



LAHAG[®]

STELLAR CAPITAL SERVICES LIMITED

Date: 06.09.2023

**To,
Listing Compliance
The BSE Limited
PJ Towers,
Dalal Street Fort,
Mumbai-400001**

Sub: Submission of Annual Report along with Notice of 29th Annual General Meeting (AGM) for the Financial Year 2022-23 -Stellar Capital Services Limited

Dear Sir,

Pursuant to Regulation 34(1)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the Annual Report for the Financial Year 2022-23 comprising of the Notice of the 29th AGM, the Standalone Financial Statements along with Board's Report, Auditor's Report and other documents required to be attached thereto, is being sent to all the Members of the Company whose E-Mail ID are registered with the Company/Depository Participant (s).

In terms of Compliance of aforesaid Regulation, a copy of the Annual Report along with Notice of the 29th AGM for the Financial Year 2022-23, are attached herewith.

The Annual Report including Notice of 29th AGM is also available on the Company's website i.e. <https://www.stellarcapital.in/investors-info/notice-results/>

This is for your information and records.

**Thank You
Yours Faithfully,**

For Stellar Capital Services Limited

RAJAN
KUMAR
SINGH

Digitally signed
by RAJAN
KUMAR SINGH
Date: 2023.09.06
18:03:02 +05'30'

RAJAN KUMAR SINGH

Company Secretary

M. No.: A42105

STELLAR CAPITAL SERVICES LIMITED

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

L74899HR1994PLC076773; stellarcapital@yahoo.in

www.stellarcapital.in

ANNUAL REPORT

2022-2023

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Schedule of Annual General Meeting

| <u>29th Annual General Meeting</u> | |
|---|--|
| DATE | September 28, 2023 |
| DAY | Thursday |
| TIME | 03:00 P.M |
| PLACE | 402, 4th Floor Solitaire Plaza, M.G. Road, Gurgaon, Haryana- 122002 |
| BOOK CLOSURE DATE | 21st September 2023 to 28th September 2023 (both days inclusive) |

CORPORATE INFORMATION➤ **STELLAR CAPITAL SERVICES LIMITED**➤ **CIN: L74899HR1994PLC076773**➤ **REGISTERED OFFICE**

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

Website : www.stellarcapital.inE mail ID : stellarcapital@yahoo.in**LISTED AT****BSE Limited (Scrip Code: 536738) PJ Towers, Dalal Street, Mumbai-400001****BOARD OF DIRECTORS**

| | |
|-----------------------|------------------------|
| Neha Gupta | Independent Director |
| Rajni Aneja | Director |
| Pranay Aneja | Director |
| Sumit Karmakar | Non-Executive Director |

COMPANY SECRETARY & COMPLIANCE OFFICER

➤ Mr. Rajan Kumar Singh

AUDITORS OF THE COMPANY➤ **STATUTORY AUDITORS:**

M/s. Goyal Nagpal & Co.,
Chartered Accountants (Firm
Registration No.: 018289C)
Address-20-A, Street No.6,
Dheeraj vihar, karala, New
Delhi-110081
Contact No.: 9811952775

➤ **SECRETARIAL AUDITORS :**

**M/s. Kundan Kumar
Mishra & Associates,**
Company Secretaries
Address: Office No. 301,
Building
No 61, Viiay Block, Laxmi
Nagar, New Delhi-110092
Contact No.: 8527675107

➤ **INTERNAL AUDITORS :**

M/s. MST & COMPANY,
Chartered Accountants
Address: Gali No. 3, Kaushik
Enclave, Burari, Delhi-110084
Contact No.: 8587000021

➤ **REGISTRAR AND SHARE TRANSFER AGENT**➤ **BANKERS OF THE COMPANY**➤ **SKYLINE FINANCIAL SERVICES PRIVATE LIMITED**

Address: D-153 A, 1st floor, Okhla Industrial Area,
Phase-I, New Delhi – 110 020
Contact No.: 011-26812682-83
E-mail id: Info@skylinerta.com
Website : www.skylinerta.com

ICICI Bank : Taimoor Nagar, Delhi
State Bank of India : Okhla, New Delhi
HDFC Bank : Okhla, New Delhi



LAHAG[®] STELLAR CAPITAL SERVICES LIMITED –

NOTICE OF 29TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty Ninth (29th) Annual General Meeting of the members of **Stellar Capital Services Limited** will be held on Thursday, 28th September, 2023 at 03:00 P.M. (IST) through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) facility to transact the business mentioned below:

The proceedings of the Annual General Meeting (“AGM”) shall be deemed to be conducted at the Registered Office of the Company at 402, 4th floor, solitaire Plaza, M. G. Road, Gurgaon, Haryana-122002 which shall be the deemed venue of the AGM.

ORDINARY BUSINESS:

Item No.1- Adoption of Audited Financial Statements

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2023, together with the Reports of the Board of Directors and the Auditors thereon and in this regard, to pass the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT the audited financial statements including Balance Sheet of the Company as at March 31, 2023, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement for the year ended on that date together with all the notes annexed and the Directors’ and Auditors’ Reports thereon, placed before the meeting, be and are hereby considered and adopted.”

Item No. 2- Re-Appointment of Director liable to retire by rotation

To appoint a director in place of Mr. Sumit. Karmakar (DIN: 07261152), who retires by rotation at this meeting, and being eligible offers himself for re-appointment as a Director of the Company and in this regard, to pass the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, **Mr. Sumit. Karmakar (DIN: 07261152)**, who retires by rotation at this meeting, and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

SPECIAL BUSINESS:

Item No. 3- Appointment of Mr. Pranay Aneja (DIN: 00809285) as Managing 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 Sections 196, 197 & 203 read with Schedule V and other applicable provisions, if any, of The Companies Act, 2013 (“the Act”), The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or reenactment(s) thereof for the time being in force), subject to approval of members in the general meeting and such other consents and permission as may be necessary, consent of the board of directors be and is hereby accorded for the appointment of **Mr. Pranay Aneja (DIN: 00809285)**, as Managing Director of the Company for a period of **five (5) years** with effect **from 28.09.2023 upto 27.09.2028** on **remuneration payable of Rs. 4,20,000/-** (Rupees Four Lakh Twenty Thousand) **per annum** and terms & conditions as may be agreed upon by the Board of Directors.

RESOLVED FURTHER THAT in order to give effect to the above resolution, any Director be and is hereby authorized to sign and submit necessary e-form with the concerned Registrar of Companies and to do all such acts, deeds and things as may be necessary.”

Item No. 4- Appointment of Mrs. Rajni Aneja (DIN: 00341959) as Whole Time 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 Sections 196, 197 & 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or reenactment(s) thereof for the time being in force), subject to approval of members in the general meeting and such other consents and permission as may be necessary, consent of the board of directors be and is hereby accorded for the appointment of **Mrs. Rajni Aneja (DIN: 00341959)**, as Whole Time Director of the Company for a period of **five (5) years** with effect from **28.09.2023 upto 27.09.2028** on remuneration payable of **Rs. 4,20,000/-** (Rupees Four Lakh Twenty Thousand) **per annum** and terms & conditions as may be agreed upon by the Board of Directors.

RESOLVED FURTHER THAT in order to give effect to the above resolution, any Director be and is hereby authorized to sign and submit necessary e-Form with the concerned Registrar of Companies and to do all such acts, deeds and things as may be necessary.”

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

Sd/-
Rajan Kumar Singh
Company Secretary
ACS 42105

Date: 06.09.2023
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 Business stated under item no. 3 and 4 is annexed hereto.

2. In compliance with the provisions of the Companies Act, 2013 (“the Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and **the MCA General Circular No. 10/ 2022** & SEBI Circulars, the AGM of the Company is being held through VC/OAVM.
3. The procedure for participating in the meeting through VC/OAVM is explained at Note No.16 below.
4. **A MEMBER ENTITLED TO PHYSICALLY ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS 29TH AGM IS BEING HELD THROUGH VC / OAVM, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH IN LINE WITH THE MCA CIRCULARS. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS 29TH AGM AND HENCE THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED TO THIS NOTICE.**
5. In accordance with the Secretarial Standards on General Meetings (“SS-2”) issued by the Institute of Company Secretaries of India (“ICSI”) read with Clarification/ Guidance on applicability of Secretarial Standards – 1 and 2 dated 15th April, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.

6. ELECTRONIC DISPATCH OF NOTICE AND INTEGRATED ANNUAL REPORT

In line with the Ministry of Corporate Affairs (MCA) Circulars dated May 05, 2020 and January 13, 2021, and General Circular No.2/2022 Dated 5th May, 2022 and SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Pursuant to Section 101 and 136 of the Act read with the relevant Rules made thereunder, Regulation 36 of Listing Regulations and SS-2, the copy of the Annual Report including Financial statements, Board's report and Annexures thereto and this Notice of the AGM are being sent by electronic mode only to those Members whose e-mail addresses are registered with the Company / Depositories unless any member has requested for a physical copy of the same. The Notice can also be accessed from the website of the Company at www.stellarcapital.in and from the website of Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. www.evotingindia.com.

7. In case you wish to get a physical copy of the Annual Report, you may send your request to stellarcapital@yahoo.in mentioning your Folio/ DP ID & Client ID.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by Member holding shares in:
 - Demat form to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts and
 - Physical form to submit copies of PAN of all shareholders and original cancelled cheque of first shareholder along with copy of Pass Book or Bank Statements to the RTA.
9. Corporate/ Institutional Members are entitled to appoint authorised representatives to attend the AGM through VC/OAVM on their behalf and cast their votes through remote e-voting or by show of hands or through registered mail id during the AGM.

Corporate/Institutional Members (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy of the Board Resolution/ Authority Letter, etc., on Stellar@lahag.com authorising their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-voting or during the AGM.

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.

Members of the Company under the category of Institutional Shareholders are encouraged to attend and participate in the AGM through VC/ OAVM and vote thereat.

10. BOOK CLOSURE

Register of Members and Share Transfer Books of the Company will remain closed from **Thursday 21st, September, 2023 to Thursday 28th September, 2023 (both days inclusive)**.

11. CUT OFF DATE

This Notice is being sent to all the members only through electronic mode whose name appears as on 02nd September, 2023 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 21st September, 2023 (the "Cut- off Date") only shall be entitled to vote through Remote E-voting and or by show of hands or through registered mail id during 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 29th AGM and the Annual Report for the year 2022-23 will be available on the company's website <https://www.stellarcapital.in/investors-info/>

12. Members seeking any information or clarification on the accounts are requested to send written queries to the Company 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.
13. 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 stellar@lahag.com immediately.
14. 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.

15. PROCEDURE FOR INSPECTION OF DOCUMENTS

The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Companies Act, 2013 and relevant documents referred to in this Notice of AGM and Explanatory Statement, will be available electronically for inspection by the Members during the AGM.

All documents referred to in the Notice will also be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e. 28th September, 2023. Members seeking to inspect such documents can send an email to Company's email id: stellar@lahag.com.

Members are requested to support the Green Initiative by registering/ updating their e-mail addresses, with the Depository Participant (in case of Shares held in dematerialised form) or with Skyline Services private Limited (in case of Shares held in physical form).

16. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/ OAVM:

Detailed instructions for the Members to join the meeting are given below:

OPTION 1:

Joining from Laptop or Computer (having access to webcam)

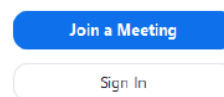
Step 1: Before joining a Zoom meeting on a laptop or computer, you can download the Zoom app from the following link:

<https://zoom.us/download> (Zoom Client for Meetings)

Otherwise, you can download and install Zoom from Google Chrome or any other internet surfing site.

Step 2: Open the Zoom desktop client

Step 3: Click Join a Meeting if you want to join without signing in

Or Sign in to Zoom using your registered Mail ID (if applicable) then click Join



Join

Step 4: Enter the Meeting ID number (945 0662 5143) and Passcode (scsl29). Click Join and make sure access is given to the microphone (to speak) and camera (to see).

Join a Meeting

Meeting ID or Personal Link Name ▼

Grant MacLaren

Do not connect to audio

Turn off my video

OPTION 2:***Joining from Mobile Phone***

Step 1: Downloading the Zoom Mobile App from the Application Store (e.g. Google Play Store, iOS App Store, as applicable).

