



LAHAG[®]

STELLAR CAPITAL SERVICES LIMITED

04.09.2019

To,

Corporate Relationship Department
BSE Limited
PJ Towers, Dalal Street
Mumbai-400001

Dear Sir/ Madam

Scrip Code:- 536738

Sub: - 25TH ANNUAL REPORT OF STELLAR CAPITAL SERVICES LIMITED

Dear Sir/ Madam,


Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, we are enclosing herewith a copy of annual report for the financial year 2018-19.

This is for your information and records.

Thank You
Yours Faithfully,

For Stellar Capital Services Limited

Payal
Payal
(Company Secretary)



Encl : above

Registered office: 402, 4th Floor, Solitaire Plaza, M.G. Road, Gurgaon, Haryana - 122002

Corporate Office: D-10/1, Okhla Industrial Area, Phase 1, New Delhi-110020

CIN: L74899HR1994PLC076773

Website: www.stellarcapital.in, Email: stellarcapital@yahoo.in



ANNUAL REPORT 2018-2019

CORPORATE INFORMATION

STELLAR CAPITAL SERVICES LIMITED
CIN : L74899HR1994PLC076773

BOARD OF DIRECTORS

- RAJNI ANEJA : WHOLETIME DIRECTOR
- PRANAY ANEJA : MANAGING DIRECTOR
- INDRESH KUMAR BHARDWAJ : DIRECTOR
- RUPAL SINGH KOHLI : DIRECTOR

CHIEF FINANCIAL OFFICER

- ASHWANI RAMPAL

COMPANY SECRETARY & COMPLIANCE OFFICER

- PAYAL

AUDITORS**➤ STATUTORY AUDITORS:**

M/s. V.N. PUROHIT & CO. CHARTERED ACCOUNTANTS
Address: 214, New Delhi House, 27, Barakhamba Road,
New Delhi- 110001

➤ SECRETARIAL AUDITORS :

M/s. Kundan Kumar Mishra & Associates, COMPANY SECRETARIES
Address: D-150, Fourth Floor,
West Patel Nagar, New Delhi-110008

➤ INTERNAL AUDITORS :

M/s. MST & COMPANY, CHARTERED ACCOUNTANTS
Address: Gali No. 3, Kaushik Enclave, Burari, Delhi-110084

REGISTRAR AND SHARE TRANSFER AGENT

SKYLINE FINANCIAL SERVICES PRIVATE LIMITED
D-153 A, 1st floor, Okhla Industrial Area, Phase – I, New Delhi – 110 020
TEL NO.: 011-26812682-83
E-mail id: admin@skylinerta.com
Website : www.skylinerta.com

REGISTERED OFFICE

402, 4th Floor Solitaire Plaza, M.G. Road, Gurgaon, Haryana- 122002
Website : www.stellarcapital.in
E mail ID : stellarcapital@yahoo.in

LISTED AT

BSE Limited (Scrip Code: 536738)
PJ Towers, Dalal Street, Mumbai-400001

BANKERS OF THE COMPANY

Punjab National Bank : Pitampura, Delhi
State Bank of India : Okhla, New Delhi
HDFC Bank : Okhla, New Delhi

NOTICE OF 25TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty Fifth (25th) Annual General Meeting of the members of **Stellar Capital Services Limited** will be held on Monday, 30th September, 2019 at 02:00 P.M. at the registered office of the Company situated at 402, 4th Floor Solitaire Plaza, M.G. Road, Gurgaon, Haryana-122002 to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements for the financial year ended on March 31, 2019 along with the reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mrs. Rajni Aneja (DIN: 00341959) who retires by rotation and, being eligible, offers herself for re-appointment .
3. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

“**RESOLVED THAT** in accordance with the provisions of Sections 139 and 142 of the Companies Act, 2013, and the rules made there under (including any statutory modification(s) or re-enactments thereof for the time being in force) M/s V.N. Purohit & Co., Chartered Accountants (Firm's Registration No. 304040E), be and are hereby re-appointed as the Statutory Auditors of the Company to hold office for a period of four years from the conclusion of this Meeting till the conclusion of the Twenty Ninth Annual General Meeting and that the Audit Committee and the Board of Directors of the Company be and are hereby authorised to fix their remuneration and other terms and conditions from time to time.”

SPECIAL BUSINESS

4. Appointment of Mr. Indresh Kumar Bhardwaj (DIN:- 08211966) as an Independent Director of the Company.

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 149, 152, 160 and all other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) Mr. Indresh Kumar Bhardwaj (DIN:- 08211966), who was appointed as an Additional Director (Independent Director) by the Board of Directors pursuant to provisions of Section 161(1) of the Companies Act, 2013 w.e.f 24th

January, 2019 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of the Independent Director of the Company and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold the office for a period of (5) Five Consecutive Years commencing from 24th January, 2019 to 23rd January, 2024 and the term shall not be subject to retirement by rotation”.

RESOLVED FURTHER THAT any Director or Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things and to execute and deliver all such necessary documents for the purpose of giving effect to the aforesaid resolution

**By the order of the Board of Directors
For Stellar Capital Services Limited**

**Payal
Company Secretary**

**Date: 31.08.2019
Place: - Gurgaon**

NOTES :**1. EXPLANATORY STATEMENT**

An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 setting out the material facts relating to the Special Business to be transacted at the meeting is annexed hereto.

Additional information, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, with respect to re-appointment of the Statutory Auditors of the Company, as proposed under Item No. 3 of this Notice under Ordinary Business, is also provided in the Explanatory Statement.

PROXY/AUTHORIZED REPRESENTATIVE

A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Pursuant to Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of the members not exceeding 50 (Fifty) and holding in aggregate not more than

ten percent of the total share capital of the Company carrying voting rights. However, 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 proxy for any other person or member. The instrument appointing proxy (Proxy Form), in order to be effective **must be deposited at the registered office of the company, not less than forty-eight (48) hours before the commencement of the Annual General Meeting (“AGM”). Proxy Form is enclosed with this notice.**

Corporate Members intending to send their authorized representatives to attend the AGM are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.

BOOK CLOSURE

Register of Members and Share Transfer Books of the Company will remain closed from **Monday 23rd September, 2019 to Monday 30th September, 2019 (both days inclusive).**

4. CUT OFF DATE:

This Notice is being sent to all the members whose name appears as on 23rd August 2019 in the register of members or beneficial owners as received from M/s Skyline Financial Services Private Limited, the Registrar and Transfer Agent of the Company.

A person whose name is recorded in the Register of members or in the register of beneficial owners maintained by the depositories as on 23rd September, 2019 (the “Cut- off Date”) only shall be entitled to vote through Remote E-voting and at the AGM. The voting rights of Members shall be in proportion to their share of the paid- up equity share capital of the Company as on the Cut Off date. A person who is not a Member on the cut-off date should accordingly treat this Notice as for information purposes only.

COMMUNICATION TO MEMBERS

With a view to use natural resources responsibly, we request shareholders to update their email address, with their Depository Participants to enable the company to send communications electronically.

Members may also note that the Notice of the 25th AGM and the Annual Report for the year 2018-19 will be available on the company’s website, www.stellarcapital.in The Physical copies of the documents will also be available at the Company’s

registered office for inspection during normal business hours on working days, Members who require communication in physical form in addition to e- communication, or have any other queries, may write to us at stellarcapital@yahoo.in.

I. Members seeking any information or clarification on the accounts are requested to send written queries to the Company at the Registered office of the Company or on email Id of the Company at “stellarcapital@yahoo.in” atleast 10 days before the date of the meeting to enable the management to keep the required information available at the meeting.

II. The Register of Directors and Key Managerial Personnel and their Shareholding, maintained under Section 170 of the Companies Act, 2013 are open for inspection at the registered office of the Company on all working days except Saturdays and Sunday, between 02:00 P.M. to 1:00 p.m. and will also be available for inspection by the members at the Annual General Meeting.

III. The register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Companies Act, 2013, are open for inspection at the registered office of the Company on all working days except Saturday and Sunday, between 02:00 P.M. to 1:00 p.m. and will also be available for inspection by the members at the Annual General Meeting.

IV. All documents referred to in the accompanying Notice are open for inspection at the Company’s Registered Office on all working days except Saturday and Sunday, between 02:00 P.M. to 1:00 up to the date of the Annual General Meeting.

V. Members/Proxy holders are requested to produce at the entrance, the attached Admission slip for admission to the meeting hall. Duplicate attendance slips will not be provided at the hall.

VI. Only bonafide members of the Company whose name appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members for attending the meeting.

VII. For convenience of the members and proper conduct of the meeting, entry to the meeting venue will be regulated by attendance slip, which is enclosed with this Notice. Members are requested to sign at the place provided on the Attendance Slip along with a valid identity proof such as the PAN Card, Passport, Aadhar Card, Driving License etc. and hand it over at the registration counter at the venue.

VIII.As a measure of economy, copies of Annual Reports will not be distributed at the venue of the Annual General Meeting. Members are therefore, requested to bring their own copies of the Annual Reports to the meeting.

IX.In order to serve the shareholders effectively and for administrative convenience, members are requested to notify multiple folios standing in their name for consolidation, if any, to the Secretarial Department at the Registered Office of the Company immediately.

X.Members who wish to make nomination for the shares held in the Company may kindly send the details in the form as prescribed under the Companies Act, 2013 and the Rules framed there under to the Registrars of the Company.

XI.Route Map of Venue of the Meeting is attached.

XII.VOTING THROUGH ELECTRONIC MEANS:

In compliance with the provisions of section 108 of the Companies Act, 2013, the Companies (Management and Administration) Rules, 2014, amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirement) Regulations,2015, shareholders are provided with the facility to cast their vote electronically, through the e-voting services provided by Central Depository Services Limited (CDSL)in respect of all resolutions set forth in this Notice.

The procedure and instructions for e-voting are as follows:

- The shareholders should log on to the e-voting website www.evotingindia.com.
- Click on “Shareholders/Member”tab.
- Now enter your User-ID.

For CDSL: 16 digits beneficiary ID,

For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

- Members holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Verification Code as displayed and Click on Login.
- If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- If you are a first time user follow the steps given below:

- After entering these details appropriately, click on “SUBMIT”tab. wherein they are required to mandatorily enter their login password in the new password field. Kindly note that

	<ul style="list-style-type: none"> • For Members holding shares in Demat Form • and Physical Form
PAN	<ul style="list-style-type: none"> • Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department • (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with theCompany/Depository Participant are requested to use the the first two letters of their name and the 8 digits of the sequence number in the PAN field. Sequence number is printed on separate letter. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. • Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field
Date of Birth (DOB)	<ul style="list-style-type: none"> • Enter the Date of Birth (DOB) as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<ul style="list-style-type: none"> • Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If both the details are not recorded with the depository and company please enter the member id / folio number in the Dividend Bank details.

this password is to be also used by the demat holders for

- Voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- For Members holding shares in physical form, the details can be used only for e- voting on the resolutions contained in this Notice.

