



Independent Auditor's Report on Audited Standalone Quarterly financial results and year to date results as on 31<sup>st</sup>. March, 2023 of **Finstars Capital Limited** pursuant to regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## **INDEPENDENT AUDITOR'S REPORT**

**To**  
**The Board of Directors of**  
**Finstars Capital Limited**

**Report on the Audit of Standalone financial results**

### **Opinion**

We have audited the accompanying standalone quarterly financial results of **Finstars Capital Limited** for the quarter ended 31<sup>st</sup>. March, 2023 and the year to date results for the period from 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2023. attached herewith, being submitted by the Company pursuant to the requirement of regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

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

- a. are presented in accordance with the requirements of regulation 52 of the Listing Regulations in this regard and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards, RBI guidelines and other accounting principles generally accepted in India of the net profit/ loss and other financial information for the quarter ended 31<sup>st</sup> March, 2023 as well as the year to date results for the period from 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2023.



## **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs), specified under section 143(10) of the Companies Act, 2013 (‘the Act’)/ issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial results, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our opinion is not modified in respect of this matter.

## **Board of Directors’ Responsibility for the Standalone Financial Results**

These standalone financial results have been compiled from the interim standalone financial statements. The Board of Directors are responsible for the preparation of these standalone Financial Results that give a true and fair view of the net profit/ loss and other financial information in accordance with the recognition and measurement principles laid down in Accounting Standard 25 (AS 25)/ Indian Accounting Standard 34 (Ind AS 34) “Interim Financial Reporting” specified under section 133 of the Act/ issued by the Institute of Chartered Accountants of India, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time (‘RBI Guidelines’) and other accounting principles generally accepted in India and in compliance with regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act/ Banking Regulation Act, 1949 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 standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.



In preparing the standalone financial results, the Board of Directors are responsible for assessing the Company ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up



to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.

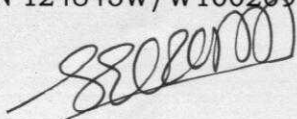
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Our opinion on the standalone financial results is not modified in respect of above matter.

Unique Document Identification Number (UDIN) for this document is  
23112900BGWWHA1111

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



Shriram Ramratan Laddha  
Partner  
Membership No: 112900



Place: Ahmedabad  
Date: 29/05/2023

**FINSTARS CAPITAL LIMITED**  
**AUDITED FINANCIAL RESULT FOR THE QUARTER AND YEAR ENDED ON 31ST MAR, 2023**

(Amount in Lacs)

