

Notice is hereby given that the 35th Annual General Meeting (AGM) of the Members of **FINSTARS CAPITAL LIMITED** ("the Company") shall be held today, 30th day of September 2023 at 05:00p.m at a shorter notice at the registered office of the Company situated at 701, 7th Floor, Pinnacle Business Park, Opp. Royal Orchid, Prahaladnagar, Ahmedabad, Gujarat – 380015 to transact the following businesses :

ORDINARY BUSINESSES :

1. **Adoption of the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2023 and Reports of the Auditors and the Directors thereon:**

To receive, consider and adopt the Annual Audited Financial Statements of the Company including the Balance Sheet as on 31 March, 2023, and the Statement of Profit and Loss Account and Cash Flow Statement for the financial year ended 31st March, 2023 together with the Reports of the Board of Directors and Auditors thereon.

2. Re-Appointment of M/s. KPSJ & Associates LLP, Chartered Accountants, (FRN: 124845W/W100209), Ahmedabad as Statutory Auditors of the Company & fixing their Remuneration.

"RESOLVED THAT pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and pursuant to the recommendation of the Audit Committee, M/s. KPSJ & Associates LLP, Chartered Accountants, having Firm Registration No. 124845W/W100209 be and are hereby reappointed as the Statutory Auditors of the Company for this second consecutive term of five years, from the conclusion of this 35th Annual General Meeting till the conclusion of the 40th Annual General Meeting to be held in the year 2028, to examine and audit the accounts of the Company at such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company."

3. Appointment of Director in place of Mr. Barun More (DIN: 07505258) Chairman and Director, who retires by rotation, in terms of Section 152(6) of the Companies Act, 2013, and being eligible, offers himself for re-appointment.

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

SPECIAL BUSINESS:

APPROVAL FOR ALTERATION OF ARTICLES OF ASSOCIATION OF THE COMPANY

4. To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution.

"RESOLVED THAT pursuant to the provisions of Section 14 and any other applicable provisions if any, of the Companies Act, 2013 ("the Act") (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the rules made thereunder the consent of the members of the Company be and is hereby accorded subject to the approval of Registrar of Companies, or any other regulatory authority for altering the Article of Association for effecting the following amendment in the existing Article of Association of the Company:

To insert the following Article 99 (iii) in the Article of Association for effecting the following amendment in the existing Article of Association of the Company :

DIRECTOR NOMINATED BY DEBENTURE TRUSTEE(S)

Subject to the provisions of applicable law, the Board shall appoint a person nominated by the Debenture Trustee (s) as a Nominee Director in the event of :

- (a) two consecutive defaults in payment of interest to the debenture holders; or
- (b) default in creation of security for debentures or
- (c) default in redemption of debentures

RESOLVED FURTHER THAT Mr. Barun More or Ms. Nisha More, Directors of the Company be and are hereby singly and severally authorised to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to give effect to the above resolutions, including filling of necessary forms with Registrar of Companies, as may be required in relation to such amendments and to comply with all other requirements in this regard.

RESOLVED FURTHER THAT Mr. Barun More or Ms. Nisha More, Directors of the Company be and are hereby singly and severally authorised to issue / provide certified true copies of this resolution."

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Pralhadnagar, Ahmedabad, Gujarat – 380015

CIN: U65100GJ1989PLC112111

Tel/ Fax No.: + 91 79 - 40327415

Website: www.finstarscapital.com

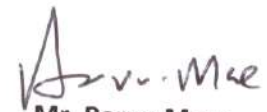
Email: bm25121979@gmail.com

September 28, 2023

Ahmedabad

By the Order of Board of Directors
For, Finstars Capital Limited




Mr. Barun More

Chairman & Director

DIN: 07505258

Corporate Office :

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NOTES :

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/ herself and the proxy need not be a Member of the Company. The instrument of Proxy in order to be effective, must be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the Meeting.
2. A person shall act as a proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than Ten percent of the total Share Capital of the Company carrying voting rights. A Member holding more than Ten percent of the total Share Capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other Member.
3. Proxy holder shall prove his/ her identity at the time of attending the Meeting. A Proxy Form which does not state the name of the Proxy shall be considered invalid.
4. Corporate members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of Companies Act, 2013 ("the Act") are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
5. FOR ATTENDING THE AGM THROUGH VC / OAVM: Members who are unable to attend the meeting in person at the registered office of the Company, can join through VC / OAVM.
6. Proxy Form(s) and certified copy of Board resolution(s) authorising representative(s) to attend and vote at the Meeting shall be sent to the Registered Office of the Company and addressed to the "Company Secretary & Compliance Officer".
7. Members/ Proxies are requested to bring the Attendance Slips duly filled in for attending the Meeting. Members are requested to write their Folio Number in the attendance slip for attending the Meeting.
8. This Meeting has been called at shorter notice and accordingly, consent of Members holding at least 95% of the shareholding has been received under section 101 of the Companies Act, 2013, for conducting the meeting.
9. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of Item No. 4 set out in the Notice is annexed hereto.
10. The Members are requested to notify immediately any change of address to the Company with a proof of new address i.e. Electricity Bill, Telephone Bill, Ration Card, Voter ID Card, Passport etc.
11. The route map to the venue of the Meeting is provided at the end of this Notice. The prominent landmark for the venue is "Opp.Apollo Pharmacy-Corporate Road".
12. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.

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13. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
14. Members seeking any information with regard to the accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the Annual General Meeting.
15. All documents specifically referred to in this Notice are opened for inspection at the Registered Office of the Company or through electronic mode at the request of the shareholder during normal business hour.
16. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communications including Annual Report, Notices, Circular, etc. from the Company in electronic mode.
17. Members who still hold share certificates in physical form are advised to dematerialise their shareholding to also avail of numerous benefits of dematerialisation, which include easy liquidity, ease of trading and transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.
18. Members may also note that the Notice of this AGM will be available on the website of the Company i.e. <https://finstarscapital.com/>.

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EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") sets out all material facts relating to the businesses mentioned at item No. 4 of the accompanying Notice dated September 28, 2023.

Securities and Exchange Board of India (SEBI) vide its notification dated February 2, 2023, bearing reference number SEBI/LAD-NRO/GN/2023/119 ("**SEBI Notification**"), amended the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("**SEBI NCS Regulations**"), by inserting sub-regulation (6) in Regulation 23, which mandates an issuer to ensure that its Articles of Association ("**AOA**") contains such clause which authorizes its Board of Directors to appoint a person nominated by Debenture Trustee ("DT") upon occurrence of below events enumerated in Regulation 15(1)(e) of the SEBI (Debenture Trustees) Regulations, 1993, as a Director on its Board:

- a. two consecutive defaults in payment of interest to the debenture holders; or
- b. default in creation of security for debentures; or
- c. default in redemption of debentures.

The Company is in compliance with the terms of NCDs and there has not been any default as above. However, in terms of the amendment in SEBI NCS Regulations, it is necessary to alter the AOA of the Company to include 6 provisions for the appointment of Nominee Director by the DT. Accordingly, the Board of Directors has proposed to alter the AOA of the Company as set out in the resolution at Item No. 4 of this Notice.

A copy of the revised AOA of the Company together with the proposed alteration would be available for inspection electronically.

The Board commends the Special Resolution set out at Item No. 4 of the Notice for approval by the Members.

None of the Promoters, Directors and Key Managerial Persons (KMPs) of the Company or any relatives of such Promoters, Directors or KMPs, are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of this Notice.

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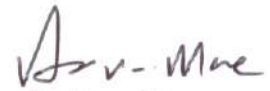
Website: www.finstarscapital.com

Email: bm25121979@gmail.com

September 28, 2023

Ahmedabad

By the Order of Board of Directors
For, Finstars Capital Limited



Mr. Barun More

Chairman & Director

DIN: 07505258

Corporate Office :

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Finstars Capital Limited

CIN: U65100GJ1989PLC112111

Registered Office: 701, 7th Floor, Pinnacle Business Park, Opp. Royal Orchid, Prahladnagar, Ahmedabad, Gujarat – 380015, India

Tel/ Fax No.: + 91 79 – 40327415

Web: www.finstarscapital.com;Email: bm25121979@gmail.com; cs@finstarscapital.com**Annual General Meeting – Saturday, September 30, 2023****ATTENDANCE SLIP**

This Attendance Slip duly filled in is to be handed over at the entrance of the Meeting Venue.

Regd. Folio No.:	
No. of Shares held:	
Name of Shareholder / Proxy*:	
Name of Joint holder (if any):	
Address of Shareholder / Proxy:	
Contact No. of Shareholder / Proxy:	
Mail id of Shareholder / Proxy:	

* To be filled if Proxy Form has been duly deposited with Company.

I hereby record my presence at **35th Annual General Meeting of Finstars Capital Limited** at the Registered Office of the Company situated at 701, 7th Floor, Pinnacle Business Park, Opp. Royal Orchid, Prahladnagar, Ahmedabad, Gujarat – 380015, India on Saturday, September 30, 2023 at 05:00 P.M.

Member's / Proxy's Name in Block Letters

Member's / Proxy's Signature

(To be signed at the time of handing over this slip)

Note: Persons attending the Annual General Meeting are requested to bring their copies of Annual Report.

Registered and Corporate Office:
701, 7th Floor, Pinnacle Business Park, Opp. Royal Orchid, Prahladnagar Auda Garden, Ahmedabad-380015,
Gujarat, India.