- Click on the EVSN <STELLAR CAPITAL SERVICES LIMITED>on which you choose to vote.

- On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com. After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

E-voting Period

The E-voting period commences on **27th September, 2019 (10:00am) and ends on 29th September, 2019(5:00 pm)**. During the aforesaid period, Members of the company holding shares in physical form or dematerialization form, as on cut off date i.e. 23rd September, 2019 may opt to cast their votes through electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

➤ User ID and Password for the members who became Members after dispatch of AGM notice

Persons who have acquired shares and became members of the Company after the dispatch of the notice of AGM but before the cut-off date of 23rd September, 2019, may obtain their user ID and password for e-voting from the Company’s Registrar and Share Transfer Agent or CDSL.

➤ Queries in relation to E-voting:

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

➤ VOTING THROUGH BALLOT PAPER

Members who have not exercised the option of Remote E-voting shall be entitled to participate and vote at the venue of the AGM on the date of the AGM. Voting at the venue of AGM shall be done through Ballot Papers and Members attending the AGM shall be able to exercise their voting rights at the meeting through Ballot Papers. After the agenda item has been discussed, the Chairman will instruct the Scrutinizer to initiate the process of voting on all the resolutions through Ballot Papers. The Ballot Papers will be issued to the Shareholders / Proxy holders/ Authorized Representatives present at the AGM. The Shareholders may exercise their right of vote by tick marking as (√) against “FOR” or “AGAINST” as his/her choice may be, on the agenda item in the Ballot Paper and drop the same in the Ballot Box(es) kept at the meeting hall for this purpose.

6. SCRUTINIZER

M/s KUNDAN KUMAR MISHRA & ASSOCIATES, Company Secretaries has been appointed as scrutinizer (“Scrutinizer”) for scrutinizing the voting process (Ballot Paper as well as Remote E-voting) in a fair and transparent manner.

The Scrutinizer shall within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the company and make a scrutinizer’s report of the votes cast in favour or against forthwith to the Chairman of the Company.

Voting is provided to the members through evoting and at the Annual general meeting of the Company. A member

can opt for only one mode of voting i.e. either through e-voting or at the annual general meeting of the Company.

iv. If a member casts votes by both modes, then voting done through e-voting shall prevail.

7. DECLARATION OF RESULTS

The Voting Results on above resolutions shall be submitted to the BSE Limited within 48 hours from the conclusion of the AGM of the Company. The Results of voting will be declared and /s the same along with Scrutinizer's Report(s) will be placed on the website of the CDSL and the Company's website www.stellarcapital.in immediately after the result is declared by the Chairman.

ANNEXURE TO NOTICE EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013

Item no.03

The Members of the Company at the 21st Annual General Meeting ('AGM') held on 30th September, 2015 approved the appointment of M/s. V.N. Purohit & Co., Chartered Accountant, as the Auditors of the Company for a period of four years till the conclusion of the said AGM. They will complete their present term on conclusion of this AGM in terms of the said approval and Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014. The present remuneration of auditors for conducting the audit for the financial year 2018-19, as approved by the Members, is Rs. 40,000 plus goods and services tax as applicable and reimbursement of out-of-pocket expenses incurred and remuneration for the financial year 2019-20 is proposed to be same.

The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee ('the Committee'), recommended for the approval of the Members, the re-appointment of M/s. V.N. Purohit & Co., Chartered Accountant, as the Auditors of the Company for further period of four years from the conclusion of this AGM till the conclusion of the 28th AGM. On the recommendation of the Committee, the Board also recommended for the approval of the Members, the remuneration of V.N. Purohit & Co. for the financial year 2019-20 as set out in the Resolution relating to their appointment.

The Committee considered various parameters like capability to serve a diverse and complex business landscape as that of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc., and found V.N. Purohit & Co. to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

V.N. Purohit & Co. is a firm of Chartered Accountants based in Kolkata (India). Established in 1961, they are serving the industry and individuals for over five decades. They have vast experience and have a nationwide footprint with branches in New Delhi, Hyderabad and Durgapur alongwith a Camp Office situated at Guwahati.

V.N. Purohit & Co. have given their consent to act as the Auditors of the Company and have confirmed that the said re-appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution.

The Board recommends this Resolution for your approval.

Item No: 4

Mr. Indresh Kumar Bhardwaj (DIN:- 08211966) was appointed as an Additional (Independent) Director of the Company with effect from 24th January, 2019 by the Board of Directors. In terms of Section 161(1) of the Companies Act, 2013, Mr. Indresh Kumar Bhardwaj holds office upto the date of this Annual General Meeting and is eligible for the appointment as a Director. The Company has received a Notice from a Member in writing under Section 160 of the Act, proposing his candidature for the office of Director. Mr. Indresh Kumar Bhardwaj has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act.

Mr. Indresh Kumar Bhardwarj is a Graduate in commerce.

The Board recommends the passing of the Ordinary Resolution as set out in the Item No. 4 of the Notice for the appointment of Mr. Indresh Kumar Bhardwarj as an Independent Director of the Company.

A statement containing his profile is given as per **Annexure 1** to the Notice.

Except Mr. Indresh Kumar Bhardwarj being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4

**By the order of the Board of Directors
For Stellar Capital Services Limited**

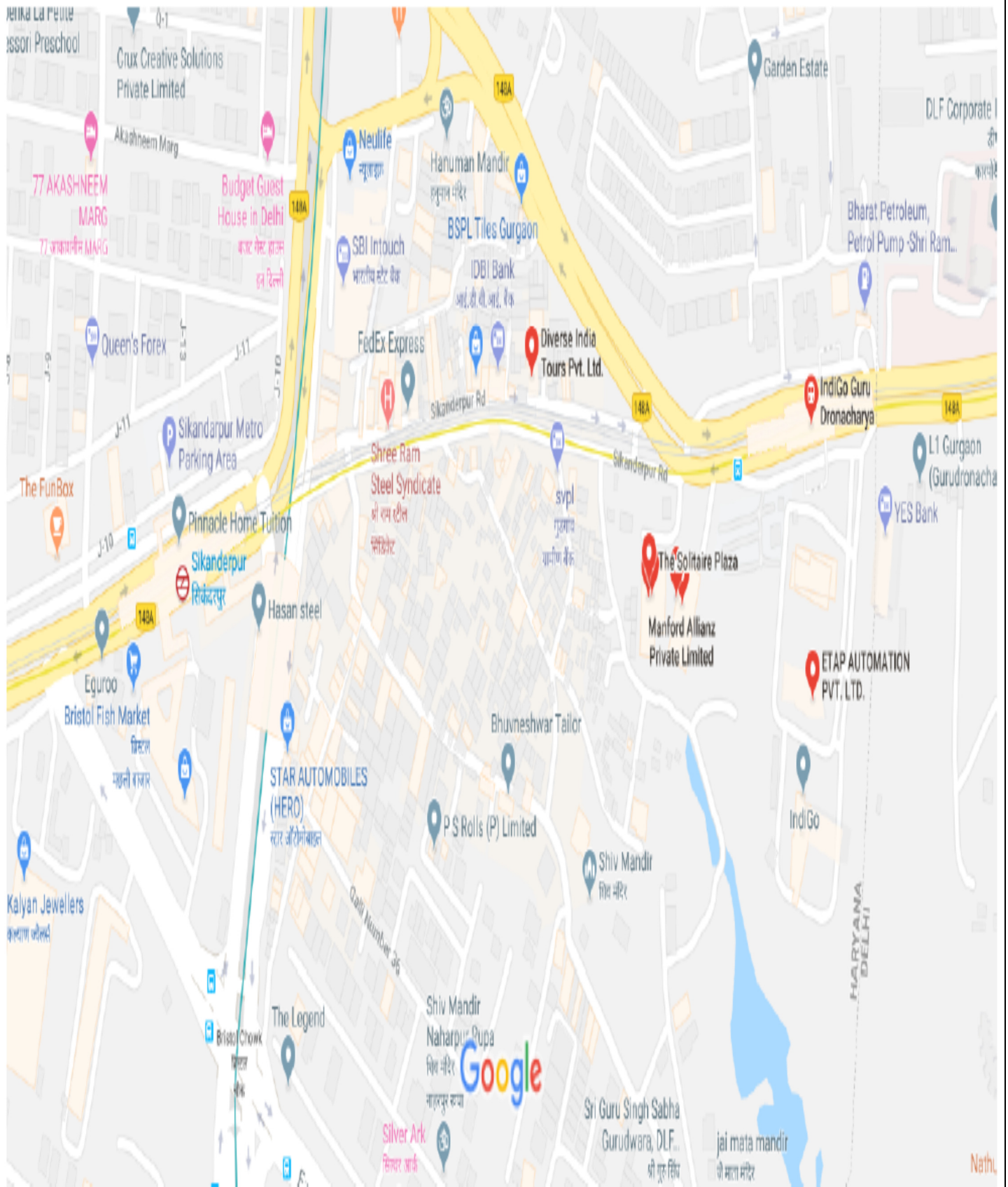
**Payal
Company Secretary
Date: 31.08.2019
Place: - Gurgaon**

Annexure 1

Details of Directors seeking appointment/re-appointment of Directors in the forthcoming Annual General Meeting as per SEBI (LODR) Regulation 2015 and Secretarial Standards

Name of the Director	Indresh Kumar Bhardwaj	Rajni Aneja
Date of Birth	25.08.1983	06.06.1967
DIN	08211966	00341959
Date of first Appointment on the Board	24.01.2019	05.01.2017
Relationship with Director	NIL	Mother of Mr. Pranay Aneja
Expertise in specific functional area	Adminisatration	Finance and administration
Qualification	Graduate	Graduate
Board Membership of other companies as on March 31,2019	Director in 2 Company	Director in 2 Company
Chairman/ Member of the Committee of the Board of Directors as on March 31, 2019	Member of the Committee	-
a) Audit Committee	Member	-
b) NRC Committee	Member	-
c) Stakeholder Relationship Committee	Member	-
d) Other Committee	-	-
Number of shares held in the Company as on March 31,2019	-	32,01,000
Remuneration last drawn	-	35000
Remuneration last drawn	Sitting fees as approved by the Board of Directors within the limits of the applicable laws.	35000
Relationship with other Directors and Key Managerial Personnel of the Company	Nil	She is mother of Mr. Pranay Aneja, Managing Director

ROUTE MAP OF VENUE



STELLAR CAPITAL SERVICES LIMITED

CIN : L74899HR1994PLC076773

Registered office: 402, 4th Floor Solitaire Plaza, M.G. Road, Gurgaon, Haryana-122002

Website : www.stellarcapital.in E mail ID : stellarcapital@yahoo.in, Ph: 011-26812222**ATTENDANCE SLIP****25th ANNUAL GENERAL MEETING – SEPTEMBER 30, 2019**

Please fill the Folio/DP ID-Client ID No. and name and sign the Attendance Slip and hand it over at the Attendance Verification Counter at the Entrance of the meeting hall

Members' Name and Address details : _____
 Reg. FolioNo. : _____
 DP & ClientNo. : _____
 No. of Shares Held : _____

I certify that I am a registered Shareholder/Proxy for the registered shareholder of the Company. I hereby record my presence at the 25th Annual General Meeting of the Company at its registered office at **402, 4th Floor Solitaire Plaza, M.G. Road, Gurgaon, Haryana-122002** on Monday, 30th September, 2019 at 02:00 P.M.

