

CMP: INR6.20

Stock data

BSE code	536738
BSE ID	STELLAR
Face value (INR)	10.0
No of shares (m)	25.0
Market cap (INRm)	154.8
3m avg. daily vol (No)	12,677.4
Free float (INRm)	127.5
Dividend yield FY15 (%)	0.0
<hr/>	
S&P BSE SME IPO	766.5

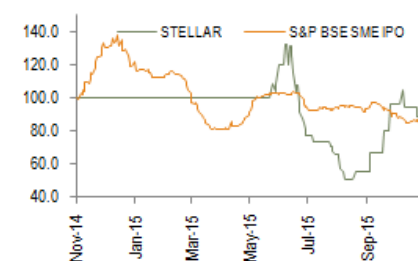
Stock performance (%)

52-week H/L	INR10.2/3.6		
	1M	3M	12M
Absolute (%)	-8.8	33.3	-11.8
Relative (%)	-0.7	43.7	4.3

Shareholding pattern (%)

Promoters	FIIs	DIIs	Others
17.61%	0.00%	0.00%	82.39%

Relative stock movement



Source: BSE

Nov 2015

Company Overview

Stellar Capital Services Limited, a non-banking financial company, provides financial services in India. It offers inter corporate deposits, financial consultancy, retail IPO funding, loans against property, management consultancy, and personal and unsecured loans. The Company also invests/trades in securities. Stellar Capital Services Limited was incorporated in 1994 and is based in Delhi, India.

H1FY16 performance

- Revenue decreased by 52.8% YoY from INR15.2m in H1FY15 to INR7.2m in H1FY16. Raw material cost increased by 1.4 times YoY from INR3.1m in H1FY15 to INR7.6m in H1FY16. Staff cost increased by 7.6% YoY from INR2.4m in H1FY15 to INR2.6m in H1FY16. Other expenses increased by 5.8% YoY from INR2.4m in H1FY15 to INR2.6m in H1FY16.
- As a result, there was operating loss INR5.6m in H1FY16 compared to EBITDA of INR7.2m in H1FY15.
- Depreciation decreased by 8.9% YoY to INR0.1m in H1FY16. Interest expenses, Non operating expenses and Provision for tax remained NIL in H1FY16.
- Consequently, there was net loss INR5.7m in H1FY16 compared to PAT of INR7.1m in H1FY15.
- Net block was recorded at INR0.5m in H1FY16. Cash and bank balance decreased from INR14.4m in H1FY15 to INR2.9m in H1FY16. Loans and advances increased from INR469.9m in H1FY15 to INR480.2m in H1FY16.
- The company has informed BSE on 5 Sep 2015 that, the Board of Directors of the Company at its meeting held on 4 Sep 2015, have appointed Ms. Manisha Rajpal as a Company Secretary & she will act as the Compliance Officer of the company pursuant to clause 50 (a) of BSE SME Listing Agreement.

Table 1: H1FY16 snapshot

(INRm)	H1FY16	H1FY15	YoY %	H2FY15	HoH%	FY15	FY14	YoY %
Revenue	7.2	15.2	-52.8	29.2	-75.5	44.4	54.6	-18.7
EBITDA	-5.6	7.2	-177.4	-5.8	2.8	1.5	0.5	187.0
PAT (Adjusted)	-5.7	7.1	-180.0	-6.8	16.4	0.3	0.2	89.3
PAT (Reported)	-5.7	7.1	-180.0	-6.8	16.4	0.3	0.2	88.7
Ratio								
% of sales	H1FY16	H1FY15	YoY %	H2FY15	HoH%	FY15	FY14	YoY %
Raw Material	105.9	20.4	85.5	62.5	43.4	48.1	85.9	-37.8
Staff Cost	36.5	16.0	20.5	9.9	26.7	13.1	6.1	7.0
Other Expenditure	35.7	16.0	19.8	47.4	-11.6	35.5	7.1	28.4
EBITDA	-78.1	47.7	-125.8	-19.7	-58.4	3.3	0.9	2.4
Tax Rate	0.0	0.0	0.0	-2.0	2.0	32.2	30.9	1.3
NPM	-79.6	46.9	-126.5	-23.3	-56.2	0.6	0.3	0.4

