



Notice is hereby given that the 36th Annual General Meeting (AGM) of the Members of **FINSTARS CAPITAL LIMITED** ("the Company") shall be held today, 30th day of September 2024 at 05:00 p.m at the registered office of the Company situated at 701, 7th Floor, Pinnacle Business Park, Opp. Royal Orchid, Prahladnagar, 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, 2024 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, 2024, and the Statement of Profit and Loss Account and Cash Flow Statement for the financial year ended 31 March, 2024 together with the Reports of the Board of Directors and Auditors thereon.

2. Appointment of Director in place of Mrs Nisha More (DIN: 02878931) Director, who retires by rotation, in terms of Section 152(6) of the Companies Act, 2013, and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:**Item No. 4: Approval to advance any loan/give guarantee/provide security u/s 185 of the Companies Act, 2013:**

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

RESOLVED THAT pursuant to the provisions of Section 185 and other applicable provisions, if any of the Companies Act, 2013 ("Act") (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, approval of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its powers, including the powers conferred by this Resolution), for giving loan(s) in one or more tranches including loan represented by way of book debt (the "Loan") to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any Loan taken/to be taken by any entity which is a Subsidiary or Associate or Joint Venture or group entity of the Company or any other person in which any of the Directors of the Company is deemed to be interested as specified in the explanation to sub-section 2 of section 185 of the Act (collectively referred to as the "Entities"), of an aggregate amount not exceeding Rs. 100 Crores (Rupees hundred Crores Only) for the financial year 2023-23, in its absolute discretion deem beneficial and in the best interest of the Company.

RESOLVED FURTHER THAT the aforementioned loan(s) and/or guarantee(s) and/or security(ies) shall only be utilized by the borrower for the purpose of its principal business activities.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to negotiate, finalise and agree to the terms and conditions of the aforesaid Loans / Guarantees / Securities, and to take all necessary steps, to execute all such documents, instruments and writings and to do all necessary acts, deeds and things in order to comply with all the legal and procedural formalities and to do all such acts, deeds or things incidental or expedient thereto and as the Board may think fit and suitable."

Item No. 5: To approve related party transactions:

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any of the Companies Act, 2013 ("Act"), read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014) and Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), including any statutory modification(s) or re-enactment thereof for the time being in force and subject to such approvals, consents, sanctions and permissions as may be necessary, approval of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its powers, including the powers conferred by this Resolution) to enter into contract(s)/ arrangement(s)/ transaction(s) with parties as detailed in the table(s) forming part of the Explanatory Statement annexed to this notice with respect to sale, purchase or supply of goods or materials, leasing of property of any kind, availing or rendering of any services including the providing and/or receiving of loans or guarantees or securities or making investments, or any other transactions of whatever nature, notwithstanding that such transactions may exceed 10% of the Consolidated Turnover of the Company in any financial year or such other threshold limits as may be specified by the Listing Regulations from time to time, up to such extent and on such terms and conditions as the Board of Directors may deem fit, in the normal course of business

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and on arm's length basis, within the aggregate limits and during the financial years as mentioned in the explanatory statement.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do or cause to be done all such acts, matters, deeds and things and to settle any queries, difficulties that may arise with regard to any transaction with the related party and execute such agreements, documents and writings and to make such filings as may be necessary or desirable for the purpose of giving effect to this resolution, in the best interest of the Company."

Item No. 6: TO INCREASE BORROWING POWER PURSUANT TO SECTION 180(1)(C) OF THE COMPANIES ACT, 2013

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 180 (1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications, or re-enactments thereof) and pursuant to the provisions of the Articles of Association of the Company, approval of the shareholders of the Company be and is hereby accorded to the Board of Directors to borrow for and on behalf of the Company, from time to time, any sum of money, from any one or more of the Company's bankers and/or from any one or more other banks, persons, firms, companies/body corporate, financial institutions, institutional investor(s) and/or any other entity/entities or authority/authorities, whether in India or abroad, and whether by way of cash credit, advance, deposits, loans, or bill discounting, issue of debentures, commercial papers, long or short term loan(s), syndicated loans, either in rupees and/or such other foreign currencies as may be permitted by law from time to time, and/or any other instruments/securities or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company's assets, licenses and properties (whether movable or immovable, present or future) and all or any of the undertaking of the Company, stock-in-process or debts, for the purpose of the Company's business, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company, if any, (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will or may exceed, at any time, the aggregate of the Paid-up Capital of the Company and its Free Reserves, that is to say, reserves which are not set apart for any specific purposes, provided that the total amount up to which the monies may be borrowed by the Board of Directors and outstanding at any time shall not exceed Rs. 250.00 Crores (Rupees Two Hundred Fifty Crores Only)."

"RESOLVED FURTHER THAT the Board of Directors of the Company and/or any person authorized by the Board from time to time in this regard be and is hereby empowered and authorised to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, securities or otherwise as they may think fit."

"RESOLVED FURTHER THAT Board of Directors of the Company and/or any person authorized by the Board from time to time be and is hereby empowered and authorised to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

Item No. 7:

Re-Appointment of Mr. UMANGKUMAR NAVINBHAI THAKKAR (DIN: 07915337) as Independent Director

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

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“RESOLVED THAT pursuant to sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any of the Companies Act, 2013 (“the Act”) and the rules framed thereunder, and the provisions of regulations 17(1C) and 25(2A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) amendments(s) or re-enactment(s) thereof for the time being in force), and based on the recommendations of the Nomination and Remuneration Committee and Board of Directors, **Mr. UMANGKUMAR NAVINBHAI THAKKAR** (DIN: 07915337) in respect of whom the Company has received a notice of candidature from a member under section 160 of the Act, be and is hereby appointed as Director (Non-Executive and Independent) to hold the office for a period of 3 years , till 20.08.2027 and he is not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to delegate all or any of the powers to any committee of Board and also do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this resolution and to settle any questions or doubts that may arise in this regard.”

Item No. 8

Re-Appointment of Mr. ASHISHKUMAR RAJMALBHAI PANCHOLI (DIN: 08000199) as Independent Director

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

“RESOLVED THAT pursuant to sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any of the Companies Act, 2013 (“the Act”) and the rules framed thereunder, and the provisions of regulations 17(1C) and 25(2A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) amendments(s) or re-enactment(s) thereof for the time being in force), and based on the recommendations of the Nomination and Remuneration Committee and Board of Directors, **Mr. ASHISHKUMAR RAJMALBHAI PANCHOLI** (DIN: 08000199) in respect of whom the Company has received a notice of candidature from a member under section 160 of the Act, be and is hereby appointed as Director (Non-Executive and Independent) to hold the office for a second term, for a period of 5 years till 22.03.2029 and he is not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to delegate all or any of the powers to any committee of Board and also do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this resolution and to settle any questions or doubts that may arise in this regard.”

Item No. 9 Regularization of Additional Director Mrs. MITESHAN BINDUSAGAR AGRAWAL (DIN: 08710613) as the Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution**:

“RESOLVED THAT Mrs. **MITESHAN BINDUSAGAR AGRAWAL** (DIN: 08710613), who was appointed as an Additional Director of the Company by the Board of Directors with effect from September 30, 2024 u/s161(1) of the Companies Act, 2013 (the “Act”) and who is eligible for appointment and has consented to act as Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.”