Member's Name : _____
 Proxy's Name : _____
 Member's/Proxy's Signature : _____

ELECTRONIC VOTING PARTICULARS

Electronic Voting Sequence Number (EVSN)	User id	Sequence Number

Note: Please refer to the instruction printed under the Notes to the Notice of the 25th Annual General Meeting. The E-voting period starts 27th September, 2019 (10:00am) and ends on 29th September, 2019(5:00 pm). The E-Voting portal shall be disabled by CDSL immediately after 5:00 pm IST on 29-09-2019.

STELLAR CAPITAL SERVICES LIMITED

CIN : L74899HR1994PLC076773

Registered office: 402, 4th Floor Solitaire Plaza, M.G. Road, Gurgaon, Haryana-122002

Website : www.stellarcapital.in **E mail ID :** stellarcapital@yahoo.in, **Ph:** 011-26812222

Form No. MGT-11

PROXY FORM

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

25th ANNUAL GENERAL MEETING – SEPTEMBER 30, 2019 AT 02:00 P.M.

Name of the Member (s):	
Registered address:	
E-mail ID:	
Folio No./Client ID:	
DP ID:	

I/We being the member(s) of Stellar Capital Services Limited holding..... shares of the Company hereby appoint:

Name : _____ Email : _____ Address : _____ Signature
:s_or failinghim/her

Name : _____
Email : _____ Address : _____
Signature : _____ or failinghim/her

as my/our **proxy** to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on 25th Annual General Meeting of the Company at its registered office at **402, 4th Floor Solitaire Plaza, M.G. Road, Gurgaon, Haryana-122002** on Monday, 30th September, 2019 at 02:00 P.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

SNo.	RESOLUTIONS	Tick appropriately
ORDINARY RESOLUTION		
1	To consider and adopt the audited financial statements for the year financial ended on March 31, 2019 along with the reports of the Board of Directors and the Auditors thereon.	For/Against
2	To appoint a Director in place of Mrs. Rajni Aneja (DIN 00341959) who retires by rotation in terms of Section 152 (6) of Companies Act, 2013 and being eligible offer herself for re-appointment	For/Against
3	To re-appoint Statutory Auditor of the Company	For/Against
4	To Appoint Mr. Indresh Kumar Bhardwaj as an Independent Director of the Company	For/Against

Signed this _____ day of _____ 2019

Signature of Member..... Signature of Proxy holder(s).....

Affix
Revenue
Stamp

Notes:

1. This form of proxy in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Annual General Meeting.

2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 25th Annual General Meeting.

Electronic Voting Particulars

EVSN (Electronic Voting Sequence Number)	*Default PAN

*Only Member who have not updated their PAN with Company / Depository Participant(s) shall use default PAN in the Pan field. **Note:** Please refer to the instruction printed under the Notes to the Notice of the 25th Annual General Meeting. The E-voting period starts 27th September, 2019 (10:00 am) and ends on 29th September, 2019(5:00 pm). The E-Voting portal shall be disabled by CDSL immediately after 5:00 pm IST on 29-09-2019.

DIRECTOR'S REPORT

To,
The Members,

Your Directors have pleasure in presenting the 25th Annual Report of your Company alongwith Audited Financial Statements and the Auditor's Report thereon for the Year ended 31st March, 2019.

FINANCIAL PERFORMANCE

The Performance of the Company for the Financial year ended 31st March 2019 is summarized below

(in Rupees)

Particulars	Financial year ended	
	31 st March, 2019	31 st March, 2018
Total Income	53,096,581	58,867,226
Total expenditure	49,967,186	55,584,994
Profit before tax	3,129,395	3,282,232
Profit after tax	2,302,546	2,426,775
Paid- up Share Capital	249,615,000	249,615,000
Reserves and Surplus	208,034,525	205,644,606

HIGHLIGHTS OF PERFORMANCE

During the year under review, Income for the year is decreased from Rs. 58,867,226 in 2018 to Rs. 53,096,581 in 2019. Profit before tax decreased from Rs. 3,282,232 in the previous year to Rs. 3,129,395 in current year. The net profit also decreased from Rs. 2,426,775 in the previous year 2018 to Rs. 2,302,546 in the current year.

DIVIDEND

To maintain the liquidity of funds, the Board of Directors has decided not to declare any dividend for this financial year 2018-19. The Board assures you to present a much strong financial statements in coming years.

SHARE CAPITAL

The Paid up Share Capital as on 31st March, 2019 was Rs. 249,615,000. During the year under review the company has not issued any shares, debentures or any other convertible instruments.

BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

BONUS SHARES

No Bonus Shares were issued during the year under review.

EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme to the employees.

ISSUE OF SHARES THROUGH PREFERENTIAL ALLOTMENT

The Company has not issued any equity shares by way of preferential allotment during the year under review.

FIXED DEPOSIT

The Company has not accepted any fixed deposit during the year under review falling within the purview of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

TRANSFER TO GENERAL RESERVES

The Company has transferred an amount of Rs. 460,509 to Special Reserve maintained under Section 45-IC of the Reserve Bank of India Act, 1934. The Company has not transferred any amount to the General Reserve for the F.Y ended March 31, 2019.

CHANGE IN THE NATURE OF BUSINESS

There was no changes in the nature of the business during the financial year.

MATERIAL CHANGES AND COMMITMENTS

There were no material changes and commitments, affecting the financial position of the Company between the end of the financial year of the Company and the date of the Directors' report. However Company has shifted its registered office from NCT of Delhi to the state of Haryana.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return as on 31st March 2019, in the prescribed form MGT 9 forms a part of this report as "Annexure - I"

DETAIL OF SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANY DURING THE YEAR

The Company has no subsidiary, joint venture or associated company therefore disclosures in this regards in Form AOC -1 are not provided in this report.

PERFORMANCE AND FINANCIAL POSITION OF EACH SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANY

The company has no subsidiary, joint venture or associated company so there is no requirement of description of performance in this regard.

STATUTORY AUDITORS

At the Annual General Meeting held on 30th September, 2015 M/s V.N. Purohit & Co., Chartered Accountants, was re-appointed as Statutory Auditors of the Company to hold the office till the ensuing of the Annual General Meeting to be held in the year 2019 now it is proposed to re-appoint them for further period of four years upto the annual general meeting to held in the year 2023 on such remuneration as may be decided by the Board of Directors of the Company.

The Statutory Auditors have confirmed that they are not disqualified from continuing as Statutory of the Company.

The notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report to the members of the Company for the financial year under review does not contain any qualification, reservation, adverse remark or disclaimer.

Secretarial Auditor

Kundan Kumar Mishra & Associates, Company Secretaries, Company Secretaries was appointed as a secretarial auditor to conduct the secretarial audit of the Company for the F.Y 2018-19, as required under Section 204 of the Companies Act, 2013 and rules there under. The Secretarial audit Report for F.Y 2018-19 forms a part of this Report as Annexure-II

Internal Auditor

MST and Company, Chartered Accountant was appointed as an internal auditor of the Company.

Cost Audit

Provision related to Cost Audit is not applicable to the Company.

COURT/TRIBUNAL ORDERS

There were no instances of any significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use for disposition of its assets. All the transactions are probably authorized, recorded and reported to the Management. The Company is following all applicable accounting standards for properly maintaining the books of accounts and reporting financial statements. The internal Auditor of the company checks and verifies internal control and monitors them in accordance with policy adopted by the company. The Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of business.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information required to be given pursuant to section 134(3)(m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 and forming part of Board's Report for the year ended March 31, 2019 are given as below:

Conservation of Energy and Technology Absorption

Since the Company does not own any manufacturing activity, the Energy Conservation and Technology Absorption particulars as mentioned in the Companies (Accounts) Rules, 2014, are not applicable.

Foreign Exchange Earning And Outgo :-

Details of Foreign Exchange, earnings and Outgo are given as below:-

	Year 2019 (Amount)	Year 2018 (Amount)
Foreign Exchange earning	Nil	Nil
Foreign Exchange outgoing	Nil	Nil

RBI GUIDELINES

The Company continues to comply with all the requirements prescribed by the Reserve Bank of India, from time to time.

CORPORATE SOCIAL RESPONSIBILITY

Provisions related CSR under Section 135 of the Companies Act, 2013 are not applicable to the Company.

NUMBER OF MEETINGS OF THE BOARD

During the financial year 2018-19, 09 (Nine) Board Meetings were held on **18th April, 2018, 30th May 2018, 31st August 2018, 10th October 2018, 13th October 2018, 14th November 2018, 24th January 2019, 27th March, 2019 and 30th March, 2019.**

The intervening gap between the Board Meetings was within the period prescribed under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for selection and appointment of Directors, Senior Management Personnel and Key Managerial Personnel ("KMP") and their remuneration including criteria for determining qualifications, positive attributes, independence of Directors and other matter as provided in section 178.

Such policy is annexed as annexure- III and same is available at the website of the company at www.stellarcapital.in under the link of <http://stellarcapital.in/wp-content/uploads/2018/07/NRC-POLICY.pdf>

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declaration from each Independent Director of the Company under Section 149 (7) of the Companies Act, 2013 that, they meet the criteria of independence as laid down in Section 149 (6) of the Companies Act, 2013 and subsequently the same was placed at the Board Meeting.

BOARD EVALUATION

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Directors being evaluated.

The structured evaluation process contained various aspects of the functioning of the Board and its committees, number of committees and their roles, frequency of meetings, level of participation, independence of judgment, performance of duties and obligations and implementation of good Corporate Governance practices.

The evaluation of all the Directors and the board as a whole was conducted based on the criteria and frame work adopted by the Board. The Board approved the evaluation results as collated by the nomination and remuneration committee.

INTERNAL COMPLAINTS COMMITTEE FOR PREVENTION OF SEXUAL HARASSMENT

Pursuant to Section 21 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rule 14 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013, the Company has constituted Internal Complaints Committee (ICC) where any grievances of sexual harassment at workplace can be reported. The Company has also adopted a policy on Prevention of Sexual Harassment at workplace. The objective of the policy is to provide its women employees, a workplace, free from harassment/discrimination and every employee is treated with dignity and respect.

During the year under review, ICC of the Company has not received any complaint pertaining to sexual harassment of women at workplace.