Mobile No: 9998001396 Phone No: +91 79 48472300/2/3/4/5 Fax No: +91 79 4030 3249

Email Id: info@finstarscapital.com CIN: U65100GJ1989PLC112111

Finstars Capital Limited

CIN: U65100GJ1989PLC112111

Registered Office: 701, 7th Floor, Pinnacle Business Park, Opp. Royal Orchid, Prahladnagar, Ahmedabad, Gujarat – 380015, India

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Email: bm25121979@gmail.com; cs@finstarscapital.com

Annual General Meeting – Saturday, September 30, 2023

Form No. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s)	
Registered Address:	
E-mail Id:	
Folio No./ Client Id:	

I/We, being the Member(s) of _____ shares of the above named Company, hereby appoint;

1. Name: _____

Address: _____

E-mail Id: _____ Signature: _____

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at **35th Annual General Meeting** of the Members of **Finstars Capital Limited** to be held on Saturday, September 30, 2023 at 05:00 PM. at the Registered Office of the Company situated at 701, 7th Floor, Pinnacle Business Park, Opp. Royal Orchid, Prahladnagar, Ahmedabad, Gujarat – 380015, India or any adjournments thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Vote (Optional see Note 4) (Please mention No. of Shares)		
		For	Against	Abstain
Ordinary Businesses				
1.	Adoption of the Financial Statements of the Company for the Financial Year ended 31 st March, 2023 and Reports of the Auditors and the Directors thereon.			
2.	Re-Appointment of M/s. KPSJ & Associates LLP, Chartered Accountants, (FRN: 124845W/W100209), Ahmedabad as Statutory Auditors of the Company & fixing their Remuneration.			
3.	Appointment of Director in place of Mr. Barun More (DIN: 07505258)			

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Email Id: info@finstarscapital.com CIN: U65100GJ1989PLC112111

	Chairman and Director, who retires by rotation, in terms of Section 152(6) of the Companies Act, 2013, and being eligible, offers himself for re-appointment.			
Special business				
4.	Approval for Alteration of Articles of Association of the Company for inserting a clause.			

Signed this day of September, 2023

Signature of Member

Signature of Proxy holder(s)

Affix Revenue Stamp of not less than Rs. 1

Note:

1. For the Resolutions and Notes, please refer to the Notice of the Annual General Meeting.
2. This form, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the Annual General Meeting (on or before September 30, 2023 at 05:00 PM.)
3. A Proxy need not be a member of the Company.
4. It is optional to indicate your preference. If you leave the 'for', 'against' or 'abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

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Finstars Capital Limited

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Tel/ Fax No.: + 91 79 – 40327415

Web: www.finstarscapital.com;

Email: bm25121979@gmail.com; cs@finstarscapital.com

Form No. MGT-12

Polling Paper

[Pursuant to Section 109 (5) of the Companies Act, 2013 and Rule 21 (1) (c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company: Finstars Capital Limited				
Registered Office: 701, 7th Floor, Pinnacle Business Park, Opp. Royal Orchid, Prahladnagar, Ahmedabad, Gujarat – 380015, India				
BALLOT PAPER				
Sr. No.	Particulars	Details		
1.	Name of the First Named Shareholder (IN BLOCK LETTERS)			
2.	Postal Address			
3.	Registered Folio No. / Client ID No.* (*Applicable to investors holding shares in dematerialized form)			
4.	Class of Share	Equity Shares		
I hereby exercise my vote in respect of Ordinary and Special Resolutions enumerated below by recording my assent or dissent to the said resolution in the following manner:				
Sr. No.	Particulars of Item	No. of shares held by me	I assent to the resolution	I dissent from the resolution
Ordinary Businesses				
1.	Adoption of the Financial Statements of the Company for the Financial Year ended 31 st March, 2023 and Reports of the Auditors and the Directors thereon.			
2.	Re - Appointment of M/s. KPSJ & Associates LLP, Chartered Accountants, (FRN: 124845W/W100209), Ahmedabad as Statutory Auditors of the Company & fixing their Remuneration.			
3.	Appointment of Director in place of Mr. Barun More			

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Email Id: info@finstarscapital.com CIN: U65100GJ1989PLC112111

	(DIN: 07505258) Chairman and Director, who retires by rotation, in terms of Section 152(6) of the Companies Act, 2013, and being eligible, offers himself for re-appointment.			
	Special Business			
4.	Approval for Alteration of Articles of Association of the Company for inserting a clause.			

Ahmedabad

September 30, 2023

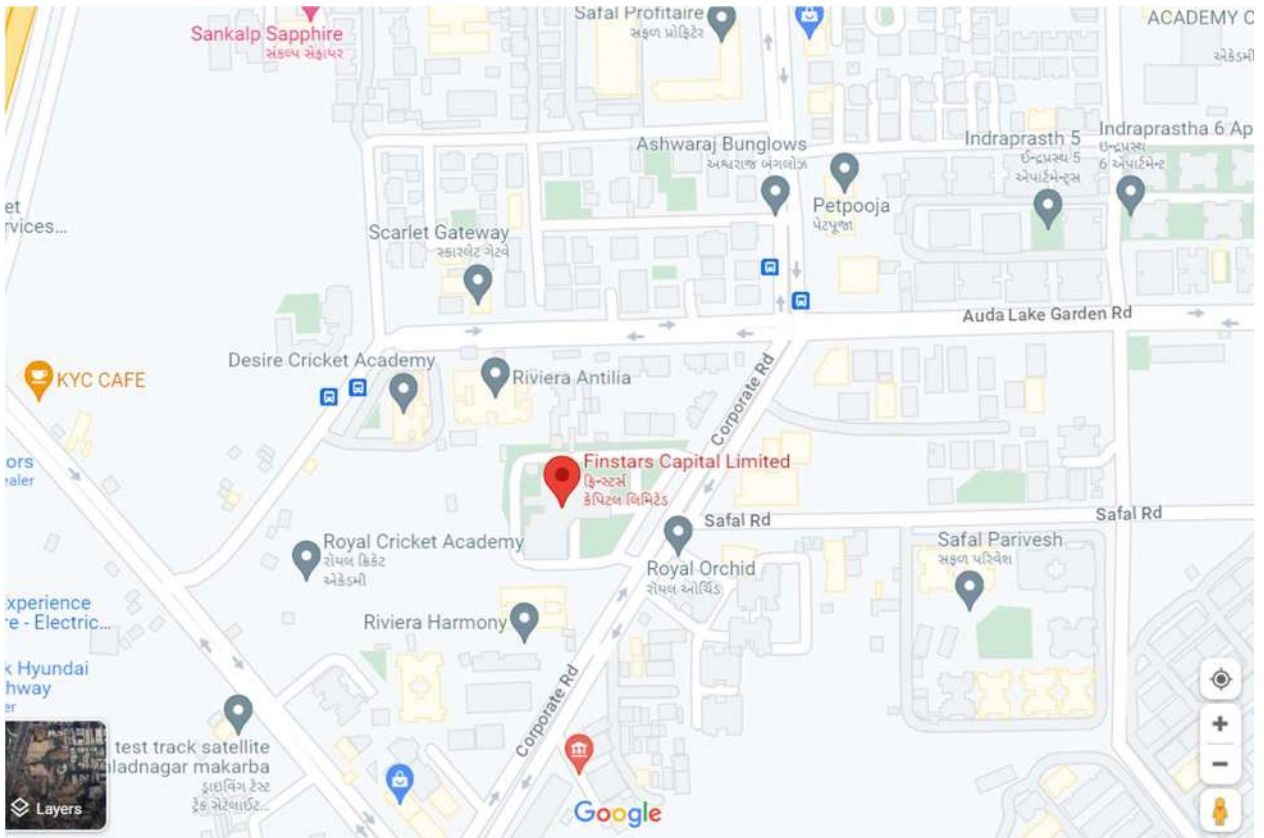
Name of the Shareholder

➤ **Route Map to the Venue of 35th Annual General Meeting of Finstars Capital Limited:**

Date: Saturday, September 30, 2023

Time: 05:00 PM.

Venue: 701,7th Floor, Pinnacle Business Park, Opp. Royal orchid, Prahladnagar, Auda Garden, Ahmedabad-380015, Gujarat, India.



<https://www.google.com/maps/place/Finstars+Capital+Limited/@23.0071173,72.5028958,17z/data=!3m2!4b1!5s0x395e8483ba757019:0xfa2bfb41b278292!4m6!3m5!1s0x395e9b36b313:0xd75907a06745291c!8m2!3d23.0071173!4d72.5054707!16s%2Fg%2F11g310h59t?entry=ttu>

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DIRECTORS' REPORT

To,
The Members,
Finstars Capital Limited
Ahmedabad

Your Directors have pleasure in presenting their 35th Annual Report on the business and operations of the Company and the Financial Statements for the Financial Year ended March 31, 2023.

Financial Performance of the Company:

Summary of the financial results of the Company for the year ended on March 31, 2023 under review is as under:

Particulars	(Amount in Lakhs)	
	2022-23	2021-22
Turnover / Gross Receipts	870.39	463.78
Other Financial Income	439.65	403.13
Profit Before Tax	330.92	385.23
Provision for Income Tax	95	101.29
Profit / Loss after Tax	235.92	283.85

Business Overview & Outlook:

In Financial Year 2022-23, the Net revenue from operations is increased to Rs. 870.39 Lakhs as compared to Rs. 463.78 Lakhs in the previous year 2021-22 showing an upward trend. The net profit after tax for the financial year 2022-23 is decreased to Rs. 235.92 Lakhs as compared to the net profit after tax of Rs. 283.85 Lakhs in the previous year 2021-22 due to increase in Expenditure.