Step 2: Join a meeting using one of these methods:

- Tap **Join a Meeting** if you want to join without signing in.
- Sign in to Zoom then tap **Join**.

Step 3: Enter the meeting ID number ((945 0662 5143) and Passcode (scsl29) and your display name

Step 4: Tap Join Meeting

Further, Members will be required to allow Camera and use Internet audio settings as and when asked while setting up the meeting on Mobile App or Desktop Application, as the case may be.

OTHER INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:

1. Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the AGM and will be available for all the Members.
2. Members who would like to express their views or ask questions during the AGM may raise their hands during the meeting or may also use chat facility.
3. Members will be able to attend the AGM through VC / OAVM and vote on the resolutions by show of hands or by using their registered mail ID.

4. Please note that no person other than the respective Member shall have access to place from where the Member is participating during the meeting.

5. In case of any queries relating to joining the Meeting through Electronic mode or any technical assistance to access and participate in the meeting through VC is required, or mail us their queries on "stellar@lahag.com".

6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network.

It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

7. Members are requested to have the display name as mentioned in the list of shareholders to avoid unnecessary delay in joining the meeting.

17. VOTING THROUGH ELECTRONIC MEANS:

ATTENDING THE AGM: Members will be provided with a facility to attend the AGM through zoom platform provided as detailed above in point no. 16.

Remote E-Voting:- 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.

In terms of the SEBI Circular No. SEBI/HO/CFD/ CMD/CIR/P/2020/242 dated 9th December, 2020 on “e-Voting facility provided by Listed Companies”, e-Voting process has been enabled to all the individual Demat Account holders, by way of single login credential, through their Demat accounts/websites of Depositories/ DPs in order to increase the efficiency of the voting process. Individual Demat account holders would be able to cast their vote without having

to register again with the e-Voting service provider ("ESP") thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process.

Shareholders are advised to update their mobile number and e-mail ID with their DPs in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for Remote e-Voting for **Individual shareholders holding securities in Demat mode is given below:**

| Type of shareholders | Login Method |
|---|--|
| Individual Shareholders holding securities in Demat mode with CDSL | <ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasinew/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. 3) If the user is not registered for Easi/ Easiest, option to register is available at https://web.cdslindia.com/myeasinew/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers. |

Individual Shareholders holding securities in demat mode with NSDL

If you are **already registered for NSDL IDeAS facility**, please visit the e-Services website of NSDL.

- 1) Open web browser by typing the following URL: <https://eservices.nsdl.com> either on a Personal Computer or on a mobile.
- 2) Once the home page of e-Services is launched, click on the **“Beneficial Owner”** icon under **“Login”** which is available under **‘IDeAS’** section.
- 3) A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on **“Access to e-Voting”**. Click on company name or e-Voting service provider- **CDSL** and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period.

If the user is not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com>.

- 1) Select **“Register Online for IDeAS”** Portal or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- 2) Visit the e-Voting website of NSDL.
- 3) Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- 4) Once the home page of e-Voting system is launched, click on the icon **“Login”** which is available under **‘Shareholder/Member’** section.
- 5) A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen.
- 6) After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider-**CDSL** and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Individual Shareholders (holding securities in demat mode) login through their **Depository Participants**

- You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.
- After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature.
- Click on Stellar Capital Service Limited or e-Voting service provider –CDSL and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

| Login type | Helpdesk details |
|---|--|
| Individual Shareholders holding securities in Demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43. |
| Individual Shareholders holding securities in Demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |

Login method for Remote e-Voting for shareholders other than individual shareholders holding in Demat form & physical shareholders.

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

| | |
|---------------|--|
| Step-1 | <ul style="list-style-type: none"> The shareholders should log on to the e-voting website www.evotingindia.com. |
| Step-2 | <ul style="list-style-type: none"> Click on “Shareholders/Member” tab. |
| Step-3 | <ul style="list-style-type: none"> Now enter your User-ID. <ul style="list-style-type: none"> ➤ 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 |
| Step-4 | <ul style="list-style-type: none"> Next enter the Verification Code as displayed and Click on Login. |
| Step-5 | <ul style="list-style-type: none"> 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. |

Step-6 If you are a **first time user** follow the steps given below:

| | For Shareholders holding shares in Demat Form other than individual and Physical Form |
|---|---|
| PAN | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA. |
| Dividend Bank Details (OR) Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v). |

Step-7 After entering these details appropriately, click on **“SUBMIT”** tab.

Step-8 Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach **‘Password Creation’** menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that 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.**

Step-9 For Members holding shares in physical form, the details can be used only for e- voting on the resolutions contained in this Notice.

Step -10 Click on the EVSN <**STELLAR CAPITAL SERVICES LIMITED**> on which you choose to vote.

Step-11 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.

Step-12 Click on the **“RESOLUTIONS FILE LINK”** if you wish to view the entire Resolution details.

Step-13 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.

Step-14 Once you **“CONFIRM”** your vote on the resolution, you will not be allowed to modify your vote.

Step-15 You can also take a print of the votes cast by clicking on **“Click here to print”** option on the Voting page.

Step-16 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.

Instructions for Non – Individual Shareholders and Custodians for Remote E-voting

- ❖ 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 in the “Corporates” module.
- ❖ 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.

18. E-VOTING PERIOD

The E-voting period commences on 25th September, 2023 (09:00 am IST) and ends on 27th September, 2023 (5:00 pm IST).

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, 2023 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 21st September, 2023, 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.

19. SPEAKER REGISTRATION BEFORE AGM

Members of the Company who would like to speak or express their views or ask questions during the AGM may register themselves as speakers by sending an email to Company's email id: stellarcapital@yahoo.in upto Monday, 25th September, 2023 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to speak/express their views/ask questions during the AGM provided they hold shares as on the cut-off date. The Company reserves the right to restrict the number of speakers depending on the availability of time at the AGM.

20. VOTING DURING THE AGM

1. Members who would like to express their views or ask questions during the AGM may raise their hands during the meeting or may also use chat facility.
2. Members will be able to attend the AGM through VC / OAVM and vote on the resolutions by show of hands or by using their registered mail ID.
3. Please note that no person other than the respective Member shall have access to place from where the Member is participating during the meeting.
4. Members who have cast their vote by remote e-voting prior to the AGM will also be eligible to participate at the AGM but shall not be entitled to cast their vote again.

21. SCRUTINIZER

M/s KUNDAN KUMAR MISHRA & ASSOCIATES, Company Secretaries appointed as "Scrutinizer" for scrutinizing the voting process (Video Conferencing as well as Remote E-voting) in a fair and transparent manner.

The Scrutinizer will, after the conclusion of the e-voting at the Meeting, scrutinise the votes cast through VC/ OAVM at the Meeting and votes cast through remote e-voting, make a consolidated Scrutinizer's Report and submit the same to the Chairman of the Company or any other person of the Company authorised by the Chairman, who shall countersign the same. The Results shall be declared within two working days of conclusion of the Meeting.

Voting is provided to the members through e-voting and by show of hands or by registered mail id during the Annual general meeting of the Company. A member can opt for only one mode of voting i.e. either through e-voting or by show of hands or by registered mail id during the annual general meeting of the Company. If a member casts votes by both modes, then voting done through e-voting shall prevail.

22. DECLARATION OF RESULTS

The Voting Results on above resolutions shall be **submitted to the BSE Limited within two working days** of conclusion of the Meeting of the Company. The Results of voting will be declared and 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.

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

**Sd/-
Rajan Kumar Singh
Company Secretary
ACS 42105**

Date: 06.09.2023

Place: Gurgaon

ANNEXURE TO NOTICE**EXPLANATORY STATEMENT UNDER SECTION 102 (1) OF THE COMPANIES ACT, 2013****In respect of Item No: 3**

The Board of Directors of the Company in its meeting held on 05th September, 2023 has appointed **Mr. Pranay Aneja (DIN: 00809285)** as the Managing Director of the Company for a period of five (5) years commencing from **28th September, 2023 till 27th September, 2028** receiving remuneration by way of salary not exceeding Rs. 35,000/- (Rupees Thirty Five Thousand Only) per month and other perquisites in accordance with the schedule V of the Companies Act, 2013; however his appointment was made subject to the approval of the shareholders in this ensuing General Meeting of the Company.

Mr. Pranay Aneja is a Graduate and have a rich and diverse experience of more than 15 Years in management and administration, hence pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors at their meeting held on dated 05th September, 2023 has approved the appointment of **Mr. Pranay Aneja**, as Managing Director of the Company for a period of five years commencing from **28th September, 2023 till 27th September, 2028** subject to the approval of the members at this Annual General Meeting (AGM). Approval of the members is required by way of **Ordinary Resolution** for Appointment and payment of remuneration.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013. The details of remuneration payable to **Mr. Pranay Aneja** and the terms and conditions of the appointment are given below:

- i. **Salary:** Rs. 35,000/- (Rupees Thirty Five Thousand Only)
- ii. **Allowances:** Nil
- iii. **Commission:** Nil
- iv. **Perquisites and Benefits:** Nil

Your Directors recommend the above remuneration to **Mr. Pranay Aneja** and in future if any variation shall be made in above mentioned remuneration, then it shall **not exceed** the overall ceiling of the total managerial remuneration as provided under **Section 197** of the Companies Act, 2013 or such other limits as may be prescribed from time to time and subject to the applicable Company's policy.

Further **Mr. Pranay Aneja** shall not be liable to retire by rotation. The Board of Directors recommends the resolution set forth in Item No. 3 in relation to the appointment of Managing Director, for the approval of the members of the Company. None of the Directors and Key Managerial Personnel of the Company and their relatives except Mrs. Rajni Aneja, Whole Time Director of the company, being mother of **Mr. Pranay Aneja** is concerned or interested, financial or otherwise, in the resolution.

In respect of Item No: 4

The Board of Directors of the Company in its meeting held on **05th September, 2023** has appointed **Mrs. Rajni Aneja (DIN: 00341959)** as the Whole Time Director of the Company for a period of five years commencing from **28th September, 2023 till 27th September, 2028** receiving remuneration by way of salary not exceeding Rs. 35,000/- (Rupees Thirty Five Thousand Only) per month and other perquisites in accordance with the schedule V of the Companies Act, 2013; however her appointment was made subject to the approval of the shareholders in the forthcoming General Meeting of the Company.

Mrs. Rajni Aneja is a Graduate and have a rich and diverse experience of more than 13 Years in management and administration, hence Pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors at their meeting held on dated **05th September, 2023** has approved the appointment of Mrs. Rajni Aneja, as Whole Time Director of the Company for a period of five years commencing from **28th September, 2023 till 27th September, 2028** subject to the approval of the members at this Annual General Meeting (AGM). Approval of the members is required by way of **Ordinary Resolution** for Appointment and payment of remuneration.

This explanatory statement may also be read and treated as **disclosure** in compliance with the requirements of **Section 190** of the Companies Act, 2013. The details of remuneration payable to Mrs. Rajni Aneja and the terms and conditions of the appointment are given below:

- v. **Salary:** Rs. 35,000/- (Rupees Thirty Five Thousand Only)
- vi. **Allowances:** Nil
- vii. **Commission:** Nil
- viii. **Perquisites and Benefits:** Nil

Your Directors recommend the above remuneration to **Mrs. Rajni Aneja** and in future if any variation shall be made in above mentioned remuneration, then it shall not exceed the **overall ceiling** of the total managerial remuneration as provided **under Section 197** of the Companies Act, 2013 or such other limits as may be prescribed from time to time and subject to the applicable Company's policy.

Further **Mrs. Rajni Aneja** shall not be liable to retire by rotation. The Board of Directors recommends the resolution set forth in Item No. 4 in relation to the appointment of **Whole-Time Director**, for the approval of the members of the Company. None of the Directors and Key Managerial Personnel of the Company and their relatives except **Mr. Pranay Aneja**, Managing Director of the company, being **son of Mrs. Rajni Aneja** is concerned or interested, financial or otherwise, in the resolution.