DETAILS OF DIRECTORS OR KMP WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR.**DIRECTORS**

In accordance with the provisions of Section 152 of the Act, Mrs. Rajni Aneja, Director retires by rotation at the forthcoming Annual General Meeting and, being eligible offers herself for re-appointment. The Board recommends her re-appointment for the consideration of the Members of the Company at the forthcoming Annual General Meeting.

A. Mr. Amarpal Singh and Mr. Abhishek Bathla had resigned from directorship w.e.f.14.01.2019

B. Mr. Indresh Kumar Bhardwaj was appointed as the Additional Director on the Board of Director of the Company with effect from 24.01.2019

KEY MANAGERIAL PERSONNEL

There was no changes in the Key Managerial Personnel of the Company

COMMITTEES OF THE BOARD

Currently, the Board has 3 Committees; the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. The Composition of committees as per applicable provisions of the act and rules, are as follows:

Audit Committee

The "Audit Committee" of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013 ('the Act') and Comprises of following members:

➤ Mr. Pranay Aneja

- Mr. Rupal Singh Kohli
- Mr. Indresh Kumar Bhardwaj

Nomination and Remuneration Committee

The "Nomination Remuneration and Committee" has been constituted by the Board as per the requirements of the provisions of Section 178 (1) of the Companies Act, 2013 and comprise of following members :

- Mr. Pranay Aneja
- Mr. Rupal Singh Kohli
- Mr. Indresh Kumar Bhardwaj

Stakeholders Relationship Committee

The "Stakeholders' Relationship Committee" is constituted in line with the provisions of Section 178 (5) of the Companies Act, 2013 and comprise of following members :

- Mr. Pranay Aneja
- Mr. Rupal Singh Kohli
 - Mr. Indresh Kumar Bhardwaj

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM/ WHISTLE BLOWER POLICY FOR DIRECTORS AND EMPLOYEES

In order to ensure that the activities of the company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior, the company has adopted a vigil mechanism policy.

The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees willing to raise a concern about irregularities within the Company.

This policy is annexed as **Annexure-IV** and is also posted on the website of the company i.e. www.stellarcapital.in

PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS UNDER SECTION 186

Details of Loans or guarantee given or security provided in terms of provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 has been adequately disclosed in the financial statements.

RELATED PARTY TRANSACTIONS

All the related party transactions entered during the financial year were on arm's length basis and also in the ordinary course of the business. There are no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large. The details of Related Party Transactions are disclosed and forming part of the Annual Financial Statements.

COMPLIANCE OF SECRETARIAL STANDARDS

During the year Company has done all the required compliances of Secretarial Standards -1 & 2 as prescribed by the Institute of Company Secretaries of India.

RISK MANAGEMENT POLICY

Managing of Risk is an Integral part of Company's strategy. Company has already implemented Risk Management Policy and the Board of Directors has prepared a comprehensive framework of risk management, for assessment of risks and to determine the responses to these risks so as to minimize their adverse impact on the organization.

Such policy is annexed as "**Annexure- V**" and same is available at the website of the company at <http://stellarcapital.in/wp-content/uploads/2018/05/RISK-MANAGEMENT-POLICY.pdf>

MANAGEMENT DISCUSSION ANALYSIS REPORT (MDAR):

The Management Discussion and Analysis Report for the year under review as stipulated under Regulation 34(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section which forms part of the Annual Report.

PRUDENTIAL NORMS AND DIRECTIONS OF RBI FOR NBFCs

Your company has complied with all the prudential norms prescribed by the Reserve Bank of India and has filed the required returns.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197(12) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as follows:

1. Ratio of remuneration of each Director to median remuneration of the employees of the company for the financial year 2018-19

S.NO	Name of Director	Ratio of remuneration of director to median remuneration of employees
1	Pranay Aneja (Managing Director)	1.27 :1
2.	Rajni Aneja (Whole –time Director)	1.27 :1

2. Percentage increase in remuneration of each Director, CFO, CEO, CS or Manager, if any, in the Financial Year 2018-19 compared to Financial Year 2017-18

S.No	Pranay Aneja (Managing Director)	Rajni Aneja (Whole Time Director)	Payal (COMPANY SECRETARY)	Ashwani Rampal (CFO)
1	17%	40%	NIL	NIL

3. Percentage Increase in median remuneration of employees during the year was 32.05%
4. The Number of Permanent employee on the roll of the Company as on 31st March, 2019 was Thirty Four.
5. Provisions of Rule 5 (2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of the Companies Act, 2013 is not Applicable on the company for the Financial year 2018-19.

The remuneration paid to all key managerial personnel was in accordance with remuneration policy adopted by the company.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 134 (3) (c) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- a) in the preparation of annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- 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 at the end of the financial year 2018-19 and of the profit of the company for that period;
- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, 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 directors had laid down proper internal financial controls and such internal financial controls are adequate and were operating effectively;
- f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

STOCK EXCHANGE LISTING

The Equity Shares of the Company are listed at the BSE Limited. The Company has already paid listing fees for the financial Year 2019-20 to the BSE.

ACKNOWLEDGEMENT

The Board of Directors gratefully acknowledge the continued co-operation, trust and support of the shareholders and would like to place on record its appreciation for the dedicated services rendered by the Employees at all levels. The Directors further express their gratitude to the Bankers, Customers and other associates for co-operation and confidence reposed by them in the Company.

For and on Behalf of Stellar Capital Services Limited

Pranay Aneja
(Managing Director)
DIN : 00809285
Add: B-34, Soami Nagar,
New Delhi-110017

Rajni Aneja
(Whole-time Director)
DIN: 00341959
Add: B-34, Soami Nagar
New Delhi-110017

ANNEXURE- I

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I.REGISTRATION & OTHER DETAILS

1.	CIN	L74899HR1994PLC076773
2.	Registration Date	20 th October, 1994
3.	Name of the Company	Stellar Capital Services Limited
4.	Category/Sub-category of the Company	Public Company limited by shares Non-Banking Financial Company
5.	Address of the Registered office & contact details	402, 4th Floor Solitaire Plaza, M.G. Road, Gurgaon, Haryana- 122002 Tel No. +91 8587000091 / 011-26812222 Email: stellarcapital@yahoo.in Website: www.stellarcapital.in
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s Skyline Financial Services Private Limited, D-153A, First Floor, Okhla Industrial Area, Phase-I, New Delhi – 110020, Tel: 011- 26812682-83, E-mail: info@skylinerta.com Website: www.skylinerta.com

II.PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Income from interest on loan	649	99

III.PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –NIL

S. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1	NA	NA	NA	NA	NA

VI. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A. Category-wise Share Holding

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Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2018)				No. of Shares held at the end of the year (31.03.2019)				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.Promoter(s)									
(1) Indian									
a) Individual/ HUF	60,03,000	-	60,03,000	24.05	60,03,000	-	60,03,000	24.05	24.05
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) BodiesCorp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (I)	60,03,000	-	60,03,000	24.05	60,03,000	-	60,03,000	24.05	24.05
(2) Foreign									
a. Individuals (Non-residents Individuals)	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter and Promoter Group (A) = (A) (1)+ (A) (2)	60,03,000	-	60,03,000	24.05	60,03,000	-	60,03,000	24.05	24.05
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-

e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	-	-	-	-	-	-	-	-	-
2. Non-Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	29,38,400	3064500	60,02,900	24.05	3340242	83000	3423242	13.71	(10.34)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	771100	-	771100	3.09	748758	-	748758	3.00	(0.09)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	11194500	768000	11962500	47.92	13330500	1162000	14492500	58.06	10.14
c) Others (specify)									
i) Clearing Members/House	6000	-	6000	0.02	18000	0	18000	0.07	0.05
ii) Hindu Undivided Family	216000	-	216000	0.87	270000	-	270000	1.08	0.21
iii) Non Resident Indian	0	0	0	0.00	6000	0	6000	.02	0.02
Sub-total (B)(2):-	15126000	3832500	18958500	75.95	17713500	1245000	18958500	75.95	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	15126000	3832500	18958500	75.95	17713500	1245000	18958500	75.95	0
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-

Grand Total (A+B+C)	21129000	3832500	24961500	100.00	23716500	1245000	24961500	100.00	0.00
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B. SHAREHOLDING OF PROMOTER

Shareholder's Name	Shareholding at the beginning of the year (01.04.2018)			Shareholding at the end of the year (31.03.2019)			%
	No. of Shares	% of total Shares of the company	% of Shares Pledged /encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Pranay Aneja	2802000	11.23	-	2802000	11.23	-	-
Rajni Aneja	3201000	12.82	-	3201000	12.82	-	-
TOTAL	6003000	24.05	-	6003000	24.05	-	-

C. **CHANGE IN PROMOTERS' SHAREHOLDING** : There was no changes in the shareholding of promoters during the year

Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Pranay Aneja						
At the beginning of the year	01.04.2018					
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):						
At the end of the year	31.03.2019					
Rajni Aneja						
At the beginning of the year	01.04.2018					

Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):						
At the end of the year	31.03.2019					

SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS: (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):

Name of the Share Holder	Date	Shareholding at the beginning of the year		Reason	Cumulative Shareholding during the Year		
		No. of shares	% of total shares of the company		No. of shares	% of total shares of the company	
Naresh Kumar Gupta							
At the beginning of the year	01.04.2018	750000	3.00		750000	3.00	
Date wise Increase / Decrease in Shareholding during the year along with the reasons	13.10.2018	(750000)	(3.00)	sale	-	-	
At the end of the year	31.03.2019	-	-		-	-	
Ladi Marketing Pvt. Ltd.							
At the beginning of the year	01.04.2018	1170000	4.69		1170000	4.69	
Date wise Increase / Decrease in Shareholding during the year along with the reasons	14.12.2018	204000	0.8	Sale	966000	3.87	
	21.12.2018	966000	3.87	sale	-	-	
At the end of the year	31.03.2019	-	-		-	-	
Hema Surgicals Pvt. Ltd.							
At the beginning of the year	01.04.2018	1245000	4.99		1245000	4.99	
Date wise Increase / Decrease in Shareholding	30.03.2019	1245000	4.99	Sale	1245000	4.99	

during the year along with the reasons							
At the end of the year	31.03.2019	-	-	-	-	-	-
Jyotsana Garments Pvt. Ltd.							
At the beginning of the year	01.04.2018	877500	3.52		-	-	
Date wise Increase/Decrease in Shareholding during the year along with the reasons	30.03.2019	83000	0.33	Purchase	960500	3.85	
At the end of the year	31.03.2019	960500	3.85	-	960500	3.85	
Associated Book Keeper and Consultants Private Limited							
At the beginning of the year	01.04.2018	1170000	4.69		1170000	4.69	
Date wise Increase/Decrease in Shareholding during the year along with the reasons		-	-		-	-	
At the end of the year	31.03.2019	1170000	4.69		1170000	4.69	
Siwan Network Marketing Pvt Ltd							
At the beginning of the year	01.04.2018	858000	3.44		858000	3.44	
Date wise Increase / Decrease in Shareholding during the year along with the reasons	-	-	-		-	-	
At the end of the year	31.03.2019	858000	3.44		858000	3.44	
Mohit Tyagi							
At the beginning of the year	01.04.2018	48000	0.19		-	-	
Date wise Increase / Decrease in Shareholding during the year along with the reasons	21.12.2018	248025	0.99	Purchase	296025	1.19	
	28.12.2018	3975	0.015	Purchase	300000	1.20	
	31.03.2019	602000	2.41	Purchase	902000	3.61	
At the end of the year	31.03.2019	902000	3.61		902000	3.61	
Satya Narayan Yadav							
At the beginning of the year	01.04.2018	864000	3.46		864000	3.46	