Amount transferred to Reserves:

During the year, the Company has apportioned Rs. 70.27 Lakhs to statutory reserve. The profit earned during the year has been added in the carry forward credit balance of Profit and Loss Account.

Dividend:

With a view to enlarge the business operations of the Company, the Board of Directors did not recommend any dividend for the year under review.

Change in nature of the Business:

There has been no change in the nature of business of the Company during the year under review.

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Board of Directors and Key Managerial Personnel:

The Board of the Company comprises four Directors out of which two are Promoter Directors, and two are Non-Promoter Independent Directors. As on the date of this report, the Board comprises following Directors;

- | | |
|----------------------------|----------------------|
| 1. Mr. Barun More | Chairman & Director |
| 2. Mrs. Nisha More | Director |
| 3. Mr. Umangkumar Thakkar | Independent Director |
| 4. Mr. AshishkumarPancholi | Independent Director |

The composition of Board complies with the requirements of the Companies Act, 2013.

Information on Directorate:

During the Financial Year, there were no changes in the constitution of the Board:

Pursuant to the provisions of Section 152(6) of the Companies Act, 2013, Mr. Barun More (DIN: 07505258), Chairman and Director of the Company retires by rotation at the forthcoming Annual General Meeting and being eligible, offer him for re-appointment.

The Company has received declarations from Mr. Umangkumar Thakkar & Mr. Ashishkumar Pancholi, Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under provisions of Section 149(6) of the Companies Act, 2013.

The terms and conditions of appointment of Independent Directors and Code for Independent Directors are available for the inspection of Members at the Registered Office of the Company.

Appointment or Resignation of Key Managerial Personnel:

Pursuant to the provisions of Section 203 of the Companies Act, 2013 read with Rule 8 of Companies (Appointment and Remuneration) Rules, 2014, Mr. Mitesh Champaneri (PAN: ADEPC0553F) has been appointed as Chief Financial Officer w.e.f. 26/09/2022.

Moreover, In accordance with Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, and Our Company has appointed Mr. Ankit Somani as Company Secretary and Compliance Officer of the Company w.e.f. 26/09/2022.

Mr. Ankit Somani resigned from the Post of Company Secretary w.e.f. 26/04/2023.

Moreover, Our Company has appointed Ms. Nikita Bhatia as Company Secretary and Compliance Officer of the Company w.e.f. 27/04/2023.

Meetings:

During the year under review, Eight Board Meetings were convened and held during the year on following dates:

30/05/2022, 26/08/2022, 26/09/2022, 29/09/2023, 13/10/2022, 14/11/2022, 30/01/2023, 31/03/2023.

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The gap between two consecutive meetings was not more than one hundred and twenty days as provided in section 173 of the Act.

The details of attendance of each Director at the Board Meeting and Annual General Meeting are given below:

Name of Director	Mr. Barun More	Mrs. Nisha More	Mr. Umangkumar Thakkar	Mr. AshishkumarPancholi
No. of Board Meeting eligible to attend	8	8	8	8
No. of Board Meeting attended	8	8	8	8
Presence at the previous AGM	Y	Y	Y	Y
Presence at the EGM held on July 07, 2022	Y	Y	Y	Y

Extract of Annual Return:

In terms of Section 92(3) of the Companies Act 2013 read with section 134(3)(a) thereof, the Annual Return of the Company for the year ended 31st March 2023, in the prescribed Form MGT – 7 is available on the website of the company on <https://finstarscapital.com/>.

Statutory Auditors & Audit Report:

Pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, M/s. KPSJ & Associates LLP, Chartered Accountants, having Firm Registration No. 124845W/W100209 be and are hereby re-appointed as Statutory Auditor of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the Annual General Meeting of the Company to be held in the year 2028 at a remuneration to be mutually agreed by them with the Board of Directors of the Company.

In terms of the provisions of the Companies Act, 2013, an audit firm acting as the statutory auditor of a company is eligible to be appointed as statutory auditors for two terms of five years each. Considering their performance as auditors of the Company during their present tenure, the Audit Committee of the Company, after due deliberation and discussion, recommended the re-appointment of M/s. KPSJ & Associates LLP as statutory auditors of the Company for a second term of five years to hold office from the conclusion of the 35th AGM to be held on September 30, 2023 upto the conclusion of the 40th AGM of the Company to be held in the year 2028.

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The Auditors' comments on your Company's Accounts for year ended March 31, 2023 are self explanatory in nature and do not require any explanation as per provisions of Section 134(3)(f) of the Companies Act, 2013.

Secretarial Auditors & Secretarial Audit Report :

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s Rinku Gupta & Associates, Company Secretaries (FCS 9237) was appointed as the Secretarial Auditor of the Company to conduct Secretarial Audit for the FY 2022-23.

Secretarial Audit Report (Form MR-3) is annexed as "Annexure-1" to this Report.

There is no qualification, reservation or adverse remarks made by Secretarial Auditors in his report.

Share Capital:

During the year under review, the Authorized Share Capital of the Company was Rs. 5,00,00,000. (Five Crore).

The Paid up Equity Share Capital as at March 31, 2023 stood at Rs. 3,05,31,360 (Three Crore Five Lakhs Thirty One Thousand Three Hundred Sixty).

There were no qualifications, reservation or adverse remark or disclaimer made by Statutory Auditor in report.

Debentures:

<u>ISIN</u>	<u>Name of Debenture Trustee</u>	<u>No. of Debentures</u>	<u>Amount (Rs. In lakh)</u>	<u>Listing Status</u>
INE08XA07011	Beacon Trusteeship Limited	150	1500	Listed
INE08XA07029	Beacon Trusteeship Limited	100	100	Listed

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

Details of Debenture Trustees of the Company are as follows:

<u>Sr. No.</u>	<u>Name of the Debenture Trustee</u>	<u>Address</u>	<u>Contact Detail</u>
<u>1</u>	Beacon Trusteeship Limited	4C & D Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra East (E), Mumbai - 400051	022-26558759 compliance1@beacontrustee.co.in

Committees of Board:

During the year under review, the following Committees are applicable to the company:

- A) Audit Committee
- B) Nomination and Remuneration Committee
- C) Stakeholders Relationship Committee

We are committed to implementing these committees in line with SEBI guidelines. Our aim is to uphold the highest standards of corporate governance and ensure that the interests of our stakeholders are protected.

Vigil Mechanism:

The Company has established a vigil mechanism and accordingly framed a Whistle Blower Policy. The policy enables the employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct. Further the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provide for adequate safe guards against victimization of the Whistle Blower who avails of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases. The functioning of vigil mechanism is reviewed by the Audit Committee from time to time. None of the Whistle blowers has been denied access to the Audit Committee of the Board. The Whistle Blower Policy of the Company is available for the inspection of Members at the Registered Office of the Company.

Deposits

Being a Non-Deposit taking, Non-Banking Financial Company, your Company has not accepted any deposits from the public. Your Company is registered with the Reserve Bank of India (RBI), as a non-Deposit accepting NBFC under Section 45-IA of the RBI Act, 1934. Your Directors hereby report that the Company has not accepted any public deposits during the year under review and it continues to be a Non-Deposit taking Non-Banking Financial Company in conformity with the guidelines of the RBI.

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Conservation of Energy, Absorption Technology & Foreign Exchange Earnings / Outgo:

The provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are not applicable to your Company. However, your Company has been taking steps at all times for conservation of energy.

Foreign Exchange earnings & Outgo:

Foreign Exchange Earnings - Nil

Foreign Exchange Outgo – Nil

Particulars of Contracts or Arrangements with Related Parties:

All the contracts / Arrangements / Transactions entered by the Company during the financial year with Related Parties were in the ordinary course of Business and on an arm's length basis. During the year, the company had not entered into any contract / Arrangement / Transaction with Related Parties which could be considered material in accordance with the Policy of the Company on Materiality of Related Party Transactions.

Your Directors draw attention of the Members to Note 28 to the Financial Statement which set out Related Party Disclosures.

Particulars of Loans, Guarantees or Investments under Section 186:

The Company is a Non-Banking Financial Companies classified as NBFC - Investment and Credit Company and the principle business of the Company is to provide loan. Hence, Section 186 will not be applicable to your Company. The Company has not entered into any such transaction as prohibited under section 186.

Internal Financial Controls

The Company has devised a proper system of internal financial controls which is commensurate with size and nature of Business. The Board has appointed M/s. Sorab S. Engineer & Co. as an Internal Auditor of the Company pursuant to the provisions of Section 138 of the Companies Act, 2013 in order to ensure proper internal financial controls. The policies and procedures adopted by your Company take into account the design, implementation and maintenance of adequate internal financial controls, keeping in view the size and nature of the business. The internal financial controls ensure the orderly and efficient conduct of its business. The controls encompass safeguarding of your Company's assets, strict adherence to policies, and prevention and detection of frauds and errors against any unauthorized use or disposition of assets and misappropriation of funds. These controls help to keep a check on the accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

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Material event recorded subsequent to the date of Financial Statement:

There are no material changes and commitments affecting the financial position of the Company, which has occurred between the end of the Financial Year of the Company i.e. 31st March 2023 and the date of Directors' Report.

Particulars of Employees' Remuneration:

The information required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is applicable to the company.