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CIN: U65100GJ1989PLC112111
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Website: www.finstarscapital.com
Email: bm25121979@gmail.com
August 30, 2024
Ahmedabad

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

Sd/-

(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.
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.
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.
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

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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

Item No. 04

The Company is expected to render support for the business requirements of other companies in the group, from time to time. However, inter-alia replacing the provisions Section 185 of Companies Act, 2013, the Company with the approval of members by way of special resolution, would be in a position to provide financial assistance by way of loan to other entities in the group or give guarantee or provide security in respect of loans take by such entities, for their principal business activities. The members may note that board of directors would carefully evaluate proposals and provide such loan, guarantee or security proposals through deployment of funds out of internal resources / accruals and / or any other appropriate sources, from time to time, only for principal business activities of the entities. Hence, in order to enable the company to advance loan to Managing Director/Whole Time Director/associates/ other Companies/ Firms in which Directors are interested directly or indirectly under Section 185 of the Companies Act, 2013 requires approval of members by a Special Resolution.

Item No. 05

Pursuant to the Companies Act, 2013, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company is required to obtain consent of Board of Directors and prior approval of the members by way of Ordinary Resolution, in case certain transactions with related parties exceeds such sum as is specified in the Rules made there under from time to time. The aforesaid provisions are not applicable in respect of transactions entered into by the Company in the ordinary course of business on an arm's length basis. However, pursuant to Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the members through Ordinary Resolution is required for related party transactions, even if they are entered into in the ordinary course of business and on arm's length basis. For this purpose, a transaction is considered material, if the transaction/transactions to be entered into individually or taken together with previous transactions during a financial year exceeds Rupees 1000 crores or 10% of annual the turnover of the Company, as per the last audited financial statements of the Company whichever is lower. All the Related Party Transactions entered / proposed to be entered into by the Company are at arm's length basis and in the ordinary course of business and approval of the Audit Committee / Board is obtained, wherever required. The particulars of the contract / transactions with its related party are as under:

Name of the Related Party	Nature of Relationship	Nature of Transaction
Sunrise Guilts Private Limited	A Body corporate in which Mr. Barun More is one of Director of the Company. Further Mr. Barun More holds 46% of Equity Shares of	Interest and loan taken and paid
Mr. Barun More and Mrs. Nisha More	Mr. Barun More and Mrs Nisha More being the directors of the company.	Remuneration

The Board of Directors recommend the special resolution for the approval by the members. Except Mr. Barun More and Mrs. Nisha More none of the Director, KMP and their relatives is in any way concerned or interested financially or otherwise in this resolution except to the extent of their shareholding.

Item No. 06

Pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 the Board of Directors of a Company cannot, except with the consent of Members of the Company in the General Meeting by way of a

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special resolution, borrow any sum or sums of money from time to time for the purposes of business of the Company, if the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in ordinary course of business) exceeds the aggregate of the Paid-up Capital of the Company and its Free Reserves, that is to say, reserves not set apart for any specific purpose. In view of future business expansion, the Company would require, from time to time, additional banking facilities to meet the funding requirements of the Company. Considering the quantum of present borrowing already sanctioned by the Bank and proposed sum intended to be borrowed by Company at a future date (subject to approval of members), it is therefore proposed to obtain consent from members to sanction the borrowing limit of upto Rs. 250.00 Crores (Rupees Two Hundred Fifty Crores Only) to the Board of Directors.

None of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the proposed resolution.

Annexure A

Brief Particulars of Directors seeking Appointment/ Re-appointment at the forthcoming Annual General Meeting Pursuant of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meeting (SS-2) issued by the ICSI:

Name of the Director	Mrs. Nisha More
Date of Birth	08-11-83
Director Identification Number (DIN)	02878931
PAN	ADYPA1960G
Age	41 YEARS
Date of Appointment on Board	26-04-2017
Qualification	B.com
Experience	18 years
Nature of expertise in specific functional area	Mrs. Nisha More (Agarwal) is the Director of "Finstars Capital Limited" having experience of more than 18 years in the Indian Financial Market with a deep financial market insights enables Finstars Capital Limited to foresee the future market trends and take initiatives to leverage the market opportunities which is beneficial for the Company for its growth till now and also for near future.
Shareholding in Finstars Capital Limited(31.03.2024)	12,21,186 Equity shares
List of Directorships held in other Companies	Nil
Memberships/Chairmanships of Audit and Stakeholders' Relationship Committees across Public/Public Companies	nil
Nature of Director's Interest in any of the resolution	Except Mr Barun More and Nisha More none of the remaining directors are concerned or interested in this resolution.
Remuneration Details	Rs.15,00,000/Annum

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Tel/ Fax No.: + 91 79 - 40327415

Website: www.finstarscapital.com

Email: bm25121979@gmail.com

August 30, 2024

Ahmedabad

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

Sd/-

(Mr. Barun More)
Chairman & Director
DIN: 07505258

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Dear Members,

Finstars Capital Limited

Your directors have pleasure in presenting the 36th Annual Report together with the Audited Statement of Accounts of your Company for the financial Year ended March 31, 2024.

1. FINANCIAL SUMMARY:

The Company's financial performance for the financial year ended March 31, 2024:

(Amount in Lakhs INR)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from Operations	1824.19	1310.04
Profit Before Tax	412.22	330.93
Less: Current Tax	111.50	95
Deferred Tax	0	0
Prior Period Tax adjustment	0.71	0
Profit after tax	300.01	235.93
Total Comprehensive Income	300.01	235.93

STATE OF AFFAIRS / HIGHLIGHTS:

There has been no change in the business of the Company during the financial year ended March 31, 2024.

WEB LINK OF ANNUAL RETURN, IF ANY:

The Company is having website i.e. <https://finstarscapital.com> and annual return of Company has been published on such website. Link of the same is given below:

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Board of the Company comprises five Directors out of which two are Promoter Directors, and two are Non-Promoter Independent Directors and one additional director. 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. Ashishkumar Pancholi (Independent Director) 5. Miteshan Bindusagar Agrawal (Additional Director).The composition of Board complies with the requirements of the Companies Act, 2013.

MEETINGS OF BOARD OF DIRECTORS:

Nine Board Meetings were held during the Financial Year ended March 31, 2024 i.e. (26/04/2023, 29/05/2023, 10/08/2023, 28/09/2023, 09/11/2023, 07/12/2024, 03/02/2024, 08/02/2024, 27/02/2024).

The maximum gap between any two Board Meetings was less than one Hundred and Twenty days.

The names of members of the Board, their attendance at the Board Meetings are as under:

Name of Director	Mr. Barun More	Ms. Nisha More	Mr. Umangkumar Thakkar	Mr. Ashishkumar Pancholi	Mr. Miteshan Agarwal
No. of Board Meetings eligible to attend	9	9	9	9	5
No. of Board Meetings attended	9	9	9	9	5
Presence at the previous AGM	Y	Y	Y	Y	Y

DETAILS IN RESPECT OF FRAUD:

During the year under review, the Statutory Auditor in their report have not reported any instances of frauds committed in the Company by its Officers or Employees under section 143(12) of the Companies Act, 2013.