Date wise Increase / Decrease in Shareholding during the year along with the reasons		-	-	-	-
At the end of the year	31.03.2019	864000	3.46	0	864000 3.46
Ankit Dixit					
At the beginning of the year	01.04.2018	186000	0.75		2004000 8.03
Date wise Increase/Decrease in Shareholding during the year along with the reasons	13.10.2018	750000	3.00	Purchase	936000 3.75
At the end of the year	31.03.2019	936000	3.75		936000 3.75
Amandeep Kaur					
At the beginning of the year	01.04.2018	894000	3.58		894000 3.58
Date wise Increase / Decrease in Shareholding during the year along with the reasons	-	-	-		- -
At the end of the year	31.03.2019	894000	3.58		894000 3.58

D. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL : There was no change in shareholding of Directors and Key Managerial Personnel

Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares
Pranay Aneja (Managing Director)						
At the beginning of the year	01.04.2018		2802000	11.23	2802000	11.23
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment)			-	-	-	-

/transfer / bonus/ sweat equity etc.):							
At the end of the year	31.03.2019		2802000	11.23	2802000		11.23
Rajni Aneja (Whole-time Director)							
At the beginning of the year	01.04.2018		3201000	12.82	3201000		12.82
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.)			-	-	-		-
At the end of the year	31.03.2019		3201000	12.82	3201000		12.82

**V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.
(In Rs.)**

Particular	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	9,97,840	51,376,524	-	5,23,74,364
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	9,97,840	51,376,524	-	5,23,74,364
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	500333	51,376,524	-	5,18,76,857
Net Change	500333	51,376,524	-	5,18,76,857
Indebtedness at the end of the financial year				
i) Principal Amount	497,507	-	-	497,507
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		In Lacs)
		Pranay Aneja (Managing Director)	Rajni An (Whole-Time Director)	Total Amount
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4.20	4.20	8.40
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission - as % of profit - others, specify...	NIL	NIL	NIL
5	Others, please specify	-	-	-
	Total (A)	4.20	4.20	8.40
	Ceiling as per the Act	-	-	-

B. Remuneration to other Directors

(In Lacs.)

Sr. No.	Particulars of Remuneration	Name of Directors		Total Amount
		Mr. Rupal Singh Kohli	Mr. Indresh Kumar Bhardwaj	
1	Independent Directors			
	Fee for attending board committee meetings	-	-	-
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (1)			
2	Other Non-Executive Directors			
	Fee for attending board committee meetings	-	-	-
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (2)	-	-	-
	Total (B)=(1+2)			
	Total Managerial Remuneration (A+B)	-	-	-
	Overall Ceiling as per the Act			

B. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(In lacs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Ms. Payal Company Secretary	Mr. Ashwani Rampal, CFO	Total
1	Gross salary	3.60	9.36	12.96
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil
	- as % of profit	Nil	Nil	Nil
	Others, specify...	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total	3.60	9.36	12.96

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

(In Rs.)

Type	Section of the Companies Act 1956	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Form No. MR-3
SECRETARIAL AUDIT REPORT
Form No. MR-3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019**

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

To,

The Members,

Stellar Capital Services Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Stellar Capital Services Limited (hereinafter called the Company). Secretarial Audit was conducted /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 authorized 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 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Stellar Capital Services Limited ("the Company") for the financial year ended on 31st March, 2019 according to the provisions of:

The Companies Act, 2013 (the Act) and the rules made thereunder;

The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; Not Applicable

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not Applicable

The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable

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;

The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not Applicable

The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not Applicable
Other Laws applicable specifically to the Company namely;
Reserve Bank of India Act, 1934

As informed by the Management, there are no other laws that are applicable specifically to the company

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

Secretarial Standards issued by The Institute of Company Secretaries of India.

The Listing Agreements entered into by the Company with BSE (SME Platform) read with Securities and Exchange Board of India (Listing obligations and Disclosure Requirement) Regulations, 2015 (SEBI LODR Regulations);

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

I further report that based on the information provided and representation made by the Company, in my opinion, adequate systems and processes exist in the Company to monitor and ensure compliance with provisions of applicable general laws.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes 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.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed 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 for meaningful participation at the meeting.

I further report, that the compliance by the company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by statutory auditors and other designated professionals.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

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

I further report that during the audit period the company has no specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. having a major bearing on the company's affairs.

For Kundan Kumar Mishra & Associates
Company Secretaries

Kundan Kumar Mishra
M.No. A48338
CP No. 19844

Date: 31st August, 2019

Place: Delhi

Note: This report is to be read with our letter of even date which is annexed as Annexure - A and forms an integral part of this report.

ANNEXURE - A

To,
The Members,
Stellar Capital Services Limited

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

Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

I have 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, I followed provide a reasonable basis for our opinion.

I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

The Secretarial Audit report is neither an 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.

For Kundan Kumar Mishra & Associates
Company Secretaries

Kundan Kumar Mishra
M.No. A48338
CP No. 19844

Date: 31st August, 2019
Place: Delhi

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Company is a NBFC focused on providing bespoke financing solutions to its customers and has been in existence for more than two decades. At present, the Company falls within the category of “Non-Banking Finance Company - Non-Deposit taking Company”. Your Company is registered with the RBI as a NBFC not accepting public deposits under section 45 IA of the RBI Act, 1934.

The Company focuses on being a partner credit institution and provides customised financial solutions to Indian Corporates and Enterprises for their growth and working capital requirements. Stellar has an in-house team of experts to evaluate, value and estimate marketability of all kinds of assets.

The Product portfolio of the Company primarily consists of Working Capital Loan, Project Finance, Loan Against Property, Project Finance – Real Estate and Structured Finance. The Company’s product suite is as follows:

Working Capital Loan

- ▣ Short-term financial support for hassle-free management of day-to-day operations.
- ▣ Easy option to cover recurring expenses like inventory management, accounts payable and payroll.
- ▣ Flexible options to cater to seasonal fluctuations in business.

Project Finance

- ▣ Capital funding to mid-range and emerging corporates, based on projected cash flows and sufficient collateral.
- ▣ Financial assistance for expansion, diversification, funding for capital expenditure and other growth-oriented strategies of businesses.
- ▣ Well-defined processes backed by credit appraisal and secured by project assets. Loan Against Property
- ▣ Easy loans against property collateral for various corporate requirements, ranging from debt consolidation to take over of existing facilities.
- ▣ Equitable or registered mortgage over the financed property, with personal guarantee and corporate guarantee.
- ▣ Enhanced focus on collateral valuation and loan serviceability.

Project Finance – Real Estate

- ▣ Project-specific funding to facilitate the acquisition, construction and development of residential, commercial, retail, township and industrial real estate projects.
- ▣ Long-term loans for re-development projects and property development ventures.

Structured Finance

- ▣ Customized term loans, inter-corporate deposits, subscription to debt instruments and convertible preference shares.
- ▣ Tailormade structured financial services to support acquisitions, expansions, buyouts and diversifications.
- ▣ Promoter funding secured against property, pledge of marketable securities or fixed deposits, guarantee of corporate entity, owner or promoter, debt service reserve account, etc.

Our Strengths

We believe the following are our principal strengths:

Experienced, highly motivated and dedicated management team

We have an experienced, highly motivated and dedicated senior management team, with significant experience in the banking, financial services, consultancy and infrastructure sectors. Our new and dynamic senior management team has already implemented a number of changes in the Company for steady growth of the business. One of the changes was to diversify our lending focus to become sector agnostic and lend with a focus on good quality collateral asset.

Institutional philosophy of prudent risk management controls through streamlined procedures

We maintain healthy and high-quality loan asset portfolio in synchronization with our institutional philosophy of lending against

security, which we call asset backed lending. We have instituted prudent and comprehensive risk management controls, policies, and procedures that are critical for the long-term sustainable development of our organization. Our Risk Management Committee which is a Board level committee oversees and monitors the overall credit risk management framework. Our credit risk governance framework comprises of primarily three-units, (i) our business teams, that generates lead; (ii) the credit risk unit, that independently manages the risk, provides policy guidance, performs credit analysis, risk reporting and credit monitoring. Our credit risk unit comprises of various sub-units, such as credit underwriting, policy unit and portfolio monitoring unit, which are responsible for management of credit risks; and (iii) the internal audit unit, which independently assesses the design and operational effectiveness of the entire credit risk management framework. Our credit risk governance framework incorporates the requirement of senior management and credit committee approval, with built-in escalation matrices at pre-defined credit thresholds, which enables us to ensure that high-ticket advances are sanctioned by our senior management. We have implemented enterprise-wide loan management system, OmniFin, which provides single platform operational support such as risk management, documentation management and customer service and consequently aids our decisionmaking. We have integrated OmniFin with services of third-party credit assessment service products, Perfios - Insight to increase the operational efficiency of loan disbursement and risk assessment processes. We believe that our streamlined credit risk governance framework and loan management system have contributed to our operational efficiency and enhances our ability to take prudent credit decisions.

Our Strategies

Focus on Emerging Corporate / SME segment borrower category:

Emerging corporates and SME players add to the growth story of India. As part of Portfolio diversification strategy, your company intends to lend to this segment which is fast growing and provides a healthy Portfolio on Company's balance sheet. Your Company's management has decade long experience in Financial services and understands this segment so as to lend judiciously.

Further strengthening credit assessment and risk management procedures: In line with our institutional philosophy of implementing prudent risk management controls, we continuously endeavor to strengthen various aspects of our credit and risk management, including credit assessment and due diligence procedures for appraisal of the borrower's credit worthiness and mitigation of the credit risk. We are committed to efficiently maintain healthy and high-quality loan asset portfolio. In relation to origination and appraisal of our advances, we propose to continuously review and upgrade our credit risk governance framework, including enhancing our resources. In addition, we have integrated our loan management system, OmniFin with services of third party credit assessment service products, such as Perfios - Insight, which we believe would increase the operational efficiency of loan disbursement and risk assessment processes. Leverage on the relationship and experience of our senior management for business growth: We intend to continue growth at a stable but steady pace. Therefore, instead of focusing on opening of new branches, we wish to leverage the experience and business relationships of our senior management to grow our business. Our new senior management has a diversified track record that can help us identify suitable customers across industries which meet our risk appetite. We also believe our senior management's acumen of the market trends, demands and industry developments, would enable us to adapt and take advantage of market opportunities.