Pursuant to Section 136(1) of the Companies Act, 2013, the Board's Report is being sent excluding the information on employees' particulars mentioned in Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the said information is available for inspection at the registered office of the Company and any member interested in inspecting the same may write to the Company in advance on onbm25121979@gmail.com

Risk Management:

A well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process is in place. The objective of the mechanism is to minimize the impact of risks identified and taking advance actions to mitigate it. The mechanism works on the principles of probability of occurrence and impact, if triggered. A detailed exercise is being carried out to identify, evaluate, monitor and manage both business and non-business risks.

Significant And Material Orders:

During the period under review, there were no Significant and Material Orders passed by Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in future.

Human Resources:

Your Company treats its "Human Resources" as one of its most significant assets. The Company continues its focus on retention through employee engagement initiatives and provides a holistic environment where employees get opportunities to realize their potential. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement. The Company's Health and Safety Policy commits to provide a healthy and safe work environment to all employees.

Finstars Capital Limited values its employees and believes that its success is a result of the cumulative contribution of all its employees. The Human Resource Development function, continuously strives to emphasize creation of conducive work environment and development of a robust and consistent approach towards talent management & leadership development.

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Within organization, Human Resource Department has active engagement with employee issues, listening to their concerns, and building a professional and stable relation between employees and employers. Managing expectations, being flexible, communicating and adequate training are few of the most significant factors in keeping employees contented. Human Resource Department conducts performance appraisals, career development and up skilling, developing effective reward systems and designing jobs to fit both the needs of the business and employees. On the industrial front, the Company continued to foster cordial industrial relations with its workforce during the year.

Sexual Harassment of Women at Workplace:

To foster a positive workplace environment, free from harassment of any nature, we have institutionalized the Anti-Sexual Harassment Initiative (ASHI) framework, through which we address complaints of sexual harassment at the all workplaces of the Company. Our policy assures discretion and guarantees non-retaliation to complainants. We follow a gender-neutral approach in handling complaints of sexual harassment and we are compliant with the law of the land where we operate. During the year under review, there were no incidences reported pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Reporting of Fraud:

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

Details of Subsidiary, Associate and / or Joint Venture Companies

The Company has no subsidiary, associate and/or joint venture companies.

Directors' Responsibility Statement

Pursuant to requirement under 134(5) of the Companies Act, 2013 (Act), the Board of Directors, confirm that:

- (a) In the preparation of the annual accounts for the year ended on 31st March, 2023, the applicable accounting standards read with requirement set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- (b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profit of the Company for the year ended on that date;
- (c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the annual accounts for the year ended March 31, 2023 on a going concern basis;

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(e) The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

(f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Declaration from Independent Director(S)

Mr. Thakkar Umang Kumar Mr. Ashish Kumar R Pancholi are the Independent Directors (IDs) of the Company appointed in terms of Section 149(6) of the Companies Act, 2013. The Company has received requisite declaration of Independence from them as required pursuant to Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. In the opinion of the Board, they fulfill the conditions as specified in the Act and the Rules made thereunder for appointment as IDs and confirm that they are independent of the management.

Details of Non Compliances With Requirement Of Companies Act 2013: NIL

Board Evaluation:

In terms of provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the Director individually as well as evaluation of the working of its Committees. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance of the Chairperson and the Non-Independent Directors was carried out by the Independent Directors.

Compliance with Secretarial Standards

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

General Disclosure:

Your Directors state that the Company has made disclosures in this report for the items prescribed in section 134 (3) of the Act and Rule 8 of The Companies (Accounts) Rules, 2014 and other applicable provisions of the act and listing regulations, to the extent the transactions took place on those items during the year. Your Directors further state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- i. Issue of Equity Shares with differential rights as to dividend, voting or otherwise;
- ii. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and ESOS;
- iii. Annual Report and other compliances on Corporate Social Responsibility;

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

iv. There is no revision in the Board Report or Financial Statements;

Annexure forming part of this Report of Directors :

a. Secretarial Audit Report

Acknowledgement:

Your Directors wish to place on record their gratitude and sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review.

Your Directors would like to express a profound sense of appreciation for the commitment shown by the employees in supporting the Company in its continued robust performance on all fronts.

Registered Office:

701, 7th Floor, Pinnacle Business Park, Opp. Royal Orchid,
Pralhadnagar, Ahmedabad, Gujarat – 380015

CIN: U65100GJ1989PLC112111

Tel/ Fax No.: + 91 79 - 40327415

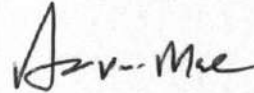
Website: www.finstarscapital.com

Email: bm25121979@gmail.com

By the Order of Board of Directors
For, Finstars Capital Limited



Ms. Nisha More
Director
DIN : 02878931



Mr. Barun More
Chairman & Director
DIN: 07505258

September 28, 2023
Ahmedabad

Corporate Office :

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MR - 3

Secretarial Audit Report

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED 31STMARCH, 2023

To,
The Board of Directors
Finstars Capital Limited
CIN : U65100GJ1989PLC112111
701, 7th Floor, Pinnacle Business Park,
Opp. Royal Orchid, Prahladnagar,
Ahmedabad, Gujarat – 380015

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Finstars Capital Limited (hereinafter called “the Company”). The secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent and in the manner reported hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Finstars Capital Limited for the financial year ended on March 31, 2023 according to the provisions of -

- a) The Companies Act, 2013 (the Act) and the rules made thereunder;
- b) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made
- c) thereunder;
- d) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- e) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made
- f) thereunder;
- g) The following Regulations and Guidelines prescribed under the Securities and Exchange
- h) Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
- i) The Securities and Exchange Board of India (Listing Obligation and Disclosure
- j) Requirements) Regulations, 2015;
- k) The Securities and Exchange Board of India (Substantial Acquisition of Shares and
- Takeovers) Regulations, 2011;
- l) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,
- 2015
- m) The Securities and Exchange Board of India (Issue of Capital and Disclosure

- Requirements) Regulations, 2018;
- n) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, and dealing with client;
- o) The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
- p) The Securities and Exchange Board of India (Buyback of securities) Regulations, 2008;
- q) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee stock purchase Scheme) Guidelines, 1999;
- r) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

Other Applicable Acts:

- s) The Employees Provident fund and Miscellaneous Provisions Act, 1952
- t) Employees' State insurance Act, 1948
- u) Factories Act, 1948
- v) Indian Contract Act, 1872
- w) Income Tax Act, 1961 and Indian Tax Laws
- x) Industrial dispute Act, 1947
- y) The Payment of Bonus Act, 1965
- z) The Payment of Gratuity Act, 1972
- aa) The Payment of Wages Act, 1936 and other applicable Labour Laws.
- bb) Sexual harassment of woman at workplace (prevention, Prohibition and Redressal) Act, 2013
- cc) Indian Boilers Act, 1923.

The following Directions, Circulars and Guidelines prescribed by the Reserve Bank of India of India, inter alia, specifically applicable to the Company:

- a) The Reserve Bank of India Act, 1934 (Chapter IIIB), Sec 45 IA
- b) Master Circular dated 1st July, 2015 on Know Your Customer (KYC) Guidelines – Anti Money Laundering Standards (AML) – Prevention of Money Laundering Act, 2002
- c) Master Circular dated 1st July, 2015 on Fair Practices Code
- d) Master Circular dated 1st July, 2015 on Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015
- e) Master Circular dated 1st July, 2015 on Miscellaneous Instructions to NBFC- ND-SI
- f) Issuance of Non-Convertible Debentures (Reserve Bank) (Amendment) Directions, 2010 read with Guidelines on Raising Money through Private Placement by NBFCs issued on 27 June, 2013 read with RBI's Circular dated 2 July, 2013 and 20 February, 2015
- g) Systemically Important Non-Banking Financial (Non- Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015
- h) Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016
- i) Master Direction - Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016
- j) Master Direction - Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016
- k) Master Direction- Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016;
- l) Master Direction on IT framework for NBFC sector, 2017;
- m) Master Direction on Know Your Customer (KYC), 2016

- n) Directions on Managing Risks and Code of Conduct in Outsourcing of Financial Services by NBFCs
- o) Other Circulars/ Directions/ Guidelines issued by RBI in relation to Non-Banking Financial Companies, from time to time;

I have also examined compliance with the applicable clauses of the following:

Secretarial Standards (SS-1 and SS-2) issued by the institute of Company Secretaries of India.

The Listing Agreements entered in to by the Company with Stock Exchanges

During the period under review, the company has complied with provisions of the Act, Rules, Regulations, Guidelines and Standards etc. mentioned above.

I further report that

- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The change in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- (ii) Adequate notice is given to all Directors to schedule the Board Meetings, agenda and related notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting. During the year a Company has allot secured redeemable non convertible redeemable Debenture under review.
- (iii) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate system and process in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

This report is to be read with our letter on the even date which is annexed as "Annexure A" and forms an integral part of this report

Place: Kolkata
Date : 25/08/2023

For Rinku Gupta & Associates


RINKU GUPTA
Company Secretary In Practice

Rinku Gupta,
Company Secretary in Practice
Membership No. :FCS 9237
CP No.: 9248
UDIN: F009237E000866819





Rinku Gupta & Associates

Company Secretaries

Office : Todi Mansion,
1 Lu Shun Sarani, 13th floor
Room no 1311, Mob -9883046454
Email:csrinku.gupta@gmail.com

To,
The Board of Directors

Finstars Capital Limited
CIN : U65100GJ1989PLC112111
701, 7th Floor, Pinnacle Business Park,
Opp. Royal Orchid, Prahladnagar,
Ahmedabad, Gujarat – 380015

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the Management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I had followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required I have obtained the Management representations about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither as assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata
Date : 25/08/2023

For Rinku Gupta & Associates


RINKU GUPTA
Company Secretary In Practice

Rinku Gupta,
Company Secretary in Practice
Membership No. :FCS 9237
CP No.: 9248
UDIN: F009237E000866819





Independent Auditor's Report

To

The Members of

FINSTARS CAPITAL LIMITED

Report on the Financial Statements

We have audited the accompanying standalone Ind AS financial statement of **FINSTARS CAPITAL LIMITED**, which comprise the Balance Sheet as at 31st March, 2023 the Statement of Profit & Loss (including other comprehensive income) and Cash Flow Statement and statement of changes in equity for period ended on 31st march, 2023, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation and presentation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows and changes in equity 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 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management 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's financial reporting process.