Sr.	Particulars	Standalone			Standalone	
		Quarter Ended			Year Ended	
		31/03/2023	31/12/2022	31/03/2022	31/03/2023	31/03/2022
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
I	<b>Revenue From Operation</b>					
	(a) Net Sales / Income From Operation	271.91	265.51	171.96	870.39	463.79
	(b) Other Operation Income	269.54	79.36	90.85	439.65	403.12
	<b>Total Income From Operating Income</b>					
II	Other Income	0.00	0.00	0.00	0.00	0.00
III	Net Gain on Derecognition of Financial Assets at Amortized Cost	0.00	0.00	0.00	0.00	0.00
IV	Net Gain on Reclassification of Financial Assets	0.00	0.00	0.00	0.00	0.00
V	<b>Total Income (I+II+III+IV)</b>	<b>541.45</b>	<b>344.88</b>	<b>262.81</b>	<b>1310.04</b>	<b>866.91</b>
VI	<b>Expenditure</b>					
	(a) Cost of Material Consumed	0.00	0.00	0.00	0.00	0.00
	(b) Purchase of Stock in Trade	0.00	0.00	0.00	0.00	0.00
	(c) Changes in Inventories of Finished Goods, Stock-in-Trade and Work-In-progress	0.00	0.00	0.00	0.00	0.00
	(d) Employees Benefits Expenses	100.52	83.55	59.41	331.05	208.46
	(e) Finance Cost	192.54	103.10	27.22	315.15	86.25
	(f) Depreciation & Amortisation Expenses	11.70	21.21	6.22	45.35	24.88
	(g) Others Expenses	91.93	75.11	67.94	267.14	150.77
	<b>Total Expenses (VI)</b>	<b>396.69</b>	<b>282.97</b>	<b>160.79</b>	<b>958.69</b>	<b>470.36</b>
VII	<b>Profit/(Loss) Before Exceptional Items (V-VI)</b>	<b>144.76</b>	<b>61.90</b>	<b>102.02</b>	<b>351.36</b>	<b>396.54</b>
VIII	Exceptional Items	0.00	0.00	0.00	0.00	0.00
IX	<b>Profit / (Loss) Before Tax (VII+VIII)</b>	<b>144.76</b>	<b>61.90</b>	<b>102.02</b>	<b>351.36</b>	<b>396.54</b>
X	<b>Provision</b>					
	Provision for Contingencies other than taxes	16.54	3.90	2.83	20.44	11.31
XI	<b>Tax Expenses</b>			0.00		
	(a) Current Tax	62.18	11.84	26.52	95.00	101.29
	(b) Deferred Tax	0.00	0.00	0.00	0.00	0.00
	(c) Prior Period tax Adjustment	0.00	0.00	0.00	0.00	0.09
XII	<b>Profit / (Loss) For The Period From Continuing Operation (IX-X)</b>	<b>66.04</b>	<b>46.16</b>	<b>72.66</b>	<b>235.92</b>	<b>283.85</b>
XIII	Profit / (Loss) For The Period From Discontinuing Operation	0.00	0.00	0.00	0.00	0.00
XIV	Tax Expenses of Discontinued Operations	0.00	0.00	0.00	0.00	0.00
XV	<b>Profit / (Loss) For The Period From Discontinuing Operation After Tax (XII-XIII)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
XVI	<b>Profit / (Loss) For The Period (XI+XIV)</b>	<b>66.04</b>	<b>46.16</b>	<b>72.66</b>	<b>235.92</b>	<b>283.85</b>
XVII	<b>Other Comprehensive Income</b>	0.00	0.00	0.00	0.00	0.00
	(a) (i) Items That Will Not be Reclassified to Profit or Loss	0.00	0.00	0.00	0.00	0.00
	(ii) Income Tax Relating to Items That Will Not Be Reclassified to Profit or Loss	0.00	0.00	0.00	0.00	0.00
	(b) (i) Items That Will be Reclassified to Profit or Loss	0.00	0.00	0.00	0.00	0.00
	(ii) Income Tax Relating to Items That Will Be Reclassified to Profit or Loss	0.00	0.00	0.00	0.00	0.00
	(ii) Defined Benefit recognised in comprehensive income	0.00	0.00	0.00	0.00	0.00
XVIII	<b>Total Comprehensive Income For The Period (XV+XVI)</b>					
	Paid up Equity Share Capital ( Face value Rs. 10/-)	305.31	305.31	305.31	305.31	305.31
XIX	<b>Earning Per Share (EPS) For Continuing Operation</b>					
	(a) Basic	2.16	1.51	2.38	7.73	9.30
	(b) Diluted	2.16	1.51	2.38	7.73	9.30



*Adv. Man*

*Nishi*

**FINSTARS CAPITAL LIMITED**  
**STATEMENT OF ASSETS AND LIABILITIES AS AT 31/03/2023**

(Amount in Lacs Rs. )