RISK MANAGEMENT

Risk management forms an integral part of Company's business. As a NBFC, the Company is exposed to various risks related to its lending business and operating environment. The objective is to evaluate and monitor various risks that the Company is subject to and follow stringent policies and procedures to address these risks. Effective risk management forms the core of our business. Our credit risk management process encompasses astute underwriting, structuring & regulatory checks, coupled with appropriate credit & approval delegation & monitoring of the portfolio at regular interval. Our team of seasoned professionals continuously monitor risk and suggest early measures to control risk at minimum level. We have also established effective risk management systems, policies & internal controls to address various other types of risk viz operational risk, liquidity risk, market risk, compliance & regulatory risk. Our focus on developing sector expertise across our products segments helps us constantly monitoring event risks. The Company's Risk Management Committee assists the Board in addressing various risks and discharges duties relating to corporate accountability. The Risk Management Committee reviews the effectiveness of risk management systems in place and ensure that they are effectively managed. It also provides an independent and objective oversight on corporate accountability and risks and considers reports of the Audit

Committee on all categories of identified risks.

POSSIBLE THREATS

Our Industry has faced certain challenges in the period under review, related to Liquidity and defaults by Large Companies, therefore there may be significant roadblocks to the growth of the Company in shorter term. Default and delay by a number of large and small established financial companies is likely to cause certain short-term variances and may make it difficult for the Company to raise debt in near future. Even the fall in Interest rates have not boosted the Liquidity for NBFCs, and there has been instances of Rating downgrades of NBFC and certain Housing Finance Companies, of which Reliance Home Finance is the recent example. Changes in interest rates are expected to have significant impact on the Company's business and operations. Finance costs are dependent on various external factors, including Indian and global credit markets and, in particular, interest rate movements and adequate liquidity in the debt markets. Changes in RBI repo rates could affect the interest charged on interest-earning assets and the interest rates paid on interest-bearing liabilities. Adverse conditions in the global and Indian economy resulting from economic dislocations or liquidity disruptions may adversely affect availability of credit, and decreased liquidity may lead to an increase in interest rates. Despite recent push by the RBI, the resolution of stressed assets in the system is likely to take more time. Also, the effect of various loan waivers on credit culture in the rural areas is still to be seen. Your Company acknowledges these possible negative factors and has a plan to mitigate them through its deep domain knowledge, strong risk framework and an efficient collection mechanism under the stewardship of the management team.

Independent Auditor's Report

To
The members of
STELLAR CAPITAL SERVICES LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **STELLAR CAPITAL SERVICES LIMITED** ("the Company"), which comprise the balance sheet as at 31st March 2019, the statement of profit and loss, statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereby referred as 'the financial statement').

In our opinion and to the best of our information and explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting standard (AS) prescribed under section 133 the Companies Act, 2013 read with the Companies (Accounting Standard) Rules, 2006, as amended and the other accounting principles generally accepted in India: -

- i. In case of the Balance Sheet, of the **state of affairs** of the Company as at 31st March, 2019;
- ii. In case of Statement of Profit and Loss, of the **profit** for the year ended on that date; and
- iii. In case of Cash Flow Statement, of the **cash flows** for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of the 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 (ICAI) together with ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidences we have obtained are 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 financial statements of the current period. These matters were addressed in the context of our audit of the 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 the matters described hereunder to be key audit matters to be communicated in our report.

S.No.	Key audit matters	Auditor's response
1.	<p><u>Loans and advances:</u> - As primary business of Company is advancing of the loan and during the year significant loan advancing transactions taken place.</p> <p>We focused on the conditions of disbursement and appropriateness of sanctioning process.</p>	<p>Our audit procedure inter- alia include the following: -</p> <ol style="list-style-type: none"> 1. We evaluated the control environment including authorization, sanctioning and disbursement of significant loans advanced during the year. 2. We have obtained external confirmations from third parties in respect of transactions and closing balance for significant loans advanced by the company. 3. We tested all material entries recorded in connection with the loan advance and interest thereon to determine whether the accounting was appropriate.
2.	<p><u>Compliance of RBI directions and circulars:</u></p>	<p>Our audit procedure inter- alia include the following: -</p>

	<p>The recent RBI regulations increased the responsibility of auditors of NBFCs.</p> <p>As Company is an NBFC, it is responsibility of Company to duly follow the directions and circulars.</p> <p>We focused on the requisite compliance and disclosure as per the requirements in the norms.</p>	<p>We have reviewed the conditions for prudential norms prescribed by the RBI including: -</p> <p>a) Provision on standard assets.</p> <p>b) Transfer of 20% profit to reserve maintain under section 45-IC of the RBI Act.</p> <p>c) Holding of at least 50% of the financial assets and 50% of the financial income respectively.</p> <p>d) Maintaining minimum Net Owned Fund of Rs. 200 Lakhs.</p>
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Information other than the financial statements and Auditor's Report Thereon

The Company's Board of Directors is 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 financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

Management's Responsibility for the Financial Statements

The Company's board of directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the AS and the other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that are operating effectively for insuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, 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 is also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain a reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our 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 due to fraud or error and are considered material if, individually or in 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 the SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

Obtain an understanding of the internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the financial statement, individually or in aggregate, makes it probable that the economic decision of reasonable knowledgeable user of the financial statement may be influenced.

We consider quantitative materiality and qualitative factors in (i) Planning the scope of our audit work and in evaluating the results of our work; and, (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 controls 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 reasonable be thought to bear on our independence, and where applicable, relevant 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, 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 reasonable be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), as amended, 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 paragraphs 3 and 4 of the order, to the extent applicable.

The Company is a non- banking financial company not accepting public deposits and holding certificate of registration no- B-14.02359 dated 23rd March, 2001 from Reserve Bank of India has been issued to the Company.

The Board of Directors has passed resolution for the non- acceptance of any public deposits.

The Company has not accepted any public deposits during the relevant year.

The Company has complied with the prudential norms relating to income recognition, accounting standards, assets classification and previously for bad and doubtful debts as applicable to it.

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

We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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;
the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

In our opinion, the aforesaid financial statements comply with the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

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.

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:

The Company has disclosed the impact, if any of pending litigations on its financial position, in its financial statements, Refer to note no- 29 to the financial statements.

The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

The Company is not required to transfer any amount to the Investor Education and Protection Fund.

FOR V.N. PUROHIT & CO.

Chartered Accountants

Firm Regn. 304040E

s/d

O.P. Pareek

Partner

Membership No. 014238

New Delhi, the 30th day of May, 2019

ANNEXURE- A TO THE AUDITOR'S REPORT

The Annexure referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date to the members of **STELLAR CAPITAL SERVICES LIMITED** for the year ended on 31st March 2019.

- (i)(a) As per information and explanation given to us, the company is maintaining proper records showing full disclosures of fixed assets.
- (b) As per information and explanation given to us, physical verification of fixed assets has been conducted once in a year by the management and no material discrepancies were noticed during the course of verification.
- (c) According to information and explanation given to us, the company does not hold any immovable property during the period dealt with by this report.
- (ii) As per information and explanation given to us, verification of inventory has been conducted once in a year by the management and no material discrepancies were noticed during the course of such verification;
- (iii) According to information and explanations given to us, the Company has not granted any loans secured or unsecured to parties covered in register maintained under section 189 of the Companies Act, 2013;
- (iv) According to information and explanations given to us, the Company has complied with the provisions of section 185 and section 186 of the Companies Act, 2013 to the extent applicable in respect of loans, advances, guarantees and securities so given.
- (v) According to information and explanations given to us, the Company has not accepted public deposits and the provision of section 73 to 76 or other relevant provisions of the Companies Act, 2013 and rules framed there under are not applicable to the Company;
- (vi) According to information and explanations given to us, the Company is not liable to maintain cost records as prescribed under section 148(1) of the Companies Act, 2013;
- (vii)(a) According to information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including income-tax and any other applicable statutory dues to the appropriate authorities and there are no outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable;
- (b) According to information and explanations given to us, there are no outstanding statutory dues on the part of Company which is not deposited on account of dispute.
- (viii) According to information and explanations given to us, the company has not defaulted in repayment of loans and borrowings from any financial institution, bank, government or dues to debenture holders;
- (ix) According to information and explanations given to us, the Company has not raised money by the way of initial public offer or further public offer (including debt instruments), further the money raised by way of term loans were applied for the purpose for which obtained;
- (x) According to information and explanations given to us, there is no noticed or unreported fraud on or by the Company during the year under audit;
- (xi) According to information and explanations given to us, the Company has paid managerial remuneration in accordance with applicable provisions of the Companies Act, 2013;
- (xii) As per information, the Company is not a Nidhi Company, hence provisions of sub- clause (xii) of the Paragraph 3 of the Order are not applicable;

- (xiii) According to information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards;
- (xiv) According to information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year;
- (xv) According to information and explanations given to us, the Company has not entered into non- cash transactions with directors or persons connected with him;
- (xvi) According to information and explanations given to us, the Company is a Non- Banking Financial Company and registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Signed for the purpose of identification

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

s/d
O.P.Pareek
Partner
Membership No. 014238

New Delhi, the 30th day of May 2019

ANNEXURE- B TO THE AUDITOR'S REPORT**Report on the Internal Financial Controls under Clause (i) of Sub- section (3) of Section 143 of the Companies Act, 2013**

We have audited the internal financial controls over financial reporting of STELLAR CAPITAL SERVICES LIMITED as on 31st March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for the Internal Financial Controls

The Company's management is 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 controls stated in the Guidance Note on Audit of Internal Financial Control 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 fraud and errors, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's 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 ICAI. 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 aspects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control 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 risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidences 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 the receipt and expenditures of the Company are being only in accordance with authorizations 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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and could not be detected. Also, projections of any evaluation of the internal financial control over financial reporting to future periods are subject to the risk that the internal financial controls 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 aspects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2019, based on "the internal financial controls over financial reporting criteria considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India".

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

O.P. Pareek
Partner
Membership No. 014238

New Delhi, the 30th day of May 2019

1. Basis of preparation of Financial Statements

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles (Indian GAAP), including Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies not specifically referred, are consistently applied from the past accounting periods.

2. SIGNIFICANT ACCOUNTING POLICIES

a. Use of estimates:

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

b. Revenue Recognition:

Revenue is recognized to the extent it is probable that the economic benefits will flow to the company and that the revenue can be reliably measured.

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer. The company collects GST on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.

c. Property, Plant and Equipment:

Properties, Plant & Equipment are stated at actual cost less accumulated depreciation and net of impairment. The actual cost capitalized includes material cost, freight, installation cost, duties and taxes, eligible borrowing costs and other incidental expenses incurred during the construction/installation stage.