Auditors' Responsibility

Our responsibility is to express an opinion on these Standalone Ind AS financial statements based on our audit. Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

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, and we also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error.



- Obtain an understanding of the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.
- Conclude on the appropriateness of management's 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's ability to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements 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. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind AS 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:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2023;
- b) In the case of the Statement of Profit and Loss, the Profit of the Company for the period ended 31st March, 2023.
- c) In the case of the Statement of Cash Flow, Cash Flows of the Company for the period ended 31st March, 2023.
- d) In the case of the statement of change in equity of the Company for period ended on 31st march, 2023.

Basis for Opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the Ind AS financial statements 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 Ind AS financial statements under the provisions of the Act and the rules there under, 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.



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined no matters to be the key audit matters to be communicated in our report.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard

Report on Other Legal and Regulatory Requirements



1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the order; and

As required by Section 143 (3) of the Act, we report that:

- a) We have 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 and the Statement of Profit and Loss, Cash Flow Statement and statement of change in equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Financial Statement comply with the Ind Accounting Standards specified under section 133 of the Act, read with Rule 7 of Companies (Accounts) Rule, 2014.
- e) We do not have any observation or comment on the financial statements or matters which have any adverse effect on the functioning of the company.
- f) We do not have any qualification, reservations or adverse remarks relating to the maintenance of accounts and other matters connected herewith.
- g) on the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164 (2) of the Act; and
- h) 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- i) The Company being a limited company, the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in respect of whether the remuneration paid by the



Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

j) 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 has disclosed the impact of pending litigations on its financial position in its financial statements
- ii) the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf



of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c)Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

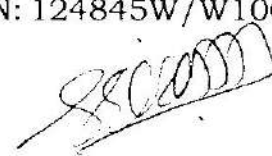
v) The Company has neither declared nor paid any dividend during the year. Therefore, Section 123 of the Act is not applicable

Unique Document Identification Number (UDIN) for this document is 23112900BGWWHB1315.

For, K P S J & ASSOCIATES LLP

Chartered Accountants

FRN: 124845W/W100209



Shriram Ramratan Laddha

PARTNER

Membership No.: 112900

Place: AHMEDABAD

Date: 29/05/2023

The Annexure - A referred to, in the Our Independent Auditor's Report of even date to the members of **FINSTARS CAPITAL LIMITED** on the accounts of the company for the period ended 31th March, 2023.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1) In respect of the Company's fixed assets:

a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

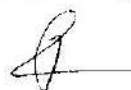
B. The Company does not have any Intangible Assets, hence no disclosure of Intangible Assets is to be given.

b) According to the information and explanations as given to us, physical verification of Property, Plant and Equipments has been carried on by the management during the year and no material discrepancies were noticed on such verification.

c) According to the information and explanations as given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company.

d) According to the information and explanations as given to us , the Company has not revalued its Property, Plant & Equipment or Intangible Assets during the year, hence paragraph 3(i)(d) of the order is not applicable.



- e) According to the information and explanations as given to us , no proceedings have been initiated against the company for holding any benami property under the Benami Transactions(Prohibition) Act, 1988 and rules made there under.
- 2) The Company is a non-banking finance company and does not hold any inventories. Accordingly reporting under clause (ii) of the Order is not applicable.
- 3) The Company involved in the business of giving loans. According to information and explanation are given to us, the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties covered in the register required under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the order is not applicable.
- 4) In respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied .
- 5) In our opinion and according to the information and explanations given to us, in respect of deposits accepted by the company or amounts which are deemed to be deposits, the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules made there under, where applicable, have been complied with,
- 6) According to information and explanation are given to us, maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, are not applicable to the company. Hence para graph 3(vi) of the order is not applicable.
- 7) In respect of statutory dues:



a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the company with the appropriate authorities.

According to the information and explanations are given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales- tax, service tax, goods and service tax, the duty of customs, the duty of excise, value-added tax, cess, and other material statutory dues were in arrears as at March 31, 2023, for a period of more than six months from the date they became payable.

b) According to the information and explanations are given to us and the records of the company examined by us, there are no disputed dues of income-tax, sales- tax, service tax, goods and service tax, the duty of customs, the duty of excise ,value-added tax and other statutory dues.

8) According to the information and explanations provided to us, the company has not surrendered or disclosed any income in the tax assessments under Income Tax Act, 1961, hence paragraph 3(viii) of the order is not applicable.

9) In our opinion and according to the information and explanations are given to us,

a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lenders during the year.

b) The company is not declared a willful defaulter by any bank or financial institution or other lender.



c) All the term loans were applied for the purpose for which the loans were obtained.

d) No funds raised on short term were utilised for long term purposes.

e) The company do not have subsidiaries, associates or joint ventures, hence this clause is not applicable.

f) the company do not have subsidiaries, associates or joint ventures, hence this clause is not applicable.

10) a) The Company has raised any money by way of an initial public offer of NCD debt instruments during the year. Accordingly, paragraph 3 (x)(a) of the order is applicable.

b) The Company has not made any preferential allotment or private placement of shares or convertible debentures. Accordingly, paragraph 3 (x)(b) of the order is not applicable.

11) a) To the best of our knowledge and according to the information and explanations are given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

b) No report has been filed by us under 143(12) with the Central government.

c) No whistle-blower complaints were received during the year.

12) The Company is not a Nidhi Company and accordingly, paragraph 3(xii) of the order is not applicable to the Company.

13) 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 section 188 and 177 of The Companies Act. Where applicable, the details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards and Companies Act 2013.



- 14) Based on our examination of the records of the company, the company has an internal audit system commensurate with the size and nature of its business.
- 15) 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 them. Accordingly, paragraph 3(xv) of the order is not applicable.
- 16) In our opinion and according to the information and explanations given to us, The Company is registered under section 45-IA of the Reserve Bank of India Act 1934. According to the information and explanations as given to us and based on our examination of the records of the company,
- (a) The company is registered under section 45-IA of the Reserve Bank of India Act 1934.
 - (b) The company has conducted Non-Banking Financial with a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;
 - (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, Hence paragraph 3(xvi)(c) is not applicable.
- 17) According to the information and explanations are given to us and based on our examination of the records of the company, the company has not incurred cash losses in the financial year and immediately preceding financial year. Accordingly, paragraph 3(xvii) of the order is not applicable
- 18) There has been no change in the Statutory Auditors of the company. Accordingly, paragraph 3(xviii) of the order is not applicable.
- 19) According to the information and explanations given to us and based on our examination of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information



accompanying the financial statements, our knowledge of the Board of Directors and management plans, no material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

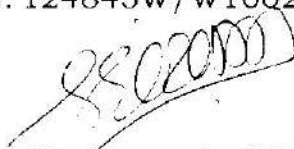
20) According to the information and explanations are given to us and based on our examination of the records of the company Since the net worth, turnover net profit are within the limits prescribed under section 135 of the Companies Act,2013, Corporate Social Responsibility is not applicable. Accordingly, paragraph 3(xx) of the order is not applicable.

21) Based on our examination of the Companies (Auditor's Report) Order CARO reports of the holding/subsidiary/joint venture/associate companies, there are no qualifications or adverse remarks by the respective auditors in those reports.

For, K P S J & ASSOCIATES LLP

Chartered Accountants

FRN: 124845W/W100209



Shriram Ramratan Laddha

Place: AHMEDABAD

PARTNER

Date: 29/05/2023

Membership No.: 112900

Annexure - B to the Auditors' Report

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 **FINSTARS CAPITAL LIMITED** as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management are 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 (ICAI). 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 judgment, 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

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 authorizations of management and directors of the company; and (3) 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 31 March 2023, 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, K P S J & ASSOCIATES LLP

Chartered Accountants

FRN: 124845W/W100209



Shriram Ramratan Laddha

PARTNER

Membership No.: 112900

Place: AHMEDABAD

Date: 29/05/2023

NOTE: 1 NOTES ON ACCOUNTS

Corporate Information:

Finstars Capital Limited is incorporated in India on 17-02-1989 having CIN: U65100GJ1989PLC112111. The registered office of the company is located at 701, 7th Floor, Pinnacle Business Park, Opp Royal Orchid, Corporate Road, Prahalad nagar, Auda Garden, Ahmadabad 380015. The Company is engaged in activities of loan financing and treasury business.

Significant accounting policies

A Basis of accounting and preparation of financial statements:

These financial statements have been prepared by the Company in accordance with the Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standard) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Amendment Rules, 2016 (as amended), the provisions of the Act (to the extent notified and applicable) and other applicable guidelines issued by the RBI and guidelines issued by the Securities and Exchange Board of India (SEBI). These financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies.

B Use of estimates:

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.