BOARD'S COMMENT ON THE AUDITORS' REPORT:

The observations of the Statutory Auditors, when read together with the relevant notes to the accounts and accounting policies are self-explanatory and do not call for any further comment.

OR

(Explanation or comment by the Board on every qualification, reservation, adverse remark or disclaimer made by the statutory auditor in his report and/or by the secretarial auditor in the secretarial Audit Report)

MATERIAL CHANGES AND COMMITMENTS:

The following material changes and commitments have occurred between the end of the financial year to which the financial statements relate and the date of this Report and their impact on financial position of the company is not determinable.

As the Company has changed the Credit Rating Agency and the Company has availed a rating for the Non-Convertible Debentures (NCDs) from a SEBI-registered Credit Rating Agency (i.e., **Informerics Valuation and Rating Private Limited**), we have submitted a credit rating withdrawal request to Acuite for our existing listed NCDs via email dated 1st July 2024. We also provided a No Objection Certificate ("NOC") from the debenture trustees, after obtaining consent from 75% of the debenture holders, along with a request letter dated 5th August 2024. However, Acuite has communicated that, pursuant to SEBI regulations, it will be unable to withdraw the rating until August 2025 (communication email attached). Consequently, Acuite will assign a rating to the NCDs under the Issuer Not Cooperating ("INC") category until August 2025. Following this process, Acuite has placed our ratings in the INC Category and revised the rating to BB+, citing the non-availability of information as the reason for the revision.

CHANGE IN DIRECTOR AND KEY MANAGERIAL PERSONS:

Pursuant to the provisions of Section 152(6) of the Companies Act, 2013, Mr. Nisha More (DIN: 02878931), Director of the Company retires by rotation at the forthcoming Annual General Meeting and being eligible, offer herself for re-appointment.

During the year under Report, Mr. Miteshan Bindusagar Agarwal has been appointed as an Additional Executive Director of Company in the Professional Category w.e.f 28th September, 2023.

Ms. Nikita Prakash Bhatia resigned from the position of Company secretary of the company w.e.f 20 th August, 2024, however Board has not accepted her resignation yet.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS:

The details of a significant material order passed by the Reserve Bank of India (RBI) :

The Company has received show cause notice from RBI dated June 19, 2024 for not obtaining prior approval for appointment of Mr. MITESHAN BINDUSAGAR AGRAWAL as additional director of the company w.e.f. 28/09/2023

The explanation provided / cause shown by the company, the contents of the additional documents furnished and written submissions made have been duly considered by the competent authority. Accordingly it has been decided not to pursue the proceedings initiated referred SCN.

Explanations:

The Company is advised to apply post facto approval for the change of the management which occurred due to appointment of shri Miteshan Bindusagar Agarwal as an additional executive Director of the company.

Accordingly same applied for the post facto approval.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

The Company has entered into transactions with its related party in normal course of business and on an arm's length basis. The particulars of such contracts or arrangements with related parties referred to in Section 188, are specified in Note No. 26 of the financial statement.

COMPLIANCE WITH SECRETARIAL STANDARD:

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.

PARTICULARS OF LOANS AND INVESTMENTS:

In respect of loans, investments, guarantees and securities, provision of 186 of the Companies Act 2013 have been complied.

TRANSFER TO RESERVE:

During the year, the Company has apportioned Rs. 84.82 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.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND 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

RISK MANAGEMENT POLICY

Risk Management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximize the realization of opportunities. The Company has laid down a comprehensive Risk Assessment and Minimization Procedure which is reviewed by the Board from time to time. These procedures are reviewed to ensure that executive management controls risk through means of a properly defined framework. The major risks have been identified by the Company and its mitigation process/measures have been formulated in the areas such as business, project execution, dg event, financial, human, environment and statutory compliance.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE [“POSH”]:

To foster a positive workplace environment, free from harassment of any nature, the Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the workplace, in line with the provisions of “Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013” and the Rules made thereunder. Further, the Company has not received any complaint of sexual harassment during the Financial Year 2023-24.

The Board of Directors in their meeting held on 25th April, 2024 reviewed the Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace (POSH Policy) and made the required changes.

DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES:

As on March 31, 2024, Company doesn't have any Subsidiary & Joint Venture and Associate Companies at the end of the year.

INTERNAL FINANCIAL CONTROL:

The Company has in place adequate internal financial controls with reference to financial statements. During the financial year, such controls were tested and no reportable material weakness in the design or operation was observed.

AUDITOR:

Statutory Auditors

As per the provisions of Section 139, 141 of the Companies Act, 2013 and Rules made thereunder (hereinafter referred to as "The Act"), the Company at its 35th Annual General Meeting('AGM') held on 30th September, 2023 approved the Re-appointment of M/s. KPSJ & Associates LLP, Chartered Accountants, having Firm Registration No. 124845W/W100209 as the Statutory Auditors for a period of 5 years commencing from the conclusion of 35th AGM till the conclusion of the 40th AGM to be held in the year 2028.

Secretarial Auditors

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, CP No.9248) was appointed as the Secretarial Auditor of the Company to conduct Secretarial Audit for the FY 2023-24.

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.

Cost Auditors

In accordance with the provisions of Section 148 of the Act read with Companies (Audit & Auditors) Rules, 2014, Company is required to maintain cost records and accordingly, such accounts and records are maintained by the Company. Further, since the remuneration payable to the Cost Auditors is required to be ratified by the shareholders, the Board recommends the same for approval by members at the ensuing annual general meeting.

DIRECTOR'S RESPONSIBILITY STATEMENT:

The Directors would like to inform the Members that the Audited Accounts for the financial year ended March 31, 2024, are in full conformity with the requirement of the Companies Act, 2013. The Financial Accounts are audited by the Statutory Auditors, (Auditor/Auditor Firm Name along with FRN). The Directors further confirm that: -

- a)** In the preparation of the annual accounts for the year ended March 31, 2024 the applicable accounting standards read with requirements 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, 2024 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 have prepared the annual accounts on a 'going concern' basis.
- e)** The Company being unlisted, sub clause (e) of section 134(3) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the Company.

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

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.

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, 2024 stood at Rs. 3,05,31,360 (Three Crore Five Lakhs Thirty One Thousand Three Hundred Sixty).

DEBENTURES

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

Details of Debenture Trustees of the Company are as follows:

Sr.No.	Name of the Debenture Trustee	Address	Contact Detail
1	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.

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 principal 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.

Particulars of Employees' Remuneration:

There was no employee drawing an annual salary of Rs. 102.00 lakhs or more where employed for full year or monthly salary of Rs. 8.50 Lakhs or more where employed for part of the year and therefore, information pursuant to the provisions of Rule 5 (2) and (3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is NIL.

COST RECORD:

As per section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Rules, 2014, your Company is not required to maintain cost records.

STATEMENT ON DECLARATION FROM INDEPENDENT DIRECTORS:

The Company has received necessary declarations from all Independent Directors of the Company in accordance with the provisions of Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013.