Annexure 1**Details of Directors seeking appointment/ re-appointment of Directors in the forthcoming Annual General Meeting as per SEBI (LODR) Regulations 2015 and Secretarial Standard-2 on General Meeting**

| | |
|--|---|
| Name of the Director | Sumit Karmakar |
| Date of Birth | 31.12.1973 |
| DIN | 07261152 |
| Date of first Appointment on the Board | 14.11.2019 |
| Relationship with Director | Nil |
| Expertise in specific functional area | Managements and Accounts |
| Qualification | Graduate |
| Board Membership of other companies as on March 31, 2023 | <p>Director in 4 Companies</p> <ul style="list-style-type: none"> • Lahag Tower Private Limited • Parish Infrapromotors Private Limited • Hindustan Sky Heights Private Limited • Vinayak Buildwell Private Limited |
| Chairman/ Member of the Committee of the Board of Directors as on March 31, 2023 | Nomination and Remuneration Committee |
| a) Audit Committee | - |
| b) NRC Committee | Member |
| c) Stakeholder Relationship Committee | - |
| d) Other Committee | - |
| Number of shares held in the Company as on March 31, 2023 | Nil |
| Details of last drawn remuneration | Sitting fees/ Commission as approved by the Board of Directors within the limits of the applicable laws. |
| Number of meetings of the Board attended during the Financial Year 22-23 | 5 out of 6 Board meetings held during the F.Y |
| Relationship with other Directors and Key Managerial Personnel of the Company | Not related to any Director or Key Managerial Personnel of the Company |
| Committee position held in other companies | NIL |

DIRECTOR'S REPORT

To,
The Members,

Your Directors have pleasure in presenting the 29th Annual Report of your Company along with Audited Financial Statements and the Auditor's Report thereon for the year ended 31st March, 2023.

FINANCIAL PERFORMANCE

The Performance of the Company for the financial year ended 31st March 2023 is summarized below

| Particulars | Financial year ended (IN RUPEES) | |
|------------------------|----------------------------------|------------------------------|
| | 31 st March, 2023 | 31 st March, 2022 |
| Total Income | 31,411,190 | 33,960,400 |
| Total expenditure | 39,288,770 | 29,934,220 |
| Profit before tax | (7,877,580) | 4,026,180 |
| Profit after tax | (7,778,580) | 3,104,620 |
| Paid- up Share Capital | 249,615,000 | 249,615,000 |
| Reserves and Surplus | 222,429,340 | 230,207,920 |

HIGHLIGHTS OF PERFORMANCE

The above figures are extracted from the financial statements prepared in accordance with the Indian Accounting Standards (Ind AS), in compliance with the Companies (Account) Rules, 2014 and accounting standards notified under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) as amended and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

During the year under review, Income for the year is decreased from Rs. 33,960,400/- in 2022 to Rs. 31,411,190/- in 2023. Profit before tax decreased from Rs. 4,026,180/-in the previous year to loss of Rs. 7,877,580/-in current year. The net profit also decreased from Rs. 3,104,620/-in the previous year 2022 to a loss Rs. 7,778,580/- in the current year.

OPERATIONS

During the year underreview, the total revenue was Rs. 31,411,190 /- as against Rs. 33,960,400 /- during the corresponding period last year, a decline of 37.6% (approx.) recorded this year. The operation gradually started over the period of time as per the guidelines of Central, State Government and Local Authorities.

DIVIDEND

To maintain the liquidity of funds, the Board of Directors has decided not to declare any dividend for this financial year 2022-23. The Board assures you to present a much strong financial statements in coming years.

DIVIDEND DISTRIBUTION POLICY

The Dividend Distribution Policy, containing the requirements prescribed in Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable on the Company.

SHARE CAPITAL

The Paid up Share Capital as on 31st March, 2023 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.

DEPOSITS FROM PUBLIC

The Company has not accepted any 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.

REPAYMENT OF DEPOSIT/ PAYMENT OF ANY INTEREST

The Company has not made any default in repayment of Deposit or payment of any Interest.

TRANSFER TO GENERAL RESERVES

The Company has not transferred any amount 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, 2023.

CHANGE IN THE NATURE OF BUSINESS

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

MATERIAL CHANGES AND COMMITMENTS

The Company has developed various accounting estimates in the Financial Statements based on forecasts of economic conditions which reflect expectations and assumptions as at 31st March, 2023 about future events that the Management believe are reasonable in the circumstances. There is a considerable degree of judgment involved in preparing forecasts. The underlying assumptions are also subject to uncertainties which are often outside the control of the Company. Accordingly, actual economic conditions are likely to be different from those forecasted since anticipated events frequently do not occur as expected, and the effect of those differences may significantly impact accounting estimates included in these financial statements.

Other than the above-mentioned situation affecting the Company, there is no material change and commitment that have occurred after the closure of the Financial Year 2022-23 till the date of this Report, which would affect the financial position of your Company.

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 Annual Return as on 31st March, 2023 in Form No. MGT-7 is available on the Company's website and can be accessed at the web-link: <https://www.stellarcapital.in/investors-info/>

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.

FRAUD REPORTING

During the Financial Year 2022-23, neither the Statutory Auditors nor the Secretarial Auditors have reported any fraud in their respective Audit Reports.

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

As per the provisions of Section 139 of the Companies Act, 2013, **Goyal Nagpal & Co.**, Chartered Accountants (**Firm Registration No.: 018289C**), were appointed as statutory auditor of the company by the Board of Directors of the Company, on such remuneration as may be decided by the Board of Directors of the Company, till the conclusion of the Annual General Meeting of the company to be held in the year **2024**.

Further, RBI Circular: RBI/2021- 22 /25 Ref. No. DoS. CD.ARG/SEC.01/ 08.91.001/2021-22 dated April 27, 2021 (“RBI Guidelines”) provides that Audit Firms completing tenure of three financial years in the NBFC be not eligible to continue to hold office as Statutory Auditors of the NBFC. Accordingly, **M/s Goyal Nagpal & Co. (Firm Registration No.: 018289C)** are appointed as Statutory Auditors of the Company to hold office till the conclusion of 30th Annual General Meeting of the Company to conduct the audit of accounts of the Company for the financial year ending March 31, 2023 and March 31, 2024.

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. The Statutory Auditors were present in the last AGM.

SECRETARIAL AUDITOR

M/s Kundan Kumar Mishra & Associates, Company Secretaries, was re-appointed as a secretarial auditor to conduct the secretarial audit of the Company for the F.Y 2022-23, as required under Section 204 of the Companies Act, 2013 and rules there under. The Secretarial Audit Report for F.Y 2022-23 forms a part of this Report as **“Annexure-II”**. The aforesaid Report of the Company for the financial year under review does not contain any qualification, reservation, adverse remark or disclaimer.

INTERNAL AUDITOR

M/s MST and Company, Chartered Accountant was re-appointed as an internal auditor of the Company. The Internal Audit Report for F.Y 2022-23 has been submitted to Audit Committee. The aforesaid Report of the Company for the financial year under review does not contain any qualification, reservation, adverse remark or disclaimer.

COST AUDIT

Provisions under sub-section (1) of section 148 of the Companies Act, 2013 related to Cost Audit is not applicable to the Company and accordingly such accounts and records are not required to be maintained.

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.

DISCLOSURE OF APPLICATION MADE UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016

During the year, the Company has not filed any petition before the National Company Law Tribunal or there are no pending proceedings against the Company under the Insolvency and Bankruptcy Code, 2016 for recovery of outstanding loans against its customers.

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, 2023 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 2022 (Amount) | Year 2023 (Amount) |
|---------------------------|-----------------------|-----------------------|
| Foreign Exchange earning | Nil | Nil |
| Foreign Exchange outgoing | Nil | Nil |

RBI GUIDELINES

Previous year, the company voluntarily applied to surrender the Non Banking Financial Company (NBFC) registration certificate no. 14.02359 dated March 23, 2001 to Reserve Bank of India (RBI) to carry a Non-NBFC business. During the year under review, the same application stays pending with RBI. Hence, the Company continues to comply with all the requirements prescribed by the Reserve Bank of India, from time to time being NBFC Company

CORPORATE SOCIAL RESPONSIBILITY

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

BOARD MEETINGS & ANNUAL GENERAL MEETING

During the financial year 2022-23, 06 (Six) Board Meetings were held on **18th May 2022, 30th May 2022, 15th June 2022(Adjourned), 26th July 2022, 07th September 2022, 14th November 2022, 09th December, 2022**. 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.

The 28th Annual General Meeting (AGM) of the Company was held on 30.09.2022 at the registered office of the Company through Video Conferencing or other Audio Visual Means.

MEETINGS OF INDEPENDENT DIRECTORS

The Independent Directors met once during the year under review, on 31st March, 2023. The Meeting was conducted in an informal manner without the presence of the Whole-time Directors, the Non-Executive Non-Independent Directors, or any other Management Personnel.

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. The Salient features of the policy are:-

- To pay equitable remuneration to directors, KMPs and employees of the Company and to harmonize the aspirations of human resources consistent with the goals of the Company.
- To guide the Board in relation to appointment and removal of Directors, Key managerial Personnel and Senior Management.
- To lay down criteria for identifying persons who are qualified to be appointed in senior management of the Company.

Such policy 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 DIRECTORS

All the Directors of the Company have confirmed that they satisfy the "fit and proper" criteria as prescribed under Chapter XI of RBI Master Direction No. DNBR. PD.008/ 03.10.119/2016-17 dated 1st September, 2016 and that they are not disqualified from being appointed/ continuing as Directors in terms of section 164(2) of the Companies Act, 2013.

DECLARATION BY INDEPENDENT DIRECTORS

In terms of Section 149 of the Act and the SEBI Listing Regulations, Mrs. Neha Gupta is the Independent Director of the Company as on date of this report.

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 Regulation 16 of SEBI (LODR) and subsequently the same was placed at the Board Meeting. The Board has confirmed the statement of directors also.

Independent director has complied with the Code for independent directors as specified in Schedule IV of the Companies Act 2013.

In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs and qualified the proficiency test.

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. In a separate meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of the Executive Director and NEDs.

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.

The following is a summary of Sexual Harassment complaint(s) received and disposed off during the year 2022-23, pursuant to the POSH Act and Rules framed thereunder:

- a) Number of complaint(s) of Sexual Harassment received during the year – Nil
- b) Number of complaint(s) disposed off during the year – Nil
- c) Number of cases pending for more than 90 days – Nil
- d) Nature of action taken by the employer or District Officer –Not Applicable

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

DIRECTOR

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

KEY MANAGERIAL PERSONNEL

Ms. Heena Soni (ACS No. A70247) was appointed at the position of Company Secretary and Compliance officer of the Company **with effect from 09.12.2022** during the reporting year who further tendered her resignation with effect from 07.04.2023.

Followed by appointment of **Mr. Rajan Kumar Singh (ACS No.A42105)** at the position of Company Secretary and Compliance officer of the Company **with effect from 07.04.2023**.

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:

- Mrs. Neha Gupta
- Mr. Pranay Aneja

During the financial year 2022-23, 05 (five) Audit Committee Meetings were held on **18th May 2022, 30th May 2022, 15th June 2022 (Adjourned), 26th July 2022, 07th September 2022, and 14th November 2022.**

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 :

- Mrs. Neha Gupta
- Mr. Sumit Karmakar

During the financial year 2022-23, 03 (Three) Nomination & Remuneration Committee Meetings were held on **26th July 2022, 07th September 2022 and 09th December, 2022.**

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 :

- Mrs. Neha Gupta
- Mr. Pranay Aneja

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 also posted on the website of the company i.e. www.stellarcapital.in under the link of <http://stellarcapital.in/wp-content/uploads/2018/05/VIGIL-MECHANISM.pdf>

PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS UNDER SECTION 186

Pursuant to Section 186(11) of the Companies Act, 2013 (“the Act”), the provisions of Section 186(4) of the Act requiring disclosure in the Financial Statements of the full particulars of the loans made and guarantees given or securities provided by a Non- Banking Financial Company in the ordinary course of its business and the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient of the loan or guarantee or security are exempted from disclosure in the Annual Report.