C Tangible Fixed Assets:

Fixed assets are stated at their cost of acquisition. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

D Depreciation & Amortization:

Depreciation has been provided on the Basis of Useful Life of the Asset as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to assets during the year is provided on pro-rata basis.

E Borrowing cost:

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing cost which are directly attributable to the acquisition, construction or Production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

F Impairment of Property, Plant and Equipment and Intangible Assets :

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased such reversal of impairment loss is recognized in the statement of profit & Loss account.



G Investments:

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

H Valuation of Inventories:

The Company is involved in the business of rendering services. Therefore, There is no any Inventories.

I 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. The following specific recognition criteria must also be met before revenue is recognized.


- a) Revenue from sale is recognized at the time of confirmation of loan disbursement. All interest income is accounted on accrual basis, additional overdue interest/ penal charges etc. , if any, are recognised only when it is reasonable certain that the ultimate collection will be made.
- b) Other Interest income is recognized on a time proportion basis, taking into account the amount outstanding and the rate applicable. Interest income is not booked on NPA account.
- c) Any other item of revenue is recognized on accrual basis, when there is certainty in the ultimate realisation/ collection, unless otherwise specifically mentioned.

J Foreign currency transactions and balances

Expenditure and Earning in Foreign currency transactions are NIL.

K Employee benefits:

Gratuity and leave encashment to Employee are Charged to Profit and Loss Account, on the basis of Actual payment, on an year to year basis.



L Earnings per share:

The Company reports basic and diluted Earnings per share (EPS) in accordance with IND AS 33 issued by the council of Institute of Chartered Accountants of India. Basic EPS is computed by dividing the net profit or loss for the year by weighted average number of Equity Shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of Equity Shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are in anti dilutive.

M Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961

Deferred tax is recognized, subject to the consideration of prudence, on timing difference being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred tax assets are recognized only when there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets were recognized on the basis of virtual certainty explained by the management.

N Provisions and contingencies:

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date.

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. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow or resources is remote, no provisions or disclosure is made.



No provision has been made for liabilities which are contingent in nature but if material, these are disclosed by way of note.

O Additional Regulatory Information

- The Company Has No Transactions With Companies, struck off under section 248 of the Companies Act 2013
- The Company has not disclosed or surrendered any income during the year in the Income tax assessments.
- All The Title Deeds Of Immovable Property Are In The Name Of The Company
- No Loans And Advances in the nature of loan have Been Granted to related parties or promoters
- The Company has not made any investment in virtual currency or Crypto currency during the year
- The provisions of section 135 (Corporate Social Responsibility) of the Companies Act,2013 are not applicable to the company
- The Company has not Revalued its fixed assets during the year.
- The Company does not have any intangible assets under development.
- No proceedings have been initiated against the company for holding any Benami property.
- The Company is not declared a wilful Defaulter by any bank or financial institution.
- No Charge or Satisfaction or Charge is pending to be registered with Registrar of Companies
- The Company has not made investment in any company beyond the number of layers of company permitted.
- The Company has not advanced any loan or provided any guarantee or security to any person for the purpose of investing or granting loan to any other person(ultimate beneficiary)
- The Company has no Capital work In progress at the year end.

II NOTES ON ACCOUNTS :

- 1) Balances of Debtors, Creditors and unsecured Loans & advances are subject to confirmation / reconciliation.



FINSTARS CAPITAL LIMITED

- 2) Cash Balances & Closing Stock is taken, valued and certified by the management.
- 3) Income from treasury operations are shown at net off.
- 4) Figures have been rounded off to nearest multiple rupee.
- 5) Previous year's figures have been regrouped and reclassification wherever necessary to correspond with the current year's classification/disclosure .

A handwritten signature in black ink, consisting of a stylized, cursive 'S' followed by a horizontal line extending to the right.

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
(A) ASSETS :				
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
	Sub - Total : Non- current Assets		4134.61	2877.97
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
	Sub - Total : Current Assets		1704.41	51.92
	TOTAL ASSETS		5839.03	2929.90
(B) EQUITY AND LIABILITIES :				
1	Equity			
	Equity Share Capital	(11)	305.31	305.31
	Other Equity	(12)	1200.32	964.40
	Sub - Total : Shareholders' Funds		1505.63	1269.72
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
	Sub - Total : Non- current Liabilities		3502.22	1604.07
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
	Sub - Total : Current Liabilities		831.17	56.11
	TOTAL- EQUITY AND LIABILITIES		5839.03	2929.90
	See accompanying notes forming part of the financial statements	(1)		

In terms of our report attached.

For K P S J & ASSOCIATES LLP
Chartered Accountants
UDIN : 231129008GWWH81315
FRN: 124845W/W100209

Shriram Rajmohan Laddha
(Partner)
[M No.112900]

Place : Ahmedabad
Date : 29/05/2023

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

Nikita Prakash Bhatia
(Company Secretary)
[PAN-BTXPB8269H]

Place : Ahmedabad
Date : 29/05/2023

Mitesh Rajnikant Champaneri
(Chief Financial Officer)
[PAN-ADEPC053F]

Place : Ahmedabad
Date : 29/05/2023

Barun More
(Director)
[DIN-07505258]

Place : Ahmedabad
Date : 29/05/2023

Nisha More
(Director)
[DIN-02878931]

Place : Ahmedabad
Date : 29/05/2023

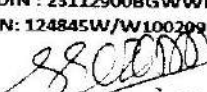


FINSTARS CAPITAL LIMITED
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31.03.2023

		(Amount in Lacs Rs.)		
	Particulars	Note No.	As at 31st March,	As at 31st March,
			2023	2022
			Rs.	Rs.
1	Revenue from operations			
	Net Sales / Income from Operation	(21)	870.39	463.78
	Other Income	(22)	439.65	403.13
	Sub - Total : Total Income from Operations		1310.04	866.91
2	Expenses			
	Employee Benefits Expenses	(23)	331.05	208.46
	Depreciation and Amortisation Expenses	(2)	45.35	24.88
	Financial Expenses	(24)	315.15	85.25
	Direct Expenses	(25)	100.10	42.37
	Other Expenses (Any item exceeding 10% of the total expenses relating to continuing operations to be shown separately)	(26)	167.04	108.39
	Sub - Total : Expenses		958.69	470.36
3	Profit / (Loss) before Provision & Tax (1 - 2)		351.36	396.54
	Provision for Standard Assets(Exp)		6.06	6.74
	Provision for NPA Assets(Exp)		14.38	4.57
	Total : Provision		20.44	11.31
4	Profit / (Loss) before Tax		330.92	385.23
	Current tax expense for current year		95.00	101.29
	Provision for Deferred tax		0.00	0.00
	Prior Period Tax Adjustment		0.00	0.09
	Sub - Total : Tax Expenses		95.00	101.38
4	Profit / (Loss) After Tax		235.92	283.85
5	Other Comprehensive Income			
	a Items that will not be reclassified subsequently to profit or loss			
	1.Items that will not be reclassified subsequently to profit or loss			
	2. Equity instruments through other comprehensive income, net			
	b Items that will be reclassified subsequently to profit or loss			
	1.Fair value changes on derivatives designated as cash flow hedge, net			
	2.Fair value changes on investments, net			
	3.Defined benefit recognised in comprehensive income			
	Total Other Comprehensive Income (Loss), Net of Tax			
6	Total Comprehensive Income		235.92	283.85
7	Earnings per Equity share (Face value Rs.10/-each)			
	a Basic Earnings per share Rs.		7.73	9.30
	b Diluted Earnings per share Rs.		7.73	9.30
	See accompanying notes forming part of the financial statements	(1)		


In terms of our report attached.

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



Shriram Ramfatan Laddha
(Partner)
[M No.112900]

Place : Ahmedabad
Date : 29/05/2023

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


Nikita Prakash Bhatia
(Company Secretary)
[PAN-BTXPB8269H]


Place : Ahmedabad
Date : 29/05/2023


Mitesh Rajnikant Champaneri
(Chief Financial Officer)
[PAN-ADEPC0553F]

Place : Ahmedabad
Date : 29/05/2023


Barun More
(Director)
[DIN-07505258]

Place : Ahmedabad
Date : 29/05/2023


Nisha More
(Director)
[DIN-02878931]

Place : Ahmedabad
Date : 29/05/2023



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

(Amount in Lacs Rs.)

	Particulars	Year ended March 31,2023	Year ended March 31,2022
A	Cash Flows From Operating Activities		
	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)	- 1790.94	- 915.85
B	Cash Flows From Investments Activities		
	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)	- 17.35	- 88.87
C	Cash Flows From Financing Activities		
	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)	2181.71	1009.20
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	373.42	4.48
	Cash and cash equivalents at beginning of the year	12.40	7.92
	Cash and cash equivalents at end of the year	385.83	12.40

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

For K P S J & ASSOCIATES LLP
Chartered Accountants
UDIN : 231129008GW/WHB1315
FRN: 124845W/W100209

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

Shriram Ramratan Laddha
(Partner)
[M.No.112900]

Nikita Prakash Bhatia
(Company Secretary)
[PAN-BTXPB8269H]

Mitesh Rajnikant Champaneri
(Chief Financial Officer)
[PAN-ADEPC0553F]

Barun More
(Director)
[DIN-07505258]

Nisha More
(Director)
[DIN-02878931]

Place : Ahmedabad
Date : 29/05/2023

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Place : Ahmedabad
Date : 29/05/2023

Place : Ahmedabad
Date : 29/05/2023



FINSTARS CAPITAL LIMITED
Statement of Changes in Equity for the year ended 31 March, 2023 (SOCIE)

(Amount in Lacs Rs.)