ESTABLISHMENT OF VIGIL MECHANISM/WHISTLE BLOWER POLICY:

Pursuant to the provisions of section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its powers) Rules, 2014, the Company has adopted Whistle Blower Policy/Vigil Mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct. It also provides for adequate safeguards against victimization of directors /employees who avail of the Mechanism. 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.

CORPORATE GOVERNANCE:

The Corporate Governance philosophy at Finstars Capital Limited is to not only adhere to the statutory requirements in letter but also in spirit, in order to enhance and retain investors' trust. The Company is conscious and continues to voluntarily formulate and comply with the best governance principle to ensure creation of long-term value for its stakeholders on sustainable basis. The Company relentlessly strives to align its vision and business strategy with the welfare and best interests of all its stakeholders.

Your Company believes in the concept of good corporate governance involving transparency, empowerment, accountability, and integrity with a view to enhancing stakeholder's value. With this objective, the Company has put in place various policies, systems, and processes to achieve transparency, business ethics and compliance with applicable laws.

FORMAL ANNUAL EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES & OF INDIVIDUAL DIRECTORS:

The Board of Directors have evaluated the performance of all Independent Directors, Non-Independent Directors and its Committees. The Board deliberated on various evaluation attributes for all directors and after due deliberations made an objective assessment and evaluated that all the directors in the Board have adequate expertise drawn from diverse industries and business and bring specific competencies relevant to the Company's business and operations. The Board found that the performance of all the Directors was quite satisfactory.

The Board also noted that the term of reference and composition of the Committees was clearly defined. The Committee performed their duties diligently and contributed effectively to the decisions of the Board.

The functioning of the Board and its committees were quite effective. The Board evaluated its performance as a whole and was satisfied with its performance and composition of Independent and Non-Independent Directors.

PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016:

There was no application made or proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year under review.

DIFFERENCE IN VALUATION:

The Company has not made any one-time settlement for loans taken from the Banks or Financial Institutions, and hence the details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable.

PUBLIC DEPOSITS

Your Company is a Systemically Important Non-Deposit Accepting NBFC ND-SI- NBFC-MFI. The Company did not hold public deposits at the beginning of the year and it has not accepted any public deposit(s) during the year under review as defined under the Non-Banking Financial Companies

Acceptance of Public Deposits (Reserve Bank) Directions, 2016 during the Financial Year commenced April 1, 2023 to March 31, 2024 and further undertake that it shall not accept any public deposit(s) in the financial year commencing from April 01, 2024 and ending on March 31, 2025 without obtaining prior approval of the Reserve Bank of India in writing.

ACKNOWLEDGMENT

Your directors place on the record their appreciation of the Contribution made by employees, consultants at all levels, who with their competence, diligence, solidarity, co-operation and support have enabled the Company to achieve the desired results.

The board of Directors gratefully acknowledge the assistance and co-operation received from the Central and State Governments Departments, Shareholders and Stakeholders.

Registered Office:

701, 7th Floor, Pinnacle Business Park,
Opp. Royal Orchid, Prahladnagar,
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

August 30, 2024



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 31ST MARCH, 2024

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, 2024 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, 2024 according to the provisions of -

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024 according to the applicable provisions of:-

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under (Not applicable to the Company during audit period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange

Board of India Act, 1992 ('SEBI Act'):-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to the Company during audit period);
 - d. The Securities and Exchange Board of India (Share based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable to the Company during audit period);
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during audit period);
 - f. 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 (Not applicable to the Company during audit period);
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during audit period);
- (vi) 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;

2. We have also examined compliance with the applicable clauses of the following:-

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India;
- (ii) The Listing Agreement entered into by the Company with BSE Limited read with The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and the amendments thereto.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines 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.

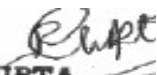
I further report that there are adequate system and process in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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 : 28/08/2024

For Rinku Gupta & Associates




RINKU GUPTA
Company Secretary in Practice

Rinku Gupta,
Company Secretary in Practice
Membership No. :FCS 9237
CP No.: 9248
UDIN: F009237F001067745
PR No.: 1385/2021



Rinku Gupta & Associates

Company Secretaries

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

To,
The Board of Directors

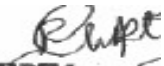
Finstars Capital Limited
CIN : U65100GJ1989PLC112111
701, 7th Floor, Pinnacle Business Park,
Opp. Royal Orchid, Prahladnagar,
Ahmedabad, Gujarat – 380015

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 : 28/08/2024

For Rinku Gupta & Associates


RINKU GUPTA
Company Secretary In Practice

Rinku Gupta,
Company Secretary in Practice
Membership No. :FCS 9237
CP No.: 9248
UDIN: **F009237F001067745**
PR No.: 1385/2021



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, 2024 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, 2024, 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.

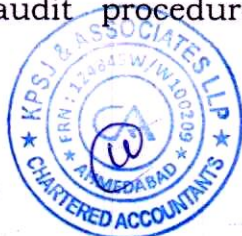
Auditors' Responsibility

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, 2024;
- b) In the case of the Statement of Profit and Loss, the Profit of the Company for the period ended 31st March, 2024.
- c) In the case of the Statement of Cash Flow, Cash Flows of the Company for the period ended 31st March, 2024.
- d) In the case of the statement of Change in Equity of the Company for period ended on 31st march, 2024.

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 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 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

Observation

As part of our audit process, we observed that the company has maintained inadequate audit trails for its financial transactions and critical data changes. This in-adequacy impedes our ability to trace transactions back to their source documents and verify the accuracy and completeness of the financial records. The absence of a robust audit trail not only undermines the integrity and transparency of the company's financial reporting but also exposes the company to increased risks of errors and fraudulent activities. Furthermore, it results in non-compliance with regulatory requirements under the Companies Act, which mandates the maintenance of proper books of accounts and records. We recommend the immediate implementation of comprehensive audit trail systems to ensure compliance, enhance internal controls, and improve the reliability of financial information.

Unique Document Identification Number (UDIN) for this document is 24101886BKAVRK9549.



Place: AHMEDABAD

Date: 27/05/2024

For, K P S J & ASSOCIATES LLP

Chartered Accountants

FRN: 124845W/W100209

Kedar Ram Laddha

PARTNER

Membership No.: 101886

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, 2024.

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 relevant provisions.
- 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, 2024, 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 not raised any money by way of an initial public offer of any 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.



Place: AHMEDABAD

Date: 27/05/2024

For, K P S J & ASSOCIATES LLP

Chartered Accountants

FRN: 124845W/W100209

Kedar Ram Laddha

PARTNER

Membership No.: 101886

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")

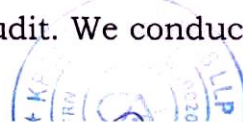
We have audited the internal financial controls over financial reporting of **FINSTARS CAPITAL LIMITED** as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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 2024, 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.



Place: AHMEDABAD

Date: 27/05/2024

For, K P S J & ASSOCIATES LLP

Chartered Accountants

FRN: 124845W/W100209

Kedar Ram Laddha

PARTNER

Membership No.: 101886

FINSTARS CAPITAL LIMITED
Statement of Changes in Equity for the year ended 31st March, 2024 (SOCIE)

(Amount in Lacs Rs.)