Further, pursuant to the provisions of Section 186 (4) of the Act, the details of investments made by the Company are 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 were 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 complied 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 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:

Ratio of remuneration of each Director to median remuneration of the employees of the company for the financial year 2022-23:

| S.NO | Name of Director | Ratio of remuneration of director to median remuneration of employees |
|------|------------------------------------|---|
| 1 | Pranay Aneja (Managing Director) | 6 :5 |
| 2. | Rajni Aneja (Whole –time Director) | 6 :5 |

Percentage increase in remuneration of each Director, CFO, CEO, CS or Manager, if any, in the Financial Year 2021-22 compared to Financial Year 2022-23

| S.No | Pranay Aneja (Managing Director) | Rajni Aneja (Whole Time Director) | (Company Secretary) | Rajeev Tyagi (CFO) |
|------|-------------------------------------|--------------------------------------|---------------------|-----------------------|
| 1 | No Change | No Change | Appointed | No Change |

1. Percentage Increase in median remuneration of employees during the year –No change.
 2. The Number of Permanent employee on the roll of the Company as on 31st March, 2023 was Twelve.
 3. 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 2022-2023
- 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 2022-23 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 on SME Platform. The Company has already paid listing fees for the financial Year 2023-24 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**

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

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

**Date : 06.09.2023
Place : Gurgaon**

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Stellar Capital Services Limited
Registered Address: 402, 4th Floor, Solitaire Plaza
M.G. Road, Gurgaon, Haryana - 122002

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Stellar Capital Services Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and 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, 2023 ('Audit Period') 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 the Company for the financial year ended on 31st March, 2023 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. 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 to the Company during the Audit Period)**
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the Company during the Audit Period)
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during the Audit Period)
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Period)
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period)
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the Audit Period)

- i) Other Laws applicable specifically to the Company namely;
 - a. The Income Tax Act, 1961;
 - b. Goods & Service Tax Law
 - c. Reserve Bank of India Act, 1934;

Compliances/ processes/ systems under other specific applicable Laws (as applicable to the industry) were not being verified by us.

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:

- I. Secretarial Standards issued by The Institute of Company Secretaries of India.
- II. Securities and Exchange Board of India (Listing obligations and Disclosure Requirement) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to following observations: -

- a. *During the period under review, Mr. Rajeev Tyagi has resigned from the position of Chief Financial Officer of the company w.e.f. 30th day of September, 2022*
- b. *During the period under review, there has been No Company Secretary & Compliance officer in the Company from 09th day of February 2022 to 08th December 2022 in Compliance with regulation 6(1) of SEBI (LODR) Regulation, 2015*
- c. *During the period under review, Ms. Heena Soni, has been appointed (having Membership No.: 70248)), as Company Secretary and Compliance Officer of the Company with effect from 9th December 2022 and resign on resigned from the position of Company Secretary and Compliance Officer of the company w.e.f. 07th day of April 2023 further Mr. Rajan Kumar Singh, has been appointed (having Membership No.: AA42105), as Company Secretary and Compliance Officer of the Company with effect from 07th April 2023*
- d. *During the period under review, M/s. V. N Purohit & Co. (Firm Registration No 304040E) has been resigned and M/s. Goyal Nagpal & Co., Chartered Accountants (Peer Reviewed No: 0404082716(L2/4/C2) appointed as statutory auditor of the company in the Board meeting held on 18th May 2022 to fill the casual vacancy caused by resignation and rectified in Extra Ordinary General Meeting held on 18th August 2022 till the conclusion of 30th Annual general meeting of the Company to be held in the year 2024.*
- e. *During the period under review, M/s MST & Co. (Chartered Accountants) was appointed as the internal auditor for the financial 2022-23.*
- f. *Accordingly, during the period under review the company has not submitted financial results within the period prescribed under Regulation 33 for the half year ended March 2022, as per records it was submitted on 15th June 2022 (i.e., 16 days Delay) due to appointment of new Statutory Auditor Further the Company paid the penalty on 16.07.2022 to the Stock exchange for the said delay in submission of results for the half year and year ended 31st March 2022 in compliance with the SEBI Listing Regulations.*

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 including the Woman Director. 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.

During the period under review, During the period under review, Mr. Ravi Bhushan Kumar (DIN: 02967605) Non-Executive Independent Director has been resigned with effect from 13th July 2022 and Mr. Jeevan Kumar Jha (DIN: 09688889) has appointed as a Non-Executive Independent Director of the Company w.e.f. 30th September 2022 he had also resigned as Independent Director of the Company due to some personal and unavoidable circumstances w.e.f. 09th day of January, 2023.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee(s) of the Board, as the case may be.

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.

I further report that the Company has paid the penalty on 16.07.2022 to the Stock exchange for delayed submission of results for the half year ended 31st March 2022.

I further report that the Company has paid the penalty on 06.12.2022 & 24.02.2023 to the Stock exchange for Non-Compliance with regulation 6(1) of SEBI (LODR) Regulation, 2015

The Company has received a Show Cause Notice dated 09.08.2022 from SEBI under Rule 4(1) of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 in the matter of dealings in Illiquid Stock Options (ISO) at BSE.

**For Kundan Kumar Mishra & Associates
Company Secretaries**

**Kundan Kumar Mishra
Proprietor
C.P. No. 19844
M No: F11769
PR: 2908/2023
UDIN: F011769E000946934**

**Date: 05th September, 2023
Place: New 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.

1. 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.
2. 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.
3. 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.
4. 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.
5. 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
Proprietor
C.P. No. 19844
M No: F11769
PR: 2908/2023
UDIN: F011769E000946934

Date: 05th September, 2023
Place: New 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.

Stellar has an in-house team of experts to evaluate, value and estimate marketability of all kinds of assets. 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

Over its long existence of over two decades, Your Company has gained rich experience and developed core expertise in serving the large and medium corporate customers. Your Company has channelized financial assistance across all major sectors of economy and built a well-diversified portfolio in infrastructure, real estate, manufacturing, services, and NBFC sectors.

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.

Our employee-friendly and inclusive policies, health and fitness benefits ensure safe and secured environment for employees at workplace.

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 to lend judiciously.

RISK MANAGEMENT

In view of the growing volatility in the operating environment impacting global businesses on an unprecedented scale, we are reinforcing the risk management and mitigation mechanism. It will be regularly reviewed by the Board and corrective actions will be implemented with diligence.

Risk management process

The risk management system includes the following key elements:

A strategy that is driven by objectives and principles.

1. Clearly defined assignment of responsibilities across hierarchies.
2. A framework and reporting cycle to identify, assess, manage, monitor and report the risks that the Company is or may be exposed to.
3. A combination of 'top down' and 'bottom up' approach to risk assessment and management process.
4. A risk monitoring plan that outlines the review, challenge and oversight activities.
5. Reporting procedures which ensure risk information is actively monitored, managed and appropriately communicated at all levels within the Company.
6. Embedding a robust and resilient risk-management culture across all hierarchies of the Company.

Developing risk appetite statements with the strategic planning process subsequently monitoring and reporting on these statements

The risk management framework is based on a meticulous assessment of risks through proper analysis and understanding of the underlying risks before undertaking any transactions and changing or implementing processes and systems. This risk management mechanism is supported by regular review, control, self-assessments and monitoring of key risk indicators.

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. 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.

CAUTIONARY STATEMENT

Certain statements in the Management Discussion and Analysis describing the Company's objectives, predictions may be "forward-looking statements" within the meaning of applicable laws and regulations. Actual results may vary significantly from the forward-looking statements contained in this document due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India, volatility in interest rates, new regulations and Government policies that may impact the Company's business as well as its ability to implement the strategy. The Company does not undertake to update these statements.

INDEPENDENT AUDITOR'S REPORT

To the Members of Stellar Capital Services Limited

Report on the Standalone financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Stellar Capital Services Limited ("the Company") which comprises the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and 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.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and losses, total comprehensive income, the changes in equity and its 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 Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters.

Information Other than the Standalone Ind AS financial Statements and Auditor's Report Thereon

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

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

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the 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 Responsibility for the Standalone Ind AS financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of Standalone Ind AS financial Statement

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS 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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to Financial Statements 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 standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) 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.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the Internal Financial Control with reference to Financial Statements 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.
 - g) In our opinion the managerial remuneration for the year ended March 31, 2023 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- (i) the Company has disclosed the impact of pending litigations as at March 31, 2023 on its financial position in its standalone financial statements - Refer Note 29 to the standalone financial statements.
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (iv)
 - a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in notes to accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ('Intermediaries') with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - b) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ('Funding Parties') with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our attention that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e) as provided under (a) and (b) above, contain any material misstatement.

For **GOYAL NAGPAL & CO.**

Chartered Accountants

(Firm's Registration No. 018289C)

Sd/-

CA Virender Nagpal

Partner

(Membership No. 416004)

Place: New Delhi

Dated: 30-05-2023

UDIN: 23416004BGUOUC9446io7kb

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ Section of our report of even date)**

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that

- i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment..
- (B) The Company has no intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the company, some of the Property, Plant and Equipment, capital work-in-progress and investment properties were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the Property, Plant and Equipment, capital work-in-progress and investment properties at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) With respect to immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment, capital work-in progress and investment properties according to the information and explanations given to us and based on the examination of the registered sale deed / title deed provided to us, we report that, the title deeds of such immovable properties are held in the name of the company as at the balance sheet date.
- (d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the company, no proceedings have been initiated during the year or are pending against the Company as at 31 March 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii) As per information and explanation given to us, inventory consisting of securities are held in dematerialized form and balance of same has been verified further no material discrepancies were noticed during the course of such verification;
- iii) (a) The principal business of the Company is to give loans; hence the requirement to report on clause 3(iii) (a) of the Order is not applicable to the Company.
- (b) During the year the investments made, guarantee provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees are, in our opinion, not prejudicial to the Company’s interest.
- (c) The Company being a Non-banking Finance company is in the business of as granting loans and advances in the nature of loans. The schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular except accounts which are overdue are classified as special mention accounts or non-performing assets as per RBI norms.
- (d) The principal business of the Company is to give loans; hence the requirement to report on clause 3(iii) (e) of the Order is not applicable to the company.
- (e) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment. Hence the requirement to report loans granted to promoters, related parties as defined in clause 76 of section 2 of the Act or to any other parties on clause 3(iii) (f) of the Order is not applicable.
- iv) The Company is a registered Non-Banking Finance Company to which the provisions of Sections 185 and 186 of the Companies Act, 2013, are not applicable, and hence reporting under clause (iv) of CARO 2020 is not applicable.

- v) The Company has not accepted any deposits from the public or amounts which are deemed to be deposits during the year which attract the directives issued by the Reserve Bank of India. Being a Non-Banking Finance Company registered with Reserve Bank of India, the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Rules framed there under regarding acceptance of deposits are not applicable. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi) The maintenance of cost records has not been specified for the activities of the company by the Central Government under section 148(1) of the Companies Act, 2013. Hence, reporting under clause (vi) of the Order is not applicable.
- vii) (a) According to the information and explanations given to us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Income-tax, Sales Tax, Service Tax, duty of Custom, Duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable,.

b) Where statutory dues referred to in sub clause (a) have not been deposited on account of any dispute, then the amount involved and the forum where dispute is pending shall be mentioned as follow:

| Name of Statue | Nature of Dues | Amount (In Rs.) | Period for which the amount relates* |
|----------------------|----------------|-----------------|--------------------------------------|
| Income Tax Act, 1961 | Income Tax | 72,61,920/- | A Y 2014-15 |
| Income Tax Act, 1961 | Income Tax | 42,74,870/- | AY 2015-16 |
| Income Tax Act, 1961 | Income Tax | 7,17,090/- | AY 2022-23 |
| Income Tax Act, 1961 | Income Tax | 5,39,920/- | AY 2021-22 |

* Legal Action against above notices are still pending before the date of signing the Audit Report i.e. 31st May 2023

- viii) According to the information and explanations given to us and on the basis of our examination of the records of the company, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year. Hence, reporting under clause (viii) of the Order is not applicable.
- ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, in our opinion, the Company has not defaulted in the repayment of loans or borrowings from banks, financial institutions and Government.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilized term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) In our opinion, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

- x) (a) The Company not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year and provided to us, when performing our audit.
- xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and on the basis of our examination of the records of the company, in our opinion, the company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit reports issued to the Company during the year and covering the period up to 31 March 2023 for the period under audit.
- xv) According to the information and explanations given to us and on the basis of our examination of the records of the company, in our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi) (a) The Company is a Non-Banking Finance Company and is required to obtain Registration under section 45-IA of the Reserve Bank of India Act, 1934 and such registration has been obtained.
- (b) The Company has a valid Certificate of Registration (CoR) from the Reserve Bank of India (RBI) for conducting Non-Banking Financial activities and no business has been conducted by the Company without a valid CoR.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting requirements under clause 3 (xvi)(c) of the Order is not applicable.
- (d) As per the information and explanations given to us, there are no core investment companies as defined in the regulations made by the Reserve Bank of India as part of its group and hence the reporting requirements under clause 3 (xvi)(d) of the Order are not applicable.
- xvii) According to the information and explanations given to us and on the basis of our examination of the records of the company, in our opinion, the company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year. Hence, reporting under clause (xvii) of the Order is not applicable.
- xviii) There has been no resignation of the statutory auditors during the year. Therefore, provisions of clause (xviii) of Paragraph 3 of the Order are not applicable to the Company.