	Particulars	Note No.	As at 31st March, 2023	As at 31st March, 2022
<b>A</b>	<b>ASSETS :</b>			
1	Non Current Assets			
	Property , Plant & Equipments	(2)	127.30	132.74
	Financial Assets			
	Investments	(3)	4.06	0.00
	Long term Advances	(4)	3942.11	2742.73
	Other Financial Assets	(5)	61.15	2.50
	<b>Sub - Total : Non- current Assets</b>		<b>4134.61</b>	<b>2877.97</b>
2	Current Assets			
	Financial Assets			
	Trade Receivable	(6)	0.18	0.67
	Short term Advances	(7)	1286.45	33.44
	Cash and Cash Equivalents	(8)	6.12	2.50
	Bank Balance other than Cash and Cash	(9)	379.70	9.91
	Other Current Assets	(10)	31.96	5.41
	<b>Sub - Total : Current Assets</b>		<b>1704.41</b>	<b>51.92</b>
	<b>TOTAL ASSETS</b>		<b>5839.03</b>	<b>2929.90</b>
<b>B</b>	<b>EQUITY AND LIABILITIES :</b>			
1	Equity			
	Equity Share Capital	(11)	305.31	305.31
	Other Equity	(12)	1200.32	964.40
	<b>Sub - Total : Shareholders' Funds</b>		<b>1505.63</b>	<b>1269.72</b>
2	Non- Current Liabilities			
	Financial Liabilities			
	Debentures	(13)	2500.00	0.00
	Long term Loans	(14)	947.24	1604.07
	Other Liabilities	(15)	54.99	0.00
	Income tax Liabilities - ( Net )			
	<b>Sub - Total : Non- current Liabilities</b>		<b>3502.22</b>	<b>1604.07</b>
3	Current Liabilities			
	Financial Liabilities			
	Short term Loans	(16)	653.70	0.00
	Trade Payables	(17)	11.48	4.69
	Other Current Liabilities	(18)	59.04	27.34
	Short-term provisions	(19)	96.88	21.05
	Income tax Liabilities - ( Net )	(20)	10.07	3.03
	<b>Sub - Total : Current Liabilities</b>		<b>831.17</b>	<b>56.11</b>
	<b>TOTAL- EQUITY AND LIABILITIES</b>		<b>5839.03</b>	<b>2929.90</b>
	See accompanying notes forming part of the financial	(1)		

In terms of our report attached.

UDIN : 23112900BGWWHB1315  
For K P S J & ASSOCIATES LLP  
Chartered Accountants  
FRN: 124845W/W100209

*[Signature]*  
Shriram Ramratan Laddha  
Partner  
M No.112900  
Place : Ahmedabad  
Date : 29/05/2023



For and on behalf of the Board of Directors  
FINSTARS CAPITAL LIMITED

*[Signature]*  
BARUN MORE  
Director  
DIN-07505258  
Place : Ahmedabad  
Date : 29/05/2023

*[Signature]*  
NISHA MORE  
Director  
DIN-02878931

**FINSTARS CAPITAL LIMITED**  
Cash Flow Statement for the year Period 01/04/2022 to 31/03/2023

(Amount in Lacs Rs.)

	Year ended March 31,2023	Year ended March 31,2022
<b>A Cash Flows From Operating Activities</b>		
Net Profit before Tax	351.36	396.54
Adjustments for :		
Depreciation & Amortiation	45.35	24.88
Financial cost	315.15	86.25
Interest Income	- 24.21	0.00
Dividend Income	- 0.04	0.00
Short Term Capital Gain on	- 2.37	0.00
Operating Profit before Working Capital Changes	685.24	507.68
Movement in Working Capital :		
(Increase)/Decrease in Long Term Loan & Advances	- 1199.38	- 1218.40
(Increase)/Decrease in Short Term Loans and Advances	- 1253.01	- 15.19
(Increase)/Decrease in Other Financial Assets	- 58.65	0.00
(Increase)/Decrease in Trade Receivable	0.49	- 0.52
Increase/(Decrease) in Trade Payables	6.79	- 2.27
Increase/(Decrease) in Other Current Liabilities	31.70	- 76.25
(Increase)/Decrease in Other Current Assets	- 26.54	- 1.76
Increase/(Decrease) in Other Liabilities	54.99	0.00
Increase/(Decrease) in Short Term Provisions	55.39	0.96
Cash generated from/(used in) operations	- 1702.99	- 805.76
Direct taxes paid	- 87.96	- 110.09
Net cash flow from/(used in) operating activities	(A) <b>- 1790.94</b>	<b>- 915.85</b>
<b>B Cash Flows From Investments Activities</b>		
Purchase Of Fixed Assets	- 50.03	- 90.24
Advance for Capital Goods	0.00	2.80
Purchase of Investment	- 4.06	- 1.42
Sale Of Fixed Assets	12.50	0.00
Dividend Income	0.04	0.00
Interest Received	24.21	0.00
Net cash flow from/(used in) investing activities	(B) <b>- 17.35</b>	<b>- 88.87</b>
<b>C Cash Flows From Financing Activities</b>		
Proceeds from increase of Share Capital	653.70	0.00
Proceeds from Long Term Borrowings	- 656.83	1162.95
Proceeds from issue of debenture	2500.00	0.00
Proceeds from Short Term Borrowings	0.00	- 67.50
Finance Cost	- 315.15	- 86.25
Net cash generated/ (used in) financing activities	(C) <b>2181.71</b>	<b>1009.20</b>
Net increase/(decrease) in cash and cash equivalents	(A+B+C) <b>373.42</b>	<b>4.48</b>
Cash and cash equivalents at beginning of the year	12.40	7.92
<b>Cash and cash equivalents at end of the year</b>	<b>385.83</b>	<b>12.40</b>