A: Equity Share Capital

Particulars	As at 31st March, 2024			As at 31st March, 2023		
	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 45IC of The RBI Act, 1934	Equity Instruments through Other Comprehensive Income	
	(a)	(b)	(c)	(d)	(e)
Balance as at 31 March, 2022	580.87	158.36	225.17	0.00	964.40
Profit for the year ended 31 March, 23	235.93	0.00	0.00	0.00	235.93
Other comprehensive income for the year ended 31 March, 2023	0.00	0.00	0.00	0.00	0.00
Transfer to Statutory reserve	- 70.27	0.00	70.27		
Dividend Paid	0.00	0.00	0.00	0.00	0.00
Tax on Dividend Paid	0.00	0.00	0.00	0.00	0.00
Balance as at 31 March, 2023	746.52	158.36	295.44		1200.33
Profit for the year ended 31st March, 2024	300.01	0.00	0.00	0.00	300.01
Other comprehensive income for the year ended 31st March, 2024	0.00	0.00	0.00	0.00	0.00
Transfer to Statutory reserve	- 84.82	0.00	84.82		
Dividend Paid	0.00	0.00	0.00	0.00	0.00
Tax on Dividend Paid	0.00	0.00	0.00	0.00	0.00
Balance as at 31st March, 2024	961.70	158.36	380.27	0.00	1500.33

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

UDIN:24101886BKAVRK9549
For KPSJ & ASSOCIATES LLP
Chartered Accountants
FRN: 124845W/W100209



Kedar Ram Laddha
(Partner)
M No.101886
Place : Ahmedabad
Date : 27/05/2024

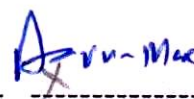
For and behalf of the Board of Directors
FINSTARS CAPITAL LIMITED


Mrs. Nikita Prakash Bhatia
(Company Secretary)
[PAN: BTXP88269H]

Place : Ahmedabad
Date : 27th. May-2024


Mr. Mitesh Rajnikant Champaneri
(Chief Financial Officer)
[PAN: ADEPC0553F]

Place : Ahmedabad
Date : 27th. May-2024


Mr. Barun More
(Director)
[DIN: 07505258]

Place : Ahmedabad
Date : 27th. May-2024


Mrs. Nisha More
(Director)
[DIN: 02878931]

Place : Ahmedabad
Date : 27th. May-2024



FINSTARS CAPITAL LIMITED
Cash Flow Statement for the year Period 01/04/2023 to 31/03/2024

(Amount in Lacs Rs.)

	Particulars	Year ended Mar 31,2024	Year ended March 31,2023
A	Cash Flows From Operating Activities		
	Net Profit before Tax	424.12	351.36
	Adjustments for :		
	Depreciation & Amortiation	52.55	45.35
	Financial cost	597.23	315.15
	Interest Income	- 8.76	- 24.21
	Dividend Income	0.00	- 0.04
	Short Term Capital Gain on Sale Of Investment	- 1.80	0.00
	Short Term Capital Gain on Sale of Assets	0.00	- 2.37
	Operating Profit before Working Capital Changes	1063.34	685.24
	<u>Movement in Working Capital :</u>		
	(Increase)/Decrease in Loan - Advances	- 4970.37	- 2452.39
	(Increase)/Decrease in Other Financial Assets	- 52.48	- 58.65
	(Increase)/Decrease in Trade Receivable	- 1.84	0.49
	Increase/(Decrease) in Trade Payables	- 3.23	6.79
	Increase/(Decrease) in Other Current Liabilities	18.02	31.70
	(Increase)/Decrease in Other Non Financial Assets	- 10.88	- 26.54
	Increase/(Decrease) in Other Liabilities	174.32	54.99
	Increase/(Decrease) in Short Term Provisions	1.61	55.39
	Cash generated from/(used in) operations	- 3781.51	- 1702.99
	Direct taxes paid	- 107.38	- 87.96
	Net cash flow from/(used in) operating activities	(A) - 3888.90	- 1790.95
B	Cash Flows From Investments Activities		
	Purchase Of Fixed Assets	- 38.65	- 50.03
	Sale of Investment	5.86	0.00
	Purchase of Investment	0.00	- 4.06
	Sale Of Fixed Assets	0.00	12.50
	Dividend Income	0.00	0.04
	Interest Received	8.76	24.21
	Net cash flow from/(used in) investing activities	(B) - 24.03	- 17.35
C	Cash Flows From Financing Activities		
	Proceeds from increase of Share Capital	0.00	0.00
	Proceeds from Borrowings	4156.74	- 3.13
	Proceeds from issue of debenture	0.00	2500.00
	Finance Cost	- 597.23	- 315.15
	Net cash generated/ (used in) financing activities	(C) 3559.50	2181.71
	Net increase/(decrease) in cash and cash equivalents	(A+B+C) - 353.42	373.42
	Cash and cash equivalents at beginning of the year	385.83	12.40
	Cash and cash equivalents at end of the year	32.41	385.83

Notes:

(i) The cash flow statement has been prepared under indirect method as set out in Accounting Standard -3 "Cash Flow Statement" specified u/s 133 of The Companies Act 2013 read with rule 7 of the Companies (Accounts) Rules, 2014.

(ii) Figures in brackets represent outflows. Previous year figures have been recast/restated wherever necessary.

As per our report of even date

UDIN:24101886BKAVRK9549
For KPSJ & ASSOCIATES LLP
Chartered Accountants
FRN: 124845W/W100209

Kedar Ram Laddha
(Partner)
M No.101886
Place : Ahmedabad.
Date : 27/05/2024

For and behalf of the Board of Directors
FINSTARS CAPITAL LIMITED

Mrs. Nikita Prakash Bhatia
(Company Secretary)
[PAN: BTXPB8269H]

Place : Ahmedabad
Date : 27th. May-2024

Mr. Mitesh Rajnikant Champaneri
(Chief Financial Officer)
[PAN: ADEPC0553F]

Place : Ahmedabad
Date : 27th. May-2024

Mr. Barun More
(Director)
[DIN: 07505258]

Place : Ahmedabad
Date : 27th. May-2024

Mrs. Nisha More
(Director)
[DIN: 02878931]

Place : Ahmedabad
Date : 27th. May-2024

FINSTARS CAPITAL LIMITED
STATEMENT OF ASSETS AND LIABILITIES AS AT 31/03/2024

(Amount in Lacs Rs.)