- xix) According to the information and explanations given to us and on the basis of our examination of the records of the company, in our opinion, on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) According to the information and explanations given to us, as the Company does not fulfill the criteria as specified under Section 135(1) of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, hence there is no requirement for the Company to spend any amount under sub-section (5) of section 135 of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

For GOYAL NAGPAL & CO.

Chartered Accountants

FRN: 018289C

Sd/-

(CA Virender Nagpal)

Partner

M .No. 416004

Place: New Delhi

Dated: 30-05-2023

UDIN: 23416004BGUOUC9446io7kb

Annexure -B to the Independent Auditor's Report of even date on the Standalone Ind AS financial statements of Stellar Capital Services Limited**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** ('the company') as of March 31, 2023 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for 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 control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting of the company.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorization 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 not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For GOYAL NAGPAL & CO.

Chartered Accountants

FRN: 018289C

Sd/-

(CA Virender Nagpal)

Partner

M.No. 416004

Place: New Delhi

Dated: 30-05-2023

UDIN: 23416004BGUOUC9446io7kb

STELLAR CAPITAL SERVICES LIMITED**CIN: L74899HR1994PLCO76773****Balance sheet as at 31st March, 2023**

| Particulars | Note No. | As at 31st March 2023 | As at 31st March 2022 |
|-------------------------------------|-----------|-----------------------|-----------------------|
| | | Rupees in ('000') | Rupees in ('000') |
| I ASSETS | | | |
| 1 Financial Assets | | | |
| (a) Cash and Cash Equivalents | 3 | 2,109.74 | 1,568.18 |
| (b) Loans | 4 | 457,381.94 | 465,390.11 |
| 2 Non Financial Assets | | | |
| (a) Inventories | 5 | 21,886.80 | 13,362.69 |
| (b) Current Tax Assets (Net) | 6 | 5,875.66 | 5,831.29 |
| (c) Deferred Tax Assets (Net) | 7 | 570.95 | 471.96 |
| (d) Property, Plant and Equipment | 8 | 1,709.44 | 2,471.35 |
| (e) Other Non financial Assets | 9 | 5.90 | 69.85 |
| Total Assets | | 489,540.43 | 489,165.43 |
| II LIABILITIES AND EQUITY | | | |
| LIABILITIES | | | |
| 1 Financial Liabilities | | | |
| (a) Borrowings | 10 | 815.46 | 819.10 |
| (b) Other Financial Liabilities | 11 | 9,305.01 | 6,279.82 |
| 2 Non-Financial Liabilities | | | |
| (a) Provisions | 12 | 7,375.62 | 2,243.59 |
| Total Liabilities | | 17,496.09 | 9,342.51 |
| 3 EQUITY | | | |
| (a) Equity Share capital | 13 | 249,615.00 | 249,615.00 |
| (b) Other Equity | 14 | 222,429.34 | 230,207.92 |
| Total Equity | | 472,044.34 | 479,822.92 |
| Total Liabilities and Equity | | 489,540.43 | 489,165.43 |

Significant Accounting Policies Notes Forming Part of The Financial Statement Nos-1 to 38

As per our report attached

For Goyal Nagpal & Co.**Chartered Accountants****FRN : 018289C****Sd/-****(CA Virender Nagpal)****Partner****M.No. : 416004****Place : NEW DELHI****Dated: 30-05-2023****For and on behalf of the Board of Directors****STELLAR CAPITAL SERVICES LIMITED****Sd/-****Pranay Aneja****Managing Director****DIN:****00809285****Sd/-****Rajni Aneja****Whole Time Director****DIN: 00341959****Sd/-****Mr. Rajan Kumar Singh****Company Secretary****Membership No.:A42105**

STELLAR CAPITAL SERVICES LIMITED

CIN: L74899HR1994PLCO76773

Statement of Profit and Loss for the Period ended 31st March, 2023

| Particulars | Note No. | For the year ended 31st | For the year ended 31st |
|--|----------|-------------------------|-------------------------|
| | | Mar 2023 | Mar 2022 |
| | | Rupees in ('000') | Rupees in ('000') |
| I Revenue from operations | | | |
| Interest Income | 15 | 31,411.19 | 33,960.40 |
| II Other Income | 16 | - | - |
| III Total Income (I+II) | | 31,411.19 | 33,960.40 |
| IV Expenses | | | |
| (a) Finance Costs | 17 | 75.03 | 10.69 |
| (b) Impairment of financial instruments | 18 | 34,026.15 | 16,320.67 |
| (c) Change in Inventories of Stock in Trade | 19 | (8,524.11) | 4,332.65 |
| (d) Employee benefits expense | 20 | 9,449.24 | 6,614.11 |
| (e) Depreciation and amortisation expense | 21 | 761.90 | 1,109.97 |
| (f) Other expenses | 22 | 3,500.56 | 1,546.12 |
| Total Expenses | | 39,288.77 | 29,934.21 |
| V Profit/(loss) before tax (III-IV) | | (7,877.58) | 4,026.19 |
| VI Tax expense | 23 | 99.00 | (921.56) |
| Current tax | | - | (1,013.39) |
| Deffered Tax | | 99.00 | 91.83 |
| VII Profit/(loss) for the period from continuing operation (v-vi) | | (7,778.58) | 3,104.63 |
| VIII Other Comprehensive Income (OCI) | | | |
| Items that will not be reclassified to profit or loss | | | |
| a. Re-measurement gain on defined benefit plans | | - | - |
| b. Re-measurement of Equity Instruments through other comprehensive income | | - | - |
| Total Other Comprehensive Income for the period (Net of Tax) | | - | - |
| IX Total Comprehensive Income for the period | | (7,778.58) | 3,104.63 |
| Earning per equity share : | 24 | | |
| (1) Basic | | (0.31) | 0.12 |
| (2) Diluted | | (0.31) | 0.12 |

Significant Accounting Policies Notes Forming Part of The Financial Statement Nos-1 to 38

As per our report attached

For Goyal Nagpal & Co.

Chartered Accountants

FRN : 018289C

Sd/-

(CA Virender Nagpal)

Partner

M.No. : 416004

Place : NEW DELHI

Dated: 30-05-2023

For and on behalf of the Board of Directors

STELLAR CAPITAL SERVICES LIMITED

Sd/-

Pranay Aneja

Managing Director

DIN: 00809285

Sd/-

Rajni Aneja

Whole Time Director

DIN: 00341959

Sd/-

Mr. Rajan Kumar Singh

Company Secretary

Membership No.:A4210

STELLAR CAPITAL SERVICES LIMITED

CIN: L74899HR1994PLCO76773

Cash Flow Statement for the year ended 31st March 2023

| S.No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|-------|--|-----------------------|-----------------------|
| I. | CASH FLOW FROM OPERATING ACTIVITIES | Rupees in ('000') | Rupees in ('000') |
| | Net Profit before tax | (7,877.58) | 4,026.19 |
| | Adjustment For : | | |
| | Depreciation | 761.90 | 1,109.97 |
| | Impairment of Financial assets | 34,026.15 | 16,320.67 |
| | | 26,910.47 | 21,456.83 |
| | Operating Profit before Working Capital Changes | 26,910.47 | 21,456.83 |
| | Adjustments for: | | |
| | Increase /Decrease in Inventories | (8,524.11) | 4,332.65 |
| | Increase /Decrease in Loans and other financial assets | (25,998.38) | 6,320.28 |
| | Increase/(Decrease) in Financial Liabilities | 8,157.22 | (26,357.40) |
| | Cash Generated From Operations | 545.20 | 5,752.36 |
| | Payment of Direct Tax | - | (1,013.40) |
| | Cash Generated From Operating Activities (A) | 545.20 | 4,738.95 |
| II | Cash From Investing activities | | |
| | | - | - |
| | Net Cash Generated from Investing Activities (B) | - | - |
| III | Cash Flow from Financing Activities | | |
| | Net proceeds from borrowings | (3.64) | (7,242.13) |
| | Net Cash Used In Financing Activities (C) | (3.64) | (7,242.13) |
| IV. | Net increase in Cash & Cash Equivalents (A - B - C) | 541.56 | (2,503.18) |
| | Cash and Cash equivalents as on April 1, 2022 | 1,568.19 | 4,071.36 |
| V. | Closing cash & cash Equivalents | 2,109.74 | 1,568.18 |

Significant Accounting Policies Notes Forming Part of The Financial Statement Nos-1 to 38

As per our report attached

For Goyal Nagpal & Co.

Chartered Accountants

FRN : 018289C

Sd/-

(CA Virender Nagpal)

Partner

M.No. : 416004

Place : NEW DELHI

Dated: 30-05-2023

For and on behalf of the Board of Directors

STELLAR CAPITAL SERVICES LIMITED

Sd/-

Pranay Aneja

Managing Director

DIN: 00809285

Sd/-

Rajni Aneja

Whole Time Director

DIN: 00341959

| STELLAR CAPITAL SERVICES LIMITED | | | | | |
|---|----------------------|---|---------------------|----------------------------|--------------------|
| CIN: L74899HR1994PLCO76773 | | | | | |
| Statement of changes in equity for the year ended March 31, 2023 | | | | | |
| A. Equity share capital | | | | | |
| Equity shares of Rs. 10 each issued, subscribed and fully paid up | | | | | |
| Particulars | (Amount in '000) | | | | |
| As at March 31, 2021 | 249,615.00 | | | | |
| Changes in equity share capital | - | | | | |
| As at March 31, 2022 | 249,615.00 | | | | |
| Changes in equity share capital | - | | | | |
| As at March 31, 2023 | 249,615.00 | | | | |
| B. Other equity | | | | | |
| | (Amount in '000) | | | | |
| Particulars | Reserves and surplus | | | Other Comprehensive Income | Total other equity |
| | Securities premium | Statutory Reserve | Retained earnings | | |
| Balance as at April 1, 2021 | 201,405.00 | 4,130.29 | 21,568.01 | - | 227,103.30 |
| Profit for the year | - | - | 3,104.63 | - | 3,104.63 |
| Transfer to Statutory Reserve | | 620.92 | (620.92) | - | - |
| Balance as at March 31, 2022 | 201,405.00 | 4,751.21 | 24,051.72 | - | 230,207.93 |
| Loss for the year | - | - | (7,778.58) | - | (7,778.58) |
| Transfer to Special Reserve | - | - | - | - | - |
| Balance as at March 31, 2023 | 201,405.00 | 4,751.21 | 16,273.13 | - | 222,429.34 |
| Significant Accounting Policies Notes Forming Part of The Financial Statement Nos-1 to 38 | | | | | |
| As per our report attached | | | | | |
| For Goyal Nagpal & Co. | | For and on behalf of the Board of Directors | | | |
| Chartered Accountants | | STELLAR CAPITAL SERVICES LIMITED | | | |
| FRN : 018289C | | | | | |
| Sd/- | | Sd/- | Sd/- | | |
| (CA Virender Nagpal) | | Pranay Aneja | Rajni Aneja | | |
| Partner | | Managing Director | Whole Time Director | | |
| M.No. : 416004 | | DIN: 00809285 | DIN: 00341959 | | |
| Place : NEW DELHI | | | | | |
| Dated: 30-05-2023 | | Sd/- | | | |
| | | Mr. Rajan Kumar Singh | | | |
| | | Company Secretary | | | |
| | | Membership No.:A42105 | | | |

COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

1 Company Overview

Stellar Capital Services Limited is a company incorporated on 20th day of October, 1994. It is registered with Registrar of Companies, Delhi. The company is primarily engaged in the business of Non-Banking Finance Company in India.

2 Significant Accounting Policies

2.01 Basis of Preparation

The financial statements have been prepared in accordance with Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter, prescribed under Section 133 of the Companies Act, 2013 ("Ind AS").