Source: Company, Varhad Research

Quarterly performance in charts and tables

Table 2: Detailed H1FY16 Overview

	H1FY16	H1FY15	YoY %	H2FY15	HoH%	FY15	FY14	YoY %
Revenue	7.2	15.2	-52.8	29.2	-75.5	44.4	54.6	-18.7
Raw Material Cost	7.6	3.1	145.5	18.3	-58.5	21.4	46.9	-54.4
Staff Cost	2.6	2.4	7.6	2.9	-9.2	5.8	3.3	74.3
Other Expenditure	2.6	2.4	5.8	13.8	-81.5	15.8	3.9	307.8
Total Cost	12.8	7.9	60.7	35.0	-63.5	43.0	54.1	-20.6
EBITDA	-5.6	7.2	-177.4	-5.8	2.8	1.5	0.5	187.0
Depreciation	0.1	0.1	-8.9	0.9	-89.0	1.0	0.2	417.9
EBIT	-5.7	7.1	-180.0	-6.7	14.7	0.4	0.3	36.4
Interest Expenses	0.0	0.0	*	0.0	*	0.0	0.1	-98.9
Non-Operating Income	0.0	0.0	*	0.0	*	0.0	0.0	*
PBT	-5.7	7.1	-180.0	-6.7	14.7	0.4	0.2	93.1
Provision for Tax	0.0	0.0	*	0.1	-100.0	0.1	0.1	101.5
PAT (Adjusted)	-5.7	7.1	-180.0	-6.8	16.4	0.3	0.2	89.3
Extra Ordinary	0.0	0.0	*	0.0	*	0.0	0.0	*
PAT (Reported)	-5.7	7.1	-180.0	-6.8	16.4	0.3	0.2	88.7

Note: (*) Not Applicable, Source: BSE, Varhad Research

Table 3: Detailed H1FY16 Balance Sheet Overview

(INRm)	H1FY16	H1FY15	FY15
Net Block	0.5	0.8	0.6
Investments	0.0	66.5	0.0
Cash and Bank Balances	2.9	14.4	14.6
Inventories	8.0	24.8	15.6
Sundry Debtors	0.0	0.0	0.3
Loans and Advances	480.2	469.9	421.4
Other Current Assets	1.5	3.2	2.3
Other Non- Current Assets	0.0	0.7	0.0
Total Assets	493.2	580.4	454.8
Equity Capital	249.6	165.6	249.6
Reserves and Surplus	196.6	209.3	202.3
Share Application Money	0.0	0.0	0.0
Minority Interest	0.0	0.0	0.0
Shareholder's Funds	446.2	374.9	451.9
Gross Debt	45.8	204.4	0.0
Trade Payables	0.0	0.0	0.0
Provisions and other current liabilities	1.3	1.0	2.9
Others	0.0	0.0	0.0
Total Liabilities	493.2	580.4	454.8

Source: Company, Varhad Research

DISCLAIMER

Varhad Financial Consultancy Services Private Limited (Varhad FCS), an entity of The Varhad Group has taken utmost care to ensure accuracy and objectivity while writing this report based on publicly available information or from reliable sources. However, neither the accuracy nor completeness of information contained in this report is guaranteed. Opinions expressed herein are our current opinions as on the date of this report. Nothing in this report can be construed as either investment or any other advice or any solicitation, whatsoever. The subscriber/user assumes the entire risk of any use made of this report or data herein. Varhad FCS specifically states that it or any of its entities or employees do not have any financial liabilities whatsoever to the subscribers / users of this report. This report is for personal information only of the authorised recipient in India only. This report or part of it should not be reproduced or redistributed or communicated directly or indirectly in any form to any other person or published or copied for any purpose.

PUBLISHED BY

Varhad Financial Consultancy Services Private Limited (VFCS) is the research and financial consultancy services entity of The Varhad Group. We have one of the best in-house research team, which has sound understanding of SMEs through clients across India. We provide project specific, company specific and sector specific consultancy services. We help companies expand businesses through network expansion. We also help in balance sheet strengthening and improvement in both credit and business profile of the company.

Regd. Office: Flat No. 1, Harsh Apartment, Near Gore Apartment No. 2, Shastri Nagar, Behind Akashwani, Akola - 444001

Head Office: 441, Samruddhi, Sector 25, PCNDTA, Nigdi, Pune - 411044|Tel: +91-20-65293366

|www.varhadcapital.com|

SEBI Certificate of Registration as Research Analyst

Registration No: INH000000446

Dated: 25 May 2015