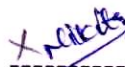
	Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
(A) ASSETS :				
[a] Financial Assets				
(1)	Cash and Cash Equivalents	(2)	15.38	6.12
(2)	Bank Balance other than Cash and Cash Equivalents above	(3)	17.03	379.70
(3)	Trade Receivable	(4)	2.02	0.18
(4)	Loans -Advances	(5)	10198.93	5228.56
(5)	Other Financial Assets	(6)	113.63	61.15
(6)	Investments	(7)	0.00	4.06
	Sub - Total : Financial Assets		10346.99	5679.78
[b] Non Financial Assets				
1	Property , Plant & Equipments	(8)	113.39	127.30
2	Other Non Financial Assets	(9)	42.84	31.96
	Sub - Total : Non Financial Assets		156.23	159.25
	TOTAL ASSETS		10503.22	5839.03
(B) LIABILITIES AND EQUITY :				
[a] Financial Liabilities				
(1)	Trade Payables	(10)	8.25	11.48
(2)	Debentures	(11)	2500.00	2500.00
(3)	Loans - Borrowings	(12)	5757.67	1600.94
(4)	Other Liabilities	(13)	229.31	54.99
(5)	Other Current Liabilities	(14)	77.06	59.04
	Sub - Total : Financial Liabilities		8572.29	4226.45
[b] Non-Financial Liabilities				
(1)	Short-term provisions	(15)	110.40	96.88
(2)	Income tax Liabilities - (Net)	(16)	14.90	10.07
	Sub - Total : Non-Financial Liabilities		125.29	106.95
[c] Equity				
(1)	Equity Share Capital	(17)	305.31	305.31
(2)	Other Equity	(18)	1500.33	1200.33
	Sub - Total : Shareholders' Funds		1805.65	1505.64
	TOTAL- EQUITY AND LIABILITIES		10503.22	5839.03
	Summary of significant accounting policies followed by the Company. See accompanying notes forming part of the financial statements	(1)		

In terms of our report attached.

UDIN:24101886BKAVRK9549
For KPSJ & ASSOCIATES LLP
Chartered Accountants
FRN: 124845W/W100209


Kedar Ram Laddha
(Partner)
M No.101886
Place : Ahmedabad
Date : 27/05/2024

For and behalf of the Board of Directors
FINSTARS CAPITAL LIMITED

			
Mrs. Nikita Prakash Bhatia (Company Secretary) [PAN: BTXPB8269H]	Mr. Mitesh Rajnikant Champaneri (Chief Financial Officer) [PAN: ADEPC0553F]	Mr. Barun More (Director) [DIN: 07505258]	Mrs. Nisha More (Director) [DIN: 02878931]
Place : Ahmedabad Date : 27th. May-2024	Place : Ahmedabad Date : 27th. May-2024	Place : Ahmedabad Date : 27th. May-2024	Place : Ahmedabad Date : 27th. May-2024



FINSTARS CAPITAL LIMITED
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31.03.2024

(Amount in Lacs Rs.)

	Particulars	Note No.	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.
1	Revenue from operations			
	Net Sales / Income from Operation	(19)	1497.38	870.39
	Other Income	(20)	326.81	439.65
	Sub - Total : Total Income from Operations		1824.19	1310.04
2	Expenses			
	Employee Benefits Expenses	(21)	446.61	331.04
	Depreciation and Amortisation Expenses	(8)	52.55	45.35
	Financial Expenses	(22)	597.23	315.15
	Direct Expenses	(23)	100.84	100.10
	Other Expenses (Any item exceeding 10% of the total expenses relating to continuing operations to be shown separately)	(24)	202.84	167.04
	Sub - Total : Expenses		1400.08	958.68
3	Profit / (Loss) before Provision & Tax (1 - 2)		424.12	351.37
	Provision for Standard Assets(Exp)		5.71	6.06
	Provision for NPA Assets(Exp)		6.20	14.38
	Total : Provision		11.90	20.44
4	Profit / (Loss) before Tax		412.22	330.93
	Current tax expense for current year		111.50	95.00
	Provision for Deferred tax		0.00	0.00
	Prior Period Tax Adjustment		0.71	0.00
	Sub - Total : Tax Expenses		112.21	95.00
4	Profit / (Loss) After Tax		300.01	235.93
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		300.01	235.93
7	Earnings per Equity share (Face value Rs.10/-each)			
a	Basic Earnings per share Rs.		9.83	7.73
b	Diluted Earnings per share Rs.		9.83	7.73
	Summary of significant accounting policies followed by the Company. See accompanying notes forming part of the financial statements	(1)		

In terms of our report attached.

UDIN:24101886BKAVRK9549
For KPSJ & ASSOCIATES LLP
Chartered Accountants
FRN: 124845W/W100209

Kedar Ram Laddha
(Partner)
M No.101886
Place : Ahmedabad
Date : 27/05/2024

For and behalf of the Board of Directors
FINSTARS CAPITAL LIMITED

Mrs. Nikita Prakash Bhatia
(Company Secretary)
[PAN: BTXPB8269H]

Mr. Mitesh Rajnikant Champaneri
(Chief Financial Officer)
[PAN: ADEPC0553F]

Mr. Barun More
(Director)
[DIN: 07505258]

Mrs. Nisha More
(Director)
[DIN: 02878931]

Place : Ahmedabad
Date : 27th. May-2024

Place : Ahmedabad
Date : 27th. May-2024

Place : Ahmedabad
Date : 27th. May-2024

Place : Ahmedabad
Date : 27th. May-2024



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.

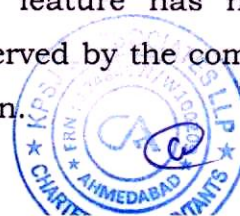
A disclosure for a contingent liability is made, when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow or resources is remote, 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.
- The company, in respect of financial years commencing from 01st April 2023, has used such Accounting software for maintaining its books of account which has a feature of recording Audit trail (edit log) facility and the same has not been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.



II NOTES ON ACCOUNTS :

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



FINSTARS CAPITAL LIMITED

(Amount In Lacs)

As at 31st March, 2024	As at 31st March, 2023
Amount Rs	Amount Rs

Notes Forming parts of Standalone Balance sheet for the year ended on
31st March 2024.

Note 2 : Cash and Cash Equivalents

Cash on hand	15.38	6.12
Total	15.38	6.12

Note 3 : Bank Balance other than Cash and Cash Equivalents above

Balances with banks	17.03	379.70
Total	17.03	379.70

Note 4 : Trade Receivable

Unsecured		
Undisputed Trade receivables – considered good		
Trade Receivable Less than 6 months	2.02	0.18
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	2.02	0.18

Note 5 : Loans - Advances

Loan to Borrowers		
Loan to Borrowers [Long Term]	4729.32	3962.52
Loan to Borrowers [Short Term]	5401.99	1216.52
Provision for Interest Income earned on advances	132.17	69.93
Total	10263.49	5248.97
Less : Interest reversed on NPA A/c.	- 44.88	- 12.91
Less : Cheque Return Charges Not Received	- 19.67	- 7.49
Included NPA of Rs.224.90 Lacs (24.94 Lacs)		
Total	10198.93	5228.56

Note 6 : Other Financial Assets

Long Term		
Trade Deposits : Unsecured Considerable Good		
Deposit: FDR (At Cost)	111.28	58.59
Security Deposit - Other Advances Unsecured and Considered Good	2.36	2.57
Total	113.63	61.15

Note 7 : Investments

Long Term		
Trade Investment : Unsecured Considerable Good (At Cost)		
Investment Equity : Quoted FMV Rs. 0.0 Lacs	0.00	4.06
Total	0.00	4.06

Note 9 : Other Current Assets

Prepaid Expenses	4.17	2.71
Balance with Govt. Authority	0.01	1.01
Advances to Sundry Creditors	0.92	6.49
Other Advances	37.73	21.74
Total	42.84	31.96