A: Equity Share Capital

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Number of shares	Amount Rs.	Number of shares	Amount Rs.
Shares outstanding at the beginning of the year	30,53,136	305.31	30,53,136	305.31
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	30,53,136	305.31	30,53,136	305.31

B: Other Equity :

Particulars	Other Equity				Total Other Equity [a + b + c + d]
	Retained earnings	Share Premium Capital Reserve	Statutory Reserve Net Surplus in the Reserve U/s 451C of The RBI Act, 1934	Equity Instruments through Other Comprehensive Income	
	(a)	(b)	(c)	(d)	(e)
Balance as at 31 March, 2021	376.33	158.36	145.86	-	680.55
Profit for the year ended 31 March, 22	283.85	-	-	-	283.85
Other comprehensive income for the year ended 31 March, 2022	-	-	-	-	-
Transfer to Statutory reserve	- 79.31	-	79.31	-	-
Dividend Paid	-	-	-	-	-
Tax on Dividend Paid	-	-	-	-	-
Balance as at 31 March, 2022	580.87	158.36	225.17	-	964.40
Profit for the year ended 31 March, 23	235.92	-	-	-	235.92
Other comprehensive income for the year ended 31 March, 2023	-	-	-	-	-
Transfer to Statutory reserve	- 70.27	-	70.27	-	-
Dividend Paid	-	-	-	-	-
Tax on Dividend Paid	-	-	-	-	-
Balance as at 31 March, 2023	746.51	158.36	295.44	-	1200.32

This is the Statement of Changes in Equity referred to in our report of even date.

For K P S J & ASSOCIATES LLP
Chartered Accountants
UDIN : 23112900BGWW/HB1315
FRN: 124845w/w/100208

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

Nikita Prakash Bhatia
(Company Secretary)
[PAN-BTXP88269H]

Place : Ahmedabad
Date : 29/05/2023

Mitesh Rajnikant Champaneri
(Chief Financial Officer)
[PAN-ADEPC0553F]

Place : Ahmedabad
Date : 29/05/2023

Barun More
(Director)
[DIN-07505258]

Place : Ahmedabad
Date : 29/05/2023

Nisha More
(Director)
[DIN-02878931]

Place : Ahmedabad
Date : 29/05/2023



FINSTARS CAPITAL LIMITED

Note 02 : Property, Plant & Equipments
 (i) Tangible Assets : Fixed Assets

(Amount in Lacs)

	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	Opening Balance	Addition	As on 31/03/2023 (Deletion)	Opening Balance	During the year	As on 31/03/2023	As on 31/03/2023	As on 31/03/2023
Data Processing Equipment	26.46	13.76	-	11.44	11.03	22.46	17.76	15.03
Vehicles	55.28	26.50	19.33	19.63	12.25	22.68	39.76	35.64
Office Equipments	36.69	9.14	-	8.23	8.10	16.33	29.50	28.46
Office Furniture	56.27	0.63	-	2.66	13.97	16.63	40.28	53.61
TOTAL RS.....	174.71	50.03	19.33	41.96	45.35	78.11	127.30	132.74

(ii) Intangible Assets : NIL
 (iii) Capital Work in Progress : NIL



FINSTARS CAPITAL LIMITED

(Amount In Lacs)

As at 31st March, 2023	As at 31st March, 2022
Amount Rs.	Amount Rs.

Notes Forming parts of Standalone Balancesheet for the period ended on 31st March 2023

Note 3 : Investments

Non Current Financial Assets

Long Term		
Trade Investment : Unsecured Considerable Good (At Cost)		
Investment_Equity : Quoted FMV Rs. 4.06 Lacs	4.06	0.00
Total	4.06	0.00

Note 4 : Long term Advances

Non Current Financial Assets

Loan to Borrowers [Long Term]	3962.52	2742.73
Less : Interest reversed on NPA A/c.	- 12.91	0.00
Less : Cheque Return Charges Not Received	- 7.49	0.00
Included NPA of Rs.78.35 Lacs		
Total	3942.11	2742.73

Note 5 : Other Financial Assets

Non Current Financial Assets

Long Term		
Trade Deposits : Unsecured Considerable Good		
Deposit: FDR (At Cost)	58.59	0.10
Security Deposit - Other Advances Unsecured and Considered Good	2.57	1.39
Non-Trade -Other Advances Unsecured and Considered Good	0.00	1.01
Total	61.15	2.50

Note 6 : Trade Receivable

Current Financial Assets

Unsecured		
Undisputed Trade receivables – considered good		
Trade Receivable Less than 6 months	0.18	0.67
Trade Receivable between 6 months - 1 Year	0.00	0.00
Trade Receivable between 1 Year- 2 years	0.00	0.00
Trade Receivable between 2 Year- 3 years	0.00	0.00
Trade Receivable more than 3 years	0.00	0.00
Secured	0.00	0.00
Unbilled Dues	0.00	0.00
Trade Receivable - Related parties	0.00	0.00
Total	0.18	0.67

Note 7 : Short Term Advances

Current Financial Assets

Loan to Borrowers [Short Term]	1216.52	0.02
Provision for Interest Income on advances	69.93	33.42
Total	1286.45	33.44

Note 8 : Cash and Cash Equivalents

Current Financial Assets

Cash on hand	6.12	2.50
Total	6.12	2.50

Note 9 : Bank Balance other than Cash and Cash Equivalents above

Current Financial Assets

Balances with banks	379.70	9.91
Total	379.70	9.91

FINSTARS CAPITAL LIMITED

(Amount In Lacs)

As at 31st March, 2023	As at 31st March, 2022
Amount Rs.	Amount Rs.

Note 10: Other Current Assets

Current Assets

Prepaid Expenses	2.71	1.06
Balance with Govt. Authority	1.01	3.19
Advances to Sundry Creditors	6.49	1.12
Other Advances	21.74	0.04
Total	31.96	5.41

Related Party Transaction as informed by the management

Directors *	0.00	0.00
Other officers of the Company *	0.00	0.00
Firm in which director is a partner *	0.00	0.00
Subsidiary Company	0.00	0.00
Private Company in which director is a member	0.00	0.00
Total	0.00	0.00

*Either severally or jointly

Note 11: Equity Share Capital

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Number of shares	Amount Rs.	Number of shares	Amount Rs.
Authorised				
Equity Shares of Rs.10 each	50,00,000	500.00	50,00,000	500.00
Issued				
Equity Shares of Rs. 10 each fully paid-up	30,53,136	305.31	30,53,136	305.31
Subscribed & Paid up				
Equity Shares of Rs. 10 each fully paid-up	30,53,136	305.31	30,53,136	305.31
Subscribed but not fully Paid up	-	-	-	-
Total	30,53,136	305.31	30,53,136	305.31

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Number of shares	Amount Rs.	Number of shares	Amount Rs.
Shares outstanding at the beginning of the year	30,53,136	305.31	30,53,136	305.31
Shares Issued during the year	0	0	-	-
Shares bought back during the year	0	0	-	-
Shares outstanding at the end of the year	30,53,136	305.31	30,53,136	305.31

Shares in the company held by each shareholder holding more than 5 percent shares

Name of Shareholder	As at 31st March, 2023		As at 31st March, 2022	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of
Equity shares with voting rights		0%		-
Barun more	18,31,945	60%	18,31,945	60%
Nisha more	12,21,186	40%	12,21,186	40%
Total	30,53,131	100%	30,53,131	100%

Shareholding of Promoters

Promoters Name	As at year ended 31st March, 2023		
	Number of shares held	% total shares	% Change during the year
<u>Equity shares with voting rights</u>			
Barun more	18,31,945	60%	0%
Nisha more	12,21,186	40%	0%

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FINSTARS CAPITAL LIMITED

(Amount In Lacs)

As at 31st March, 2023	As at 31st March, 2022
Amount Rs.	Amount Rs.

Shareholding of Promoters

Promoters Name	As at year ended 31st March, 2022		
	Number of shares held	% total shares	% Change during the year
Equity shares with voting rights			
Barun more	18,31,945	60%	0%
Nisha more	12,21,186	40%	0%

Note 12: Other Equity :

Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	580.87	376.33
Add: Profit / (Loss) during the year	235.92	283.85
Less: Transfer to Special Reserve	- 70.27	- 79.31
Balance as at the end of the year	746.51	580.87
Securities Premium Account		
Opening balance	158.36	158.36
Add: On issue of Equity share during the year	0.00	0.00
Less: Expenses on increased of authorised capital	0.00	0.00
Balance as at the end of the year	158.36	158.36
Net Surplus in the Reserve U/s 451C of The RBI Act, 1934		
Opening balance	225.17	145.86
Add: Transfer from Profit & loss Account	70.27	79.31
Balance as at the end of the year	295.44	225.17
Total	1200.32	964.40

Note 13: Debentures

Non- Current Financial Liabilities

Secured		
150 (12.06% p.a.) Secured Redeemable Non- Convertible Redeemable Debenture of Rs. 10 Lacs each	1500.00	0.00
100 (12.06% p.a.) Secured Redeemable Non- Convertible Redeemable Debenture of Rs. 10 Lacs each	1000.00	0.00
Total	2500.00	0.00

Terms & Conditions of Debenture :-

The Company has made Series 1-2022-23_ A of allotment of 12.06% secured redeemable Non Convertible Debenture 100 on 13/10/ 2022 annually interest payable , which will be redeemed on 13/10/2025 and the second Series 2-2022-23_ B of allotment of 12.06% secured redeemable Non Convertible Debenture 150 on 13/10/ 2022 monthly interest payable , which will be redeemed on 13/10/2027 In both the cases, issued at Rs. 10 Lacs each