2.02 Overall Consideration

These financial statements have been prepared on going concern basis using the significant accounting policies and measurement basis summarised below: These accounting policies have been used throughout all periods presented in financial statements.

2.03 Basis of Measurement

The financial statements are prepared on Historical Cost basis except financial assets and liabilities that are measured at fair value (Refer accounting policy regarding Financial Instruments). The accounting policies not specifically referred to otherwise, are consistent and in consonance with generally accepted accounting principles. All income and expenditure are being accounted for on accrual basis.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

2.04 Functional and Presentation Currency

These financial statements are represented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest lakhs (upto two decimals), except as stated otherwise.

2.05 Use of Estimates

In preparing Company's financial statements in conformity with Ind AS, management is required to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Estimates and underlying assumption are renewed at each balance sheet date. Any revision to accounting estimates is recognized in the period in which the same is determined.

2.06 Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and the related disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions
 The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

The Company based its assumptions and estimates on parameters available when these financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions as and when they occur.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(i) Estimation of defined benefit obligation

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future.

These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(ii) Estimation of current tax and deferred tax

Management judgment is required for the calculation of provision for income-taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to adjustment to the amounts reported in these financial statements.

(iii) Useful lives of depreciable/amortizable assets

Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain property, plant and equipment.

(iv) Impairment of trade receivables

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible. Impairment is recognised based on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

(v) Fair value measurement

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

(vi) Evaluation of indicators for impairment of assets
The evaluation of applicability of indicators of impairment of assets is based on assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

2.07 Current and Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period;
- or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- Current assets include current portion of non-current of financial assets. All other assets are classified as non-current.

A liability is current when it is

- Expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- Due to be settled within twelve months after the reporting period;
- or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.
- Current Liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.08 Property Plant & Equipment

i) Initial Recognition and Measurement

An item of property, plant and equipment is recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Items of Property, Plant and Equipment are measured at cost less accumulated depreciation/amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset, inclusive of non-refundable taxes & duties, to the location and condition necessary for it to be capable of operating in the manner intended by management. When parts of an item of property, plant and equipment have different useful life, they are recognized separately. Items of spare parts, stand-by equipment and servicing equipment which meet the definition of Property, Plant and Equipment are capitalized. Property, Plant and Equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital Work-In-Progress'.

ii) Subsequent costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

ii) Subsequent costs (Cont...)

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefit embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The cost of the day-to-day servicing of Property, Plant and Equipment are recognized in profit or loss as incurred.

iii) De-recognition

Property, Plant and Equipment are derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.

iv) Depreciation/amortization

Depreciation is recognized in profit or loss on a written down value over the estimated useful life of each item of Property, Plant and Equipment.

Depreciation on addition to/deductions from property, plant and equipment during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.

Depreciation on property, plant and equipment is provided on their estimated useful life as prescribed by Schedule II of The Companies Act, 2013 as follows:

- 1) Buildings 30 years
- 2) Plant & Machinery 15 years
- 3) Furniture & Fixtures 10 years
- 4) Vehicles 08 years
- 5) Office Equipments 05 years
- 6) Electrical Installation 10 years
- 7) Computer 03 years
- 8) Leasehold Improvements Over the period of lease

The residual value, useful life and methods of PPE are reviewed at each financial year end and adjusted prospectively.

2.09 Other Intangible Assets

i) Initial Recognition and Measurement

An intangible asset is recognized if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the company and the cost of the asset can be measured reliably.

Intangible assets that are acquired by the Company, which have finite useful lives, are recognized at cost less accumulated amortization and accumulated impairment losses, if any. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

ii) Subsequent Costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

iii) De-Recognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gain and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

iv) Amortization

Intangible assets having definite life are amortized on straight line method in their useful life.

2.10 Impairment of Property, Plant and Equipment, Other Intangible Assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable and impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Company of assets (cash generating units). If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost and the same is accordingly reversed in the statement of profit and loss.

2.11 Inventories

Inventories in Shares & stocks are valued at Fair Value Market.

2.12 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and cash in hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of change in value.

2.13 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial Assets:
Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

a) Initial Recognition and Measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

b) Subsequent Measurement

Financial assets are subsequently classified and measured at:

- Financial assets at amortised cost
- Financial assets at fair value through profit and loss (FVTPL)
- Financial assets at fair value through other comprehensive income (FVTOCI).

c) Equity Instruments:

All investments in equity instruments in entities other than subsidiaries and joint ventures are measured at fair value. Equity instruments if held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify them either at FVTOCI or FVTPL. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instruments, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment as the company transfers cumulative gain or loss within the equity.

Equity instruments if classified as FVTPL category are measured at fair value with all changes recognized in the profit and loss.

d) De-Recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The contractual rights to receive cash flows from the asset have expired, or
- The Company has transferred its contractual rights to receive cash flows from the asset.

e) Impairment of Financial Asset

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount of the financial asset in the balance sheet.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the advances do not have assets or sources of income that could generate sufficient cash flow to repay the amounts subject to the write-off. However, financial assets that are written-off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in standalone statement of profit and loss.

ii) Financial Liabilities

a) Initial Recognition and Measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

b) Subsequent Measurement

Financial liabilities are carried at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any material transaction that are any integral part of the EIR. Trade and other payables maturing within one year from the balance sheet date are carried at transaction value and the carrying amounts approximate fair value due to the short maturity of these instruments. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

c) De-Recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

2.14 Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

2.15 Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either: • In the principal market for the asset or liability, or • In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the company. The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

2.16 Impairment of Financial Assets

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a company of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets. In accordance with Ind-AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost. ECL is the weighted average of difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the company expects to receive, discounted at the original effective interest rate, with her respective risks of default occurring as the weights. When estimating the cash flows, the company is required to consider – All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets. – Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

2.17 Provisions, Contingent Liabilities and Contingent Assets

Provision are measured at the Present value of the management's best estimate (these estimated are reviewed at each reporting date and adjusted to reflect the current best estimate) of the expenditure required to settle the present obligation at the end of reporting period. Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

Contingent liabilities are disclosed only when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events which is not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or estimate of the amount cannot be measured reliably. No contingent asset is recognized but disclosed by way of notes to accounts only when its recognition is virtually certain.

2.18 Revenue Recognition

The Company has applied Ind AS 115 – „Revenue from Contracts with Customers“. Pursuant to adoption of Ind AS 115, revenue from contracts with customers are recognized when the control over the goods or services promised in the contract are transferred to the customer. The amount of revenue recognized depicts the transfer of promised goods and services to customers for an amount that reflects the consideration to which the Company is entitled to in exchange for the goods or services.

(i) Interest Income: The Company recognises interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortised cost. EIR is calculated by considering all costs and incomes attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments/recei

pts through the expected life of the financial asset/ financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

(ii) Dividend: Dividend income from investments is recognised when the shareholders' right to receive payment has been established which is generally when the shareholders approve the dividend.

(iii) Other income: In respect of other heads of income in the Company's accounts the incomes shall be recognized on accrual basis.

2.19 Income Taxes

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent it relates to any business combination or to an item which is recognised directly in equity or in other comprehensive income.

a) Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date. Current income tax relating to items recognized outside statement of profit or loss is recognized outside statement of profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where

b) Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside statement of profit or loss is recognized outside statement of profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable company Group and the same taxation authority.

c) Minimum Alternate Tax (MAT)

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available 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, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset.

The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

2.20 Employee Benefits

i) Short Term Employee Benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under performance-related pay if the Company has a present, legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii) Post-Employment benefits

Employee benefits that are payable after the completion of employment are Post-Employment Benefit (other than termination benefit). Company has identified two types of post employment benefits:

a) Defined Contribution Plans

Defined contribution plans are those plans in which the company pays fixed contribution into separate entities and will have no legal or constructive obligation to pay further amounts. Provident Fund and Employee State Insurance are Defined Contribution Plans in which company pays a fixed contribution and will have no further obligation beyond the monthly contributions and are recognised as an expense in Statement of Profit & Loss.

b) Defined Benefit Plans

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in „Employee Benefits Expense“ in the Statement of Profit and Loss.

Re-measurement

gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in Other Comprehensive Income. These are included in „Retained Earnings“ in the Statement of Changes in Equity.

2.21 Borrowing Cost

Borrowing cost include interest calculated using the effective interest method, amortization of ancillary costs and other costs the company incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption. All other borrowing costs are charged to the statement of profit and loss as incurred.

2.22 Earning Per Share

Basic Earnings Per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, net profit after tax during the year and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

2.23 Statement of Cash Flows

Statement of cash flows is prepared in accordance with the Indirect method prescribed in Ind AS-7, 'Statement of Cash Flows'.

2.24 Standards that became effective during the year

There are no new Standards that became effective during the year. Amendments that became effective during the year did not have any material effect.

STELLAR CAPITAL SERVICES LIMITED**CIN: L74899HR1994PLCO76773****Notes Forming Part of the Financial Statements for the period ended 31st March, 2023**

| Note -3 | Cash and cash equivalents | (Amount in '000') | |
|----------------|--------------------------------------|------------------------------|------------------------------|
| | Particulars | As at 31st March 2023 | As at 31st March 2022 |
| | (a) Cash on hand | 1,932.60 | 742.74 |
| | (b) Balances with banks | | |
| | Current Accounts | 177.14 | 825.44 |
| | Total | 2,109.74 | 1,568.18 |
| Note -4 | Loans | | |
| | Particulars | As at 31st March 2023 | As at 31st March 2022 |
| | Unsecured (at Amortised cost) | | |
| | -Intercompany Deposits | 266,633.70 | 273,534.49 |
| | -Loan to Others | 206,050.71 | 196,956.44 |
| | | 472,684.41 | 470,490.93 |
| | Less: Impairment loss allowance | (15,302.47) | (5,100.82) |
| | Total | 457,381.94 | 465,390.11 |
| Note -5 | Inventories | | |
| | Particulars | As at 31st March 2023 | As at 31st March 2022 |
| | Shares (valued at fair value) | 21,886.80 | 13,362.69 |
| | Total | 21,886.80 | 13,362.69 |
| Note -6 | Current Tax Assets (Net) | | |
| | Particulars | As at 31st March 2023 | As at 31st March 2022 |
| | (A) Others | | |
| | (Secured, Considered good) | | |
| | Income Tax Refund of earlier years | 5,875.66 | 5,831.29 |
| | Total | 5,875.66 | 5,831.29 |

STELLAR CAPITAL SERVICES LIMITED**CIN: L74899HR1994PLCO76773****Notes Forming Part of the Financial Statements for the period ended 31st March, 2023**

| Note -7 | Deferred Tax Assets | (Amount in '000') | |
|-----------------|---|------------------------------|------------------------------|
| | Particulars | As at 31st March 2023 | As at 31st March 2022 |
| | Deferred Tax Assets | 570.95 | 471.96 |
| | Total | 570.95 | 471.96 |
| Note -9 | Other Non-Financial Assets | | |
| | Particulars | As at 31st March 2023 | As at 31st March 2022 |
| | Prepaid Expenses | 5.90 | 69.85 |
| | Total | 5.90 | 69.85 |
| Note -10 | Borrowings | | |
| | Particulars | As at 31st March 2023 | As at 31st March 2022 |
| | Loans repayable on demand - Intercompany Deposits* | 815.46 | 819.10 |
| | Total | 815.46 | 819.10 |
| | * Intercompany deposit taken with the interest rate 7% | | |
| Note -11 | Other Financial Liabilities | | |
| | Particulars | As at 31st March 2023 | As at 31st March 2022 |
| | Statutory dues Payables | 1,161.60 | 50.00 |
| | Other Liabilities | 8,143.41 | 6,229.82 |
| | Total | 9,305.01 | 6,279.82 |
| Note -12 | Provisions | | |
| | Particulars | As at 31st March 2023 | As at 31st March 2022 |
| | (i) Contingent provision against standard assets Opening Balance | 1,777.91 | 1,951.95 |
| | Add: Impairment loss allowance during the year | 5,132.03 | (174.04) |
| | Total (i) | 6,909.94 | 1,777.91 |
| | (ii) Provision for Income Tax | 465.68 | 465.68 |
| | Total (ii) | 465.68 | 465.68 |
| | Total (i+ii) | 7,375.62 | 2,243.59 |