Related Party Transaction as informed by the management

Directors *	15.00	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	15.00	0.00

*Either severally or jointly



FINSTARS CAPITAL LIMITED

Note 08 : Property, Plant & Equipments
(i) Tangible Assets : Fixed Assets (Amount in Lacs)

	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	Opening Balance	Addition	(Deletion)	As on 31-Mar-24	Opening Balance	During the year	As on 31-Mar-24	As on 31-Mar-23
Property :Shop A/c.		9.78		9.78	0.00	0.00	9.78	0.00
Data Processing Equipment	40.22	24.22	0.00	64.44	22.46	21.05	20.93	17.76
Vehicles	62.44	0.00	0.00	62.44	22.68	12.36	27.41	39.76
Office Equipments	45.83	3.93	0.00	49.76	16.33	8.58	24.85	29.50
Office Furniture	56.91	0.72	0.00	57.63	16.63	10.57	30.43	40.28
TOTAL RS	205.41	38.65	0.00	244.06	78.11	52.55	113.39	127.30
(ii) Intangible Assets : NIL								

(iii) Capital Work in Progress : NIL



FINSTARS CAPITAL LIMITED

(Amount In Lacs)

As at 31st March, 2024	As at 31st March, 2023
Amount Rs	Amount Rs

Notes Forming parts of Standalone Balance sheet for the year ended on 31st March 2024.

Note 10 : Trade Payables

Trade Payable Less than 1 Year		
Total outstanding dues of micro enterprises and small enterprises : Undisputed ,		
Creditors for Goods	0.00	0.00
Creditors for Services	0.00	0.00
Total outstanding dues other than micro enterprises and small enterprises :		
Creditors for Goods	0.00	0.00
Creditors for Services	8.25	11.48
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	8.25	11.48

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 11 : Debentures

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

Terms & Conditions of Debenture :-

The Company has made Series 1-2022-23_ A of allotment of 12.06% secured redemptable 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 redemptable 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

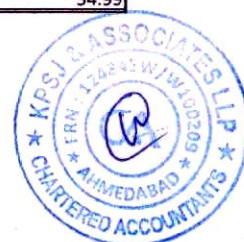
Particulars	As at 31st March, 2024		As at 31st March, 2023		
	Number of	Amount	Number of	Amount	Rs.
Debentures outstanding at the beginning of the year	250	2500.00	0		0.00
Debentures Issued during the year	0	0.00	250		2500.00
Debentures redeemed during the year	0	0.00	0		0.00
Debentures outstanding at the end of the year	250	2500.00	250		2500.00

Note 12 : Loans :

Secured Borrowings :					
Secured Loan - Bank	Short Term	9.76			
Secured Loan - Bank	Long Term	8.21	17.97		29.40
(Above all Four Secured loan against Car)					
Secured Loan - Bank	Short Term	140.00			
Secured Loan - Bank	Long Term	472.27	612.27		700.21
(Above Secured loan against Director personal Property & Borrowers Advances)					
Secured Loan - NBFC	Short Term	547.65			
Secured Loan - NBFC	Long Term	270.98	818.64		871.33
(Against borrowers advances)					
Unsecured Borrowings :					
Loans: ICD	Long Term	4308.80	4308.80		0.00
Total			5757.67		1600.94

Note 13 : Other Liabilities

Other Non-Current Financial Liabilities	229.31	54.99
Total	229.31	54.99



FINSTARS CAPITAL LIMITED

(Amount In Lacs)

As at 31st March, 2024	As at 31st March, 2023
Amount Rs.	Amount Rs.

Notes Forming parts of Standalone Balance sheet for the year ended on 31st March 2024.

Note 14: Other Current Liabilities

Creditors for Capital Goods	0.00	0.00
Salary Payables	29.20	29.87
NCD Interest Payables	13.82	0.00
Statutory remittances	28.97	22.59
Other Current Liabilities	5.07	6.58
Total	77.06	59.04

Note 15: Short-term provisions

Provision - Others:		
(i) Provision for Exp	60.64	59.03
(ii) Contingent Provision Against Standards Assets	24.60	18.90
(iii) Contingent Provision Against NPA	25.15	18.95
Total	110.40	96.88

Note 16: Income tax Liabilities - (Net)

Provision for Income Tax	111.50	95.00
Less :		
Income Tax Paid :	96.60	84.93
Total	14.90	10.07

Note 17: Equity Share Capital

Particulars	As at 31st March, 2024		As at 31st March, 2023		
	Number of	Amount	Number of	Amount	Rs.
Authorised					
Equity Shares of Rs.10 each	5000000	500.00	5000000	500.00	
Issued					
Equity Shares of Rs. 10 each fully paid-up	3053136	305.31	3053136	305.31	
Subscribed & Paid up					
Equity Shares of Rs. 10 each fully paid-up	3053136	305.31	3053136	305.31	
Subscribed but not fully Paid up	-	-	-	-	
Total	3053136	305.31	3053136	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, 2024		As at 31st March, 2023		
	Number of shares	Amount Rs.	Number of shares	Amount	Rs.
Shares outstanding at the beginning of the year	3053136	305.31	3053136		305.31
Shares Issued during the year	0	0.00	0		0.00
Shares bought back during the year	0	0.00	0		0.00
Shares outstanding at the end of the year	3053136	305.31	3053136		305.31



FINSTARS CAPITAL LIMITED

(Amount In Lacs)

As at 31st March, 2024	As at 31st March, 2023
Amount Rs	Amount Rs

Notes Forming parts of Standalone Balance sheet for the year ended on 31st March 2024.

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

Name of Shareholder	As at 31st March, 2024		As at 31st March, 2023	
	Number of shares held	% holding in that class of	Number of shares held	% holding in that class of shares
Equity shares with voting rights		0%		0.00
Barun more	1831900	60%	1831900	0.00
Nisha more	1221186	40%	1221186	0.00
Total	3053086	100%	3053086	0.00

Shareholding of Promoters

Promoters Name	As at year ended 31st March, 2024		
	Number of shares held	% total shares	% Change during the year
Equity shares with voting rights			
Barun more	1831900	60%	0.00
Nisha more	1221186	40%	0.00

Shareholding of Promoters

Promoters Name	As at year ended 31st March, 2023		
	Number of shares held	% total shares	% Change during the year
Equity shares with voting rights			
Barun more	1831900	60%	0.00
Nisha more	1221186	40%	0.00

Note 18 : Other Equity :

Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	746.52	580.87
Add: Profit / (Loss) during the year	300.01	235.93
Less: Transfer to Special Reserve	- 84.82	- 70.27
Balance as at the end of the year	961.70	746.52
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 45IC of The RBI Act, 1934		
Opening balance	295.44	225.17
Add: Transfer from Profit & loss Account	84.82	70.27
Balance as at the end of the year	380.27	295.44
Total	1500.33	1200.33



FINSTARS CAPITAL LIMITED

(Amount In Lacs)

As at 31st March, 2024	As at 31st March, 2023
Amount Rs.	Amount Rs.