Reconciliation of the number of Debentures outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Number of	Amount Rs.	Number of	Amount
Debentures outstanding at the beginning of the year	-	.00	-	-
Debentures Issued during the year	250	2500.00	-	-
Debentures redeemed during the year	-	.00	-	-
Debentures outstanding at the end of the year	250	2500.00	-	-

Note 14: Long Term Loans :

Non- Current Financial Liabilities

Secured Borrowings :			
Secured Loan - Bank		20.85	29.67
(Above all Four Secured loan against Car)			
Secured Loan - Bank		606.88	0.00
(Above Secured loan against Director personal Property)			
Secured Loan - NBFC		319.51	172.06
(Against borrowers advances)			
Unsecured Borrowings :			
Loans: ICD		0.00	1402.34
Total		947.24	1604.07

FINSTARS CAPITAL LIMITED

(Amount In Lacs)

As at 31st March, 2023 Amount Rs.	As at 31st March, 2022 Amount Rs.
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Note 15: Other Liabilities

Non-Current Liabilities

Other Non-Current Financial Liabilities	54.99	0.00
Total	54.99	0.00

Note 16: Short Term Loans:

Current Financial Liabilities

Secured Borrowings:		
Secured Loan - Bank	8.55	0.00
(Above all Four Secured loan against Car)		
Secured Loan - Bank	93.33	0.00
(Above Secured loan against Director personal Property)		
Secured Loan - NBFC	551.82	0.00
(Against borrowers advances)		
Unsecured Borrowings:		
Loans: ICD		
Total	653.70	0.00

Note 17: Trade Payables

Current Financial Liabilities

Trade Payable Less than 1 Year		
Total outstanding dues of micro enterprises and small enterprises : Undisputed , Billed and Due		
Creditors for Goods	0.00	0.00
Creditors for Services	0.00	0.00
Total outstanding dues other than micro enterprises and small enterprises : Undisputed , Billed and Due		
Creditors for Goods	0.00	0.00
Creditors for Services	11.48	4.69
Trade Payable Between than 1 -2 Years	0.00	0.00
Trade Payable Between than 2 -3 Years	0.00	0.00
Trade Payable more than 3 Years	0.00	0.00
Trade Payable : Unbilled Dues	0.00	0.00
Trade Payable in Foreign Currency	0.00	0.00
Total	11.48	4.69

Related Party Transaction as informed by the management

Directors *	0.00	0.00
Other officers of the Company *	0.00	0.00
Firm in which director is a partner *	0.00	0.00
Private Company in which director is a member	0.00	0.00
Total	0.00	0.00

*Either severally or jointly

Note 18: Other Current Liabilities

Current Financial Liabilities

Creditors for Capital Goods	0.00	2.80
Salary Payables	29.87	2.08
Statutory remittances	22.59	17.05
Other Current Liabilities	6.58	5.42
Total	59.04	27.34

Note 19: Short-term provisions

Current Liabilities

Provision - Others:		
(i) Provision for Exp	59.03	3.64
(ii) Provision for Standard Assets	18.90	12.84
(iii) Provision for NPA Assets	18.95	4.57
Total	96.88	21.05

Note 20: Income tax Liabilities - (Net)

Current Liabilities

Provision for Income Tax	95.00	101.29
Less :		
Income Tax Paid :	84.93	98.26
Total	10.07	3.03

FINSTARS CAPITAL LIMITED

(Amount In Laacs)

As at 31st March, 2023	As at 31st March, 2022
Amount Rs.	Amount Rs.

Notes forming part of the financial statements (Profit & Loss Items)

Note 21 : Net Sales / Income from Operation

Income from operation	754.40	382.83
Other Business Income	115.99	80.95
Total	870.39	463.78

Note 22: Other Income

Revenue from Treasury Operation	413.04	403.12
Profit On Sales Of Fixed Assets	2.37	0.00
Dividend Income	0.04	0.00
Interest On Bond	23.73	0.00
Interest on FD	0.48	0.00
Total	439.65	403.13

Note 23 : Employee Benefits Expenses

Salaries and wages & Bonus	249.16	144.59
Director Remuneration	34.80	34.80
Director Setting Fee	0.72	0.72
Incentive Exp	13.26	9.01
Staff Welfare Exp.	9.29	4.73
EPF & ESIC	23.82	14.61
Total	331.05	208.46

Note 24 : Financial Expenses

Interest NCD	139.60	
Others Interest	175.55	86.25
Total	315.15	86.25

Note 25 : Direct Expenses

Brokerage & Commission Exp	11.86	0.25
Credit Rating And Reporting Services	5.35	5.64
Legal Expense	0.64	0.44
Legal Technical Fees	35.59	11.09
Professional Fees/loan	46.66	24.95
Total	100.10	42.37

Note 26: Other Expenses

Audit Fee	0.30	0.20
Advertisement Charge	0.51	0.31
AMC charges	7.55	4.90
Account Charges	0.08	0.03
Bank charges	1.77	0.84
Custody Fees	0.84	0.09
Computer Spare Part	1.38	0.00
Conveyance Exps	14.70	14.30
Electric Charges	8.15	2.45
File Storage Charges	4.31	4.00
Insurance expenses	0.74	0.23
Other Gst Exps	10.06	12.82
Office Expenses	22.49	16.48
Professional & Consultancy Fees	12.12	4.58
Property Tax	1.40	1.18
Rent Exps	29.90	5.21
Repairing & Maintenance	8.11	21.95
Stationary & Printing Exps	6.95	3.35
Telephone & Mobile Exps	5.42	2.14
Traveling Exps	28.71	12.56
Vehicle Exp	1.55	0.77

FINSTARS CAPITAL LIMITED

(Amount In Lacs)

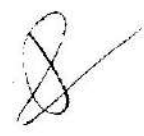
	As at 31st March, 2023	As at 31st March, 2022
	Amount Rs.	Amount Rs.
Total	167.04	108.39
<i>Payment to Auditors - Detail</i>		
(i) Payments to the auditors comprises (net of GST input credit, where applicable):		
As auditors - statutory audit	0.30	0.20
As auditors - Other Certificate fee	0.45	0.03
Total	0.75	0.23



FINSTARS CAPITAL LIMITED

Note 27 : Financial Ratio

Ratio	Numerator	Denominator	March	March	% Variance	Reason for variance
Current ratio	Current Assets	Current Liabilities	2.05	0.93	113%	Due To Increased In Advances
Debt equity ratio	Total Debt	Shareholder's Equity	2.72	1.26	146%	Due To Increased In Loans
Debt service coverage ratio	Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + interest + other	Interest & Lease Payments + Principal Repayments	2.26	5.89	-363%	Due To Increased In Interest
Return on Equity	Net Profits after taxes - Preference Dividend (if any)	Average Shareholder's Equity	0.77	0.93	-16%	Due To Decreased In Profit
Inventory turnover ratio	Cost of goods sold OR sales	Average Inventory (Opening + Closing balance / 2)	N.A.	N.A.	0%	
Trader receivable turnover ratio	Net Credit Sales (gross credit sales minus sales return)	Average Accounts Receivable (Opening + Closing balance / 2)	44.16%	21.47%	23%	Due To Increased of Receivable.
Trade payable turnover ratio	Net Credit Purchases (gross credit purchases minus purchase return)	Average Working Capital	N.A.	N.A.	0%	
Net capital turnover ratio	Net Sales (total sales minus sales returns)	Average Working Capital	0.50	-14.03	1453%	Due to increased in Sales and Working Capital
Net profit ratio	Net Profit	Net Sales	0.27	0.61	-34%	Due To Decreased In Profit
Return on capital employed	Earning before interest and taxes	Capital Employed (Tangible Net Worth + Total Debt + Deferred Tax Liability)	0.12	0.17	-5%	
Return on investment	Return	Investment	0.16	0.22	-7%	



FINSTARS CAPITAL LIMITED

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
Urmang Kumar Thakkar	Ind. Director

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

Name of the Party	Nature of Relation
Sunrise Gills & Securities Private Limited	Directors: Brother and Father are directors in the Company

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 influence,	Total
Sitting Fees	0.00	0.72	0.00	0.72
Interest Expenses	0.00	0.00	13.01	13.01
Loan taken and paid	0.00	0.00	8383.67	8383.67
Purchases	0.00	0.00	4654.17	4654.17
Sales	0.00	0.00	1088.41	1088.41
Expenses incurred	0.00	20.31	0.00	20.31
Remuneration	0.00	34.80	0.00	34.80

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 influence,	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

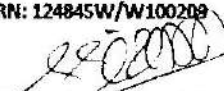
Note 31 :

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.
As per our report of even date attached

For K P S J & ASSOCIATES LLP
Chartered Accountants
UDIN : 23112900BGW/WHB1315
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


Nikita Prakash Bhatia
(Company Secretary)
[PAN-BTXPB8269H]

Place : Ahmedabad
Date : 29/05/2023


Mitesh Rajnikant Champaneri
(Chief Financial Officer)
[PAN-ADEPC0553F]

Place : Ahmedabad
Date : 29/05/2023


Barun More
(Director)
[DIN-07505258]

Place : Ahmedabad
Date : 29/05/2023


Nisha More
(Director)
[DIN-02878931]

Place : Ahmedabad
Date : 29/05/2023