| STELLAR CAPITAL SERVICES LIMITED | | | | | | | | | | |
|---|----------------------|--------------------------|-----------------|----------------------|---------------------|-----------------|----------|----------------------|------------------|-------------------|
| CIN: L74899HR1994PLCO76773 | | | | | | | | | | |
| NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE FINANCIAL YEAR ENDED 31.03.2023 | | | | | | | | | | |
| Note 8. Property, Plant and Equipment | | | | | | | | | | Rupees in ('000') |
| PARTICULARS | Gross Carrying Value | | | | Depreciation | | | Net Carrying Value | | |
| | As at April 1, 2022 | Addition during the year | Sale/Adj. Durin | As at March 31, 2023 | As at April 1, 2022 | During the Year | ADJ. | As at March 31, 2023 | As at 31.03.2023 | As at 31.03.2022 |
| Furniture and Fixture | 68.43 | - | - | 68.43 | 62.62 | 1.50 | - | 64.12 | 4.30 | 5.81 |
| Motor Vehicles | 9,241.59 | | | 9,241.59 | 6,807.08 | 760.40 | | 7,567.48 | 1,674.11 | 2,434.51 |
| Office Equipments | 160.85 | | | 160.85 | 152.82 | - | | 152.82 | 8.03 | 8.03 |
| Computer | 459.91 | | | 459.91 | 436.91 | - | | 436.91 | 23.00 | 23.00 |
| TOTAL | 9,930.78 | - | - | 9,930.78 | 7,459.43 | 761.90 | - | 8,221.33 | 1,709.44 | 2,471.35 |

| Notes Forming Part of the Financial Statements for the Period Ended 31st March 2023 | | | | |
|--|------------------------|-----------------------------------|------------------------|-----------------------------------|
| Note 13 Equity Share Capital | | | | |
| (i) | | | | |
| Particulars | As at | | As at | |
| | 31st March, 2023 | | 31st March, 2022 | |
| | Amount '000' | | Amount '000' | |
| (a) Authorised | | | | |
| 25000000 Equity Shares Of Rs.10 Each | 250,000.00 | | 250,000.00 | |
| (b) Issued | | | | |
| 24961500 Equity Shares Of Rs.10/- Each Fully Paid | 249,615.00 | | 249,615.00 | |
| (c) Subscribed & Paid Up | | | | |
| 24961500 Equity Shares Of Rs.10/- Each Fully Paid | 249,615.00 | | 249,615.00 | |
| | 249,615.00 | | 249,615.00 | |
| (ii) Reconciliation of the number of shares at the beginning and at the end of the reporting period: | | | | |
| | As at 31st March, 2023 | | As at 31st March, 2022 | |
| | Number of shares | Amount | Number of shares | Amount |
| Equity shares At the beginning of year | 24,961,500.00 | 249,615.00 | 24,961,500.00 | 249,615.00 |
| Add: Equity share issued during the year | - | - | - | - |
| Equity Shares Outstanding at the end of the year | 24,961,500.00 | 249,615.00 | 24,961,500.00 | 249,615.00 |
| (iii) Details of shares held by each shareholder holding more than 5% shares: | | | | |
| Class of shares / Name of shareholder | As at 31st March, 2023 | | As at 31st March, 2022 | |
| | Number of shares held | % holding in that class of shares | Number of shares held | % holding in that class of shares |
| Equity shares with voting rights | | | | |
| Rajni Aneja | 3201000 | 12.82 | 3201000 | 12.82 |
| Pranay Aneja | 2802000 | 11.23 | 2802000 | 11.23 |
| (iv) Details of shares held by each shareholder holding of Promoters | | | | |
| Class of shares / Name of shareholder | As at 31st March, 2023 | | As at 31st March, 2022 | |
| | Number of shares held | % holding in that class of shares | Number of shares held | % holding in that class of shares |
| Rajni Aneja | 3201000 | 12.82 | 3201000 | 12.82 |
| Pranay Aneja | 2802000 | 11.23 | 2802000 | 11.23 |

| Note 14 Other Equity | | | | | | Amount in '000 | |
|---|--|------------------------|-------------------|------------------------|--|-------------------|--|
| Particulars | | As at 31st March, 2023 | | As at 31st March, 2022 | | | |
| (i) Security Premium account | | | | | | | |
| Opening/Closing balance | | | | | | | |
| (i) Special Reserve account | | | | | | | |
| Opening/Closing balance | | 4,751.21 | | 4,130.29 | | | |
| Add:-Transfer to reserve fund in terms | | - | 4,751.21 | 620.92 | | 4,751.21 | |
| (ii) Security Premium | | | | | | | |
| Opening/Closing balance | | 201,405.00 | | 201,405.00 | | | |
| Add:-Transfer to reserve fund in terms | | - | | - | | | |
| Closing Balance | | | 201,405.00 | | | 201,405.00 | |
| (iii) Retained Earnings | | | | | | | |
| Opening balance | | 24,051.71 | | 21,568.01 | | | |
| Add: Profit for the year | | (7,778.58) | | 3,104.62 | | | |
| Less: Transfer to Special Reserve Account | | - | | (620.92) | | | |
| Closing Balance | | | 16,273.13 | | | 24,051.71 | |
| Total | | | 222,429.34 | | | 230,207.92 | |

| Note 15 | Interest Income | | |
|----------------|--|----------------------------------|----------------------------------|
| | Particulars | As at 31st March 2023 | As at 31st March 2022 |
| | Interest on Borrowings | 31,411.19 | 33,960.40 |
| | Total | 31,411.19 | 33,960.40 |
| Note 16 | Other Income | | |
| | Particulars | As at 31st March 2023 | As at 31st March 2022 |
| | Interest on Income Tax Refund | - | - |
| | Total | - | - |
| | | | (Amount in '000') |
| Note 17 | Finance Costs | | |
| | Particulars | As at 31st March 2023 | As at 31st March 2022 |
| | Interest on Borrowings (on Financial Liabilities measured at Amortised Cost) | 56.37 | - |
| | Bank Charges | 18.66 | 10.69 |
| | Total | 75.03 | 10.69 |
| Note 18 | Impairment of Financial Instruments | | |
| | Particulars | As at 31st March 2023 | As at 31st March 2022 |
| | Loans | | |
| | - Expected Credit Loss | 15,333.68 | 4,926.78 |
| | - Written off | 18,692.47 | 11,393.89 |
| | Total | 34,026.15 | 16,320.67 |
| Note 19 | Changes in Inventories | | |
| | Particulars | As at 31st March 2023 | As at 31st March 2022 |
| | Opening balance of stock in trade (Shares) | 13362.69 | 17695.34 |
| | Less : Closing balance of stock in trade (Shares) | (21,886.80) | (13,362.69) |
| | (Increase)/Decrease in Inventories | -8524.11 | 4332.648 |

| Note 20 | Employee Benefits Expense | (Amount in '000') | |
|----------------|--|----------------------------------|----------------------------------|
| | Particulars | As at 31st March 2023 | As at 31st March 2022 |
| | Salary Expenses | 9,449.24 | 6,614.11 |
| | Total | 9,449.24 | 6,614.11 |
| Note 21 | Depreciation and amortisation expense | | |
| | Particulars | As at 31st March 2023 | As at 31st March 2022 |
| | Depreciation Expenses | 777.74 | 1109.97 |
| | Amortisation Expenses | - | - |
| | Total | 777.74 | 1109.97 |
| Note 22 | Other expenses | | |
| | Particulars | As at 31st March 2023 | As at 31st March 2022 |
| | Auditor's Remuneration | 47.20 | 47.20 |
| | Advertisement | 23.46 | 62.73 |
| | Printing & Stationery Expenses | 25.34 | 76.70 |
| | Legal & professional | 1,729.50 | 487.28 |
| | Rates and Taxes | 476.37 | 436.74 |
| | Repair and maintenance | 7.00 | 152.09 |
| | Travelling Exp | 683.67 | - |
| | Other expenses | 508.02 | 283.38 |
| | Total | 3,500.56 | 1,546.12 |

| Note 23 | a) Income Tax Expenses | (Amount in '000') | |
|----------------|--|----------------------------------|----------------------------------|
| | Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
| | Current Tax | | |
| | In respect of current year | - | (1,013.39) |
| | Deferred Tax Expense | | |
| | (Increase)/ Decrease in deferred tax assets | (99.00) | 91.83 |
| | Total | (99.00) | (921.56) |
| | b) Income Tax recognised in Other Comprehensive Income | | |
| | Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
| | Current Income Tax on Re-measurement Losses on Defined Benefit Plans | - | - |
| | Total Income Tax Expense Reported in the Statement of Profit or Loss | - | - |
| | C. Reconciliation of effective tax rate | | |
| | Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
| | Income Tax Rate | 25.17% | 25.17% |
| | MAT Rate | | |
| | Profit before tax | (7,877.58) | 4,026.19 |
| | Tax using the company's domestic tax rate/MAT (A) | - | (1,013.39) |
| | Tax effect of: | | |
| | Deferred Tax Reversal/(Charge) | (99.00) | 91.83 |
| | Due to Change in Rate of Tax | - | - |
| | Total (B) | (99.00) | 91.83 |
| | (A)+(B) | (99.00) | (921.56) |
| Note 24 | Components of Other Comprehensive Income (OCI) | | |
| | Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
| | The Disaggregation of changes to OCI by each type of reserve in equity is : | | |
| | Deferred Tax (Charge)/Reversal | - | - |
| | Total | - | - |
| Note 25 | Details of CSR expenditure as per Section 135 of Companies Act, 2013: | | |
| | Particulars | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
| | | NA | NA |
| Note 26 | Segment Reporting | | |
| | Primary Segment Report (by Business Segment) | | |
| | Based on the guiding principles given in Ind AS-108, " Operating segments", the Company is primarily engaged in the business of loan and advances for various purpose. | | |
| | Secondary Segment Report (by Geographical demarcation): | | |
| | With regards to geographical segment the company operates in India only. Hence there are no geographical segments. | | |

| Note 27 | Earning per Share | | |
|----------------|---|----------------------------|-----------------------------------|
| | Particulars | As at 31 March 2023 | As at 31 March 2022 |
| | Basic | | |
| | Continuing Operations | | |
| | Net Profit/(loss) for the year from Continuing Operations | (7,778.58) | 3,104.63 |
| | Net Profit/(loss) for the year from Continuing Operations attributable to the equity shareholders | (7,778.58) | 3,104.63 |
| | Weighted average number of equity share holders | 24,961,500 | 24,961,500 |
| | Value per share | | |
| | Earning per share from continuing Operation- Basic and Dialuted | (0.31) | 0.12 |
| Note 28 | Auditor Remuneration | | |
| | Particulars | As at 31 March 2023 | As at 31 March 2022 |
| | Fee for Statutory Audit | 47.20 | 47.20 |
| | | 47.20 | 47.20 |
| Note 29 | Disclosures required by Indian Accounting Standards (Ind AS) 37 on "Provisions, Contingent Liabilities and Contingent Assets". | | |
| | Accordingly, in the opinion of the Management, the disclosure is required during the financial year 2022-23 as per Ind (AS) 37 on "Provisions, Contingent Liabilities and Contingent Assets". | | |
| | a) Income Tax | | |
| | Contingent Liabilities and Commitments | Amount of Demand | Remarks |
| | Income Tax Demand for the AY 2014-15 for U/s 147 of the Income Tax Act | 7,261,920 | Date of Demand 26th May 2023 |
| | Income Tax Demand for the AY 2015-16 for U/s 147 of the Income Tax Act | 4,274,870 | Date of Demand 18th May 2023 |
| | Income Tax Demand for the AY 2022-23 for U/s 143(1)(a) of the Income Tax Act | 717,090 | Date of Demand 20th Feb 2023 |
| | Income Tax Demand for the AY 2021-22 for U/s 143(1)(a) of the Income Tax Act | 539,920 | Date of Demand 11th November 2023 |
| | * Legal Action against above notices are still pending before the date of signing the Audit Report i.e. 31st May 2023 | | |
| Note 30 | Micro, Small & Medium Enterprises :- | | |
| | The information as required to be disclosed in relation to Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. | | |
| | Particulars | As at 31 March 2023 | As at 31 March 2022 |
| | The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year. | - | - |
| | Principal | - | - |
| | Interest | - | - |
| | The amount of interest paid by the buyer in terms of section 16, of the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act) along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year. | - | - |
| | The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act. | - | - |
| | The amount of interest accrued and remaining unpaid at the end of each accounting year; and | - | - |