The Company has chosen the cost model for recognition and this model is applied to all class of assets. After recognition as an asset, an item of PPE is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Depreciable amount of an asset is the cost of an asset less its estimated residual value.

Depreciation on Property, Plant and Equipment, including assets taken on lease, other than freehold land is charged based on Written down method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013. The useful life of assets taken into consideration as per Schedule II for the purpose of calculating depreciation is as follows: -

d. Valuation of Inventories

Inventories include investments in shares of other companies. The company classified such investments as inventory and valuation of them has been made at cost or market value, whichever is lower.

e. Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reported period.

f. Cash and cash equivalents:

Cash comprises cash on hand and demand deposit with banks. Cash equivalents are short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into loan amounts of cash and which are subject to insignificant risk of changes in values.

g. Accounting for Taxes on Income:

Income Tax: -

Tax expense comprises current tax and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the income tax Act, 1961 enacted in India and tax law prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Deferred Income tax: -

Deferred income taxes reflect the impact of timing difference between taxable income and accounting income originating during the current year and reversal of timing difference for the earlier year. Deferred tax is measured using the tax rate and tax laws enacted at the reporting date. During the year DTA has been created on timing difference between depreciation.

Deferred tax liabilities are recognized for all taxable timing difference. Deferred tax assets are recognized for deductible timing difference only to the extent that is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situation where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

Minimum Alternative Tax (MAT): -

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that it is probable that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the MAT Credit Entitlement asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

h. Provision

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resource embodying economic benefits will be require to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are review at the end of each reporting date and adjusted to reflect the current best estimates.

i. Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

j. Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

STELLAR CAPITAL SERVICES LIMITED

CIN- L74899HR1994PLC076773

BALANCE SHEET AS AT 31ST MARCH 2019

Particulars	Notes	[Amount in Rupees]	
		As at 31st March 2019	As at 31st March 2018
<u>EQUITY AND LIABILITIES</u>			
Shareholders' Funds			
Share capital	3	249,615,000	249,615,000
Reserves and surplus	4	208,034,525	205,644,606
Non-Current Liabilities			
Long-term borrowings	5	497,507	997,840
Deferred tax liabilities (net)	6	149,697	122,890
Long-term provisions	7	1,148,550	1,283,508
Current liabilities			
Short-term borrowings	8	-	51,376,524
Other current liabilities	9	26,189,701	31,796,980
Total		485,634,980	540,837,348
<u>ASSETS</u>			
Non-Current Assets			
Property, plant & equipment	10	7,555,055	8,691,695
Long- term loans and advances	11	459,420,049	512,703,055
Current Assets			
Inventories	12	6,254,611	6,254,611
Cash and cash equivalents	13	2,684,394	1,055,197
Short-term loan and advances	14	-	700,000
Other current assets	15	9,720,871	11,432,790
Total		485,634,980	540,837,348

Notes on the financial statements

1-31

The accompanying notes form an integral part of the financial statements.

As per our report attached of even date.

FOR V.N. PUROHIT & CO.**Chartered Accountants**

Firm Regn. No. 304040E

For and on behalf of the Board of Directors of
STELLAR CAPITAL SERVICES LIMITED**O.P. Pareek**

Partner

Membership No. 014238

Pranay Aneja

Managing Director

DIN-00809285

Rajni Aneja

Wholetime Director

DIN-00341959

New Delhi, the 30th day of May 2019

Ashwani Rampal

CFO

PAN: AEAPR5823A

Payal

Company Secretary

PAN:CUAPP9385D

STELLAR CAPITAL SERVICES LIMITED

CIN- L74899HR1994PLC076773

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH 2019

Particulars	Notes	[Amount in Rupees]	
		For the year ended on 31st March, 2019	For the year ended on 31st March, 2018
A. CONTINUING OPERATIONS			
INCOME:			
Revenue from operations	16	52,427,850	58,289,806
Other income	17	668,731	577,420
Total Revenue		53,096,581	58,867,226
EXPENDITURE:			
Changes in inventories of stock in trade	18	-	1,384,919
Employee benefit expenses	19	13,813,277	17,626,991
Financial cost	20	2,515,520	8,516,693
Depreciation	10	1,136,640	642,306
Other expenses	21	32,501,749	27,414,085
Total Expenses		49,967,186	5,584,994
Profit/ (loss) before Tax		3,129,395	3,282,232
Tax expenses			
Current tax		800,041	670,877
Deferred tax		26,808	184,579
Total Tax Expenses		826,849	855,456
Profit/ (loss) for the year after tax (PAT)		2,302,546	2,426,775
Earning per share (EPS)			
[nominal value of share Rs. 10 each]			
Basic (in Rs.)		0.09	0.10
Diluted (in Rs.)		0.09	0.10

Notes on the financial statements

1-31

The accompanying notes form an integral part of the financial statements.

As per our report attached of even date.

FOR V.N. PUROHIT & CO.

Chartered Accountants

Firm Regn. No. 304040E

**For and on behalf of the Board of Directors of
STELLAR CAPITAL SERVICES LIMITED**

O.P. Pareek

Partner

Membership No. 014238

Pranay Aneja

Managing Director

DIN-00809285

Rajni Aneja

Wholetime Director

DIN-00341959

New Delhi, the 30th day of May 2019

Ashwani Rampal

CFO

PAN: AEAPR5823A

Payal

Company Secretary

PAN:CUAPP9385D

STELLAR CAPITAL SERVICES LIMITED
CIN- L74899HR1994PLC076773
CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2019
[Amount in Rupees]
For the year ended
For the year ended
31st March 2019
31st March 2018
A. CASH FLOW FROM OPERATING ACTIVITIES :

Net profit before tax and after exceptional items as per profit & loss account

3,129,395

3,282,232

Adjustments for items not included:

Depreciation

1,136,640

642,306

Interest on borrowings

2,515,520

8,510,611

Bad debts written off

3,373,479

-

Operating Profit before working capital changes

10,155,034

12,435,149

Adjustment for working capital:

(Increase)/ decrease in short term loans and advances

700,000

(700,000)

(Increase)/ decrease in inventories

-

1,384,919

(Increase)/ decrease in long term loan and advances

49,909,526

62,601,731

(Increase)/ decrease in other current assets

496,504

155,434

Increase/ (decrease) in short term borrowings

(51,376,525)

(67,435,593)

Increase/ (decrease) in other current liabilities

(5,607,279)

10,172,584

Cash generated from operations

4,277,260

18,614,224

Direct taxes paid

367,790

(2,861,480)

Net cash flow from operating activities (A)
4,645,049
15,752,744
B. CASH FLOW FROM INVESTING ACTIVITIES :

Purchase of property, plant & equipment

-

(9,224,086)

Net cash flow from investing activities (B)

-

(9,224,086)
C. CASH FLOW FROM FINANCING ACTIVITIES :

Net proceeds from long term borrowings

(500,333)

1,457,434

Interest on borrowings

(2,515,520)

(8,510,611)

Net cash flow from financing activities (B)
(3,015,853)
(7,053,177)
Net cash flow during the year (A + B + C)

1,629,196

(524,519)

Add: Opening cash and cash equivalents

1,055,197

1,579,716

Closing cash and cash equivalents
2,684,393
1,055,197
Components of cash and cash equivalents

Cash on hand (as certified)

2,433,353

1,055,197

Balances with banks in current accounts

251,041

-

Toal cash and cash equivalents (Note 13)
2,684,394
1,055,197

IN TERMS OF OUR REPORT ATTACHED

FOR V.N. PUROHIT & CO.
For and on behalf of the Board of Directors of
Chartered Accountants
STELLAR CAPITAL SERVICES LIMITED

Firm Regn. No. 304040E

O.P. Pareek
Pranay Aneja
Rajni Aneja

Partner

Managing Director

Wholetime Director

Membership No. 014238

DIN-00809285

DIN-00341959

New Delhi, the 30th day of May 2019

Ashwani Rampal
Payal

CFO

Company Secretary

STELLAR CAPITAL SERVICES LIMITED**CIN- L74899HR1994PLC076773**

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2019

3. Share capital	As at 31st March 2019	As at 31st March 2018
	(Rupees)	(Rupees)
Authorised shares		
2,50,00,000 (31 March 2018: 2,50,00,000) equity shares of Rs.10 each.	250,000,000	250,000,000
Issued, subscribed and fully paid- up shares		
2,49,61,500 (31 March 2018: 2,49,61,500) equity shares of Rs.10 each fully paid up.	249,615,000	249,615,000
Total issued, subscribed and fully paid- up share capital	2249,615,000	249,615,000
a Reconciliation of shares outstanding at the beginning and at the end of reporting period		
.		
	As at 31st March 2019	As at 31st March 2018
	Nos.	(Rupees)
	Nos.	(Rupees)
Share capital at the beginning of the period	24,961,500	249,615,000
Add:-Issued during the year	-	-
Outstanding at the end of the period	24,961,500	249,615,000
b Terms and rights attached to equity shares		
.		
The company has issued only one class of equity share having a par value of Rs. 10 per share. Each holder of equity shares is entitled to vote per share. The company declares and pays dividend if any, in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.		
In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all the preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholder.		
c Details of shareholders holding more than 5% shares in the company		
.		
	As at 31st March 2019	As at 31st March 2018
	Nos.	% holding
	Nos.	% holding
Rajni Aneja	3,201,000	12.82%
Pranay Aneja	2,802,000	11.23%
4. Reserves and surplus	As at 31st March 2019	As at 31st March 2018
	(Rupees)	(Rupees)
<u>Securities premium account</u>		
Opening balance	201,405,000	201,405,000

Add: Transfer/ utilised during the year	-	-
Closing balance	201,405,000	201,405,000
<u>Special reserves u/s 45-IC of the RBI Act, 1934</u>		
Opening balance	1,213,399	728,044
Add: Transfer from surplus during the year	460,509	485,355
Closing balance	1,673,908	1,213,399
<u>Surplus/ (deficit) in the statement of profit & loss</u>		
Balance as per last financial statements	3,026,207	1,207,295
Add/(less): Profit/ (loss) for the year	2,302,546	2,426,775
Add/(less): Income Tax adjustment of earlier years	(47,585)	-
Add/(less): Contingent provision against standard assets	134,958	(122,508)
Less: Special reserve u/s 45-IC of the RBI Act, 1934	(460,509)	(485,355)
Net surplus/(deficit) in the statement of profit and loss	4,955,617	3,026,207
	208,034,525	205,644,606

STELLAR CAPITAL SERVICES LIMITED

CIN- L74899HR1994PLC076773

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2019

5. Long-term Borrowings	As at 31st March 2019	As at 31st March 2018
	(Rupees)	(Rupees)
Term loan		
Finance lease obligation (secured)*	997,840	1,457,434
Less: Current portion t/f to other current liabilities (Note 9)	(500,333)	(459,594)
	497,507	997,840

* Finance lease obligations on car is secured against the respective vehicle.