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

Note 19 : Net Sales / Income from Operation

Income from operation	1337.85	754.40
Other Business Income	159.54	115.99
Total	1497.38	870.39

Note 20: Other Income

Revenue from Treasury Operation	316.25	413.04
Profit On Sales Of Fixed Assets	0.00	2.37
Short Term Profit On Share	1.80	0.00
Dividend Income	0.00	0.04
Interest On Bond	4.12	23.73
Interest on FD	4.64	0.48
Total	326.81	439.65

Note 21 : Employee Benefits Expenses

Salaries and wages & Bonus		
Arrear	0.06	0.20
Bonus Exp	0.00	0.28
HRA	80.42	63.62
Salary	187.24	136.29
Special Allowance	81.73	43.94
Statutory Bonus	3.44	4.83
Labour Welfare (Employers)	0.05	0.00
Stipend Expenses	1.08	0.00
Director Remuneration	34.80	34.80
Director Setting Fee	0.72	0.72
Incentive Exp (Training Exp)	18.86	13.26
Staff Welfare Exp.	10.51	9.28
EPF (Employers)	25.69	20.70
ESIC (Employers)	2.02	3.12
Total	446.61	331.04

Note 22 : Financial Expenses

Interest NCD	181.27	83.76
Interest On FCL NCD Yearly	120.60	55.84
Others Interest	295.36	175.55
Total	597.23	315.15

Note 23 : Direct Expenses

Brokerage & Commission Exp	10.79	9.21
Brokerage / Commission Exp (Loan)	10.67	2.65
Credit Rating And Reporting Services	6.44	5.35
Legal Expense On Loan	3.04	0.64
Legal Technical Fees	28.94	35.59
Professional Fees / Loan	40.95	46.66
Total	100.84	100.10



FINSTARS CAPITAL LIMITED

(Amount In Lacs)

As at 31st March, 2024	As at 31st March, 2023
Amount Rs.	Amount Rs.

Note 24: Other Expenses

Audit Fee	0.40	0.30
Advertisement Charge	0.67	0.51
AMC charges	9.21	7.55
Account Charges	0.16	0.08
Bank charges	3.66	1.77
Annual Custody Fees	0.00	0.09
Custodial Fees	0.75	0.75
Computer Spare Part	0.09	1.38
Petrol Expense	3.02	3.30
Staff Conveyance Exps	8.60	11.41
Electric Charges	11.42	8.15
File Storage Charges	0.00	2.17
Digital Scanning Charges	1.37	0.78
Maintenance Box Charges	1.61	1.36
Insurance expenses	1.83	0.74
Other GST Exps	8.53	10.06
Office Expenses	44.32	22.49
Professional & Consultancy Fees	11.54	12.12
Business Pramotion Exp.	1.17	0.00
Property Tax	1.85	1.40
Rent Exps	13.36	29.90
Repairing & Maintenance (701 Pinnacle)	0.00	7.61
Repairing & Maintenance Exp	0.27	0.49
Stationary & Printing Exps	6.74	6.95
Telephone & Mobile Exps	4.26	4.07
Internet Exp.	1.71	1.35
Traveling Exps	29.58	28.71
Vehicle Exp	1.03	1.55
Write off (Loan Account)	35.68	0.00
Total	202.84	167.04
<u>Payment to Auditors - Detail</u>		
(i) Payments to the auditors comprises (net of GST input credit, where applicable):		
As auditors - statutory audit	0.40	0.30
As auditors - Other Certificate fee	1.33	0.45
Total	1.73	0.75



FINSTARS CAPITAL LIMITED

Note 25 : financial Ratio

Sr. No.	Ratio	Numerator	Denominator	March 31, 2024	March 31, 2023	% Variance	Reason for variance
1	Current ratio	Current Assets	Current Liabilities	1.21	2.05	-84%	Due To Increased In Advances
2	Debt equity ratio	Total Debt	Shareholder's Equity	4.57	2.72	185%	Due To Increased In Loans
3	Debt service coverage ratio	Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc	Interest & Lease Payments + Principal Repayments	1.80	2.26	-46%	Due To Increased In Interest
4	Return on Equity	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	0.98	0.77	21%	Due To Decreased In Profit
5	Inventory turnover ratio	Cost of goods sold OR sales	Average Inventory (Opening + Closing balance / 2)	N.A.	N.A.	N.A.	-
6	Trader receivable turnover	Net Credit Sales (gross credit sales minus sales return)	Average Accounts Receivable (Opening + Closing balance / 2)	19.41%	44.16%	-25%	Due To Increased of Receivable.
7	Trade payable turnover ratio	Net Credit Purchases (gross credit purchases minus purchase return)	Average Working Capital	N.A.	N.A.	N.A.	-
8	Net capital turnover ratio	Net Sales (total sales minus sales returns)	Average Working Capital	0.84	0.50	34%	Due to increased in Sales and Working Capital
9	Net profit ratio	Net Profit	Net Sales	0.28	0.27	0%	-
10	Return on capital employed	Earning before interest and taxes	Capital Employed (Tangible Net Worth + Total Debt + Deferred Tax Liability)	0.10	0.12	-2%	-
11	Return on investment	Return	Investment	0.17	0.16	1%	-



Note 26:**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	Independent Director
Umang Kumar Thakkar	Independent Director
Mitesh Champaneri	CFO.
Miteshan Bindusagar Agrawal	Additional Director
Nikita Bhatia	Company Secretary

:- Enterprises On Which Key Management Personnel And Their Relative Have Significant Influence

Name of the Party	Nature of Relation
Sunrise Gilt & 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	Total
Sitting Fees	0.00	0.72		0.72
Interest Expenses	0.00		127.18	127.18
Loan taken and paid	0.00		17051.48	17051.48
Purchases	0.00		1997.04	1997.04
Sales	0.00		161.81	161.81
Expenses incurred	0.00	19.96		19.96
Remuneration	0.00	34.80		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	Total
Advance Given	0.00	15.00	0.00	15.00

Note 27:

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 28:

Expenditure In Foreign Currency (Accrual Basis) : NIL

Earning in foreign Currency : NIL

Note 29:

GST Payable and Receivable booked on the basis of CGST, SGST and IGST act and all working done as per respective act and also follow the requirement of the act. GST Balance is Subject to the reconciliation of Annual GST Return.

Note 30:

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

UDIN:24101886BKA VRK9549
For KPSJ & ASSOCIATES LL
Chartered Accountants
FRN: 124845W/W100209

Kedar Ram Laddha
Kedar Ram Laddha
(Partner)
M No.101886
Place : Ahmedabad
Date : 27/05/2024

For and behalf of the Board of Directors
FINSTARS CAPITAL LIMITED

Nikita
Mrs. Nikita Prakash Bhatia
(Company Secretary)
[PAN: BTXPB8269H]

Place : Ahmedabad
Date : 27th. May-2024

Mitesh
Mr. Mitesh Rajnikant Champaneri
(Chief Financial Officer)
[PAN: ADEPC0553F]

Place : Ahmedabad
Date : 27th. May-2024

Barun-More
Mr. Barun More
(Director)
[DIN: 07505258]

Place : Ahmedabad
Date : 27th. May-2024

Nisha
Mrs. Nisha More
(Director)
[DIN: 02878931]

Place : Ahmedabad
Date : 27th. May-2024

