above, and according to the information explanation and representations provided to us by the Management of the Company, we are of the opinion that the details given in Annexure -A are in line with unaudited financial results of the Company and other relevant records and documents maintained by the Company as at and for the period ended September 30, 2023.

Unique Document Identification Number (UDIN) for this document is 23112900BGWLL6304

For, KPSJ & Associates LLP  
Chartered Accountants  
FRN 124845W/W100209



Shriram Ramratan Laddha  
Partner  
Membership No: 112900



Place: Ahmedabad  
Date: 09/11/2023

a) Revised Format for Security Cover Certificate

Rs. in crores

Column A	Column B	Column C <sup>1</sup>	Column D <sup>2</sup>	Column E <sup>3</sup>	Column F <sup>2</sup>	Column G <sup>2</sup>	Column H <sup>2</sup>	Column I <sup>2</sup>	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by part passu debt holder (includes debt for which this certificate is issued & other debt with part-passu charge)	Other assets on which there is part-passu charge (excluding items covered in column F)	Assets not offered as Security	Elimination (amount in negative)	(Total C to H)	Market Value for Assets charged on Exclusive basis	Carrying book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSR, market value is not applicable)	Market Value for part passu charge Assets <sup>3</sup>	Carrying value/book value for part passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSR market value is not applicable)	Total Value=(K+L+M+N)
		Book Value	Book Value	Yes/ No	Book Value	Book Value								
ASSETS														
Property, plant and Equipment	Fixed Assets	-	0.29	-	-	-	1.13	-	1.42					
Capital Work-in-Progress		-	-	-	-	-	-	-	-					
Right of Use Assets		-	-	-	-	-	-	-	-					
Goodwill		-	-	-	-	-	-	-	-					
Intangible Assets		-	-	-	-	-	-	-	-					
Investments under Development		-	-	-	-	-	0.60	-	0.60					
Loans	Receivable Under Financial activities	28.78	15.40	-	-	-	21.9	-	65.08					
Inventories		-	-	-	-	-	-	-	-					
Trade Receivables		-	-	-	-	-	0.00	-	0.00					
Cash and Cash Equivalents		-	-	-	-	-	0.03	-	0.03					
Bank Balances other than Cash and Cash Equivalents		-	-	-	-	-	0.27	-	0.27					
Others		-	-	-	-	-	0.26	-	0.26					
Total		28.78	15.69	-	-	-	24.191	-	68.66					



Column A	Column B	Column C <sup>1</sup>	Column D <sup>2</sup>	Column E <sup>3</sup>	Column F <sup>4</sup>	Column G <sup>5</sup>	Column H <sup>6</sup>	Column I <sup>7</sup>	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Part-Passu Charge	Part-Passu Charge	Part-Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to H)	Market Value for Assets charged on Exclusive basis	Carrying/book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSR, market value is not ascertainable)	Market Value for Part passu charge Assets	Carrying value/book value for part passu charge assets where market value is not ascertainable or applicable	Total Value of (K+L+N)
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari-passu charge (excluding items covered in column F)		debt amount considered more than once (due to exclusive plus part passu charge)		Market Value for Assets charged on Exclusive basis	Carrying/book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSR, market value is not ascertainable)	Market Value for Part passu charge Assets	Carrying value/book value for part passu charge assets where market value is not ascertainable or applicable	Total Value of (K+L+N)
		Book Value	Book Value	Yes/ No	Book Value	Book Value								
<b>LIABILITIES</b>														
Debt securities to which this certificate pertains		26.16							26.16					
Other debt sharing pari-passu charge with above debt														
Other Debt														
Subordinated debt														
Borrowings			5.83				10.58		16.41					
Bank	not to be filled		7.06				0		7.06					
Debt														
Securities														
Others														
Trade payables							0.63		0.63					
Lease Liabilities							0							
Provisions							1.35		1.35					
Others							0.03		0.03					
Total		26.16	12.89				12.59		51.64					
Cover on Book Value		110.02%	121.72%											
Cover on Market Value <sup>8</sup>														
		Exclusive/Security Co ver:Ratio	1.10%											
					Part-Passu:Security Co ver:Ratio									

1. "Attention is drawn to the fact that the management of Finance Capital Limited ("the company") have not ascertained the market values for the assets (loans to customers) offered as security as on 30th Sep 2023. However, the management of the company has given a justification stating that the fair value/market value of the assets (i.e. loans to customers) offered as security as on 30 Sep 2023 as presented in Annexure 1 above to be considered as the carrying value of the assets as at 30 September 2023 since specific market value is not ascertainable."

ii. Liabilities Does not Included Share Capital, Reserve & Surplus & Profit & Loss Balance.



M/s Finstars Capital Limited for the quarter ended 30th September, 2023

b) ISIN wise Details

Sr. No.	ISIN	Facility	Listed/Unlisted	Type of Charge	Sanctioned Amount	Outstanding Amount as on 30-09-2023(Rs. in crores)	Cover Required (in times)	Security Required (in crores)
1.00	INE08XA07011	Private Placement	Listed	Exclusive	10.00	11.16	1.10	12.28
2.00	INE08XA07029	Private Placement	Listed	Exclusive	15.00	15.00	1.10	16.50
	<b>Total</b>				<b>25.00</b>	<b>26.16</b>		<b>28.78</b>