6. Deffered Tax Liabilities (net)	As at 31st March 2019	As at 31st March 2018
	(Rupees)	(Rupees)
Tax effect of timing difference on account of WDV of PPE under Companies Act, 2013 and Income tax Act, 1961.	149,697	122,890
	149,697	122,890

7. Long-term provisions	As at 31st March 2019	As at 31st March 2018
	(Rupees)	(Rupees)
Contingent provision against standard assets*		
Opening Balance	1,283,508	1,161,000
Add/(Less) : Addition/(written off) during the year	(134,958)	122,508
	1,148,550	1,283,508

*A contingent provision of 0.25% (0.25% till 31st March, 2018) against standard assets has been created on their respective outstanding amount considering RBI circular Ref. No. DNBR (PD) CC.No. 002/03.10.001/2014-15 dated November 10, 2014.

8. Short-term Borrowings	As at 31st March 2019	As at 31st March 2018
	(Rupees)	(Rupees)
Loans from others (unsecured)	-	51,376,524
	-	51,376,524
9. Other Current Liabilities	As at 31st March 2019	As at 31st March 2018
	(Rupees)	(Rupees)
Current portion of long-term borrowings (Note 5)	500,333	459,594
Cheques overdrawn	-	5,265,771
Expenses payable	24,461,885	23,194,032
TDS payable	1,227,483	2,877,583
	26,189,701	31,796,980
11. Long- term loan and advances	As at 31st March 2019	As at 31st March 2018
	(Rupees)	(Rupees)
<u>Unsecured, considered good (Note 11.1)</u>		
(Includes interest receivable from such parties)		
Loan to body corporate	428,665,639	481,090,196
Loan to others	30,754,410	31,612,859
	459,420,049	512,703,055
11.1 Standard Assets - as per the classification of loans under the RBI guidelines.		
12. Inventories	As at 31st March 2019	As at 31st March 2018
	(Rupees)	(Rupees)
<u>Equity shares, Quoted (At lower of cost or market value)</u>		
4,60,000 (31st March 2018: 4,60,000) equity shares of Rs. 10 each fully paid up in Aryaman Capital Markets Limited	5,520,000	5,520,000
46,000 (31st March 2018: 46,000) equity shares of Rs. 10 each fully paid up in India Finsec Limited	488,060	488,060
8,490 (31st March 2018: 8,490) equity shares of Rs. 10 each fully paid up in Quasar India Limited	246,551	246,551
	6,254,611	6,254,611
13. Cash and cash equivalents	As at 31st March 2019	As at 31st March 2018
	(Rupees)	(Rupees)
Cash on hand (as certified)	2,433,353	1,055,197
Balances with banks in current accounts	251,041	-
	2,684,394	1,055,197
14. Short-term loan and advances	As at 31st March 2019	As at 31st March 2018
	(Rupees)	(Rupees)

Loans to others	-	700,000
(Recoverable in cash or kind, unsecured, considered good)	-	700,000

*Standard assets - as per The classification of loans under the RBI guidelines.

15. Other current assets	As at 31st March 2019	As at 31st March 2018
	(Rupees)	(Rupees)
Prepaid expenses	35,700	600,000
Advance income tax (Net of provision)	9,617,375	10,832,790
Other recoverables	67,796	-
	9,720,871	11,432,790
16. Revenue from operations	For the year ended	For the year ended
	31st March 2019	31st March 2018
	(Rupees)	(Rupees)
Trading in shares & securities	-	623,116
Interest on unsecured loans	52,427,850	57,666,690
	52,427,850	58,289,806
17. Other Income	For the year ended	For the year ended
	31st March 2019	31st March 2018
	(Rupees)	(Rupees)
Commission received	-	367,763
Interest on income tax refund	668,731	209,657
	668,731	577,420
18. Changes in inventories	For the year ended	For the year ended
	31st March 2019	31st March 2018
	(Rupees)	(Rupees)
<u>Shares & securities</u>		
Opening balance of stock in trade	6,254,611	7,639,530
Less : Closing balance of stock in trade	(6,254,611)	(6,254,611)
	-	1,384,919
19. Employee benefit expenses	For the year ended	For the year ended
	31st March 2019	31st March 2018
	(Rupees)	(Rupees)
Directors' remuneration (Basic salary)	840,000	660,000
Salaries and allowances	11,890,615	15,737,388
Staff welfare expenses	1,082,662	1,229,603
	13,813,277	17,626,991
20. Finance costs	For the period ended	For the year ended
	31st March 2019	31st March 2018

	(Rupees)	(Rupees)
Bank charges	-	6,082
Interest on borrowings	2,515,520	8,510,611
	2,515,520	8,516,693

21. Other expenses	For the year ended 31st March 2019 (Rupees)	For the year ended 31st March 2018 (Rupees)
Advertisement & publication charges	111,395	99,008
Business promotion	4,212,408	4,171,438
Bad debts written off	3,373,479	-
Commission paid	15,000,000	9,000,000
Conveyance expenses	794,150	1,427,437
Festival expenses	853,682	907,365
Electricity & water expenses	222,334	863,845
Filing fee & subscriptions	143,385	405,961
Interest on TDS late payment	46,200	175,161
Listing fee	88,500	31,272
News paper, books & periodicals	172,536	314,296
Other expenses	3,641	24,823
Office maintainence	828,924	1,352,841
Payment to statutory auditors (Note 25)	55,460	54,088
Postage, stamps & couriers	326,724	286,335
Printing and stationery	297,221	434,425
Professional charges	3,997,630	3,290,876
Repairs & maintenance	881,280	931,818
Telephone & mobile expenses	163,087	603,857
Tours & travelling	652,844	3,039,239
Vehicle running & maintenance	276,869	-
	32,501,749	27,414,085

NOTES ON THE FINANCIAL STATEMENTS FOR THE
YEAR ENDED ON 31st MARCH, 2019

Note -10 Property, plant & equipment

[Amount in Rupees]

Particulars	Useful life (years)	Rate WDV	GROSS BLOCK			DEPRECIATION				NET BLOCK		
			Balance as at 1 April, 2018	Additions	Sale	Balance as at 31 March, 2019	Balance as at 1 April, 2018	Depreciation during the year	Adjusted against sale	Balance as at 31 March, 2019	W.D.V. as on 31.03.19	W.D.V. as on 31.03.2018
Tangible Assets												
(a) Computers	3	63.16 %	459,905	-	-	459,905	427,828	9,082	-	436,910	22,995	32,077
(b) Fridge	5	13.91 %	9,150	-	-	9,150	8,281	121	-	8,402	748	869
(c) Furniture & Fixtures	10	18.10 %	68,427	-	-	68,427	51,022	3,150	-	54,173	14,254	17,405
(d) Mobile Phone	5	13.91 %	74,800	-	-	74,800	52,591	3,089	-	55,681	19,120	22,209
(e) RO Systems	5	13.91 %	7,500	-	-	7,500	6,785	100	-	6,884	616	716
(f) Scooter	10	13.91 %	48,500	-	-	48,500	34,138	1,998	-	36,135	12,364	14,362
(g) Air Condition	5	13.91 %	27,500	-	-	27,500	23,777	518	-	24,295	3,204	3,722
(i) Motor Car	8	13.01 %	9,193,086	-	-	9,193,086	601,260	1,117,399	-	1,718,658	7,474,427	8,591,826
(j) Invertor	5	13.91 %	41,900	-	-	41,900	33,390	1,184	-	34,574	7,326	8,510
Total (figures in Rs.)			9,930,768	-	-	9,930,768	1,239,073	1,136,640	-	2,375,713	7,555,055	8,691,695
Previous year (figures in Rs.)			1,393,535	-	-	1,393,535	787,646	208,914	-	996,560	8,691,695	605,889

22. There are no dues to Micro, Small and Medium Enterprises as defined under Micro, Small & Medium Enterprises Development Act, 2006, which are outstanding for a period more than 45 days as on Balance Sheet Date.

The above information regarding Micro, Small and Medium Enterprises has been determined on the basis of information available with the Company and has been duly relied upon by the auditors of the Company.

23. Necessary disclosures as per requirements of Accounting Standard (AS)-18 on 'Related Party Disclosure' are made as under: -

a. Related Parties Covered: -

Nature of Relation		Name of Related Party	
(i)	Key Management Personnel	(i) Mrs. Rajni Aneja (Whole Time Director) (ii) Mr. Pranay Aneja (Managing Director) (iii) Mr. Ashwani Rampal (CFO) (iv) Ms. Payal (Company Secretary)	
(ii)	Relative of Key Management Personnel	None	
(iii)	Enterprise controlled or significantly influenced by the Key Management Personnel	None	

b. Transaction with Related Parties:-

Transaction with	Nature of Transaction	Transactions during the year		Balance as at	
		31/03/2019 (Rs.)	31/03/2018 (Rs.)	31/03/2019 (Rs.)	31/03/2018 (Rs.)
<u>Key Management Personnel:-</u>					
Mrs. Rajni Aneja	Remuneration	4,20,000	3,00,000	2,70,000	3,00,000
Mr. Pranay Aneja	Remuneration	4,20,000	3,60,000	2,82,000	3,60,000
Mr. Ashwani Rampal	Remuneration	9,36,000	6,09,000	83,000	83,000
Ms. Payal	Remuneration	3,60,000	1,44,016	30,000	30,000
<u>Relatives of Key Management Personnel:</u> None					
<u>Enterprise controlled or significantly influenced by the Key Management Personnel:</u> None					

24.	Particulars	31/03/2019 (Rs.)	31/03/2018 (Rs.)
	Earnings/ Remittances and/ or Expenditure in Foreign Currency	Nil	Nil

25. Break- up of Payments made to Statutory Auditors (including taxes) is disclosed as under: -

Particulars	31/03/2019 (Rs.)	31/03/2018 (Rs.)
In respect of Statutory Audit (including Tax Audit)	47,200	47,200
In case of certifications	8,260	6,888
TOTAL	55,460	54,088

26. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

27. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

28. The financial statements were approved for issue by the Board of Directors on 30th May, 2019.

29.	Particulars	31/03/2019 (Rs.)	31/03/2018 (Rs.)
	Contingent Liability not provided for	Nil	Nil
	Pending litigation by/ against the Company	None	None

30. Previous year's figures have been re- arranged or re- grouped wherever considered necessary.

31. Figures in brackets indicate negative (-) figures.

Signed for the purpose of Identification

FOR V.N. PUROHIT & CO.

Chartered Accountants

Firm Regn. No. 304040E

O.P. Pareek

Partner

Membership No. 014238

Pranay Aneja

Managing Director

DIN-00809285

**For and on behalf of the Board of Directors of
STELLAR CAPITAL SERVICES LIMITED**

Rajni Aneja

Whole Time Director

DIN-00341959

New Delhi, the 30th day of May 2019

Ashwani Rampal

CFO

PAN: AEAPR5823A

Payal

Company Secretary

PAN:CUAPP9385