| | | | |
|----------------|--|-------------------------------|---|
| Note 31 | Related Party disclosure | | |
| | A. Following are the Related Parties of the Company | | |
| | List of Key Management Personnel | | |
| | 1 Mrs. Pranay Aneja (Managing Director) | | |
| | 2 Mrs. Rajni Aneja (Director) | | |
| | 3 Mr. Ravi Bhushan Kumar (Director) (Resigned on 13th July 2022) | | |
| | 4 Mrs. Neha Gupta (Director) | | |
| | 5 Mr. Sumit Karmakar (Director) | | |
| | 6. Jeevan Kumar Jha (Director) | | |
| | 7. CS Heena Soni (Company Secretary w.e.f 09.12.2022 upto 07.04.2023) | | |
| | 8. CS Rajan Kumar Singh (Company Secretary w.e.f 07.04.2023) | | |
| | Relatives of Key Management Personnel | | |
| | NIL | | |
| | Other Related Parties | | |
| | NIL | | |
| | B. Transactions During the year with related parties | | |
| | | | (Amount in '000') |
| | Particulars | Nature of Transactions | For the year ended 31st Mar 2023 |
| | | | For the year ended 31st Mar 2022 |
| | Rajni Aneja | Remuneration | 210.00 |
| | Pranay Aneja | Remuneration | 420.00 |
| | Rajeev Kumar Tayagi | Salary | - |
| | Ravi Bhushan Kumar | Remuneration | 192.00 |
| | Neha Gupta | Remuneration | 10.00 |
| | Jeevan Kumar Jha | Remuneration | 70.00 |
| | Heena Soni | Remuneration | 20.00 |
| | Anjali Singh | Salary | 100.00 |
| | | | - |
| | | | 166.06 |
| | B. Balance's are with the related parties for the year ended | | |
| | Particulars | Nature of Transactions | For the year ended 31st Mar 2023 |
| | | | For the year ended 31st Mar 2022 |
| | Payables | | |
| | Rajni Aneja | Remuneration | 210.00 |
| | Pranay Aneja | Remuneration | 420.00 |
| | Anjali Singh | Remuneration | - |
| | Ravi Bhushan Kumar | Remuneration | - |
| | Neha Gupta | Remuneration | 10.00 |
| | | | - |
| | | | 10.00 |
| | C. Enterprises owned or significantly influenced by the Key Management Personnel or their Relatives | | |
| | None | | |

| Note 32 | Financial Instruments | | | | |
|---------|--|-----------------------|-------------------|-----------------------|-------------------|
| | Financial Instruments by category | (Amount in '000') | | | |
| | | As at 31st March 2023 | | As at 31st March 2022 | |
| | Carrying Value | Fair Value | Carrying Value | Fair Value | |
| | Financial Assets | | | | |
| | Measured at amortised cost | | | | |
| | Cash and Cash Equivalents | 2,109.74 | 2,109.74 | 4,071.38 | 4,071.38 |
| | Loans | 457,381.94 | 457,381.94 | 470,490.93 | 470,490.93 |
| | Measured at Fair Value through Other Comprehensive Income | | | | |
| | Investments | - | - | - | - |
| | Total Financial Assets | 459,491.68 | 459,491.68 | 474,562.31 | 474,562.31 |
| | Financial Liabilities | | | | |
| | Measured at amortised cost | | | | |
| | Borrowings | 815.46 | 815.46 | 819.10 | 819.10 |
| | Other Financial Liabilities | 9,305.01 | 9,305.01 | 6,279.82 | 6,279.82 |
| | Total Financial Liabilities | 10,120.47 | 10,120.47 | 7,098.92 | 7,098.92 |
| | The table shown below analyses financial instruments carried at fair value. The different levels have been defined below:- | | | | |
| | Level 1: Quoted Prices (unadjusted) in active markets for identical assets or liabilities | | | | |
| | Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e. Derived from prices) | | | | |
| | Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs) | | | | |
| | a) Financial assets and liabilities measured at fair value through profit and loss at 31st March 2023 | | | | |
| | | Level 1 | Level 2 | Level 3 | |
| | Financial Assets | | | | |
| | Loans | - | - | 457,381.94 | |
| | Financial Liabilities | | | | |
| | Deferred Finance Liability | - | - | - | |
| | Derivatives not designated as hedges | - | - | - | |
| | Financial assets and liabilities measured at fair value through profit and loss at 31 March 2021 | | | | |
| | | Level 1 | Level 2 | Level 3 | |
| | Financial Assets | | | | |
| | Investment in quoted equity instruments | - | - | - | |
| | Investment in unquoted equity instruments | - | - | - | |
| | Financial Liabilities | | | | |
| | Financial Guarantee Contracts | - | - | - | |
| | Derivatives not designated as hedges | - | - | - | |
| | b) Financial instruments at amortized cost | | | | |
| | reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the value that would eventually be received or settled. The loans given to the customers are repayable on demand basis. Hence classification of the fair value of the financial assets and liabilities as per the measurement at the end of reporting period | | | | |
| | c) During the year there has been no transfer from one level to another | | | | |

| Financial risk management | | | |
|---|--|--|---|
| The Company has exposure to the following risks arising from financial instruments: | | | |
| ▪ Credit risk | | | |
| ▪ Liquidity risk | | | |
| ▪ Interest rate risk | | | |
| Risk management framework | | | |
| The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors have authorised senior management to establish the processes and ensure control over risks through the mechanism of properly defined framework in line with the businesses of the company. | | | |
| The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risks limits and controls, to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in market conditions and the Company's activities. | | | |
| The Company has policies covering specific areas, such as interest rate risk, foreign currency risk, other price risk, credit risk, liquidity risk, and the use of derivative and non-derivative financial instruments. Compliance with policies and exposure limits is reviewed on a continuous basis. | | | |
| (i) Credit risk | | | |
| The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in t | | | |
| Particulars | | As at March 31, 2023 | As at March 31, 2022 |
| Loans | | 457,382 | 465,390 |
| Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. | | | |
| The Company's credit risk is primarily to the amount due from customer and investments. The Company maintains a defined credit policy and monitors the exposures to these credit risks on an ongoing basis. Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with scheduled commercial banks with high credit ratings assigned by domestic credit rating agencies. | | | |
| The maximum exposure to the credit risk at the reporting date is primarily from Loan given. Loan given are unsecured . The Company does monitor the economic environment in which it operates. The Company manages its Credit risk through credit approvals, establishing credit limits and continuously monitoring credit worthiness of customers to which the Company grants credit terms in the normal course of business. | | | |
| This definition of default is determined by considering the business environment in which entity operates and othe macro-economic factors. Further, the Company does not anticipate any material credit risk of any of its other receivables. | | | |
| Movement in the allowance for impairment in respect of Loans: | | | |
| | | | (Amount in '00 |
| Particulars | | For the year ended March 31, 2023 | For the year ended March 31, |
| Balance at the beginning | | 6,204.95 | 1,278.17 |
| Impairment loss recognised | | 15,333.68 | 4,926.78 |
| Impairment loss derecognised | | - | - |
| Balance at the end | | 21,538.63 | 6,204.95 |

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its. The Company believes that its liquidity position, including total cash (including bank deposits under lien and excluding Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's policy is to regularly monitor its liquidity requirements to ensure that it maintains sufficient reserves of cash and funding from group companies to meet its liquidity requirements in the short and long term.

Maturities of financial Liabilities

| Contractual maturities of financial liabilities as at Mar | Total Carrying value | On Demand Payable | on due with in 1 year | Over 1 on due with in 3 year |
|---|----------------------|-------------------|-----------------------|------------------------------|
| Borrowing | 815.46 | 815.46 | - | - |
| Others Financial Liabilities | 9,305.01 | 9,305.01 | - | - |
| Total | 10,120.47 | 10,120.47 | - | - |

| Contractual maturities of financial liabilities as at Mar | Total Carrying value | On Demand Payable | on due with in 1 year | Over 1 on due with in 3 year |
|---|----------------------|-------------------|-----------------------|------------------------------|
| Borrowing | 819.10 | 819.10 | - | - |
| Others Financial Liabilities | 6,279.82 | 6,279.82 | - | - |
| Total | 7,098.92 | 7,098.92 | - | - |

iii). Market risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, the Company mainly has exposure to one type of market risk namely: interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a. Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's main interest rate risk arises from long-term and short term borrowings with variable interest rates, which expose the Company to cash flow interest rate risk.

b. Capital Management

The Capital Structure of the Company consists of equity, debt, cash and cash equivalents. The Company's objective for capital management is to maintain the capital structure which will support the Company's strategy to maximize shareholders's value, safeguarding the business continuity and help in supporting the growth of the Company.

Note 33 Figures have been rounded off to the nearest thousands of rupees.

Note 34 The standalone financial statements were approved for issue by the Board of Directors of the Company on 15th June, 2022 subject to approval of shareholders.

For Goyal Nagpal & Co.

Chartered Accountants

FRN : 018289C

Sd/-

(Virender Nagpal)

Partner

M.No. : 416004

Place : NEW DELHI

Date : 30-06-2023

For and on behalf of the Board of Directors

Sd/-

Pranay Aneja

Managing Director

DIN: 00809285

Sd/-

Rajni Aneja

Whole Time Director

DIN: 00341959

Sd/-

Rajan Kumar Singh

Company Secretary

Membership No.: A42105

STELLAR CAPITAL SERVICES LIMITED**CIN: L74899HR1994PLCO76773****Notes Forming Part of the Financial Statements for the period ended 31st Mar 2023****Note 35 Ratio**

| Ratio | Numerator | Denominator | Current Period | Previous Period | % Variance | Reason for variance |
|---|-----------------------------------|----------------------------|----------------|-----------------|------------|---------------------|
| (a) Capital to risk-weighted assets ratio (CRAR) | Tier 1+Tier 2 Capital | Risk weighted Assets | 51.60% | 51.55% | 0.10% | NA |
| (b) Tier I CRAR | Tier 1 Capital | Risk weighted Assets | 51.60% | 51.55% | 0.10% | NA |
| (c) Tier II CRAR | Tier 2 Capital | Risk weighted Assets | NA | NA | 0.00% | NA |
| (d) Liquidity Coverage Ratio | High quality liquid assets amount | Total net cash flow amount | 237.11% | 210.33% | 12.73% | NA |

Note 36 There have been no other events after the reporting date that require disclosure in these financial statements

| | |
|-------|---|
| i) | The Company does not have any benami property, and no proceeding has been initiated against the Company for holding any benami property. |
| ii) | The Company does not have any transactions with struck off companies. |
| iii) | The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period. |
| iv) | The Company has not traded or invested in crypto currency or virtual currency during the financial year. |
| v) | The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: |
| a) | directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or |
| b) | provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries. |
| vi) | The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: |
| a) | directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or party (ultimate beneficiaries) or |
| b) | provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries. |
| vii) | The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). |
| viii) | The Company has not been declared as a wilful defaulter by any banks or any other financial institution at any time during the financial year or after the end of the reporting period but before the date when the financial statements are approved. |

Note 37 Disclosure of Penalties imposed by RBI and other regulators

During the current year and the previous year, there are no penalties imposed by RBI. The Company has made an application dated 18-01-2022 for voluntary surrender of the Non-Banking financial Company (NBFC)- License to the Reserve Bank of India(RBI). Status of which stands pending with RBI during the current reporting year.

Further, The Company was in receipt of a fine penalty of Rs. 63,720/- and Rs. 82,600/-for Non-Appointment of Company Secretary for the quarters ended on September 2022 and December 2022 respectively under Fines as per SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12

Note 38 Previous year amounts have been re-grouped / re-casted wherever considered necessary, to make them comparable with those of the current year.

For Goyal Nagpal & Co.
Chartered Accountants
FRN : 018289C

For and on behalf of the Board of Directors

Sd/-
(CA Virender Nagpal)
Partner
M.No. : 416004
Place : NEW DELHI
Date : 30-06-2023

Sd/-
Pranay Aneja
Managing Director
DIN: 00809285

Sd/-
Rajni Aneja
Whole Time Director
DIN: 00341959

Sd/-
Rajan Kumar Singh
Company Secretary
Membership No.: A42105