**Notes:**

- (i) The cash flow statement has been prepared under indirect method as set out in Accounting Standard -3 "Cash Flow Statement" specified u/s 133 of The Companies Act 2013 read with rule 7 of the Companies (Accounts) Rules, 2014.
- (ii) Figures in brackets represent outflows. Previous year figures have been recast/restated wherever necessary. As per our report of even date

UDIN : 23112900BGWWHB1315  
For K P S J & ASSOCIATES LLP  
Chartered Accountants  
FRN: 124845W/W100209

Shriram Ramratan Laddha  
Partner  
M No.112900  
Place : Ahmedabad  
Date : 29/05/2023



For and on behalf of the Board of Directors  
FINSTARS CAPITAL LIMITED

BARUN MORE NISHA MORE  
Director Director  
DIN-07505258 DIN-02878931  
Place : Ahmedabad  
Date : 29/05/2023

Note 28:

## RELATED PARTY DISCLOSURES

## A. WHERE CONTROL EXISTS

Name of the Party	Nature of Relation
Note : There is no transaction with related party , where control is exist	

## B. NAME OF RELATED PARTIES AND DESCRIPTION OF RELATIONSHIP, WHERE TRANSACTION HAVE TAKEN PLACE DURING THE YEAR:

## :- KEY MANAGEMENT PERSONNEL

Barun More	Director
Nisha More	Director
Ashishkumar Pancholi	Ind. Director
Umang Kumar Thakkar	Ind. Director

## :- ENTERPRISES ON WHICH KEY MANAGEMENT PERSONNEL AND THEIR RELATIVE HAVE SIGNIFICANT INFLUENCE

Name of the Party	Nature of Relation
-	-

## C. DISCLOSURES FOR TRANSACTIONS WITH RELATED PARTIES DURING THE YEAR.

Nature of Transactions	Enterprise on which Control Exists.	Key Management Personnel.	Enterprises on which Key Management personnel and their Relatives have significant	Total
Sitting Fees	-	72,000	-	72,000
Loan Received	-	-	-	-
Loan paid	-	-	-	-
Expenses incurred	-	20,30,644	-	20,30,644
Remuneration	-	34,80,000	-	34,80,000

## D. DISCLOSURES FOR BALANCE OUTSTANDING WITH RELATED PARTIES

Nature of Transactions	Enterprise on which Control Exists.	Key Management Personnel.	Enterprises on which Key Management personnel and their Relatives have significant	Total
Loan Payable	0	0	0	0

Note 29:

The Company has not received any intimation from "Suppliers" regarding their status under the Micro, Small and Medium enterprises Development Act, 2006 and hence disclosure, if any, relating to the amount un-paid as the end of year together with interest paid/ payable as required under the said Act have not been furnished.

Note 30:

Expenditure In Foreign Currency (Accrual Basis) : NIL

Earning in foreign Currency : NIL

Note 31:

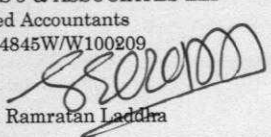
GST input credit receivable and GST payable of financial year 2022-23 has been effected in GST Return of April 2023.

Note 32:

Previous year's figures have been regrouped and reclassification wherever necessary to correspond with the current year's classification/ disclosure

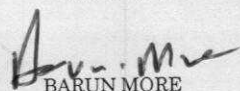
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Shriram Ramratan Laddha  
Partner  
M No.112900  
Place : Ahmedabad  
Date : 29/05/2023



For and on behalf of the Board of Directors  
FINSTARS CAPITAL LIMITED

  
BARUN MORE  
Director  
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NISHA MORE  
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